FINANCIAL STATEMENTS

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2016

The directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 October 2016.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The Company and its subsidiaries are principally engaged in the business of environmental engineering, landscaping and infrastructure, maintenance, renewable energy and the provision of management services.

The details of the principal activities of the subsidiaries are disclosed in Note 6 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	GROUP RM	COMPANY RM
Profit for the year, attributable to owners of the Company	51,713,230	22,096,374

DIVIDENDS

Further to the approval of Dividend Reinvestment Scheme ("DRS") at the Annual General Meeting held on 21 April 2015, the shareholders had approved the renewal of authority for the issuance and allotment of new ordinary shares of RM0.50 each in the Company ("CRB Shares") for the purpose of DRS at the Annual General Meeting held on 14 April 2016.

Since the end of the previous financial year, the Company paid a single-tier final dividend of 5 sen per CRB Share on 248,671,272 CRB Shares in respect of the financial year ended 31 October 2015 amounting to RM12,433,564 on 14 June 2016. The amount of RM7,510,272 were re-invested pursuant to the DRS on 14 June 2016.

As at the date of this report, the directors have not proposed any payment of dividend in respect of the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURE

On 14 June 2016, the Company increased its issued and paid-up ordinary share capital from RM124,335,636 to RM126,469,236 by way of an issuance of 4,267,200 new CRB Shares at an issue price of RM1.76 per CRB Share pursuant to the DRS. The share premium of RM5,376,672 arising from the issuance of CRB Shares has been included in the share premium account.

The new CRB Shares rank *pari passu* in all respects with the existing ordinary shares of the Company.

The Company did not issue any debenture during the financial year.

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2016

EMPLOYEE SHARE OPTIONS SCHEME ("ESOS")

No option has been granted by the Company under the new ESOS approved by the shareholders on 21 April 2015 to any party during the financial year to take up unissued shares of the Company.

DIRECTORS

The directors in office since the date of last report are:

Tan Sri Razali bin Ismail
Dato' Daud bin Ahmad
Dato' Dr. Freezailah bin Che Yeom
Headir bin Mahfidz
Megat Abdul Munir bin Megat Abdullah Rafaie
Datuk Abdul Malek bin Abdul Aziz

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, the interests in shares of directors in office at the end of the financial year in the Company and its related corporations during the financial year required to be disclosed in accordance with Section 169(6)(g) of the Companies Act, 1965 were as follows:

	Number of ordinary shares of RM0.50 each			
Name of director	**At 1.11.2015**	**Bought**	**Sold**	**At 31.10.2016**
Direct interest:				
Ordinary shares of the Company				
Tan Sri Razali bin Ismail	50,780,600	-	2,200,000	48,580,600
Dato' Daud bin Ahmad	39,396,056	1,119,000	-	40,515,056
Dato' Dr. Freezailah bin Che Yeom	175,000	4,900	-	179,900
Headir bin Mahfidz	100,000	-	-	100,000
Megat Abdul Munir bin Megat Abdullah Rafaie	20,000	-	-	20,000
Datuk Abdul Malek bin Abdul Aziz	6,000	-	-	6,000

Tan Sri Razali bin Ismail and Dato' Daud bin Ahmad by virtue of their interests in shares in the Company are also deemed to be interested in the shares of all the Company's subsidiaries to the extent the Company has an interest.

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2016

DIRECTORS' BENEFITS (CONT'D)

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in the financial statements or the fixed salary of a full-time employee of the Company as shown in Note 20 to the financial statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, except for any benefit which may be deemed to have arisen from the transactions as disclosed in Note 24 to the financial statements.

OTHER STATUTORY INFORMATION

(a) Before the statements of financial position and statements of comprehensive income of the Group and of the Company were made out, the directors took reasonable steps:

(i) to ascertain the action taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there were no known bad debts and allowance for doubtful debts was not required; and

(ii) to ensure that any current assets which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and of the Company had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the directors are not aware of any circumstances:

(i) which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent;

(ii) which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or

(iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(c) At the date of this report, there does not exist:

(i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

(d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

(e) In the opinion of the directors:

(i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature;

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2016

OTHER STATUTORY INFORMATION (CONT'D)

(e) In the opinion of the directors: (cont'd)

(ii) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet its obligations when they fall due; and

(iii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

AUDITORS

The auditors, Mazars, Chartered Accountants, have expressed their willingness to continue in office.

Signed on behalf of the directors in accordance with a directors' resolution dated

TAN SRI RAZALI BIN ISMAIL
Director

DATO' DAUD BIN AHMAD
Director

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CYPARK RESOURCES BERHAD (Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Cypark Resources Berhad, which comprise the statements of financial position as at 31 October 2016 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 60 to 126.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of these financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 October 2016 and of their financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We have considered the accounts and the auditors' report of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 6 to the financial statements.

(c) We are satisfied that the accounts of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CYPARK RESOURCES BERHAD (Incorporated in Malaysia)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS (CONT'D)

(d) The auditors' reports on the accounts of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 32 on page 126 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

MAZARS
No. AF: 001954
Chartered Accountants

YAP CHING SHIN
No. 2022/03/18 (J)
Chartered Accountant

Kuala Lumpur

Date: 13 January 2017

STATEMENTS OF FINANCIAL POSITION

- 31 OCTOBER 2016

		Group		Company	
		2016	**2015**	**2016**	**2015**
	Note	**RM**	**RM**	**RM**	**RM**
ASSETS					
NON-CURRENT ASSETS					
Plant and equipment	4	**240,598,511**	252,237,777	**161,270**	234,328
Intangible assets	5	**539,673,257**	368,324,840	**15,784,716**	11,057,063
Investments in subsidiaries	6	**-**	-	**42,150,970**	42,150,970
Deferred tax assets	7	**838,654**	1,455,609	**14,000**	-
Trade receivables	8	**5,171,075**	5,229,014	**-**	610,689
		786,281,497	627,247,240	**58,110,956**	54,053,050
CURRENT ASSETS					
Trade and other receivables	8	**191,182,840**	162,842,647	**376,502,197**	245,206,481
Other current assets	9	**1,983,241**	778,607	**1,350,275**	288,531
Tax recoverable		**276,128**	-	**-**	-
Cash and bank balances	10	**113,364,178**	101,467,139	**35,193,388**	36,731,113
		306,806,387	265,088,393	**413,045,860**	282,226,125
TOTAL ASSETS		**1,093,087,884**	892,335,633	**471,156,816**	336,279,175
EQUITY AND LIABILITIES					
CURRENT LIABILITIES					
Loans and borrowings	11	**118,961,028**	113,688,923	**29,692,076**	19,424,449
Trade and other payables	12	**177,896,993**	161,530,108	**142,209,985**	35,377,427
Tax payables		**3,634,008**	2,590,822	**2,296,008**	1,163,495
		300,492,029	277,809,853	**174,198,069**	55,965,371
NET CURRENT ASSETS/ (LIABILITIES)		**6,314,358**	(12,721,460)	**238,847,791**	226,260,754

STATEMENTS OF FINANCIAL POSITION

- 31 OCTOBER 2016

		Group		Company	
	Note	2016 RM	2015 RM	2016 RM	2015 RM
NON-CURRENT LIABILITIES					
Loans and borrowings	11	**324,109,980**	204,743,929	**-**	-
Trade payables	12	**28,155,103**	16,243,017	**-**	525,139
Deferred tax liabilities	7	**10,000**	8,000	**-**	3,000
		352,275,083	220,994,946	**-**	528,139
TOTAL LIABILITIES		**652,767,112**	498,804,799	**174,198,069**	56,493,510
NET ASSETS		**440,320,772**	393,530,834	**296,958,747**	279,785,665
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY					
Share capital	13	**126,469,236**	124,335,636	**126,469,236**	124,335,636
Share premium	13	**144,160,784**	138,784,112	**144,160,784**	138,784,112
Reverse acquisition reserve	14	**(36,700,000)**	(36,700,000)	**-**	-
Employee share option reserve	15	**-**	-	**-**	-
Retained earnings		**206,390,752**	167,111,086	**26,328,727**	16,665,917
TOTAL EQUITY		**440,320,772**	393,530,834	**296,958,747**	279,785,665
TOTAL EQUITY AND LIABILITIES		**1,093,087,884**	892,335,633	**471,156,816**	336,279,175

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 OCTOBER 2016

		Group		Company	
		2016	2015	2016	2015
	Note	RM	RM	RM	RM
Revenue	16	**282,929,184**	251,853,256	**61,759,688**	28,145,460
Cost of sales	17	**(210,357,766)**	(185,695,904)	**(26,108,622)**	(4,647,199)
Gross profit		**72,571,418**	66,157,352	**35,651,066**	23,498,261
Other income		**5,906,127**	2,325,522	**6,276,461**	6,305,549
Administrative expenses		**(6,588,422)**	(4,546,745)	**(15,802,583)**	(7,437,050)
Operating profit		**71,889,123**	63,936,129	**26,124,944**	22,366,760
Finance costs	18	**(11,809,458)**	(13,064,182)	**(308,660)**	(316,096)
Profit before tax	19	**60,079,665**	50,871,947	**25,816,284**	22,050,664
Income tax expense	21	**(8,366,435)**	(7,355,968)	**(3,719,910)**	(3,258,000)
Profit for the year		**51,713,230**	43,515,979	**22,096,374**	18,792,664
Other comprehensive income, net of tax		**-**	-	**-**	-
Total comprehensive income for the year, attributable to owners of the Company		**51,713,230**	43,515,979	**22,096,374**	18,792,664

	Note	Group 2016	Group 2015
Earnings per share attributable to owners of the Company (sen per share)			
- Basic	22	**20.66**	20.74
- Diluted	22	**20.66**	20.74

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 OCTOBER 2016

		Transactions with owners of the Company				
		Non-distributable			Distributable	
2016		**Share capital**	**Share premium**	**Reverse acquisition reserve**	**Retained earnings**	**Total equity**
Group	**Note**	**RM**	**RM**	**RM**	**RM**	**RM**
At 1 November 2015		**124,335,636**	**138,784,112**	**(36,700,000)**	**167,111,086**	**393,530,834**
Total comprehensive income		**-**	**-**	**-**	**51,713,230**	**51,713,230**
Issue of ordinary shares	13	**2,133,600**	**5,376,672**	**-**	**-**	**7,510,272**
Dividend on ordinary shares	30	**-**	**-**	**-**	**(12,433,564)**	**(12,433,564)**
At 31 October 2016		**126,469,236**	**144,160,784**	**(36,700,000)**	**206,390,752**	**440,320,772**

		Transactions with owners of the Company					
		Non-distributable				Distributable	
2015		**Share capital**	**Share premium**	**Employee share option reserve**	**Reverse acquisition reserve**	**Retained earnings**	**Total equity**
Group	**Note**	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**
At 1 November 2014		98,407,280	87,625,088	2,990,342	(36,700,000)	133,478,340	285,801,050
Total comprehensive income		-	-	-	-	43,515,979	43,515,979
Issue of ordinary shares	13	22,382,856	42,902,819	-	-	-	65,285,675
Share issuance expense	13	-	(1,800,082)	-	-	-	(1,800,082)
Exercise of employee share options	15	3,545,500	10,056,287	(2,807,147)	-	-	10,794,640
Employee share options expired		-	-	(183,195)	-	183,195	-
Dividend on ordinary shares	30	-	-	-	-	(10,066,428)	(10,066,428)
At 31 October 2015		124,335,636	138,784,112	-	(36,700,000)	167,111,086	393,530,834

The accompanying notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 OCTOBER 2016

		Transactions with owners of the Company				
		Non-distributable			Distributable	
Company	**Note**	**Share capital RM**	**Share premium RM**	**Employee share option reserve RM**	**Retained earnings RM**	**Total equity RM**
At 1 November 2014		98,407,280	87,625,088	2,990,342	7,756,486	196,779,196
Total comprehensive income		-	-	-	18,792,664	18,792,664
Issue of ordinary shares	13	22,382,856	42,902,819	-	-	65,285,675
Share issuance expense	13	-	(1,800,082)	-	-	(1,800,082)
Exercise of employee share options	15	3,545,500	10,056,287	(2,807,147)	-	10,794,640
Employee share options expired	15	-	-	(183,195)	183,195	-
Dividend paid	30	-	-	-	(10,066,428)	(10,066,428)
At 31 October 2015		124,335,636	138,784,112	-	16,665,917	279,785,665
Total comprehensive income		-	-	-	22,096,374	22,096,374
Issue of ordinary shares	13	2,133,600	5,376,672	-	-	7,510,272
Dividend paid	30	-	-	-	(12,433,564)	(12,433,564)
At 31 October 2016		**126,469,236**	**144,160,784**	**-**	**26,328,727**	**296,958,747**

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 OCTOBER 2016

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	**60,079,665**	50,871,947	**25,816,284**	22,050,664
Adjustments for:				
Depreciation of plant and equipment	**13,510,535**	13,503,695	**155,880**	156,711
Profit from construction services contracts	**(33,221,896)**	(36,427,699)	**-**	-
Allowance for doubtful debts	**-**	203,833	**-**	-
Unrealised (gain)/losses on foreign exchange	**(2,425,650)**	3,233,706	**-**	-
Finance income - other liabilities at amortised costs	**(435,804)**	-	**(7,678)**	-
Interest expense	**11,809,458**	13,064,182	**308,660**	316,096
Interest income	**(2,985,971)**	(1,748,440)	**(1,413,568)**	(739,159)
Operating cash flows before changes in working capital	**46,330,337**	42,701,224	**24,859,578**	21,784,312
Trade and other receivables	**(28,315,984)**	7,693,981	**(31,009,137)**	4,582,173
Other current assets	**(1,204,634)**	426,055	**(1,061,744)**	(56,388)
Trade and other payables	**31,468,208**	40,455,162	**28,284,840**	(2,621,382)
Cash flows generated from operations	**48,277,927**	91,276,422	**21,073,537**	23,688,715
Interest paid	**(11,734,479)**	(12,565,148)	**(308,660)**	(315,734)
Income tax paid	**(6,980,422)**	(4,780,850)	**(2,604,397)**	(729,868)
Net cash flows generated from operating activities	**29,563,026**	73,930,424	**18,160,480**	22,643,113
CASH FLOWS FROM INVESTING ACTIVITIES				
Additions on intangible assets	**(138,126,521)**	(99,738,104)	**(4,727,653)**	(4,451,085)
Purchase of plant and equipment	**(1,790,301)**	(1,548,541)	**(82,822)**	(54,457)
Interest received	**2,985,971**	1,748,440	**1,413,568**	739,159
(Advances to)/Repayments from subsidiaries	**-**	-	**(99,616,272)**	3,329,771
Net cash flows used in investing activities	**(136,930,851)**	(99,538,205)	**(103,013,179)**	(436,612)

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 OCTOBER 2016

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM	**RM**	**RM**	**RM**
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends paid	**(4,923,292)**	(10,066,428)	**(4,923,292)**	(10,066,428)
Proceeds from/(Repayments to) borrowings	**129,876,184**	(10,653,418)	**15,111,424**	(60,690,171)
(Placement)/Withdrawal of short term deposits				
with licensed banks	**(1,982,683)**	15,983,381	**-**	5,148,070
Proceeds from issuance of ordinary shares,				
net of transaction cost				
- under private placement	**-**	65,285,675	**-**	65,285,675
- under ESOS	**-**	10,794,640	**-**	10,794,640
Share issuance expense	**-**	(1,800,082)	**-**	(1,800,082)
Repayments of finance leases	**(396,975)**	(334,923)	**-**	-
Advances from a related party	**-**	2,998,603	**-**	-
Advances from/(Repayments to) subsidiaries	**-**	-	**77,970,639**	(15,432,489)
Net cash flows generated from/(used in) financing activities	**122,573,234**	72,207,448	**88,158,771**	(6,760,785)
NET INCREASES IN CASH AND CASH EQUIVALENTS	**15,205,409**	46,599,667	**3,306,072**	15,445,716
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR	**93,279,236**	46,679,569	**31,887,316**	16,441,600
CASH AND CASH EQUIVALENTS AT THE END OF YEAR (NOTE 10)	**108,484,645**	93,279,236	**35,193,388**	31,887,316

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

1. CORPORATE INFORMATION

Cypark Resources Berhad ("the Company") is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The principal place of business of the Company is located at 13A-09, Block A, Phileo Damansara II, No. 15, Jalan 16/11, 46350 Petaling Jaya, Selangor Darul Ehsan and the registered office of the Company is located at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur.

The Company is an investment holding company. The Company and its subsidiaries are principally engaged in the business of environmental engineering, landscaping and infrastructure, maintenance and renewable energy and the provision of management services.

There have been no significant changes in the nature of these principal activities during the financial year.

The details of the principal activities of the subsidiaries are disclosed in Note 6 to the financial statements.

The financial statements for the year ended 31 October 2016 were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 13 January 2017.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") issued by the Malaysian Accounting Standards Board ("MASB"), International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

The measurement bases applied in the preparation of the financial statements include historical cost, recoverable value, realisable value and fair value. Estimates are used in measuring these values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit).

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair value measurements are categorised as follows:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable inputs for the asset or liability.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 APPLICATION OF NEW OR REVISED STANDARDS

In current year, the Group and the Company have applied a number of new standards, amendments and interpretations that become effective mandatorily for the financial period beginning on or after 1 November 2015.

The adoption of the new and revised standards, amendments and interpretations did not have any material financial impact on the financial statements of the Group and of the Company.

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Group and the Company have not applied the following standards, amendments and interpretations that have been issued by the MASB but are not yet effective.

		Effective date
MFRS 14	Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 5, MFRS 7, MFRS 119 and MFRS 134	Annual Improvements to MFRSs 2012-2014 Cycle	1 January 2016
Amendments to MFRS 101	Disclosure Initiative	1 January 2016
Amendments to MFRS 107	Disclosure Initiative	1 January 2017
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
MFRS 9	Financial Instruments	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
Amendments to MFRS 15	Clarifications to MFRS 15	1 January 2018
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 12 and MFRS 128	Annual Improvements to MFRSs 2014-2016 Cycle	1 January 2018
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
MFRS 16	Leases	1 January 2019

Except as otherwise indicated below, the adoption of the above new standards, amendments, and interpretations are not expected to have significant financial impact on the financial statements of the Group and of the Company.

MFRS 9 Financial Instruments

MFRS 9 addresses the classification, recognition, derecognition, measurement and impairment of financial assets and financial liabilities, as well as general hedge accounting. It replaces MFRS 139. MFRS 9 requires financial assets to be classified into two measurement categories, i.e. at fair value and at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE (CONT'D)

MFRS 9 Financial Instruments (cont'd)

For financial liabilities, the standard retains most of the MFRS 139 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to changes in an entity's own credit risk is recorded in other comprehensive income, unless this creates an accounting mismatch. MFRS 9 contains a new impairment model based on expected losses (as oppose to 'incurred loss' model under MFRS 139), i.e. a loss event needs not occur before an impairment loss is recognised, which will result in earlier recognition of losses. The Group is yet to assess MFRS 9's full impact and will adopt MFRS 9 when it is effective.

MFRS 15 Revenue from Contracts with Customers

MFRS 15 introduces a new model for revenue recognition arising from contracts with customers. MFRS 15 will replace MFRS 111 Construction Contracts, MFRS 118 Revenue, IC Interpretation 13 Customer Loyalty Programmes, IC Interpretation 15 Agreements for the Construction of Real Estate, IC Interpretation 18 Transfers of Assets from Customers and IC Interpretation 31 Revenue - Barter Transactions Involving Advertising Services. The application of MFRS 15 may result in difference in timing of revenue recognition as compared with current accounting policies.

The Group is currently assessing the impact to the financial statements upon adopting MFRS 15, and will adopt MFRS 15 on the mandatory effective date.

MFRS 16 Leases

Currently under MFRS 117, leases are classified either as finance leases or operating leases. A lessee recognises on its statement of financial position assets and liabilities arising from finance leases but not operating leases. MFRS 16 eliminates the distinction between finance and operating leases for lessees. All leases will be brought onto its statement of financial position, and recording of certain leases as off-balance sheet leases will no longer be allowed except for some limited exemptions.

For a lessee that has material operating leases, the application of MFRS 16 may result in significant increase in assets and liabilities reported on its statement of financial position as compared with MFRS 117.

MFRS 16 will replace MFRS 117 Leases, IC Interpretation 4, Determining whether an Arrangement contains a Lease, IC Interpretation 115, Operating Leases – Incentives and IC Interpretation 127, Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The Group is currently assessing the impact to the financial statements upon adopting MFRS 16, and will adopt MFRS 16 on the mandatory effective date.

2.4 BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting dates as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 BASIS OF CONSOLIDATION (CONT'D)

All intragroup balances, income and expenses and unrealised gains and losses resulting from intragroup transactions are eliminated in full.

Acquisitions of subsidiaries are accounted for by applying the purchase method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in other comprehensive income. The cost of a business combination is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the business combination.

Any excess of the cost of business combination over the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities is recorded as goodwill on the statement of financial position. Any excess of the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised as income in profit or loss on the date of acquisition. When the Group acquires a business, embedded derivatives separated from the host contract by the acquiree are reassessed on acquisition unless the business combination results in a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

In a business combinations achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree net identifiable assets.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

On 1 October 2006, the Company acquired Cypark Sdn. Bhd. ("CSB") for a consideration satisfied by the issuance of 80,000,000 shares of RM0.50 each to the vendors. MFRS 3: Business Combination, this transaction meets the criteria of a Reverse Acquisition. The consolidated financial statements have therefore been prepared under the reverse acquisition accounting method as set out by the said Standard, with CSB being treated as the accounting acquirer of the Company.

In accordance with the principles of reverse acquisition, the consolidated financial statements have been prepared as if it had been in existence in its current group form since 1 November 2005. The consolidated financial statements represent therefore a continuation of CSB's financial statements.

The key features of the basis of consolidation under reverse acquisition are as follows:-

- The cost of the business combination is deemed to have been incurred by CSB in the form of equity instruments issued to the owners of the Company. CSB's shares were not listed prior to the acquisition and consequently the cost of the business combination has been based on the fair value of the Company's shares in issue immediately before the reverse acquisition;

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 BASIS OF CONSOLIDATION (CONT'D)

The key features of the basis of consolidation under reverse acquisition are as follows:- (cont'd)

- The assets and liabilities of CSB are recognised and measured in the consolidated financial statements at their pre-combination carrying amounts. The retained earnings and other equity balances recognised in the consolidated financial statements are those of CSB immediately before the business combination;

- The Company has been consolidated from the date of the reverse acquisition using the fair value of the identifiable assets, liabilities and contingent liabilities at that date. The cost of business combination was RM2 and therefore, goodwill of RM127,316 arose from the reverse acquisition; and

- The amount recognised as issued instruments in the consolidated financial statements is determined by adding the cost of business combination to the issued equity of CSB immediately before the business combination. However, the equity structure appearing in the consolidated financial statements is of the Company. Therefore, a reverse acquisition reserve of RM36,700,000 has been created, being the difference between the required Group's equity structure and the reported equity of the Company.

2.5 FOREIGN CURRENCY

(a) Functional and presentation currency

The financial statements of the Group and of the Company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency") and are presented in Ringgit Malaysia ("RM"), which is also the Group and the Company's functional currency.

(b) Foreign currency transactions

Transactions in foreign currencies are measured in the functional currency of the Company and its subsidiaries are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Company's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Company on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 FOREIGN CURRENCY (CONT'D)

(c) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in profit or loss.

2.6 PLANT AND EQUIPMENT

All items of plant and equipment are initially recorded at cost. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively.

Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis over the estimated useful live of the assets, at the following annual rates:

Machinery, furniture and site equipment	20%
Office equipment and renovation	10% - 20%
Motor vehicles	20%
Computer and peripherals	20% - 33.33%
Plant	4.76%

Capital work in-progress included in plant and equipment are not depreciated as these assets are not yet available for use.

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year end, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 INTANGIBLE ASSETS

(a) Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date, to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit.

Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit retained.

(b) Club membership

Club membership was acquired separately and it is not amortised as it has an indefinite useful life.

(c) Intangible assets recognised pursuant to IC Interpretation 12

Intangible assets comprising concession rights and the intangible asset model, as defined in IC Interpretation 12 are stated as cost less accumulated amortisation and impairment losses.

Intangible assets are not amortised during the year as the concession assets are still under construction. The amortisation begins when the concession assets are completed and ready for it to be capable of operating in the manner intended by management. The management intends to adopt the revenue-based amortisation policy over the duration of the concession agreement, which is in line with the pattern in which the assets' economic benefits are consumed.

At end of each reporting period, the Group assesses whether there is any indication of impairment. If such indication exists, the carrying amount is assessed and written down immediately to its recoverable amount.

The intangible asset model, as defined in IC Interpretation 12, applies to service concession arrangements where the grantor has not provided a contractual guarantee in respect of the amount receivable for constructing and operating the asset. Under this model, during construction or upgrade phase, the Group records an intangible asset representing the right to charge users of the public service and recognised profits from the construction or upgrade of the public service infrastructure. Income and expenses associated with construction contracts are recognised in accordance with MFRS 111 Construction Contracts.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 INTANGIBLE ASSETS (CONT'D)

(c) Intangible assets recognised pursuant to IC Interpretation 12 (cont'd)

Borrowing costs incurred in connection with an arrangement falling within the scope of IC Interpretation 12 will be expensed as incurred, unless the Group recognises an intangible asset under the interpretation. In this case, borrowing costs are capitalised in accordance with the general rules of MFRS 123 Borrowing Costs.

(d) Research and development expenditure

Expenditure on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding is recognised as an expense when incurred.

Expenditure on development activities, whereby the application research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised as intangible assets when the following criteria are fulfilled:-

- It is technically feasible to complete the intangible asset so that it will be available to use or sale;
- Management intends to complete the intangible asset and use or sell it;
- It can be demonstrated that the intangible asset will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the intangible assets are available; and
- The expenditure attributable to the intangible asset during its development can be reliably measured.

The expenditure capitalised include the cost of materials, expertise, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Capitalised development expenditure is measured at cost less accumulated amortisation and impairment losses, if any. Development expenditure initially recognised as an expense is not recognised as assets in the subsequent period.

The development expenditure is amortised on a straight line method over its useful economic lives when the asset is ready for use. In the event that the expected future economic benefits are no longer probable of being recovered, the development expenditure is written down to its recoverable amount.

2.8 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU").

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 IMPAIRMENT OF NON-FINANCIAL ASSETS (CONT'D)

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss in the period in which it arises. An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss. Impairment loss on goodwill is not reversed in a subsequent period.

2.9 SUBSIDIARIES

A subsidiary is an entity over which the Company has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investments in subsidiaries are measured at cost less impairment losses, if any. Impairment losses are charged to profit or loss.

On disposal, the difference between the net disposal proceeds and the carrying amount of the subsidiary disposed of is recognised in profit or loss.

2.10 FINANCIAL ASSETS

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables, held to maturity investments and available-for-sale financial assets.

(a) Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.10 FINANCIAL ASSETS (CONT'D)

(a) Financial assets at fair value through profit or loss (cont'd)

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other losses or other income.

Financial assets at fair value through profit or loss could be presented as current or non-current. Financial assets that is held primarily for trading purposes are presented as current whereas financial assets that is not held primarily for trading purposes are presented as current or non-current based on the settlement date.

The Group and the Company have not designated any financial assets as at fair value through profit or loss.

(b) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loan and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

(c) Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold the investment to maturity.

Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the held-to-maturity investments are derecognised or impaired, and through the amortisation process.

Held-to-maturity investments are classified as non-current assets, except for those having maturity within 12 months after the reporting date which are classified as current.

The Group and the Company have not designated any financial assets as held-to-maturity investments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.10 FINANCIAL ASSETS (CONT'D)

(d) Available-for-sale financial assets

Available-for-sale financial assets are financial assets that are designated as available for sale or are not classified in any of the three preceding categories.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on an available-for-sale equity instrument are recognised in profit or loss when the Group and the Company's right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

The Group and the Company have not designated any financial assets as available-for-sale financial assets.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date, the date that the Group commits to purchase or sell the asset.

2.11 IMPAIRMENT OF FINANCIAL ASSETS

The Group and the Company assess at each reporting date end whether there is any objective evidence that a financial asset is impaired.

(a) Trade and other receivables and other financial assets carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, receivables that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11 IMPAIRMENT OF FINANCIAL ASSETS (CONT'D)

(a) Trade and other receivables and other financial assets carried at amortised cost (cont'd)

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2.12 CASH AND EQUIVALENTS

Cash and cash equivalents comprise cash at bank and in hand, short term deposits at call and short term deposits pledged to banks which are subject to an insignificant risk of changes in value and have average maturity below 90 days. These also include bank overdrafts that form an integral part of the Group's cash management.

2.13 CONSTRUCTION CONTRACTS

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised over the period of contract as revenue and expenses respectively. The Group uses the percentage of completion method to determine the appropriate amount of revenue and costs to recognise in a given period; the stage of completion is measured by reference to the certified work done to date of the proportion the contract costs incurred for work performed to date compared to the estimated total contract costs.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that is probably will be recoverable; contract costs are recognised as an expense in the period in which they are incurred.

Irrespective of whether the outcome of the construction contract can be estimated reliably, when it is probable that the total contract costs will exceed the total contract revenue, the expected loss is recognised as an expense immediately.

The aggregate of the cost incurred and the attributable profit or loss recognised on each contract is compared against the progress billing up to the financial year end. When costs incurred plus attributable profits (less foreseeable losses, if any), exceed progress billing, the balance is shown as amount due from customers on construction contracts under receivables (within current assets). Where progress billing exceeds cost incurred plus attributable profits (less foreseeable losses, if any), the balance is shown as amount due to customers on construction contracts under payables (within current liabilities).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.15 FINANCIAL LIABILITIES

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of MFRS 139, are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities held for trading include derivatives entered into by the Group and the Company that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

The Group and the Company have not designated any financial liabilities as at fair value through profit or loss.

(b) Other financial liabilities

The Group's and the Company's other financial liabilities include trade payables, other payables and loans and borrowings.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.15 FINANCIAL LIABILITIES (CONT'D)

(b) Other financial liabilities (cont'd)

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.16 FINANCIAL GUARANTEE CONTRACTS

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

At the reporting date, no value was placed on corporate guarantee provided by the Company to secure credit facility granted to its subsidiaries and the purchase of plant and equipment because there was no significant difference in the net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee where the directors regard the value of the credit enhancement provided by the corporate guarantee as minimal.

2.17 BORROWING COSTS

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

2.18 EMPLOYEE BENEFITS

(a) Defined contribution plans

The Group makes contributions to the Employees Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Employees leave entitlement

Employees entitlement to annual leave are recognised as a liability when they accrue to the employee. The estimated liability for leave is recognised for services rendered by employees up to the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.18 EMPLOYEE BENEFITS (CONT'D)

(c) Employees share option plans ("ESOS")

Employees of the Group receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted. This cost is recognised in profit or loss, with a corresponding increase in the employee share option reserve over the vesting period.

The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised at the beginning and end of that period.

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The employee share option reserve is transferred to retained earnings upon expiry of the share options. When the options are exercised, the employee share option reserve is transferred to share capital if new shares are issued, or to treasury shares if the options are satisfied by the reissuance of treasury shares.

2.19 LEASES - AS LESSEE

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Leased assets are depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.20 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the Company and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.20 REVENUE (CONT'D)

(a) Landscaping, environmental projects and maintenance contracts

The contracts comprise revenue from providing an integral turnkey contract services, management services and planning and design services for external built environments and infrastructure works.

Revenue from landscaping and environmental projects are recognised based on claims submitted to or certified by customers. Maintenance contracts are based on scheduled monthly work performed as stipulated in the contracts.

Revenue from landfill projects are recognised based on work performed in accordance to a percentage of completion basis.

(b) Sale of electricity generated from renewable energy park

Revenue from the sale of electricity generated from the renewable energy park is recognised as and when the electricity is delivered to the off-taker, based on the invoiced value of sale of electricity computed at a pre-determined rate. This revenue also includes an estimated value of the electricity delivered from the date of their last meter reading and period end. Accrued unbilled revenues are reversed in the following month when actual billings occur.

(c) Interest income

Interest income is recognised on an accrual basis using the effective interest method unless recoverability is in doubt, in which case, it is recognised on receipt basis.

(d) Construction revenue

Revenue from construction contracts is accounted for by using the stage of completion method as described in Note 2.13.

(e) Management fee

Revenue from management fee is recognised on accrual basis as and when the services are performed.

(f) Dividend income

Dividend income is recognised when the right to receive payment is established.

2.21 INCOME TAXES

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.21 INCOME TAXES (CONT'D)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- here the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profits will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.22 SEGMENT REPORTING

For management purposes, the Group is organised into operating segments based on their services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Group who regularly reviews the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 29, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.23 EQUITY INSTRUMENTS

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of its liabilities.

(a) Ordinary shares

Ordinary shares are recorded at nominal value and proceeds received in excess of the nominal value of shares issues, if any, are accounted for as share premium. Both ordinary shares and share premium are classified as equity.

(b) Issuance expenses

Costs incurred directly attributable to the issuance of equity instruments are accounted for as a deduction from share premium, if any, otherwise it is charged to profit or loss.

(c) Dividends

Dividends to shareholders are recognised in equity in the period in which they are paid.

2.24 GOVERNMENT GRANT

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income may be presented as a credit in profit or loss, either separately or under a general heading such as “other income”. Alternatively, they are deducted in reporting the related expenses. The Group has presented the grant as a deduction in the related expenses.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of financial statements requires management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosures of contingent assets and liabilities at the end of reporting period, and reported amounts of income and expenses during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

Although these estimates are based on management's best knowledge of current events and actions, historical experiences and various other factor, including expectations for future events that are believed to be reasonable under the circumstances, actual results may ultimately differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

3.1 JUDGMENTS MADE IN APPLYING ACCOUNTING POLICIES

The significant judgements made by management in the process of applying the Group's accounting policies that have a significant effect on the amounts recognised in the financial statements are as follows:

(a) Revenue from landscaping, infrastructure and environmental projects

The Group and the Company recognise revenue from landscaping, infrastructure and environmental projects based on claims submitted to or certified by customers. However, there are circumstances where revenue is recognised based on work performed but yet to be certified by customers, which are commonly encountered in the final claim submitted upon the completion of the entire project.

In such circumstances, significant judgement is required in determining the amount to be recognised as revenue based on work performed. In making the judgement, the Group and the Company evaluate based on past experience and by relying on the work of other specialists. It is also the policy of the Group and of the Company to have informal discussion with the customers on the amount to be claimed before the formal claims are submitted.

The directors are of the opinion that all claims submitted based on work performed will not differ materially from the eventual certification by the customers.

(b) Revenue from construction and services contracts

The Group recognises contract revenue and cost based on percentage of completion method. The stage of completion is measured by reference to the contract costs incurred for work performed to date bear to the estimated total contract costs. Significant judgement is required in determining the stage of completion, the extent of the contract costs incurred, the estimated total contract revenue (for contracts other than fixed price contracts) and contract costs, as well as the recoverability of the contracts. Total contract revenue also includes an estimation of the recoverable variation works that are recoverable from customers. In making these judgements, the Group relies on past experience and work of specialist.

(c) Revenue and cost recognition for intangible assets model

The Group adopts the intangible asset model as defined in IC Interpretation 12, and has recognised a reasonable construction margin for the construction of its concession assets. Income and expenses associated with the said construction are recognised based on percentage of completion method. The estimated margin is based on relative fair value of the concession assets less estimated cost of construction of the concession assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

3.2 KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future and other key sources associated with estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are as follows:-

(a) Impairment of intangible assets

The Group determines whether concession asset, development expenditure and goodwill are impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units ("CGU") to which these assets are allocated. Estimating the value in use requires management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those future cash flows. The future cash flows are most sensitive to budgeted gross margins, growth rates and discount rate used. If the expectation is different from the estimation, such difference will impact the carrying amounts of the intangible assets.

(b) Impairment of investment in subsidiaries and plant and equipment

The management determines whether the carrying amounts of its investments in subsidiaries and plant and equipment are impaired at each reporting date. This involves measuring the recoverable amounts which includes fair value less costs to sell. Based on the assessment of the directors, adequate impairment losses has been recognised in the financial statements of the Group and of the Company.

(c) Impairment of loans and receivables

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivable at the reporting date is disclosed in Note 8.

(d) Employee share option

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for payment transactions and the carrying amounts are disclosed in Note 23.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

3.2 KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

The key assumptions concerning the future and other key sources associated with estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are as follows:- (cont'd)

(e) Income taxes

Significant judgement is involved in determining the capital allowances and deductibility of expenses during the estimation of the provision for income tax. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(f) Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unutilised tax credits and tax losses to the extent that it is probable that taxable profits will be available in future against which the deductible temporary differences and unutilised tax losses can be utilised.

Significant judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and level of future taxable profit together with future tax planning strategies.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

4. PLANT AND EQUIPMENT

Group	Machinery, furniture and site equipment RM	Office equipment and renovation RM	Motor vehicles RM	Computer and peripherals RM	Plant RM	Capital work-in-progress RM	Total RM
Cost							
At 1 November 2014	3,696,653	679,251	2,931,662	1,368,348	264,281,754	18,531,581	291,489,249
Additions	9,111	11,830	650,000	43,112	396,080	1,023,408	2,133,541
At 31 October 2015	3,705,764	691,081	3,581,662	1,411,460	264,677,834	19,554,989	293,622,790
Additions	-	1,394	562,000	86,651	1,018,217	572,039	2,240,301
Reversal	-	-	-	-	-	(369,032)	(369,032)
Reclassification	-	-	-	-	47,203	(47,203)	-
At 31 October 2016	**3,705,764**	**692,475**	**4,143,662**	**1,498,111**	**265,743,254**	**19,710,793**	**295,494,059**
Accumulated depreciation							
At 1 November 2014	1,884,971	371,825	1,734,053	1,204,079	22,686,390	-	27,881,318
Charge for the year	198,156	129,797	505,659	66,318	12,603,765	-	13,503,695
At 31 October 2015	2,083,127	501,622	2,239,712	1,270,397	35,290,155	-	41,385,013
Charge for the year	187,462	115,057	490,078	68,550	12,649,388	-	13,510,535
At 31 October 2016	**2,270,589**	**616,679**	**2,729,790**	**1,338,947**	**47,939,543**	**-**	**54,895,548**
Net carrying amount							
At 31 October 2016	**1,435,175**	**75,796**	**1,413,872**	**159,164**	**217,803,711**	**19,710,793**	**240,598,511**
At 31 October 2015	1,622,637	189,459	1,341,950	141,063	229,387,679	19,554,989	252,237,777

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

4. PLANT AND EQUIPMENT (CONT'D)

Company	Office equipment and renovation RM	Motor vehicles RM	Computer and peripherals RM	Total RM
Cost				
At 1 November 2014	447,020	30,049	187,532	664,601
Additions	11,830	-	42,627	54,457
At 31 October 2015	458,850	30,049	230,159	719,058
Additions	-	-	82,822	82,822
At 31 October 2016	**458,850**	**30,049**	**312,981**	**801,880**
Accumulated depreciation				
At 1 November 2014	245,299	19,101	63,619	328,019
Charge for the year	101,006	6,009	49,696	156,711
At 31 October 2015	346,305	25,110	113,315	484,730
Charge for the year	91,169	4,294	60,417	155,880
At 31 October 2016	**437,474**	**29,404**	**173,732**	**640,610**
Net carrying amount				
At 31 October 2016	**21,376**	**645**	**139,249**	**161,270**
At 31 October 2015	112,545	4,939	116,844	234,328

Acquisitions of plant and equipment during the financial year were financed by:

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Cash payments	**1,790,301**	1,548,541	**82,822**	54,457
Finance lease arrangement	**450,000**	585,000	**-**	-
	2,240,301	2,133,541	**82,822**	54,457

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

4. PLANT AND EQUIPMENT (CONT'D)

Assets held under finance lease

The carrying amount of Group's motor vehicles held under finance leases at the reporting date was RM1,411,940 (2015: RM1,334,007).

Lease assets are pledged as security for the related lease liabilities (Note 25 (c)).

Capital work in-progress

The capital work in-progress relates to expenditures for renewable energy plants in the course of construction.

Capitalisation of borrowing costs

The Group's plant and equipment include borrowing costs arising from bank loans borrowed specifically for the purpose of the construction of the plants. During the financial year, the borrowing costs capitalised as cost of plant and equipment amounted to RM499,101 (2015: RM909,402).

5. INTANGIBLE ASSETS

Group	Intangible asset recognised pursuant to IC 12 RM	Development expenditure RM	Club membership RM	Goodwill RM	Total RM
At 1 November 2014	225,970,951	5,562,938	170,000	455,148	232,159,037
Additions	132,534,420	3,631,383	-	-	136,165,803
At 31 October 2015	358,505,371	9,194,321	170,000	455,148	368,324,840
Additions	168,099,798	3,248,619	-	-	171,348,417
At 31 October 2016	**526,605,169**	**12,442,940**	**170,000**	**455,148**	**539,673,257**

Company	2016 RM	2015 RM
Development expenditure		
At 1 November	**11,057,063**	6,605,978
Additions	**4,727,653**	4,451,085
At 31 October	**15,784,716**	11,057,063

5. INTANGIBLE ASSETS (CONT'D)

(a) Intangible asset recognised pursuant to IC 12

Intangible asset represents fair value of the consideration receivable for the construction service delivered during the construction stage on a mark-up basis on the cost incurred, which in line with the industry practice.

As the concession asset is still under construction, hence the intangible asset is not amortised (2015: NIL) until it is complete or ready for it to be capable of operating in the manner intended by management.

The recoverable amount has been determined based on value in use calculation using cash flows projections from financial budgets approved by the Directors.

During the financial year, the borrowing costs capitalised in the intangible assets amounted to RM11,684,737 (2015: RM6,519,295).

(b) Development expenditure

Development expenditure comprise of expenditures incurred on designing and testing of new or substantially improved products and processes relating to the use of a special technique and design of tools in renewable energy industry. Management believes that it will increase the yield and profit streams principally from renewable energy segment where it can be reasonably anticipated that the costs will be recovered through commercialisation, sale and marketing of all the resulting products from the development.

The development expenditure is not amortised during the financial year (2015: NIL) as it is not ready for its intended use as at the end of the reporting period. The development expenditure will be amortised using the straight-line basis over the estimated commercial lives once it is ready for use.

The recoverable amount has been determined based on value in use calculation using cash flows projections from financial budgets approved by the Directors.

(c) Goodwill

Goodwill arises from the reverse acquisition of the Company in prior years and also the business combination with the three group of subsidiaries. Goodwill is allocated, at acquisition date, to cash generating units ("CGU") that are expected to benefit from that business combination.

The Group tests the goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

(i) Goodwill arises from reverse acquisition

The recoverable amount of this goodwill has been determined based on value in use calculation using cash flow projections from financial budgets approved by the directors covering a five-year period. The pre-tax discount rate applied to the cash flow projections is 12% (2015: 12%). Gross margins are based on average values achieved in the preceding three years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

5. INTANGIBLE ASSETS (CONT'D)

(c) Goodwill (cont'd)

(ii) Goodwill allocated to subsidiaries in sale of renewable energy segment

The recoverable amount of this goodwill has been determined based on value in use calculation using cash flow projections from financial budgets approved by the directors.

The cash flows were projected based on past experience, actual operating results and long term budget as the subsidiaries have entered into Renewable Energy Power Purchase Agreement ("REPPA") with Tenaga Nasional Berhad ("TNB") for the sale of green electricity to TNB for a duration of 21 years from the day of inception. Management believe that the forecast was justified due to the long term nature of the business.

The revenue is projected in accordance with the installed capacity of the plant and Feed-In-Tariff ("FIT") rate as stated in the REPPA. The budgeted gross margin used to determine the gross margin is the average gross margin achieved in the similar industry and achieved by the subsidiaries in the period immediately before the budget period.

The pre-tax discount rate used is 8% (2015: 8%) which approximate the CGU's cost of fund.

The Group believes that any reasonably possible change in the above key assumptions applied are not likely to materially cause recoverable amount to be lower than its carrying amount.

6. INVESTMENTS IN SUBSIDIARIES

	Company	
	2016	**2015**
	RM	**RM**
Unquoted shares, at cost		
At 31 October	**42,150,970**	42,150,970

Details of the subsidiaries are as follows:

Name of subsidiary	Principal activity	Proportion (%) of ownership interest 2016	2015
Held by the Company:			
Cypark Sdn. Bhd.	Landscape specialist that offers integrated turnkey contract services, management services, planning and design services for external built environment and landscape maintenance services, project management services and infrastructure developments.	**100**	100
Cypark Renewable Energy Sdn. Bhd.	Investment holding and renewable energy specialist that offers environmental engineering and integrated turnkey contract services, management services and planning and design services.	**100**	100

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows: (cont'd)

Name of subsidiary	Principal activity	Proportion (%) of ownership interest 2016	2015
Cypark Smart Resources Sdn. Bhd.	Investment holding.	**100**	100
Held through Cypark Renewable Energy Sdn. Bhd.:			
Cypark Suria (Negeri Sembilan) Sdn. Bhd.	Investment holding.	**100**	100
Kenari Pasifik Sdn. Bhd.*#	Investment holding.	**-**	-
Tiara Insight Sdn. Bhd.*#	Investment holding.	**-**	-
Semangat Sarjana Sdn. Bhd.*#	Investment holding.	**-**	-
Held through Cypark Suria (Negeri Sembilan) Sdn. Bhd.:			
Cypark Suria (Pajam) Sdn. Bhd.	Renewable energy.	**100**	100
Cypark Suria (Kuala Sawah) Sdn. Bhd.	Renewable energy.	**100**	100
Cypark Suria (Bukit Palong) Sdn. Bhd.	Dormant.	**100**	100
Cypark Suria (Sua Betong) Sdn. Bhd.	Dormant.	**100**	100
Held through Kenari Pasifik Sdn. Bhd.			
Gaya Dunia Sdn. Bhd.*#	Renewable energy.	**-**	-
Held through Tiara Insight Sdn. Bhd.			
Rentak Raya Sdn. Bhd.*#	Renewable energy.	**-**	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows: (cont'd)

Name of subsidiary	Principal activity	Proportion (%) of ownership interest 2016	2015
Held through Semangat Sarjana Sdn. Bhd.			
Ambang Fiesta Sdn. Bhd.*#	Renewable energy.	**-**	-
Held through Cypark Smart Resources Sdn. Bhd.			
Cypark Smart Technology (Holdings) Sdn. Bhd.	Investment holding.	**100**	100
Held through Cypark Smart Technology (Holdings) Sdn. Bhd.:			
Cypark Smart Technology (NS) Sdn. Bhd.	Investment holding.	**100**	100
Held through Cypark Smart Technology (NS) Sdn. Bhd.:			
Cypark Smart Technology Sdn. Bhd.	Waste management facilities.	**100**	100

All the subsidiaries are incorporated in Malaysia.

* Audited by firm other than Mazars
# Refer to Note 6 (b)

(a) On 15 July 2015, the Company had increased its investment in Cypark Renewable Energy Sdn Bhd ("CRE") from RM250,000 to RM1,000,000 by way of subscribing 750,000 ordinary shares of RM1.00 each at par in CRE through the capitalisation of amount owing to Cypark Resources Berhad.

(b) Business combination

The Group has control over the financial and operating policies of these entities and receives substantially all of the benefits related to their operations and net assets. Consequently, the Group consolidates these six companies as subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(b) Business combination (cont'd)

	Date of control obtained	Effective ownership interest	Consideration transferred
(i) Kenari Pasifik Sdn. Bhd.	30.4.2013	-	-
(ii) Tiara Insight Sdn. Bhd.	30.4.2013	-	-
(iii) Semangat Sarjana Sdn. Bhd.	30.4.2013	-	-
Held through Kenari Pasifik Sdn. Bhd.:			
(iv) Gaya Dunia Sdn. Bhd.	30.4.2013	-	-
Held through Tiara Insight Sdn. Bhd.:			
(v) Rentak Raya Sdn. Bhd.	30.4.2013	-	-
Held through Semangat Sarjana Sdn. Bhd.:			
(vi) Ambang Fiesta Sdn. Bhd.	30.4.2013	-	-

7. DEFERRED TAX ASSETS/(LIABILITIES)

Deferred tax assets/(liabilities) as at 31 October relate to the following:

Group	As at 1 November 2014 RM	Recognised in profit or loss (Note 21) RM	As at 31 October 2015 RM	Recognised in profit or loss (Note 21) RM	As at 31 October 2016 RM
Deferred tax assets:					
Provisions	38,481	(7,555)	30,926	26,664	**57,590**
Trade payables	-	896,800	896,800	(581,200)	**315,600**
Trade receivables	114,344	(63,386)	50,958	(50,958)	-
Unabsorbed capital allowances	26,364,796	3,776,204	30,141,000	4,630,393	**34,771,393**
Unutilised business losses	530,222	(530,222)	-	-	**-**
Unabsorbed investment tax allowances	274,161	771,101	1,045,262	1,212,898	**2,258,160**
	27,322,004	4,842,942	32,164,946	5,237,797	**37,402,743**

7. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

Deferred tax assets/(liabilities) as at 31 October relate to the following: (cont'd)

Group	As at 1 November 2014 RM	Recognised in profit or loss (Note 21) RM	As at 31 October 2015 RM	Recognised in profit or loss (Note 21) RM	As at 31 October 2016 RM
Deferred tax liabilities:					
Plant and equipment	(26,058,761)	(4,658,576)	(30,717,337)	(5,856,752)	**(36,574,089)**
Trade payables	(255,124)	255,124	-	-	**-**
	(26,313,885)	(4,403,452)	(30,717,337)	(5,856,752)	**(36,574,089)**
	1,008,119	439,490	1,447,609	(618,955)	**828,654**

Company	As at 1 November 2014 RM	Recognised in profit or loss (Note 21) RM	As at 31 October 2015 RM	Recognised in profit or loss (Note 21) RM	As at 31 October 2016 RM
Deferred tax assets:					
Provisions	18,918	(11,692)	7,226	26,964	**34,190**
Trade receivables	13,954	(13,954)	-	-	**-**
Unutilised business losses	530,222	(530,222)	-	-	**-**
Unabsorbed capital allowances	22,107	(22,107)	-	-	**-**
	585,201	(577,975)	7,226	26,964	**34,190**
Deferred tax liabilities:					
Plant and equipment	(18,076)	7,850	(10,226)	(9,964)	**(20,190)**
Trade payables	(12,125)	12,125	-	-	**-**
	(30,201)	19,975	(10,226)	(9,964)	**(20,190)**
	555,000	(558,000)	(3,000)	17,000	**14,000**

7. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

Presented after appropriate offsetting as follows:-

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Deferred tax assets	**838,654**	1,455,609	**14,000**	-
Deferred tax liabilities	**(10,000)**	(8,000)	**-**	(3,000)
	828,654	1,447,609	**14,000**	(3,000)

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2016 RM	2015 RM
Unutilised business losses	**20,786,231**	12,685,905
Unabsorbed investment tax allowances	**251,835,156**	255,445,402
	272,621,387	268,131,307

The Group is eligible to claim 100% investment tax allowance ("ITA") on all qualifying expenditures incurred for its renewable energy business segment, within 5 years from the date that the qualifying expenditure is first incurred. ITA on the said qualifying expenditure together with unutilised business losses are available for offset against the future taxable profits of the Group, subject to the agreement of the Inland Revenue Board.

8. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Current				
Trade receivables				
Third parties (Note 8(a))	**36,370,004**	19,361,041	**8,238,074**	11,669,304
Retention sums	**1,791,198**	505,492	**699,226**	-
Unbilled amounts due from customers on work performed (Note 8(a))	**142,189,090**	134,710,140	**111,104,696**	77,880,701
Amounts due from subsidiaries (Note 8(b))	**-**	-	**11,800,000**	10,600,000
	180,350,292	154,576,673	**131,841,996**	100,150,005
Less: Allowance for doubtful debts	**-**	(203,833)	**-**	-
Trade receivables, net	**180,350,292**	154,372,840	**131,841,996**	100,150,005

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FOR THE YEAR ENDED 31 OCTOBER 2016

8. TRADE AND OTHER RECEIVABLES (CONT'D)

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Other receivables				
Amounts due from subsidiaries	**-**	-	**244,135,414**	144,519,142
Sundry receivables	**8,505,360**	7,247,267	**327,543**	315,720
Refundable deposits	**2,327,188**	1,222,540	**197,244**	221,614
	10,832,548	8,469,807	**244,660,201**	145,056,476
Total	**191,182,840**	162,842,647	**376,502,197**	245,206,481
Non-current				
Trade receivables				
Retention sums	**5,171,075**	5,229,014	**-**	610,689
Total trade and other receivables	**196,353,915**	168,071,661	**376,502,197**	245,817,170
Add: Cash and bank balances (Note 10)	**113,364,178**	101,467,139	**35,193,388**	36,731,113
Less: Unbilled amounts due from customers on work performed	**(142,189,090)**	(134,506,307)	**(111,104,696)**	(77,880,701)
Total loans and receivables	**167,529,003**	135,032,493	**300,590,889**	204,667,582

(a) TRADE RECEIVABLES

The Group's and the Company's normal trade credit term ranges from 60 to 90 (2015: 60 to 90) days. Other credit terms are assessed and approved on a case-by-case basis. Trade receivables are recognised at their original invoice amounts which represent their fair values on initial recognition.

Subsequent to the financial year end, the Group and the Company has billed RM17,094,156 (2015: RM19,298,437) and RM13,098,100 (2015: RMnil) respectively out of the unbilled amount due from customers on work performed.

Subsequent collections from trade receivables of the Group and the Company amounted to RM22,977,348 (2015: RM28,649,545) and RM2,837,700 (2015: RM3,485,823) respectively.

8. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) TRADE RECEIVABLES (CONT'D)

Ageing analysis of trade receivables

The ageing analysis of the Group's and Company's trade receivables (excluding unbilled amounts due from customers on work performed) are as follows:

	Group		Company	
	2016 RM	**2015 RM**	**2016 RM**	**2015 RM**
Neither past due nor impaired	**23,756,193**	23,058,336	**12,499,226**	22,274,004
31 to 60 days past due not impaired	**3,640,622**	281,884	**34,746**	-
61 to 90 days past due not impaired	**2,344,692**	409	**-**	-
More than 91 days past due not impaired	**13,590,770**	1,754,918	**8,203,328**	605,989
	19,576,084	2,037,211	**8,238,074**	605,989
Impaired	**-**	-	**-**	-
	43,332,277	25,095,547	**20,737,300**	22,879,993

(i) Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are retention sums and creditworthy debtors with good payment records with the Group.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

(ii) Receivables that are past due but not impaired

The Group and the Company have trade receivables amounting to RM19,576,084 (2015: RM2,037,211) and RM8,238,074 (2015: RM605,989), respectively that are past due at the reporting date but not impaired. The Group's trade receivables arise from customers with more than four years of experience with the Group and with good track records. The receivables that are past due but not impaired are unsecured in nature. Accordingly, the directors are of the opinion that no additional allowance for doubtful debts is required.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

8. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) TRADE RECEIVABLES (CONT'D)

(iii) Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance account used to record the impairment are as follows:

	Group Individual impaired	
	2016	**2015**
	RM	**RM**
Trade receivables - nominal amounts	**-**	203,833
Less: Allowance for doubtful debts	**-**	(203,833)
	-	-

Movement in allowance accounts:

	Group	
	2016	**2015**
	RM	**RM**
At 1 November	**203,833**	-
Addition	**-**	203,833
Written off against unbilled amounts due from customers on work performed	**(203,833)**	-
At 31 October	**-**	203,833

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

(b) AMOUNTS DUE FROM SUBSIDIARIES

Amounts due from subsidiaries are unsecured, non-interest bearing and repayable on demand.

(c) GRANT RECEIVABLES

Included in sundry receivables is an amount of RM4,493,075 (2015: RM4,493,075) which represents the government grant receivable by the Group in relation to the construction of facilities for the Waste-To-Energy ("WTE") project at Ladang Tanah Merah. In prior year, the grant income receivable of RM4,493,075 had been offset against its costs.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

9. OTHER CURRENT ASSETS

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Prepaid operating expenses	**1,056,732**	750,207	**454,735**	260,751
GST recoverable	**926,509**	28,400	**895,540**	27,780
	1,983,241	778,607	**1,350,275**	288,531

GST recoverable pertains to net amount of GST recoverable from the Royal Malaysian Customs Department.

10. CASH AND BANK BALANCES

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Short term deposits with licensed banks	**67,152,710**	72,757,550	**21,410,122**	32,595,954
Cash at banks and in hand	**46,211,468**	28,709,589	**13,783,266**	4,135,159
Cash and bank balances (Note 8)	**113,364,178**	101,467,139	**35,193,388**	36,731,113

Deposits with licensed banks of the Group and of the Company amounting to RM49,162,221 (2015: RM43,739,682) and RM9,194,660 (2015: RM8,928,564) respectively are pledged to licensed banks for credit facilities granted to the Group and the Company.

The interest rates of deposits with licensed banks for the Group and the Company ranging from 1.95% to 3.40% (2015: 2.20% to 3.45%) per annum. The maturities of these deposits at the respective reporting dates ranging from 1 to 365 days (2015: 1 to 365 days).

For the purposes of the statements of cash flows, cash and cash equivalents comprise the following at the reporting date.

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Cash at banks and in hand	**46,211,468**	28,709,589	**13,783,266**	4,135,159
Short term deposits with licensed banks with maturities less than 90 days	**62,273,177**	69,860,700	**21,410,122**	32,595,954
Bank overdrafts (Note 11)	**-**	(5,291,053)	**-**	(4,843,797)
Cash and cash equivalents	**108,484,645**	93,279,236	**35,193,388**	31,887,316

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

11. LOANS AND BORROWINGS

		Group		Company	
		2016	2015	2016	2015
	Maturity	RM	RM	RM	RM
Current					
Secured:					
Finance leases (Note 25(c))	2017	**439,228**	371,847	**-**	-
Bank overdrafts	2017	**-**	5,291,053	**-**	4,843,797
Trust receipts	2017	**53,163,480**	35,647,703	**27,692,076**	12,580,652
Revolving credits	2017	**48,000,000**	48,000,000	**2,000,000**	2,000,000
Term loans	2017	**17,358,320**	24,378,320	**-**	-
		118,961,028	113,688,923	**29,692,076**	19,424,449
Non-current					
Secured:					
Finance leases (Note 25(c))	2018 - 2023	**1,338,196**	1,352,552	**-**	-
Term loans	2018 -2026	**322,771,784**	203,391,377	**-**	-
		324,109,980	204,743,929	**-**	-
Total loans and borrowings (Note 12)		**443,071,008**	318,432,852	**29,692,076**	19,424,449

The remaining maturities of the loans and borrowings at the reporting date are as follows:-

	Group		Company	
	2016	2015	2016	2015
	RM	RM	RM	RM
On demand or within 1 year	**118,961,028**	113,688,923	**29,692,076**	19,424,449
More than 1 year and less than 2 years	**24,312,969**	28,764,052	**-**	-
More than 2 years and less than 5 years	**114,208,324**	79,829,798	**-**	-
5 years or more	**185,588,687**	96,150,079	**-**	-
	443,071,008	318,432,852	**29,692,076**	19,424,449

11. LOANS AND BORROWINGS (CONT'D)

The breakdowns of Islamic and Conventional loans and borrowings are as follow:-

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM	**RM**	**RM**	**RM**
Current				
Islamic	**98,460,480**	90,380,499	**29,692,076**	19,424,449
Conventional	**20,500,548**	23,308,424	**-**	-
	118,961,028	113,688,923	**29,692,076**	19,424,449
Non-current				
Islamic	**229,758,728**	98,000,000	**-**	-
Conventional	**94,351,252**	106,743,929	**-**	-
	324,109,980	204,743,929	**-**	-

Obligation under finance leases

These obligations are secured by a charge over the leased assets (Note 4). The flat discount rate implicit in these leases ranged between 2.31% and 3.40% (2015: 2.31% and 3.40%) per annum.

Bank overdrafts

Bank overdrafts bear interests ranging from base lending rate ("BLR") + 1% to BLR + 1.75% (2015: BLR + 1% to BLR + 1.75%) per annum.

Trust receipts

Trust receipts bear interests ranging from BLR + 0.5% to BLR + 1.25% and cost of funds ("COF") + 1% to COF + 1.25% (2015: BLR + 0.5% to BLR + 1.25% and COF + 1% to COF + 1.25%) per annum.

Revolving credits

Revolving credits bear interest ranging from COF + 1.75% to COF + 2.5% (2015: COF + 1.75% to COF + 2.5%) and BLR + 0.75% (2015: BLR + 0.75%) per annum.

Term loans

Term loans bear interests ranging from COF + 1.75% to COF + 2.25% and at BLR (2015: COF + 2% to COF + 2.25% and at BLR) per annum and are secured by corporate guarantee issued by the Company.

The above facilities (except for obligation under finance lease and term loans) are secured by way of existing deposits pledged to the financial institutions and corporate guarantee issued by the Company.

12. TRADE AND OTHER PAYABLES

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Current				
Trade payables				
Third parties	**164,438,187**	139,448,705	**8,693,719**	1,427,445
Retention sums	**1,995,976**	2,102,258	**368,936**	-
Amounts due to subsidiaries	**-**	-	**17,015,351**	-
	166,434,163	141,550,963	**26,078,006**	1,427,445
Other payables				
Amounts due to subsidiaries	**-**	-	**108,755,704**	30,785,065
Sundry payables	**825,605**	14,021,840	**379,855**	1,206,514
Accruals	**10,637,225**	5,957,305	**6,996,420**	1,958,403
	11,462,830	19,979,145	**116,131,979**	33,949,982
Total	**177,896,993**	161,530,108	**142,209,985**	35,377,427
Non-current				
Trade payables				
Third parties	**17,523,649**	-	**-**	-
Retention sums	**10,631,454**	16,243,017	**-**	525,139
	28,155,103	16,243,017	**-**	525,139
Total trade and other payables	**206,052,096**	177,773,125	**142,209,985**	35,902,566
Add: Loans and borrowings (Note 11)	**443,071,008**	318,432,852	**29,692,076**	19,424,449
Total financial liabilities carried at amortised cost	**649,123,104**	496,205,977	**171,902,061**	55,327,015

(a) TRADE PAYABLES

These amounts are non-interest bearing. The normal trade credit terms granted to the Group and the Company are ranging from 30 to 90 days (2015: 30 to 90 days) although it is customary for the credit terms to be extended beyond 90 days based on case-by-case basis.

Included in trade payables and other payables of the Group is an amount due to a related party of RM4,701,495 (2015: RM6,468,134) and RMNil (2015: RM2,998,603), respectively.

Included in the Group's trade payables is an amount of approximately RM89,600,000 which will be satisfied through the disbursement of the long term bank loans secured from the local financial institutions in the next financial year.

(b) AMOUNTS DUE TO SUBSIDIARIES

These amounts are unsecured, non-interest bearing and repayable on demand.

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13. SHARE CAPITAL AND SHARE PREMIUM

	2016 RM	2015 RM
Authorised share capital:		
500,000,000 ordinary shares of RM0.50 each	**250,000,000**	250,000,000

	Number of ordinary shares of RM0.50 each	Amounts: Share capital RM	Share premium RM	Total share capital and share premium RM
Issued and paid up:				
At 1 November 2014	196,814,560	98,407,280	87,625,088	186,032,368
Ordinary shares issued for cash				
- Under private placement	44,765,712	22,382,856	42,902,819	65,285,675
- Under ESOS	7,091,000	3,545,500	10,056,287	13,601,787
Transaction cost	-	-	(1,800,082)	(1,800,082)
At 31 October 2015	248,671,272	124,335,636	138,784,112	263,119,748
Ordinary shares issued for cash under DRS	4,267,200	2,133,600	5,376,672	7,510,272
At 31 October 2016	**252,938,472**	**126,469,236**	**144,160,784**	**270,630,020**

On 14 June 2016, the Company increased its issued and paid-up ordinary share capital from RM124,335,636 to RM126,469,236 by way of an issuance of 4,267,200 new ordinary shares of RM0.50 each in the Company ("CRB Shares") at an issue price of RM1.76 per CRB Share pursuant to the DRS. The share premium of RM5,376,672 arising from the issuance of CRB Shares has been included in the share premium account.

The new CRB Shares rank *pari passu* in all respects with the existing ordinary shares of the Company.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

Dividend Reinvestment Scheme ("DRS")

The DRS was established upon the approval from shareholders at the Annual General Meeting held on 21 April 2015. The DRS provides shareholders with the option to reinvest their dividends partially or wholly in new CRB shares in lieu of receiving cash.

Shareholders are expected to benefit from their participation in the DRS as the new shares may be issued at a discount and the DRS provides flexibility for the shareholders to choose to receive the dividends in cash or reinvesting into the Company.

The DRS will also benefit the Company as the reinvestment of dividends by the shareholders in new shares will enlarge the share capital base and strengthen the capital position of the Company. The cash retained will be preserved to fund the Group's continuing growth and expansion plan and for the Group's working capital purpose.

NOTES TO THE FINANCIAL STATEMENTS

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13. SHARE CAPITAL AND SHARE PREMIUM (CONT'D)

In relation to dividends to be declared, the Board of directors ("Board") may, at its absolute discretion, determine whether to offer shareholders the reinvestment option and where applicable, the Electable Portion of the dividends to which the reinvestment option applies. The Company is not obliged to undertake the DRS for every dividend to be declared.

In this respect, the Electable Portion may encompass the whole dividends declared or only a portion of the dividends. In the event the Electable Portion is not applicable for the whole dividends declared, the Non-Electable Portion will be paid in cash.

The issue price of such new shares will be fixed by the Board on the price fixing date and shall be determined based on the 5-day Volume Weighted Average Price ("VWAP") of the CRB Shares immediately preceding the price fixing date, with a discount of not more than ten percent (10%). The VWAP shall be adjusted ex-dividends before applying the said discount in fixing the Issue Price. In any event, the Issue Price will not be lower than the par value of CRB Shares of RM0.50 each.

14. REVERSE ACQUISITION RESERVE

In accordance with the principles of reverse acquisition in MFRS 3: Business Combination, the amount recognised as issued instruments in the consolidated financial statements is determined by adding the cost of the business combination to the issued equity of the subsidiary being acquired immediately before the business combination. However, the equity structure appearing in the consolidated financial statements is of the Company.

Therefore, a reverse acquisition reserve of RM36,700,000 has been created, being the difference between the required Group's equity structure and the reported equity of the Company.

15. EMPLOYEE SHARE OPTION RESERVE

Employee share option reserve represents the equity-settled share options granted to employees (Note 23). The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the expiry or exercise of the share options.

16. REVENUE

	Group		**Company**	
	2016	**2015**	**2016**	**2015**
	RM	**RM**	**RM**	**RM**
Environment engineering	**195,480,614**	135,851,841	**19,892,018**	1,545,460
Landscaping and infrastructure	**39,086,586**	73,336,182	**16,000,000**	-
Maintenance works	**1,817,670**	3,000,000	**1,817,670**	3,000,000
Green tech and renewable energy	**46,544,314**	39,665,233	**-**	-
Management fee	**-**	-	**14,050,000**	13,600,000
Dividend income	**-**	-	**10,000,000**	10,000,000
	282,929,184	251,853,256	**61,759,688**	28,145,460

Included in the revenue of environmental engineering segment is an amount of RM156,415,061 (2015: RM126,015,125) which represents revenue from construction services contracts.

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17. COST OF SALES

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM	**RM**	**RM**	**RM**
Environmental engineering	**150,944,180**	98,505,072	**9,489,362**	3,157,219
Landscaping and infrastructure	**32,995,847**	63,186,442	**15,209,260**	-
Maintenance works	**1,410,000**	1,489,980	**1,410,000**	1,489,980
Green tech and renewable energy	**25,007,739**	22,514,410	**-**	-
	210,357,766	185,695,904	**26,108,622**	4,647,199

Cost of sales comprised sub-contractors' costs, material costs, labour costs and site expenses.

18. FINANCE COSTS

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM	**RM**	**RM**	**RM**
Interest expense on:				
- bank overdrafts	**62,721**	264,446	**-**	119,403
- finance leases	**95,127**	77,787	**-**	-
- term loans	**9,794,960**	9,679,218	**-**	91,191
- bills of discounting	**-**	30,199	**-**	-
- revolving credits	**792,941**	888,430	**-**	31,729
- letter of credits	**30,647**	47,023	**-**	-
- trust receipts	**603,964**	1,119,745	**-**	8,812
- bank facility fees	**10,000**	-	**-**	-
- bank guarantee commissions	**344,119**	458,301	**308,660**	64,599
Unwinding of discount	**74,979**	499,033	**-**	362
	11,809,458	13,064,182	**308,660**	316,096

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19. PROFIT BEFORE TAX

The following items have been included in arriving at profit before tax:

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Auditors' remuneration :				
- auditors of the Company	**195,000**	188,000	**61,000**	58,000
- other auditors	**25,500**	25,500	**-**	-
Allowance for doubtful debts	**-**	203,833	**-**	-
Depreciation of plant and equipment	**13,510,535**	13,503,695	**155,880**	156,711
Employee benefits expense:				
- salaries and bonuses				
- current	**14,223,098**	10,949,572	**4,641,431**	2,762,411
- overprovision in prior year	**(2,925,765)**	(5,547,190)	**(1,383,485)**	(3,546,430)
- defined contribution plan				
- current	**1,684,496**	1,289,275	**563,834**	345,447
- overprovision in prior year	**(351,091)**	(665,663)	**(166,018)**	(425,571)
- social security contributions	**62,701**	62,564	**9,367**	12,012
- other benefits	**768,592**	748,385	**401,520**	356,315
Finance income – other liabilities at amortised costs	**(435,804)**	-	**(7,678)**	-
Foreign exchange loss/(gain):				
- realised	**1,825,695**	983,203	**-**	-
- unrealised	**(2,425,650)**	3,233,706	**-**	-
Interest income	**(2,985,971)**	(1,784,440)	**(1,413,568)**	(739,159)
Non-executive directors' remuneration (Note 20)	**468,000**	429,000	**468,000**	429,000
Minimum operating lease payments on:				
- premises	**6,639,269**	6,621,510	**112,459**	126,830
- site equipment	**87,633**	189,215	**-**	-
- motor vehicles	**624,705**	732,551	**186,450**	232,728
- office equipment	**47,601**	63,985	**9,701**	10,507
- land	**510,889**	510,889	**-**	-

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FOR THE YEAR ENDED 31 OCTOBER 2016

20. DIRECTORS' REMUNERATIONS

The details of remunerations receivable by directors of the Company are as follows:

	Group and Company	
	2016	**2015**
	RM	**RM**
Executive:		
Salaries and other allowances	**2,694,000**	3,404,600
Defined contribution plan	**315,360**	400,632
Social security contribution	**887**	620
Total executive directors' remuneration	**3,010,247**	3,805,852
Non-executive:		
Fees, representing total non-executive directors' remuneration (Note 19)	**468,000**	429,000
Total directors' remuneration (Note 24(b))	**3,478,247**	4,234,852

The number of directors of the Company whose total remuneration during the financial year fell within the following bands is as follows:

	Number of directors	
	2016	**2015**
Executive directors:		
RM1,300,001 – RM1,400,000	**1**	-
RM1,400,001 – RM1,500,000	**-**	1
RM1,600,001 – RM1,700,000	**1**	-
RM2,300,001 - RM2,400,000	**-**	1
Non-executive directors:		
RM50,001 - RM100,000	**1**	2
RM100,001 - RM150,000	**3**	2

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FOR THE YEAR ENDED 31 OCTOBER 2016

21. INCOME TAX EXPENSE

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Malaysian tax:				
- Current tax	**7,953,884**	7,613,573	**3,900,000**	2,700,000
- (Over)/Under provision in prior years	**(206,404)**	181,885	**(163,090)**	-
	7,747,480	7,795,458	**3,736,910**	2,700,000
Deferred tax (Note 7):				
- Origination/(Reversal) of temporary differences	**613,955**	(174,490)	**(17,000)**	558,000
- Under/(Over) provision in prior years	**5,000**	(265,000)	**-**	-
	618,955	(439,490)	**(17,000)**	558,000
	8,366,435	7,355,968	**3,719,910**	3,258,000

The reconciliations between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 October 2016 and 2015 are as follows:

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Profit before tax	**60,079,665**	50,871,947	**25,816,284**	22,050,664
Taxation at Malaysian statutory tax rate of 24% (2015: 25%)	**14,419,120**	12,717,987	**6,195,908**	5,512,666
Non-deductible expenses	**1,129,312**	938,219	**255,146**	245,334
Non-taxable income	**(4,998,174)**	(4,997,959)	**(2,568,054)**	(2,500,000)
Effect from deductibility of borrowing costs capitalised in intangible asset	**(2,804,337)**	-	**-**	-
Effect arising from investment tax allowances	**(255,701)**	-	**-**	-
Utilisation of deferred tax assets previously not recognised	**-**	(1,219,164)	**-**	-
Deferred tax assets not recognised	**1,077,619**	-	**-**	-
Over provision in prior years	**(201,404)**	(83,115)	**(163,090)**	-
	8,366,435	7,355,968	**3,719,910**	3,258,000

22. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing profit for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share amounts are calculated by dividing profit for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

22. EARNINGS PER SHARE (CONT'D)

The following reflect the profit and share data used in the computation of basic and diluted earnings per share for the years ended 31 October 2016 and 2015:

	Group	
	2016 RM	2015 RM
Profit net of tax, attributable to owners of the parent used in the computation of basic and diluted earnings per share	**51,713,230**	43,515,979
Weighted average number of ordinary shares for basic/diluted earnings per share computation	**250,291,875**	209,854,470
Earnings per share attributable to owners of the parent (sen per share)		
- Basic	**20.66**	20.74
- Diluted	**20.66**	20.74

There have been no other transactions involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these financial statements.

23. EMPLOYEE SHARE OPTION SCHEME

The Group's ESOS which was governed by the By-Laws approved by the shareholders at an Extraordinary General Meeting held on 22 September 2010 has expired on 13 October 2015.

The salient features of the ESOS are as follows:

(i) The ESOS options of 2011 options and 2013 options shall be in force commencing 22 December 2011 and 3 September 2013 respectively. All of these ESOS options will be expiring on 13 October 2015;

(ii) The Option Committee appointed by the Board of Directors to administer the ESOS, may from time to time grant options to eligible employees of the Group to subscribe for new ordinary shares of RM0.50 each in the Company;

(iii) The total number of new ordinary shares to be offered under the ESOS shall not exceed in aggregate fifteen (15) per centum of the issued and paid-up share capital of the Company at any point in time during the existence of the ESOS and out of which not more than 50% of the shares shall be allocated, in aggregate, to executive directors and senior management. In addition, not more than 10% of the shares available under the ESOS shall be allocated to any individual director or employee who, either singly or collectively through person(s) connected with him/her, holds 20% or more in the issued and paid-up capital of the Company;

(iv) Eligible persons are employees and executive directors in full time employment (including contract employees) and payroll of at least one (1) company within the Group and have attained the age of eighteen (18) years;

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23. EMPLOYEE SHARE OPTION SCHEME (CONT'D)

The salient features of the ESOS are as follows: (cont'd)

(v) The criterion of allotment of new shares is by reference to the category of the eligible persons in consideration with due regard to the performance in the Group and seniority of the eligible persons;

(vi) The price at which the grantee is entitled to subscribe for each ordinary share under the ESOS shall be:

(a) in respect of any offer which is made in conjunction with the listing of the Company on the Main Market of Bursa Malaysia Securities Berhad, the initial public offer price to Malaysian public; or

(b) in respect of any offer which is made subsequent to the listing of the Company on the Main Market of Bursa Malaysia Securities Berhad, set at a discount of not more than ten per centum (10%) of the 5-day weighted average market price of the ordinary shares of the Company for the five (5) market days immediately preceding the date of the offer, or the par value of such share of the Company, whichever is higher.

(vii) In respect of the offers of 2011 options and 2013 options, the options shall become exercisable after the acceptance by employees. The employees' entitlements to the options are vested as soon as they become exercisable; and

(viii) All new ordinary shares issued upon exercise of the options granted under the ESOS will rank pari passu in all respects with the existing ordinary shares of the Company except that the new ordinary shares issued shall not rank for any dividend, rights or other distributions declared, made or paid to shareholders prior to the date of allotment.

Movement of share options during the financial year

The following table illustrates the number and weighted average exercise prices ("WAEP") of, and movements in, share options during the financial year:

2011 Options

	Group/Company			
	2016		2015	
	Number	WAEP RM	Number	WAEP RM
Outstanding at 1 November	-	-	2,921,000	1.34
- Exercised	-	-	(2,921,000)	1.34
Exercisable at 31 October	-	-	-	1.34

2013 Options

	2016 Number	2016 WAEP RM	2015 Number	2015 WAEP RM
Outstanding at 1 November	-	-	4,555,000	1.65
- Exercised	-	-	(4,170,000)	1.65
- Expired	-	-	(385,000)	1.65
Exercisable at 31 October	-	-	-	1.65

All these options issued pursuant to the Existing ESOS have expired on 13 October 2015.

23. EMPLOYEE SHARE OPTION SCHEME (CONT'D)

Fair value of share options granted

The fair value of share options granted during the financial period was estimated at the grant date using the binomial option pricing model, taking into account the terms and conditions upon which the instruments were granted. The model simulates the total shareholder return and compares it against the group of principal competitors. It takes into account historic dividends, share price fluctuation covariance of the Company and each entity of the group of competitors to predict the distribution of relative share performance.

The following table lists the inputs to the option pricing models for 2011 Options and 2013 Options:-

	2011 Options	**2013 Options**
Weighted average share price (RM)	1.38	1.88
Weighted average exercise price (RM)	1.34	1.65
Expected volatility (%)	20.00	36.60
Expected life (years)	3.80	2.11
Risk-free interest rate (%)	3.00	3.28
Dividend yield (%)	2.21	2.21

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Upon the expiration of the existing ESOS, the Group has implemented the New ESOS on 19 October 2015, which was governed by the By-Laws approved by the shareholders at the Tenth Annual General Meeting convened on 21 April 2015.

The salient features of the ESOS are as follows:

(i) The Option Committee appointed by the Board of Directors to administer the New ESOS, may from time to time grant options to eligible employees and directors of the Group to subscribe for new CRB Shares;

(ii) The total number of new ordinary shares to be offered under the New ESOS shall not exceed in aggregate fifteen percent (15%) of the issued and paid-up share capital of the Company at any point in time during the existence of the New ESOS. In addition, not more than 10% of the new CRB Shares available under the New ESOS shall be allocated to any individual director or employee who, either singly or collectively through person(s) connected with him/her, holds 20% or more in the issued and paid-up capital of the Company;

(iii) Eligible persons are employees and directors of the Group that have attained the age of eighteen (18) years, in full time confirmed employment and payroll or such person is serving in a specific designation under an employee contract for a fixed duration of at least one (1) year, not a participant of any other employee share option scheme within the Group which is in force for the time being and such person has fulfilled any other eligibility criteria determined by the Option Committee. For the avoidance of doubt, the Option Committee may determine any other eligibility criteria and/or waive any of the conditions of eligibility as set out in the By-Laws, for purposes of selecting an eligible person at any time and from time to time, in the Option Committee's discretion;

(iv) The criterion of allotment of new CRB Shares is by reference to the category of the eligible persons in consideration with due regard to, amongst others, the performance in the Group and seniority of the eligible persons;

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23. EMPLOYEE SHARE OPTION SCHEME (CONT'D)

The salient features of the ESOS are as follows: (cont'd)

(v) The price at which the grantee is entitled to subscribe for each new CRB Share under the New ESOS shall be determined based on the five (5)-day weighted average market price of the CRB Shares immediately preceding the date of offer, with a discount of not more than ten percent (10%) or such other percentage of discount as may be permitted by Bursa Malaysia Securities Berhad or any other relevant authorities from time to time during the duration of the New ESOS. In any event, the exercise price of the New ESOS options will not be lower than the par value of CRB Share of RM0.50 each; and

(vi) All new CRB Shares issued upon exercise of the options granted under the New ESOS will rank pari passu in all respects with the existing CRB Shares except that the new CRB Shares issued will not be entitled to any dividend, rights or other distributions declared, made or paid to shareholders prior to the date of allotment.

No ESOS option is granted to any employee of the Group and the Company as at the year end.

24. RELATED PARTY TRANSACTIONS

(a) SALE AND PURCHASE OF GOODS AND SERVICES

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	2016 RM	2015 RM
Group		
Accounting fees charged to a related party*	**(30,000)**	(30,000)
Amount charged by a related party for work performed on the landscaping and infrastructure projects*	**1,202,128**	1,585,450
Amount charged by a related party for work performed on the environmental engineering projects*	**8,316,520**	5,726,855
Company		
Dividend received from a subsidiary	**(10,000,000)**	(10,000,000)
Management fees charged to subsidiaries	**(14,050,000)**	(13,600,000)
Staff costs backcharged to subsidiaries	**(4,843,260)**	(5,094,352)
Amounts charged by a subsidiary for work performed on development cost	**2,400,000**	2,340,000
Amounts charged by a subsidiary for work performed on landscaping and infrastructure projects	**15,209,260**	-
Amounts charged by a subsidiary for work performed on environmental engineering projects	**5,414,820**	-
Staff costs backcharged by a subsidiary	**3,156,195**	2,991,988

* *Related party refers to a company in which certain directors have financial interests, namely CyEn Resources Sdn. Bhd.*

24. RELATED PARTY TRANSACTIONS (CONT'D)

(b) COMPENSATION OF KEY MANAGEMENT PERSONNEL

The key management personnel include directors of the Group and certain members of senior management of the Group.

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Short term employee benefits	**4,343,721**	5,029,369	**3,613,103**	4,279,369
Defined contribution plan	**452,482**	544,125	**365,920**	454,125
Other benefits	**1,852**	1,240	**1,163**	620
	4,798,055	5,574,734	**3,980,186**	4,734,114

Included in the key management personnel are:

	Group		Company	
	2015 RM	2015 RM	2015 RM	2015 RM
Director's remuneration (Note 20)	**3,478,247**	4,234,852	**3,478,247**	4,234,852

Directors' interest in employee share option scheme

In prior year, two of the above-mentioned directors had exercised 3,975,000 share options.

25. COMMITMENTS

(a) CAPITAL COMMITMENTS

Capital expenditure as at the reporting date is as follows:

	Group	
	2016 RM	2015 RM
Capital expenditure:		
Approved and contracted for:-		
Intangible assets recognised pursuant to IC12 (Note 5(a))	**133,401,397**	236,166,710

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25. COMMITMENTS (CONT'D)

(b) OPERATING LEASE COMMITMENTS - AS LESSEE

The Group entered into commercial leases on certain motor vehicles, premises, site and office equipment. Future minimum rentals payable under non-cancellable operating leases at the reporting date are as follows:

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Not later than 1 year	**640,696**	949,130	**9,744**	39,368
Later than 1 year but not later than 5 years	**1,472,459**	1,627,578	**2,730**	7,170
Later than 5 years	**3,536,476**	3,239,520	**-**	-
	5,649,631	5,816,228	**12,474**	46,538

(c) FINANCE LEASE COMMITMENTS

The Group has finance leases for certain motor vehicles (Note 4).

Future minimum lease payments under finance leases together with the present value of the minimum lease payments are as follows:

	Group	
	2016 RM	2015 RM
Minimum lease payments:		
Not later than 1 year	**524,776**	452,304
Later than 1 year but not later than 2 years	**417,800**	445,180
Later than 2 years but not later than 5 years	**892,147**	838,867
Later than 5 years	**186,534**	219,908
Total minimum lease payments	**2,021,257**	1,956,259
Less: Amounts representing finance charges	**(243,833)**	(231,860)
Present value of minimum lease payments	**1,777,424**	1,724,399
Present value of payments:		
Not later than 1 year	**439,229**	371,847
Later than 1 year but not later than 2 years	**354,649**	385,732
Later than 2 years but not later than 5 years	**803,364**	754,838
Later than 5 years	**180,182**	211,982
Present value of minimum lease payments	**1,777,424**	1,724,399
Less: Amount due within 12 months (Note 11)	**(439,228)**	(371,847)
Amount due after 12 months (Note 11)	**1,338,196**	1,352,552

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26. FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables	8
Cash and bank balances	10
Loans and borrowings	11
Trade and other payables	12

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

The carrying amounts of loans and borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

The fair values of loans and borrowings are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

Finance lease obligations

The fair values of these financial instruments are estimated by discounting expected future cash flows at fixed rates for similar types of lending, borrowing or leasing arrangements at the reporting date.

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, cash flow and liquidity risks, interest rate risk and foreign currency risk.

The Board of Directors reviews and agrees with the policies and procedures established for these risks, which are executed by the Chief Financial Officer. The audit committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and the Company did not apply hedge accounting.

The following sections provide details regarding the Group's and the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

(a) CREDIT RISK

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) CREDIT RISK (CONT'D)

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by:

- The carrying amount of each class of financial assets recognised in the statements of financial position.

- Nominal amounts of RM611,720,000 (2015: RM444,700,000) relating to corporate guarantees provided by the Company to financial institutions on its subsidiaries' bank loans.

Credit risk concentration profile

At the reporting date, the Group has a significant concentration of credit risk in the form of outstanding balances from five customers (2015: five customers) representing approximately 78% (2015: 88%) of the total trade receivables. The amounts due from customers on work performed mainly relate to unbilled portion of work performed on the closure and restorations of landfills, landscape development and maintenance as well as sale of renewable energy.

Financial assets that are neither past due nor impaired

Information regarding financial assets that are neither past due nor impaired is disclosed in Note 8. Deposits with banks that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Information regarding financial assets that are either past due or impaired is disclosed in Note 8.

(b) CASH FLOW AND LIQUIDITY RISKS

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

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27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) CASH FLOW AND LIQUIDITY RISKS (CONT'D)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and of the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	2016				
	On demand or within one year RM	**One to two years RM**	**Two to five years RM**	**Over five years RM**	**Total**
Group					
Financial liabilities:					
Trade and other payables, excluding financial guarantees*	**177,896,993**	**28,060,669**	**2,284,133**	**-**	**208,241,795**
Loans and borrowings	**128,732,612**	**37,580,681**	**159,240,435**	**212,123,072**	**537,676,800**
Total undiscounted financial liabilities	**306,629,605**	**65,641,350**	**161,524,568**	**212,123,072**	**745,918,595**
Company					
Financial liabilities:					
Trade and other payables, excluding financial guarantees*	**142,209,985**	**-**	**-**	**-**	**142,209,985**
Loans and borrowings	**29,692,076**	**-**	**-**	**-**	**29,692,076**
Total undiscounted financial liabilities	**171,902,061**	**-**	**-**	**-**	**171,902,061**

	2015				
	On demand or within one year RM	**One to two years RM**	**Two to five years RM**	**Over five years RM**	**Total**
Group					
Financial liabilities:					
Trade and other payables, excluding financial guarantees*	161,530,108	15,758,409	2,279,751	-	179,568,268
Loans and borrowings	123,636,396	37,127,861	105,237,249	111,105,425	377,106,931
Total undiscounted financial liabilities	285,166,504	52,886,270	107,517,000	111,105,425	556,675,199

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) CASH FLOW AND LIQUIDITY RISKS (CONT'D)

Analysis of financial instruments by remaining contractual maturities (cont'd)

	2015				
	On demand or within one year RM	One to two years RM	Two to five years RM	Over five years RM	Total
Company					
Financial liabilities:					
Trade and other payables, excluding financial guarantees*	35,377,427	577,079	-	-	35,954,506
Loans and borrowings	19,424,449	-	-	-	19,424,449
Total undiscounted financial liabilities	54,801,876	577,079	-	-	55,378,955

* At the reporting date, the counterparties to the bank guarantees do not have a right to demand cash as the default has not occurred. Accordingly, financial guarantees under the scope of MFRS 139 are not included in the above maturity profile analysis.

(c) INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings. The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets. This strategy allows it to capitalise on cheaper funding in a low interest rate environment and achieve a certain level of protection against rate hikes.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 50 basis points higher/lower, with all other variables held constant, the Group's profit net of tax would have been RM536,000 (2015: RM640,000) lower/higher, arising mainly as a result of an increase in the fair value of fixed rate term loans. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

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27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(d) FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional exposures arising from purchases that are denominated in a currency other than the functional currency of the Group, Ringgit Malaysia ("RM"). The foreign currency in which these transactions are denominated is mainly United States Dollar ("USD").

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

The net unhedged financial liabilities of the Group that are not denominated in its functional currency are as follows:-

Group	Financial liabilities held in non-functional currency USD
At 31 October 2016	
Ringgit Malaysia	**5,695,911**
At 31 October 2015	
Ringgit Malaysia	14,726,656

Sensitivity analysis of foreign currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the USD exchange rate against the functional currency of the Group, with all other variables held constant.

		Group	
		2016	**2015**
		RM	**RM**
Increase/(decrease) to profit net of tax			
USD/RM	- Strengthened 2%	**(86,578)**	(220,901)
	- Weakened 2%	**86,578**	220,901

28. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximises shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 October 2016 and 31 October 2015.

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28. CAPITAL MANAGEMENT (CONT'D)

The Group monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio below 50%. The Group includes within net debt, loans and borrowings less cash and bank balances. Capital includes equity attributable to the owners of the parent.

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM	**RM**	**RM**	**RM**
Loans and borrowings (Note 11)	**443,071,008**	318,432,852	**29,692,076**	19,424,449
Less: Cash and bank balances (Note 10)	**(113,364,178)**	(101,467,139)	**(35,193,388)**	(36,731,113)
Net debt/(cash)	**329,706,830**	216,965,713	**(5,501,312)**	(17,306,664
Equity attributable to the owners of the Company, representing total capital	**440,320,772**	393,530,834	**296,958,747**	279,785,665
Capital and net debts	**770,027,602**	610,496,547	**291,457,435**	262,479,001
Gearing ratio	**42.8%**	35.5%	**N/A**	N/A

29. SEGMENT REPORTING

Reporting format

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the services provided. The operating businesses are organised and managed separately according to the nature of the services provided, with each segment representing a strategic business unit that provides different services and serves different markets.

Business segments

For management purposes, the Group is organised into business units and has the following reportable business segments:

(i) Environmental engineering — Provision of nature conservation and environmental amelioration for customers and offer environmental engineering and integrated turnkey contract services, management services, planning and design services; and

(ii) Landscaping and infrastructure — Provision of landscape services, project management services and infrastructure developments; and

(iii) Maintenance — Maintenance of landscape services for public parks, public amenities and other landscape developments; and

(iv) Green tech & renewable energy — Engage in renewable energy businesses.

29. SEGMENT REPORTING (CONT'D)

Business segments (cont'd)

The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

Geographical segments

No segmental information is provided on a geographical basis as the Group's activities are conducted predominantly in Malaysia.

Allocation basis and transfer pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Information about major customer

The following details relate to major customer with revenue equal or more than 10% of the Group's total revenue:-

	Number of customer	Revenue RM	Percentage of total revenue %
2016			
Green tech & renewable energy	**1**	**37,203,642**	**13%**
2015			
Green tech & renewable energy	1	36,468,808	14%
Landscaping and infrastructure	1	34,040,597	14%

The following table provides an analysis of the Group's revenue, results, assets and liabilities by business segments:-

31 October 2016	Environmental Engineering RM	Landscaping & Infrastructure RM	Maintenance RM	Green Tech & Renewable Energy RM	Total RM
Revenue					
Total revenue	**311,572,953**	**60,328,346**	**1,817,670**	**49,006,814**	**422,725,783**
Inter-segment revenue	**(116,092,339)**	**(21,241,760)**	**-**	**(2,462,500)**	**(139,796,599)**
Revenue from external customers	**195,480,614**	**39,086,586**	**1,817,670**	**46,544,314**	**282,929,184**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

29. SEGMENT REPORTING (CONT'D)

The following table provides an analysis of the Group's revenue, results, assets and liabilities by business segments:- (cont'd)

31 October 2016	Environmental Engineering RM	Landscaping & Infrastructure RM	Maintenance RM	Green Tech & Renewable Energy RM	Total RM
Results					
Earnings before interest, taxes, depreciation and amortisation ("EBITDA")	42,058,003	5,721,076	407,670	34,226,938	82,413,687
Depreciation	(664,656)	-	-	(12,845,879)	(13,510,535)
Interest income	2,192,244	687,720	-	106,007	2,985,971
Interest expense	(1,708,133)	(289,352)	-	(9,811,973)	(11,809,458)
Profit before tax	41,877,458	6,119,444	407,670	11,675,093	60,079,665
Income tax expense					(8,366,435)
Profit net of tax					51,713,230
Segment assets	733,581,478	71,769,762	1,817,670	285,918,974	1,093,087,884
Included in the measure of segment assets is:-					
Additions to non-current assets other than financial instruments and deferred tax assets					
- Plant and equipment	650,045	-	-	1,590,256	2,240,301
- Intangible assets	171,348,417	-	-	-	171,348,417
	171,998,462	-	-	1,590,256	173,588,718
Segment liabilities	439,045,171	48,947,477	-	164,774,464	652,767,112
31 October 2015					
Revenue					
Total revenue	213,113,084	73,336,182	3,000,000	39,865,233	329,314,499
Inter-segment revenue	(77,261,243)	-	-	(200,000)	(77,461,243)
Revenue from external customers	135,851,841	73,336,182	3,000,000	39,665,233	251,853,256

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

29. SEGMENT REPORTING (CONT'D)

The following table provides an analysis of the Group's revenue, results, assets and liabilities by business segments:- (cont'd)

31 October 2015	Environmental Engineering RM	Landscaping & Infrastructure RM	Maintenance RM	Green Tech & Renewable Energy RM	Total RM
Results					
Adjusted earnings before interest, taxes, depreciation and amortisation ("EBITDA")	34,113,100	10,337,992	1,510,020	29,934,105	75,895,217
Allowance for doubtful debts	-	-	-	(203,833)	(203,833)
EBITDA	34,113,100	10,337,992	1,510,020	29,730,272	75,691,384
Depreciation	(692,608)	-	-	(12,811,087)	(13,503,695)
Interest income	1,254,944	430,911	-	62,585	1,748,440
Interest expense	(2,159,130)	(1,101,748)	-	(9,803,304)	(13,064,182)
Profit before tax	32,516,306	9,667,155	1,510,020	7,178,466	50,871,947
Income tax expense					(7,355,968)
Profit net of tax					43,515,979
Segment assets	524,027,701	80,886,567	3,000,000	284,421,365	892,335,633
Included in the measure of segment assets is:-					
Additions to non-current assets other than financial instruments and deferred tax assets					
- Plant and equipment	714,053	-	-	1,419,488	2,133,541
- Intangible assets	136,165,803	-	-	-	136,165,803
	136,879,856	-	-	1,419,488	138,299,344
Segment liabilities	264,378,883	60,909,588	-	173,516,328	498,804,799

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2016

30. DIVIDENDS

	2016 RM	2015 RM
A single tier final dividend of 5 sen per share in respect of the financial year ended 31 October 2015	**12,433,564**	-
A single tier final dividend of 5 sen per share in respect of the financial year ended 31 October 2014	**-**	10,066,428
	12,433,564	10,066,428

As at the date of this report, the directors have not proposed any dividend payment in respect of the current financial year.

31. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue on 13 January 2017 by the Board of directors.

32. SUPPLEMENTARY INFORMATION - BREAKDOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED

The breakdown of the retained earnings of the Group and of the Company as at 31 October 2016 and 31 October 2015 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Total retained earnings				
- Realised	**211,744,081**	170,484,466	**26,314,727**	16,668,917
- Unrealised	**314,000**	882,000	**14,000**	(3,000)
	212,058,081	171,366,466	**26,328,727**	16,665,917
Less: Consolidation adjustment	**(5,667,329)**	(4,255,380)	**-**	-
Total retained earnings	**206,390,752**	167,111,086	**26,328,727**	16,665,917

STATEMENT BY DIRECTORS

(Pursuant to Section 169(15) of the Companies Act, 1965)

In the opinion of the directors, the financial statements set out on pages 60 to 126 are drawn up:

(a) so as to give a true and fair view of the financial position of the Group and of the Company as at 31 October 2016 and of their financial performance and cash flows for the year then ended; and

(b) in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act, 1965.

In the opinion of the directors, the information set out in Note 32 on page 126 have been compiled in accordance with the Guidance of Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants and Presented based on the format prescribed by Bursa Malaysia Securities Berhad.

Signed on behalf of the directors in accordance with a directors' resolution dated 13 January 2017.

TAN SRI RAZALI BIN ISMAIL
Director

DATO' DAUD BIN AHMAD
Director

STATUTORY DECLARATION

(Pursuant to Section 169(16) of the Companies Act, 1965)

I, Dato' Daud Bin Ahmad (IC No: 660126-01-5165), being the director primarily responsible for the financial management of Cypark Resources Berhad, do solemnly and sincerely declare that the accompanying financial statements for the year ended 31 October 2016 as set out on pages 60 to 126, are in my opinion correct.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly)
declared by the above named)
Dato' Daud Bin Ahmad)
)
At Kuala Lumpur in the)
State of Federal Territory) DATO' DAUD BIN AHMAD

this 13 January 2017

Before me,

(Commissioner for Oaths)

ANALYSIS OF SHAREHOLDINGS

AS AT 8 FEBRUARY 2017

STATISTICS OF SHAREHOLDINGS AS AT 8 FEBRUARY 2017

Total Number of Issued Shares	:	252,938,472
Issued Share Capital	:	RM126,469,236.00
Class of Shares	:	Ordinary shares
Voting Rights	:	One vote per ordinary share

ANALYSIS OF SHAREHOLDINGS

Ordinary shares

Size of Shareholdings	No. of Shareholders	%	No. of Shares Held	%
1 – 99	21	0.84	208	0.00
100 – 1,000	423	17.05	315,252	0.12
1,001 – 10,000	1,391	56.07	6,240,602	2.47
10,001 – 100,000	517	20.84	15,376,698	6.08
100,001 – 12,646,922 (*)	125	5.04	158,886,820	62.82
12,646,923 and above (**)	4	0.16	72,118,892	28.51
TOTAL	2,481	100.00	252,938,472	100.00

Remarks: * Less than 5% of issued shares
** 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS' INTERESTS

The substantial shareholders of Cypark Resources Berhad based on the Register of Substantial Shareholders of the Company and their respective shareholdings as at 8 February 2017 are as follows:-

	No. of Shares			
Substantial Shareholders	Direct	%	Indirect	%
Tan Sri Razali bin Ismail	47,280,600	18.69	-	-
Dato' Daud bin Ahmad	40,515,056	16.02	-	-
Lembaga Tabung Haji	25,523,700	10.09	-	-
Azmil Khalili bin Khalid	13,489,056	5.33	-	-

ANALYSIS OF SHAREHOLDINGS

AS AT 8 FEBRUARY 2017

DIRECTORS' INTERESTS

The Directors' interests based on the Register of Directors' Shareholdings of the Company as at 8 February 2017 are as follows:-

Number of ordinary shares

	Direct Interest		Indirect Interest	
Directors	**No. of Shares Held**	**%**	**No. of Shares Held**	**%**
Tan Sri Razali bin Ismail	47,280,600	18.69	-	-
Dato' Daud bin Ahmad	40,515,056	16.02	-	-
Dato' Dr. Freezailah bin Che Yeom	179,900	0.07	-	-
Headir bin Mahfidz	100,000	0.04	-	-
Megat Abdul Munir bin Megat Abdullah Rafaie	20,000	0.01	-	-
Datuk Abdul Malek bin Abdul Aziz	6,000	0.00	-	-

THIRTY LARGEST SECURITIES ACCOUNT HOLDERS

Ordinary shares

No.	Shareholders	No. of Shares	%
1.	Lembaga Tabung Haji	24,573,100	9.72
2.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Dato' Daud bin Ahmad	17,818,856	7.04
3.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Tan Sri Razali bin Ismail (8095427)	15,854,680	6.27
4.	CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB Bank for Azmil Khalili bin Khalid (PBCL-0G0018)	13,872,256	5.48
5.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Tan Sri Razali bin Ismail	12,373,700	4.89
6.	Tan Sri Razali bin Ismail	10,777,220	4.26
7.	CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Koo Kow Kiang @ Ko Keck Ting (PB)	8,620,800	3.41
8.	Amanahraya Trustees Berhad Public Smallcap Fund	8,168,800	3.23
9.	RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Dato' Daud bin Ahmad	7,078,200	2.80

ANALYSIS OF SHAREHOLDINGS

AS AT 8 FEBRUARY 2017

THIRTY LARGEST SECURITIES ACCOUNT HOLDERS (CONT'D)

No.	Shareholders	No. of Shares	%
10.	Citigroup Nominees (Asing) Sdn. Bhd. Exempt an for Citibank New York (Norges Bank 9)	6,867,600	2.72
11.	Amanahraya Trustees Berhad Public Strategic Smallcap Fund	6,468,500	2.56
12.	TA Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Dato' Daud bin Ahmad	5,970,100	2.36
13.	Maybank Securities Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Dato' Daud bin Ahmad (Margin)	5,546,200	2.19
14.	Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Tan Sri Razali bin Ismail (KLC)	5,000,000	1.98
15.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Azmil Khalili bin Khalid	4,627,800	1.83
16.	Citigroup Nominees (Asing) Sdn. Bhd. Exempt an for Citibank New York (Norges Bank 12)	3,910,100	1.55
17.	Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board (F Templeton)	3,607,600	1.43
18.	RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Tan Sri Razali bin Ismail	3,275,000	1.29
19.	RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Tan Swee Loon	3,175,000	1.26
20.	Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board (ARIM)	2,500,000	0.99
21.	Dato' Daud bin Ahmad	2,366,500	0.94
22.	HSBC Nominees (Tempatan) Sdn. Bhd. HSBC (M) Trustee Bhd for Manulife Investment Al-Fauzan (5170)	2,323,600	0.92
23.	Kumpulan Wang Simpanan Guru-Guru	2,056,800	0.81
24.	Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Trustees Berhad for Public Balanced Fund (N14011950210)	2,010,500	0.79

ANALYSIS OF SHAREHOLDINGS

AS AT 8 FEBRUARY 2017

THIRTY LARGEST SECURITIES ACCOUNT HOLDERS (CONT'D)

No.	Shareholders	No. of Shares	%
25.	Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board (AMUNDI)	2,000,000	0.79
26.	Citigroup Nominees (Tempatan) Sdn. Bhd. Kumpulan Wang Persaraan (Diperbadankan) (Kenanga)	1,797,200	0.71
27.	RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Dato' Daud bin Ahmad	1,735,200	0.69
28.	Citigroup Nominees (Tempatan) Sdn. Bhd. Kumpulan Wang Persaraan (Diperbadankan) (KNGA SML CAP FD)	1,702,000	0.67
29.	Citigroup Nominees (Tempatan) Sdn. Bhd. Kumpulan Wang Persaraan (Diperbadankan) (MIDF AM IS EQ)	1,600,600	0.63
30.	Koh Boon Hock	1,544,900	0.61
	TOTAL	**189,222,812**	**74.82**

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twelfth Annual General Meeting ("**12th AGM**") of the Company will be held at Boardroom 4, Level 3, Eastin Hotel, 13, Jalan 16/11, Pusat Dagang Seksyen 16, 46350 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 11 April 2017 at 10:00 a.m. for the following purposes:-

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 October 2016 together with the Reports of the Directors and the Auditors thereon. **(Please refer to Note 7)**

2. To approve the declaration and payment of a single tier final dividend of 5.2 sen per ordinary share for the financial year ended 31 October 2016. (Resolution 1)

3. To approve the payment of Directors' fees and any benefits payable for the financial year ending 31 October 2017 and thereafter. (Resolution 2)

4. To re-elect the following Directors who are due to retire in accordance with Article 84 of the Company's Articles of Association and being eligible, have offered themselves for re-election:-

   (a) Dato' Daud bin Ahmad; and (Resolution 3)

   (b) Encik Headir bin Mahfidz. (Resolution 4)

5. To re-appoint Messrs. Mazars as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. (Resolution 5)

<u>As Special Business</u>

To consider and if thought fit, with or without any modification, to pass the following Ordinary Resolutions:-

6. **ORDINARY RESOLUTION NO. 1** (Resolution 6)
   - PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

   "**THAT** subject to the provisions of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, approval be and is hereby given for the Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature for the Company and/or its subsidiaries to enter into and to give effect to the category of the recurrent related party transactions of a revenue or trading nature from time to time with the Related Party as specified in Section 1.4 of the Circular/Statement to Shareholders dated 28 February 2017 provided that such transactions are:-

   (i) recurrent transactions of a revenue or trading nature;

   (ii) necessary for the Company's day-to-day operations;

NOTICE OF ANNUAL GENERAL MEETING

(iii) carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and

(iv) not to the detriment of minority shareholders

(the **"Proposed Shareholders' Mandate"**);

THAT the authority for the Proposed Shareholders' Mandate shall continue to be in force until the earlier of:-

(i) the conclusion of the next Annual General Meeting ("**AGM**") of the Company at which time it will lapse unless the authority is renewed by a resolution passed at the next AGM;

(ii) the expiration of the period within which the next AGM is to be held pursuant to Section 340(2) of the Companies Act 2016 ("**the Act**") but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act; or

(iii) is revoked or varied by resolution passed by the shareholders in a general meeting before the next AGM;

AND THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required), as they may consider expedient or necessary to give effect to the Proposed Shareholders' Mandate."

7. **ORDINARY RESOLUTION NO. 2** (Resolution 7)
   - PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY - BACK

"**THAT** subject to the compliance with Section 127 of the Companies Act 2016 and all other applicable laws, rules and regulations, approval be and is hereby given to the Company, to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad ("**Bursa Securities**") as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares to be purchased and held pursuant to this resolution does not exceed 10% of the existing total number of issued shares in the ordinary share capital of the Company including the shares previously purchased and retained as Treasury Shares (if any) and the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the total retained profits of the Company, upon such terms and conditions as set out in the Circular/Statement to Shareholders dated 28 February 2017.

THAT such authority shall commence immediately upon the passing of this Ordinary Resolution and until the conclusion of the next Annual General Meeting ("**AGM**") of the Company or the expiry of the period within which the next AGM is required by law to be held unless revoked or varied by Ordinary Resolution in the general meeting of the Company but so as not to prejudice the completion of a purchase made before such expiry date, in any event in accordance with the provisions of Bursa Securities Main Market Listing Requirements and any other relevant authorities.

THAT authority be and is hereby given to the Directors of the Company to decide in their absolute discretion to retain the ordinary shares in the Company so purchased by the Company as Treasury Shares and/or to cancel them and/or to resell them and/or to distribute them as share dividends in such manner as may be permitted and prescribed by the provisions of the Bursa Securities Main Market Listing Requirements and any other relevant authorities.

NOTICE OF ANNUAL GENERAL MEETING

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps as are necessary to enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and to do all such acts and things as the Directors may deem fit and expedient in the interests of the Company."

8. **ORDINARY RESOLUTION NO. 3** (Resolution 8)

- **AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 75 OF THE COMPANIES ACT 2016**

"**THAT** subject to Section 75 of the Companies Act 2016 and approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being and the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad.

AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."

9. **ORDINARY RESOLUTION NO. 4** (Resolution 9)

- **PROPOSED RENEWAL OF THE AUTHORITY TO ALLOT AND ISSUE NEW ORDINARY SHARES IN CYPARK RESOURCES BERHAD ("CRB" OR "THE COMPANY") ("CRB SHARES"), FOR THE PURPOSE OF THE DIVIDEND REINVESTMENT SCHEME ("DRS") OF THE COMPANY WHICH WILL PROVIDE THE SHAREHOLDERS OF CRB WITH THE OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND IN CRB SHARES ("PROPOSED RENEWAL OF DRS AUTHORITY")**

"**THAT** pursuant to the DRS as approved by the Shareholders at the Tenth Annual General Meeting of the Company held on 21 April 2015 and subject to the approval of the relevant regulatory authorities (if any), approval be and is hereby given to the Directors to allot and issue such number of new CRB Shares from time to time as may be required to be allotted and issued pursuant to the DRS until the conclusion of the next Annual General Meeting upon such terms and conditions as stated in Circular to Shareholders dated 30 March 2015, **PROVIDED THAT** the issue price of the said new CRB Shares shall be fixed by the Board of Directors at not more than ten percent (10%) discount to the five (5)-market day volume weighted average market price ("**VWAP**") of CRB Shares immediately preceding the price-fixing date, of which the VWAP shall be adjusted ex-dividend before applying the said discount in fixing the issue price;

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements and documents as may be necessary or expedient in order to give full effect to the DRS with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments or at the discretion of the Directors in the best interest of the Company."

10. To transact any other ordinary business of which due notice shall have been given.

NOTICE OF ANNUAL GENERAL MEETING

By Order of the Board

CHUA SIEW CHUAN (MAICSA 0777689)
YEOW SZE MIN (MAICSA 7065735)
Company Secretaries
Kuala Lumpur

Dated: 28 February 2017

NOTES:

1. In respect of deposited securities, only members/shareholders whose names appear in the Record of Depositors on 5 April 2017 shall be eligible to attend the Meeting.

2. A shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint one (1) or more proxies to attend and vote in his stead. A member may appoint more than one (1) proxy in relation to a meeting, provided that the member specifies the proportion of the member's shareholdings to be represented by each proxy.

3. A proxy may but need not be a shareholder of the Company and a shareholder may appoint any person to be his proxy without limitation. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the shareholder to speak at the Meeting.

4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.

5. Where a shareholder of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**") which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where a shareholder is an authorised nominee as defined under SICDA, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.

6. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the Registered Office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof. All resolutions set out in the Notice of the Meeting are to be voted by poll.

7. This Agenda item is meant for discussion only, as the provision of Section 340(1)(a) of the Act does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

NOTICE OF ANNUAL GENERAL MEETING

8. Explanatory Note to Special Business:

(i) **Resolution 6 – Proposed Shareholders' Mandate**

The proposed Resolution 6 is intended to enable the Company and its affiliated companies to enter into recurrent related party transactions or a revenue or trading nature which are necessary for the Company's day-to-day operations to facilitate transactions in the normal course of business of the Company with the specified classes of related parties, provided that they are carried out on an arms' length basis and on normal commercial terms and are not prejudicial to the shareholders on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

Please refer to the Circular/Statement to Shareholders dated 28 February 2017 for further information.

(ii) **Resolution 7 – Proposed Authority for the Company to Purchase Its Own Shares**

The proposed Resolution 7 is intended to allow the Company to purchase its own shares up to 10% of the total number of issued shares in the ordinary share capital of the Company at any time within the time period stipulated in the Bursa Malaysia Securities Berhad Main Market Listing Requirements.

Please refer to the Circular/Statement to Shareholders dated 28 February 2017 for further information.

(iii) **Resolution 8 – Authority to Issue Shares**

The proposed Resolution 8 is intended to renew the authority granted to the Directors of the Company at the Eleventh Annual General Meeting of the Company held on 14 April 2016 to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed 10% of the total number of issued shares of the Company for the time being (hereinafter referred to as the "**General Mandate**").

The General Mandate granted by the shareholders at the Eleventh Annual General Meeting of the Company had not been utilised and hence no proceed was raised therefrom.

The new General Mandate will enable the Directors to take swift action for allotment of shares for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s) and to avoid delay and cost in convening general meetings to approve such issue of shares.

(iv) **Resolution 9 – Proposed Renewal of DRS Authority**

The proposed Resolution 9, if approved, will give authority to the Directors to issue and allot new CRB Shares in respect of the Proposed Final Dividend and subsequent dividends to be declared, if any, under the DRS, until the conclusion of the next Annual General Meeting. A renewal of this authority will be sought at subsequent Annual General Meetings.

FORM OF PROXY

Cypark Resources Berhad
(Company No. 642994-H)
(Incorporated in Malaysia)

CDS Account No.	
Number of ordinary shares held	

*I/We(fullname), ______________________________ bearing*NRICNo./PassportNo./CompanyNo. ______________________

of(fulladdress) ____

being a *member/members of Cypark Resources Berhad ("the Company") hereby appoint:-

FIRST PROXY "A"

FULL NAME (IN BLOCK)	NRIC/ PASSPORT NO.	PROPORTION OF SHAREHOLDINGS	
		NO. OF SHARES	%
FULL ADDRESS			

and/or failing *him/her,

SECOND PROXY "B"

FULL NAME (IN BLOCK)	NRIC/ PASSPORT NO.	PROPORTION OF SHAREHOLDINGS	
		NO. OF SHARES	%
FULL ADDRESS			

 # to put on a separate sheet where there are more than two (2) proxies. 100%

or failing *him/her, the *Chairman of the Meeting as *my/our proxy to vote for *me/us and on *my/our behalf at the Twelfth Annual General Meeting of the Company to be held at Boardroom 4, Level 3, Eastin Hotel, 13, Jalan 16/11, Pusat Dagang Seksyen 16, 46350 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 11 April 2017 at 10:00 a.m. and at any adjournment thereof.

In the case of a vote by a show of hands, my proxy ______________________ [one (1) only] shall vote on *my/our behalf.

Please indicate with an "X" in the spaces provided below as to how you wish your votes to be casted. If no specific direction as to voting is given, the proxy will vote or abstain from voting at *his/her discretion.

ITEM	AGENDA			
1.	To receive the Audited Financial Statements for the financial year ended 31 October 2016 together with the Reports of the Directors and the Auditors thereon.			
		RESOLUTION	**FOR**	**AGAINST**
2.	To approve the declaration and payment of a single tier final dividend of 5.2 sen per ordinary share for the financial year ended 31 October 2016.	1		
3.	To approve the payment of Directors' fees and any benefits payable for the financial year ending 31 October 2017 and thereafter.	2		
4.	To re-elect Dato' Daud bin Ahmad, who is due to retire in accordance with Article 84 of the Company's Articles of Association and being eligible, has offered himself for re-election.	3		
5.	To re-elect Encik Headir bin Mahfidz, who is due to retire in accordance with Article 84 of the Company's Articles of Association and being eligible, has offered himself for re-election.	4		
6.	To re-appoint Messrs. Mazars as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.	5		
SPECIAL BUSINESS				
7.	Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.	6		
8.	Proposed Renewal of Authority for Share Buy-Back.	7		
9.	Authority to Issue Shares pursuant to Section 75 of the Companies Act 2016.	8		
10.	Proposed Renewal of Authority to Issue Shares pursuant to the Dividend Reinvestment Scheme.	9		

As witness my/our hand(s) this day ________ of ________________, 2017.

** Strike out whichever not applicable*

____
*Signature/Common Seal of Member

Notes:-

1. In respect of deposited securities, only members/shareholders whose names appear in the Record of Depositors on 5 April 2017 shall be eligible to attend the Meeting.
2. A shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint one (1) or more proxies to attend and vote in his stead. A member may appoint more than one (1) proxy in relation to a meeting, provided that the member specifies the proportion of the member's shareholdings to be represented by each proxy.
3. A proxy may but need not be a shareholder of the Company and a shareholder may appoint any person to be his proxy without limitation. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the shareholder to speak at the Meeting.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.
5. Where a shareholder of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**") which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where a shareholder is an authorised nominee as defined under SICDA, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
6. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the Registered Office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof. All resolutions set out in the Notice of the Meeting are to be voted by poll.

FOLD HERE

STAMP

The Company Secretary
CYPARK RESOURCES BERHAD **(642994-H)**
c/o Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur

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Cypark : At a Glance

Cypark Resources Berhad, a public listed company on the Main Board of Bursa Malaysia (formerly known as Kuala Lumpur Stock Exchange KLSE) is a leading integrated renewable energy developer and green engineering solutions provider, specialising in:

- agriculture integrated photo voltaic model (encompassing Community Welfare Solar Programme)
- integrated renewable energy generation

  (solar, biogas, biomass, waste-to-energy)
- integrated waste management solutions
- environmental remediation
- scientific closure and remediation of contaminated land through internally developed technology (COLARIS)
- landfill restoration
- ground water assessment, remediation, and information system (GARIS)
- environmental monitoring

Contact Information

Cypark endeavours to build customer loyalty by doing what we say we will do every time and on time. We believe customer satisfaction is the best measure of our success.

For more information on our services, please contact us at:

Cypark Resources Berhad
Unit 13A-09, Block A, Phileo Damansara II
No. 15, Jalan 16/11, 46350 Petaling Jaya, Selangor, Malaysia
Tel : +603 7660 6170 Fax: +603 7660 6169

Email:
- General Information: info@crbenv.com
- Investor Relations: irinfo@crbenv.com
- Media Contact: marketing.pr@crbenv.com

www.crbenv.com

Awards & Accolades

ASEAN ENERGY AWARD
Special Submission Category of the ASEAN Best Practices Renewable Energy Project Award 2014

MALAYSIAN GREENTECH AWARDS
- Malaysia Top 30 Green Catalyst for 2014
- GreenTech Developer Award 2012 (Silver)

FINANCEASIA MAGAZINE
Asia's Best Companies 2015
Best Small Cap Company for Malaysia

POWER & ELECTRICITY AWARDS (ASIA)
Solar Project of the Year 2013

ERNST & YOUNG
Technology Entrepreneur of the Year 2013

ASIAN POWER AWARDS
Power Utility of the Year (Malaysia) 2012

MALAYSIA BOOK OF RECORDS
- Largest Grid-Connected Solar Park
- Most Number of Solar Panels on a Grid-Connected Solar Park (Safely Close Landfill)

Cypark

Unit 13A-09, Block A, Phileo Damansara II
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