

Headline	Cypark in phase two of business transformation		
MediaTitle	The Sun		
Date	12 Apr 2017	Color	Full Color
Section	Business	Circulation	306,000
Page No	15	Readership	918,000
Language	English	ArticleSize	291 cm ²
Journalist	Eva Yeong	AdValue	RM 7,468
Frequency	Daily	PR Value	RM 22,404



Cypark in phase two of business transformation

> Group will now focus on green economy after successfully diversifying away from construction and infrastructure

BY EVA YEONG
sunbiz@thesundaily.com

PETALING JAYA: Cypark Resources Bhd, which has successfully moved from its reliance on construction and infrastructure jobs to that in the green economy, is embarking on the second phase of its business transformation, which is to focus on the concessionaire and recurring business.

For FY16, more than 70% of the group's revenue was contributed by the environmental engineering, green technology and renewable energy segments. Total revenue for FY16 rose 12.3% to RM283 million.

"Now, from 2017 until 2020, we are in the second phase of our business transformation, focusing on the concessionaire and recurring business, so that we are not subjected to fluctuations of the economy," its group CEO Datuk Daud Ahmad (pix) said.

He said the three segments identified will provide the group with growth and more certainty. Moving forward, it expects the three segments to contribute 70-90% of total revenue, with the rest coming from infrastructure and construction.

For FY17, Daud expects revenue to continue growing at 10-20% based on its existing business model.

"Once our Ladang Tanah Merah waste-to-energy plant comes live, which we expect in the first quarter of 2018, that will give us additional revenue of around RM80 million," he added.

For the first quarter ended Jan 31, 2017, net profit rose 11.06% to RM11.34 million from RM10.21 million a year ago while revenue rose 14.09% to RM78.48 million from RM68.79 million a year ago.

The group will, in total, bid for some RM3 billion jobs for this financial year ending Oct 31, 2017.

"We have to date, submitted proposals with the value of the capital expenditure or value of the contract, more than RM2 billion. At the moment, large scale solar (LSS) tenders are open, so it means we will be submitting more. We will also be submitting unsolicited proposals (to our clients and the government)," he told reporters at its AGM yesterday.

Daud said it has identified projects to bid for, in all four

segments namely environmental engineering and waste management, green technology, renewable energy, and infrastructure and construction.

Besides LSS tenders, it is also eyeing biogas projects, biomass projects and new sanitary landfills as well as projects in Singapore. The group has already been shortlisted for a government solar project in Singapore and is awaiting official results.

The group is also keen to expand into rest of Asean but will depend on the foreign exchange exposure, sovereign risk, legal framework and financing as well as the timing, and whether it can secure a local partner in those markets.

"We are interested in Asean, but only when we think the time is right, when we are in the position to manage these risks well, then we will enter and we have to structure ourselves when we enter these markets. We need the right partner," he said.