

Unaudited Condensed Consolidated Statements of Comprehensive Income
For the First Quarter ended 31 January 2017

	<u>Individual Quarter</u>		<u>Cumulative Period</u>	
	Current Year Quarter 31/01/2017 RM	Preceding Year Quarter 31/01/2016 RM	Current Year To Date 31/01/2017 RM	Preceding Year To Date 31/01/2016 RM
Revenue	78,483,653	68,791,216	78,483,653	68,791,216
Cost of sales	(59,572,934)	(52,938,552)	(59,572,934)	(52,938,552)
Gross profit	18,910,719	15,852,664	18,910,719	15,852,664
Other income	762,963	1,753,561	762,963	1,753,561
Administrative expenses	(2,040,869)	(2,649,800)	(2,040,869)	(2,649,800)
Operating profit	17,632,813	14,956,425	17,632,813	14,956,425
Finance costs	(3,159,219)	(3,006,088)	(3,159,219)	(3,006,088)
Profit before tax	14,473,594	11,950,337	14,473,594	11,950,337
Income tax expense	(3,136,082)	(1,741,707)	(3,136,082)	(1,741,707)
Profit net of tax, representing total comprehensive income attributable to owners of the parent	11,337,512	10,208,630	11,337,512	10,208,630
Earnings per share attributable to owners of the parent (sen per share)				
- Basic	4.48	4.11	4.48	4.11
- Diluted	4.48	4.11	4.48	4.11

Note:

- The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 October 2016 and the accompanying notes attached to the unaudited interim financial statements.

Unaudited Condensed Consolidated Statements of Financial Position
As at 31 January 2017

	Unaudited As At 31/01/2017	Audited As At 31/10/2016
	RM	RM
Assets		
Non-current assets		
Plant and equipment	237,732,011	240,598,511
Intangible assets	577,336,858	539,673,257
Investment in associated company	3,000,000	-
Deferred tax assets	917,571	838,654
Long term trade receivables	5,397,844	5,171,075
	<u>824,384,284</u>	<u>786,281,497</u>
Current assets		
Trade and other receivables	209,837,853	191,182,840
Other current assets	2,670,328	1,983,241
Tax recoverable	74,315	276,128
Cash and bank balances	112,843,073	113,364,178
	<u>325,425,569</u>	<u>306,806,387</u>
Total assets	<u>1,149,809,853</u>	<u>1,093,087,884</u>
Equity and liabilities		
Current liabilities		
Loans and borrowings	111,949,082	118,961,028
Trade and other payables	129,627,099	177,896,993
Tax payable	5,153,091	3,634,008
	<u>246,729,272</u>	<u>300,492,029</u>
Net current assets	<u>78,696,297</u>	<u>6,314,358</u>
Non-current liabilities		
Loans and borrowings	359,674,583	324,109,980
Trade and other payables	91,740,714	28,155,103
Deferred tax liabilities	7,000	10,000
	<u>451,422,297</u>	<u>352,275,083</u>
Total liabilities	<u>698,151,569</u>	<u>652,767,112</u>
Net assets	<u>451,658,284</u>	<u>440,320,772</u>
Equity attributable to equity holders of the Company		
Share capital	126,469,236	126,469,236
Share premium	144,160,784	144,160,784
Reverse acquisition reserve	(36,700,000)	(36,700,000)
Retained earnings	217,728,264	206,390,752
Total equity	<u>451,658,284</u>	<u>440,320,772</u>
Total equity and liabilities	<u>1,149,809,853</u>	<u>1,093,087,884</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.79	1.74

Note:

- The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 October 2016 and the accompanying notes attached to the unaudited interim financial statements.*

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Statements of Changes in Equity
For the First Quarter ended 31 January 2017

	← Non-distributable →				Distributable	
	Share capital RM	Share premium RM	Share option reserve RM	Reverse acquisition reserve RM	Retained earnings RM	Equity Total RM
2016						
Group						
Opening balance at 1 November 2016	126,469,236	144,160,784	-	(36,700,000)	206,390,752	440,320,772
Total comprehensive income	-	-	-	-	11,337,512	11,337,512
Closing balance at 31 January 2017	126,469,236	144,160,784	-	(36,700,000)	217,728,264	451,658,284
2015						
Group						
Opening balance at 1 November 2015	124,335,636	138,784,112	-	(36,700,000)	167,111,086	393,530,834
Total comprehensive income	-	-	-	-	10,208,630	10,208,630
Closing balance at 31 January 2016	124,335,636	138,784,112	-	(36,700,000)	177,319,716	403,739,464

Note: The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 October 2016 and the accompanying notes attached to the unaudited interim financial statements.

Unaudited Condensed Consolidated Statements of Cash Flows
For the First Quarter ended 31 January 2017

	3 months ended	
	31/01/2017	31/01/2016
	RM	RM
		Restated
Cash flows from operating activities		
Profit before tax	14,473,594	11,950,337
Adjustments for:		
Depreciation of plant and equipment	3,384,600	3,359,489
Unrealised foreign exchange loss/(gain)	309,043	(1,045,337)
Profit from construction projects	(5,888,807)	(8,859,824)
Interest expense	3,159,219	3,006,088
Interest income	(720,365)	(696,005)
Operating cash flows before changes in working capital	<u>14,717,284</u>	<u>7,714,748</u>
Changes in working capital:		
Trade and other receivables	(18,835,553)	(5,794,765)
Other current assets	(687,087)	80,945
Trade and other payables	14,454,881	(21,037,902)
Cash flows generated from/(used in) operations	<u>9,649,525</u>	<u>(19,036,974)</u>
Interest paid	(2,653,656)	(2,820,863)
Taxes paid	<u>(1,497,103)</u>	<u>(911,623)</u>
Net cash flows generated from/(used in) operating activities	<u>5,498,766</u>	<u>(22,769,460)</u>
Cash flows from investing activities		
Investment in associated company	(3,000,000)	-
Additions to intangible assets	(31,774,794)	(29,505,909)
Purchase of plant and equipment	(518,100)	(189,431)
Interest received	720,365	696,005
Net cash flows used in investing activities	<u>(34,572,529)</u>	<u>(28,999,335)</u>
Cash flows from financing activities		
Short term borrowings, net	(7,998,971)	(6,266,664)
Term loans, net	35,660,420	78,956,146
Finance lease obligations, net	<u>(109,213)</u>	<u>(83,888)</u>
Net cash flows generated from financing activities	<u>27,552,236</u>	<u>72,605,594</u>
Net (decrease)/increase in cash and cash equivalents	(1,521,527)	20,836,799
Cash and cash equivalents at beginning of financial year	113,364,178	96,176,086
Cash and cash equivalents at end of financial year	<u>111,842,651</u>	<u>117,012,885</u>
Cash and cash equivalents at the end of the financial year comprise the following:		
Short term deposits with licensed banks	84,379,246	80,925,386
Cash at banks and in hand	28,463,827	36,852,339
Cash and bank balances	<u>112,843,073</u>	<u>117,777,725</u>
Less: Bank overdrafts	<u>(1,000,422)</u>	<u>(764,840)</u>
	<u>111,842,651</u>	<u>117,012,885</u>

Notes:

- (1) The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 October 2016 and the accompanying notes attached to the unaudited interim financial statements.
- (2) The amount of cash and cash equivalents at beginning of financial period has been restated from the audited figures of RM108,484,645 to RM113,364,178 by including all the short term deposits with licensed banks and cash at banks and in hand.

NOTES TO THE INTERIM FINANCIAL REPORT**PART A: EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING****A1. Basis of Preparation**

The interim financial report is unaudited and has been prepared in accordance with *MFRS 134: Interim Financial Reporting*, issued by Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 October 2016. The explanatory notes attached to these interim financial statements provide an explanation of events and transactions that are significant to understand the changes in the financial position and performance of the Group since the financial year ended 31 October 2016.

A2. Changes in accounting policies

The significant accounting policies and computation methods are consistent with those adopted for the year ended 31 October 2016. At the date of authorisation of these interim financial statements, the Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board (MASB) but not yet effective:-

MFRSs, Amendments to MFRSs and IC Interpretation		Effective for annual period beginning on or after
MFRS 9	Financial Instruments (2014)	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
MFRS 16	Leases	1 January 2019
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 107	Disclosure Initiative	1 January 2017
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to MFRS 140	Transfer of Investment Property	1 January 2018
Amendments to MFRS 1, 12 & 128	Annual Improvements 2012 – 2014 Cycle	1 January 2018
IC Interpretations 22	Foreign Currency – Transactions and Advance Consideration	1 January 2018

The Group and the Company plan to adopt the above pronouncements when they become effective in the respective financial period. Unless otherwise stated, the initial application of the above pronouncements is not expected to have any significant impact on the Group and the Company.

A3. Auditors' report on preceding annual financial statements

There were no audit qualifications to the audited financial statements of the Company and its subsidiaries for the financial year ended 31 October 2016.

A4. Seasonal or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factor.

A5. Items of unusual nature

There were no significant unusual items affecting the assets, liabilities, equity, net income or cash flow during the current financial quarter.

A6. Changes in estimates

There were no changes in estimates of amounts reported in prior financial years that have had a material effect in the current financial quarter.

A7. Changes in debt and equity securities

There were no issuance, cancellation, repurchase, resale, and repayment of debt and equity securities for the current financial quarter.

A8. Dividends paid

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

A9. The Group is organised into the following business segments:-

- 1) Environmental engineering
- 2) Landscaping and Infrastructure
- 3) Maintenance
- 4) Renewable energy

	Environmental Engineering RM	Landscaping & Infrastructure RM	Maintenance RM	Green Tech & Renewable Energy RM	Elimination RM	Total RM
3 months ended 31 January 2017						
Revenue						
Sale to external customers	55,458,676	11,700,000	450,000	10,874,977	-	78,483,653
Inter-segment sales	44,394,160	4,750,000	-	-	(49,144,160)	-
Total revenue	99,852,836	16,450,000	450,000	10,874,977	(49,144,160)	78,483,653
Results						
Profit for reportable segments	12,269,364	2,027,247	169,298	4,444,809	-	18,910,719
Other income						762,963
Administrative expenses						(2,040,869)
Operating profits						17,632,813
Finance costs						(3,159,219)
Profit before tax						14,473,594
Income tax expense						(3,136,082)
Profit net of tax						11,337,512

	Environmental Engineering RM	Landscaping & Infrastructure RM	Maintenance RM	Green Tech & Renewable Energy RM	Elimination RM	Total RM
3 months ended 31 January 2016						
Revenue						
Sale to external customers	37,318,755	20,107,213	1,250,000	10,115,249	-	68,791,216
Inter-segment sales	37,494,161	-	-	-	(37,494,161)	-
Total revenue	74,812,916	20,107,213	1,250,000	10,115,249	(37,494,161)	68,791,216
Results						
Profit for reportable segments	8,359,160	3,308,717	327,790	3,856,998	-	15,852,664
Other income						1,753,561
Administrative expenses						(2,649,800)
Operating profit						14,956,425
Finance costs						(3,006,088)
Profit before tax						11,950,337
Income tax expense						(1,741,707)
Profit net of tax						10,208,630

A10. Valuation of property, plant and equipment

There was no valuation of property, plant and equipment in the current financial quarter.

A11. Capital commitments

Except as disclosed below, there was no capital commitment as at 31 January 2017:-

Capital expenditure	RM
Approved and contracted for:-	
- Intangible assets	<u>106,401,397</u>

A12. Material events subsequent to the end of the period

There were no material events subsequent to the end of the current financial quarter up to 24 March 2017, being the latest practicable date ("LPD") which is not earlier than 7 days from the date of issuance of this quarterly report, that have not been reflected in this quarterly report.

A13. Changes in composition of the group

There were no material changes in the composition of the Group during the current quarter under review, except as follows:-

On 2 November 2016, the Company has acquired two (2) ordinary shares of RM1 each representing 100% of the total issued and paid-up share capital of Cypark Green Tech Sdn. Bhd. ("CGT") for a total consideration of RM2. CGT is the holding company of Reviva Sdn. Bhd. ("RSB") and holds two (2) ordinary shares of RM1 each representing 100% of the total issued and paid-up capital of RSB and RSB owns 34% of equity interest in BAC Biomass (Kg Gajah) Sdn. Bhd. ("BACBM").

As a result of the above acquisitions, CGT and RSB have become the wholly owned subsidiaries and BACBM has become the associated company of the Group. These companies will be principally engaged as an investment holding and in the green technology related business.

A14. Contingent liabilities

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

	31 Jan 2017
	RM
Secured:	
- Performance bond/tender bond guarantees favouring Government/ Statutory bodies and companies acceptable to the banks for various projects	44,641,734
- Bank guarantees extended to Government/Government Bodies in respect of various projects of the Group	60,000
- Bank guarantees extended to third parties in respect various projects of the Group	760,000
	<u>45,461,734</u>
Unsecured:	
- Corporate guarantees given to banks for credit facilities granted to subsidiaries	593,720,000
	<u>593,720,000</u>
TOTAL	<u>639,181,734</u>

The secured performance bonds, corporate guarantees and letter of credits are secured by way of charge over certain fixed deposits of the Group.

A15. Significant related party transactions

The Group had the following transactions during the current financial quarter with related parties in which certain directors of the Company have substantial financial interest:-

Related Party	Interested Promoter / Director / Substantial Shareholder / Key Management	Nature of Transactions	Transaction value based on billings for current quarter RM	Transaction value based on billings year to date RM	Balance Outstanding as at 31/1/2017 RM
CyEn Resources Sdn Bhd	Dato' Daud bin Ahmad, Tan Sri Razali bin Ismail and Tan Swee Loon	Sub-contractor charges and consulting fees paid for environmental / landscape works	8,875,000	8,875,000	7,891,312

B1. Analysis of performance**Current Year Quarter ended 31 January 2017 vs Preceding Year Quarter ended 31 January 2016**

The Group's revenue for 1Q2017 increased by RM9.7 million or 14.1% to RM78.5 million as compared to RM68.8 million recorded in 1Q2016. The profit before tax for 1Q2017 also increased correspondently by RM2.5 million or 21.1% to RM14.5 million from RM12.0 million as recorded in 1Q2016. These were mainly attributed to the increase in income generated from the environmental engineering division. The Group's profit after tax for 1Q2017, however increased by RM1.1 million or 11.1% to RM11.3 million from RM10.2 million as recorded in preceding year quarter due to additional tax expenses incurred for non-tax-exempted projects during current quarter.

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

Environmental Engineering

The revenue for 1Q2017 increased substantially by RM18.1 million or 48.6% to RM55.5 million as compared to RM37.3 million recorded in 1Q2016. In line with the increase in revenue, the profit before tax in current quarter increased by RM2.8 million or 38.8% to RM10.2 million from RM7.4 million in 1Q 2016. This was mainly due to the contribution of income from several newly secured projects during the quarter and also the increase in work activities of Phase 2 of the environmental engineering projects.

Landscaping & Infrastructure

The revenue for the landscaping and infrastructure division for current quarter decreased by RM8.4 million or 41.8% to RM11.7 million as compared to RM20.1 million recorded in 1Q2016 due to the completion of certain landscaping and infrastructure projects since previous quarter and low work activities for the new projects during the early stage of preliminary works. Arising from this, the profit before tax of this division also decreased by RM0.9 million to RM2.0 million as compared to RM2.9 million recorded in 1Q2015.

Maintenance (Operation & Maintenance)

The revenue generated by this division for current quarter amounted to RM0.5 million as compared to RM1.2 million in 1Q2016. This revenue represents the operating income from specialist maintenance works performed on leachate treatment plants in several landfill sites.

Green Tech & Renewable Energy

The revenue for green tech & renewable energy division for current quarter increased by 7.5% or RM0.8 million to RM10.9 million as compared to RM10.1 million recorded in 1Q2016. The profit before tax of this division increased significantly by RM0.7 million or 52.0% to RM2.1 million as compared to RM1.4 million recorded in 1Q2016. The increase was mainly attributed to the higher tipping fees generated from the landfill operation at Ladang Tanah Merah site in current quarter.

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

The revenue of the Group for the current quarter under review increased by 16.1% or RM10.9 million to RM78.5 million as compared to RM67.6 million recorded in the immediate preceding quarter. The increase was mainly due to the higher income from landscaping and infrastructure project in current quarter.

Despite the significant increase in revenue, the profit before tax of the Group only increased slightly by 2.8% or RM0.4 million to RM14.5 million from RM14.1 million recorded in the immediate preceding quarter mainly due to the provision for unrealised foreign exchange differences and unwinding discounts.

B3. Prospects for the Current Financial Year

We expect all our current business segments will continue to generate sustainable income in 2017 and the coming years.

In our second phase of business transformation, we will continue to focus our resources and explore opportunities in the respective segments both locally and regionally either by competitive bidding or proposals.

Renewable Energy Segment

We plan to increase our investment in renewable energy projects and expect to have a bigger revenue contribution from the sales of green power. By year 2020, the Renewable Energy segment is expected to contribute more than RM300 million of recurring revenue.

Locally, the implementation of Net Energy Metering Programme by SEDA will provide us with new opportunity to expand our renewable energy project portfolio. We are collaborating with some major industrial and commercial power consumers in bringing net metering total solutions to reduce their long term energy bills. The launch of our country's second bidding exercise for Large Scale Solar (LSS) by Suruhanjaya Tenaga in February 2017 has opened up more new opportunities for large, non-subsidised national RE scheme. Cypark currently has been given first right to undertake the turnkey EPCC, management & operation contract to develop 15MW (dc) solar plants by the winners of the first LSS tender.

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

Our Biogas to Energy project will start to contribute to our revenue once our Fully Anaerobic Bioreactor System (FABIOS) in Ladang Tanah Merah is commissioned in 2018. We also plan to expand our biogas activities to include Palm Oil Mill Effluent (POME).

Green Technology Segment

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

Environmental Engineering & Solutions Segment

This segment will continue to contribute to the company's good growth. The revenue contribution will derive from the waste management activities including tipping fees collected from sanitary landfill operations, and the operation and management (O&M) for a few leachate treatment plants through a long term government contract.

Early this year, the company has been awarded RM15 million contract to design, build and complete safe landfill closure of Phase 2 Pajam National Landfill Restoration, of which the earlier phase of the landfill restoration work was already completed in 2013.

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

We have also submitted many tenders and proposals worth more than RM2 billion and are optimistic that some of the tenders are at advance stage of negotiations which will be likely secured in 2017.

B3. Prospects for the Current Financial Year – cont'd

With our impressive track record coupled with our continuous innovation and R&D, we will be able to maximise our resources to create a sustainable business. In fact, our current successes have made Cypark as the preferred partner for many world renowned green technology providers such as Hitachi (Japan), TESCO (Japan) and Ciel Terre (France).

B4. Profit forecast and profit estimate

The Group did not issue any profit forecast or profit estimate previously in any public document.

B5. Profit before tax

	Individual Quarter 3 months ended 31 Jan 2017	Cumulative Year to date 3 months ended 31 Jan 2017
Profit before tax is stated after crediting:-		
Interest income	720,365	720,365
Other income (including investment income)	42,598	42,598
Profit before tax is stated after charging:-		
Interest expenses	3,159,219	3,159,219
Depreciation	3,384,600	3,384,600
Foreign exchange loss - unrealised	309,043	309,043
Provision for impairment loss on trade receivables	N/A	N/A
Provision for and write off of inventories	N/A	N/A
Impairment of assets	N/A	N/A
Loss on derivatives	N/A	N/A
Exceptional items	N/A	N/A

B6. Income tax expense

	Current year quarter 31 Jan 2017 RM	Current year to date 31 Jan 2017 RM
Income tax		
- Current	3,217,999	3,217,999
Deferred tax	(81,917)	(81,917)
	<u>3,136,082</u>	<u>3,136,082</u>

B7. Profit on sale of unquoted investments and/or properties

There was no profit on sale of unquoted investments and/or properties during the current financial quarter.

B8. Purchase or disposal of quoted securities

There was no purchase or disposal of quoted securities during the current financial quarter.

B9. Status of corporate proposals

Save as disclosed below, there was no corporate proposal announced but not completed as at the date of this report:-

a. Placement and Exemption

On 10 February 2015, Public Investment Bank Berhad (“**PIVB**”), on behalf of the Board of Directors (“**Board**”), announced that the Company had, on the even date, entered into a conditional subscription agreement with Dato’ Daud bin Ahmad (“**Dato’ Daud**”) in respect of the Placement (as defined herein). Pursuant thereto, the Company proposed to undertake the following:

- (i) placement of up to 40,978,112 new CRB Shares (“**Placement Shares**”), representing up to twenty percent (20%) of the issued and paid-up share capital of CRB (“**Placement**”); and
- (ii) exemption under Paragraph 16.1(b), Practice Note 9 of the Malaysian Code on Take-overs and Mergers, 2010 to Dato’ Daud and his person acting in concert, namely Tan Sri Razali bin Ismail (“**Tan Sri Razali**”) from the obligation to undertake a mandatory take-over offer for all the remaining CRB Shares not already held by them upon completion of the Placement (“**Exemption**”),

(collectively referred to as “**Corporate Exercises**”).

The Placement would enable CRB to maintain its Bumiputera-controlled public listed company status with certainty through its co-founders, as well as to raise funds for the Group’s working capital requirement, whilst the Exemption is to facilitate the Placement.

The listing application for the listing of and quotation for the new CRB Shares to be issued pursuant to the Placement was submitted to Bursa Securities on 12 February 2015 and was approved on 10 March 2015.

The Corporate Exercises were approved by the shareholders of CRB at the extraordinary general meeting, which was convened on 6 May 2015. The application in respect of the Exemption was submitted to the SC and was subsequently approved on 19 May 2015.

On 1 July 2015, the Board fixed the issue price for 7,000,000 Placement Shares at RM1.52 per Placement Share, being the first (1st) tranche of the Placement. The issue price represents a discount of approximately 9.61% to the five (5)-day volume weighted average market price (“**5-day VWAP**”) of CRB Shares up to and including 30 June 2015 of RM1.6816 per CRB Share.

The first (1st) tranche of the Placement was completed on 8 July 2015, following the listing and quotation of the 7,000,000 Placement Shares on the even date.

On 10 July 2015, the Board fixed the issue price for 13,489,056 Placement Shares at RM1.53 per Placement Share, being the second (2nd) tranche of the Placement. The issue price represents a discount of approximately 9.83% to the 5-day VWAP of CRB Shares up to and including 9 July 2015 of RM1.6968 per CRB Share.

The second (2nd) tranche of the Placement was completed on 21 July 2015, following the listing and quotation of the 13,489,056 Placement Shares on the even date.

On 26 August 2015, PIVB on behalf of the Board, announced that an extension of time application to complete the implementation of the Placement had been submitted to Bursa Securities on the even date. On 28 August 2015, the Company subsequently withdrew the aforementioned application as the implementation of the Placement is expected to be completed by 9 September 2015.

On 28 August 2015, the Board fixed the issue price for 19,776,656 Placement Shares at RM1.31 per Placement Share, being the third (3rd) and final tranche of the Placement. The issue price represents a discount of approximately 9.79% to the 5-day VWAP of CRB Shares up to and including 27 August 2015 of RM1.4522 per CRB Share.

B9. Status of corporate proposals – cont'd**a. Placement and Exemption – cont'd**

The third (3rd) and final tranche of the Placement was completed on 9 September 2015, following the listing and quotation of the 19,776,656 Placement Shares on the even date.

The utilisation of the proceeds raised (1st tranche, 2nd tranche and 3rd tranche) is as follows:

Purpose	Proposed Utilisation	Actual Utilisation	Intended Timeframe for Utilisation	Deviation		Explanations
	RM	RM		RM	%	
Working capital requirements	55,589,119	55,589,119	36 months	-	-	Fully utilised.
Expenses	1,596,556	1,596,556	-	-	-	Fully utilised.
	57,185,675	57,185,675				

b. New ESOS

The Company's new employee share option scheme of up to fifteen percent (15%) of the issued and paid-up share capital of CRB for the eligible employees and Directors of CRB and its subsidiaries ("ESOS") was approved by the shareholders of CRB at the Tenth (10th) Annual General Meeting, which was convened on 21 April 2015. The effective date for the implementation of the New ESOS was 19 October 2015, as announced on the even date.

There was no ESOS grant under this new ESOS scheme during current quarter.

c. DRS

The dividend reinvestment scheme that provides the shareholders of CRB with the option to elect to reinvest their cash dividends declared by CRB in new CRB Shares ("DRS") was approved by the shareholders of CRB at the Tenth (10th) Annual General Meeting, which was convened on 21 April 2015.

On 13 February 2017, CRB announced a single-tier final dividend of 5.20 sen per CRB Share for the financial year ended 31 October 2016 ("Final Dividend"), which is subject to the approval of the shareholders of CRB at the forthcoming Eleventh Annual General Meeting. The Board had also determined that the DRS will apply to the aforesaid dividend.

B10. Group's borrowings and debts securities

The Group's borrowings and debts securities as at 31 January 2017 are as follows:-

	RM
Short term borrowings	
Secured:-	
Bank overdrafts	1,000,422
Trust receipts	45,164,509
Finance lease	425,832
Term loans	17,358,320
Revolving credits	48,000,000
	<u>111,949,082</u>
Long term borrowings	
Secured:-	
Finance lease	1,242,379
Term loans	358,432,204
	<u>359,674,583</u>
Total borrowings	
Secured:-	
Trust receipts	45,164,509
Finance lease	1,668,211
Term loans	375,790,524
Revolving credits	48,000,000
	<u>471,623,665</u>

B11. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this quarterly report.

B12. Material Litigation

There is no pending material litigation as at the date of issuance of this quarterly report except for the following:

a. **Ocned Water Technology Sdn. Bhd. (“Plaintiff”) v CSB (Shah Alam High Court Suit No. 22C-22-09/2014)**

The Plaintiff claimed, inter alia, for a sum of RM1,336,262.11, being the alleged and purported outstanding amount due to the plaintiff under their subcontract.

CSB filed a counter claim against the plaintiff on 7 November 2014. CSB in its defence and counter claim is disputing the alleged outstanding claim by the Plaintiff as the Subcontract was terminated as a result of the Plaintiff’s non-performance and default of the Subcontract. CSB has deducted various deductibles incurred including costs in engaging third party subcontractors to execute the balance of the works under the Plaintiff’s Subcontract, whereby CSB has a balance outstanding amount of RM93,944.29 due from the Plaintiff to CSB. CSB further seeks indemnity against the Plaintiff for any losses suffered by CSB in completing the balance of works under the Subcontract.

This matter was fixed for case management on 24 November 2014 for both parties to exhaust their pleadings. During the case management on 24 November 2014, the plaintiff inducted to the Court that they would be filing an application for discovery. In the circumstances, the Court has fixed for another case management on 8 December 2014.

During the case management on 8 December 2014, the Court has fixed the Plaintiff’s application of discovery for hearing on 20 January 2015. On 20 January 2015, the discovery order was granted. Subsequently, on 2 March 2015, the documents specified in the discovery order were inspected by the plaintiff. The matter was fixed for trial from 24 June 2015 to 26 June 2015 and further extended to 28 July 2015 for witnesses to rectify for this matter.

Further directions from The Court are for Parties to file their respective submission on 21 September 2015 and an oral submission in reply to be heard before the Judge on 2 October 2015. However, this date was vacated as the Court had given new directions for parties to file in their respective written submission on or before 30 October 2015 while the oral submission in reply to be heard before the Judge on 20 November 2015. Following the oral submissions on 20 November 2015, the matter was then fixed for decision or clarification on 18 January 2016.

CSB was informed by its solicitors that the High Court Judge had allowed for the Plaintiff’s claim and dismissed the Defendant’s counterclaim. CSB was advised by its solicitors that they have a good chance in appealing against the decision of the High Court Judge. In this regard, the Notice of Appeal was filed by CSB on 25 February 2016. The appeal is now fixed for further case management on 24 June 2016 pending the full ground of judgement from the High Court. The Court of Appeal had fixed the appeal for hearing purpose on 11 October 2016.

On the hearing of the appeal, the Court of Appeal had upheld the decision of the High Court. On the advice of the solicitors and advocates, CSB has now filed an application for leave to appeal to the Federal Court on 17.11.2016 against the decision of the Court of Appeal. CSB is further advised by its solicitors, that the decision of the Court of Appeal in dismissing the appeal, raises important questions of law to be decided by the Federal Court.

B13. Realised and unrealised profits or losses of the Group

	Current Financial Period As at 31 January 2017 RM	Preceding Financial Year As at 31 October 2016 RM
Total retained earnings of the Group and its subsidiaries		
- Realised	223,270,166	211,744,081
- Unrealised	403,000	314,000
	223,673,166	212,058,081
Less: Consolidation adjustments	(5,944,902)	(5,667,329)
Retained earnings as per financial statements	217,728,264	206,390,752

B14. Dividends

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

B15. Earnings per share

The following reflect the profit and share data used in the computation of basic and diluted earnings per share for the quarter ended 31 January 2017:-

	Quarter ended		Year to date ended	
	31 Jan 2017 RM	31 Jan 2016 RM	31 Jan 2017 RM	31 Jan 2016 RM
Profit net of tax, representing total comprehensive income attributable to owners of the parent used in the computation of the basic and diluted earnings per share	11,337,512	10,208,630	11,337,512	10,208,630
Weighted average number of ordinary shares for basic earnings per shares computation	252,938,472	248,671,272	252,938,472	248,671,272
Effects of dilution - share options	-	-	-	-
Weighted average number of ordinary shares for diluted earnings per share computation	252,938,472	248,671,272	252,938,472	248,671,272