

**Unaudited Condensed Consolidated Statements of Comprehensive Income
For the Fourth Quarter ended 31 October 2017**

	<u>Individual Quarter</u>		<u>Cumulative Period</u>	
	Current Year Quarter 31/10/2017 RM	Preceding Year Quarter 31/10/2016 RM Restated	Current Year To Date 31/10/2017 RM	Preceding Year To Date 31/10/2016 RM Audited
Revenue	64,179,790	67,599,224	301,684,427	282,929,184
Cost of sales	(40,449,919)	(50,267,262)	(213,908,388)	(210,357,766)
Gross profit	23,729,871	17,331,962	87,776,039	72,571,418
Other income	930,199	940,676	4,413,439	5,906,127
Administrative expenses	(1,127,939)	(1,888,614)	(5,552,661)	(6,588,422)
Operating profit	23,532,131	16,384,024	86,636,817	71,889,123
Finance costs	(2,319,288)	(2,299,250)	(11,795,017)	(11,809,458)
	21,212,843	14,084,774	74,841,800	60,079,665
Other expense - Share options granted under ESOS	-	-	(5,211,360)	-
Share of results in associated company	(5,487)	-	(40,626)	-
Profit before tax	21,207,356	14,084,774	69,589,814	60,079,665
Income tax expense	(3,052,670)	(1,149,463)	(11,987,155)	(8,366,435)
Profit for the year	18,154,686	12,935,311	57,602,659	51,713,230
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	18,154,686	12,935,311	57,602,659	51,713,230
Total comprehensive income attributable to:-				
- Owners of the Company	18,154,686	12,935,311	57,604,032	51,713,230
- Non-controlling interest	-	-	(1,373)	-
	18,154,686	12,935,311	57,602,659	51,713,230
Earnings per share attributable to owners of the parent (sen per share)				
- Basic	7.09	5.17	22.50	20.66
- Diluted	7.04	5.17	22.33	20.66

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 October 2017**

	Unaudited As At 31/10/2017 RM	Audited As At 31/10/2016 RM
Assets		
Non-current assets		
Plant and equipment	229,012,991	240,598,511
Intangible assets	705,707,792	539,673,257
Investment in associated company	2,959,374	-
Deferred tax assets	516,325	838,654
Long term trade receivables	3,629,439	5,171,075
	<u>941,825,921</u>	<u>786,281,497</u>
Current assets		
Trade and other receivables	263,699,556	191,182,840
Other current assets	2,644,778	1,983,241
Tax recoverable	23,337	276,128
Cash and bank balances	108,511,739	113,364,178
	<u>374,879,410</u>	<u>306,806,387</u>
Total assets	<u>1,316,705,331</u>	<u>1,093,087,884</u>
Equity and liabilities		
Current liabilities		
Loans and borrowings	120,092,524	118,961,028
Trade and other payables	228,268,236	177,896,993
Tax payable	4,996,750	3,634,008
	<u>353,357,510</u>	<u>300,492,029</u>
Net current assets	<u>21,521,900</u>	<u>6,314,358</u>
Non-current liabilities		
Loans and borrowings	447,578,034	324,109,980
Trade and other payables	8,511,152	28,155,103
Deferred tax liabilities	25,000	10,000
	<u>456,114,186</u>	<u>352,275,083</u>
Total liabilities	<u>809,471,696</u>	<u>652,767,112</u>
Net assets	<u>507,233,635</u>	<u>440,320,772</u>
Equity		
Share capital	144,567,427	126,469,236
Share premium	144,160,784	144,160,784
Reverse acquisition reserve	(36,700,000)	(36,700,000)
Share option reserve	4,477,145	-
Retained earnings	250,729,352	206,390,752
Equity attributable to owners of the Company	<u>507,234,708</u>	<u>440,320,772</u>
Non-controlling interests	<u>(1,073)</u>	<u>-</u>
Total Equity	<u>507,233,635</u>	<u>440,320,772</u>
Total equity and liabilities	<u>1,316,705,331</u>	<u>1,093,087,884</u>
Net assets per share attributable to owners of the Company (RM)	1.94	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.*

CYPARK RESOURCES BERHAD (642994-H)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 OCTOBER 2017

Statements of Changes in Equity**For the Fourth Quarter ended 31 October 2017**

	←————— Attributable to owners of the Company —————→							
	←————— Non-distributable —————→			Distributable				
	Share capital RM	Share premium RM	Share option reserve RM	Reverse acquisition reserve RM	Retained earnings RM	Total RM	Non-controlling interests RM	Equity Total RM
2017								
Group								
Opening balance at 1 November 2016	126,469,236	144,160,784	-	(36,700,000)	206,390,752	440,320,772	-	440,320,772
Total comprehensive income	-	-	-	-	57,604,032	57,604,032	(1,373)	57,602,659
Additional non-controlling interests arising on acquisition of subsidiary	-	-	-	-	-	-	300	300
Transactions with owners								
Dividend on ordinary shares	-	-	-	-	(13,265,432)	(13,265,432)	-	(13,265,432)
Grant of equity-settled share options to employees	-	-	5,211,360	-	-	5,211,360	-	5,211,360
Issue of ordinary shares	10,464,436	-	-	-	-	10,464,436	-	10,464,436
Exercise of employee share options	7,633,755	-	(734,215)	-	-	6,899,540	-	6,899,540
Total transactions with owners	18,098,191	-	4,477,145	-	(13,265,432)	9,309,904	-	9,309,904
Closing balance at 31 October 2017	144,567,427	144,160,784	4,477,145	(36,700,000)	250,729,352	507,234,708	(1,073)	507,233,635
2016								
Group								
Opening balance at 1 November 2015	124,335,636	138,784,112	-	(36,700,000)	167,111,086	393,530,834	-	393,530,834
Total comprehensive income	-	-	-	-	51,713,230	51,713,230	-	51,713,230
Transactions with owners								
Dividend on ordinary shares	-	-	-	-	(12,433,564)	(12,433,564)	-	(12,433,564)
Issue of ordinary shares	2,133,600	5,376,672	-	-	-	7,510,272	-	7,510,272
Total transactions with owners	2,133,600	5,376,672	-	-	(12,433,564)	(4,923,292)	-	(4,923,292)
Closing balance at 31 October 2016	126,469,236	144,160,784	-	(36,700,000)	206,390,752	440,320,772	-	440,320,772

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 Fourth Quarter ended 31 October 2017

	12 months ended	
	31/10/2017	31/10/2016
	RM	RM
		Restated
Cash flows from operating activities		
Profit before tax	69,589,814	60,079,665
Adjustments for:		
Depreciation of plant and equipment	13,537,447	13,510,535
Share of results in associated company	40,626	-
Unrealised foreign exchange gain	(1,292,149)	(2,425,650)
Gain on disposal of plant and equipment	(88,000)	-
Grant of equity-settled share options to employees	5,211,360	-
Profit from construction projects	(36,962,848)	(33,221,896)
Finance income - other liabilities at amortised costs	-	(435,804)
Interest expense	11,795,017	11,809,458
Interest income	(2,608,579)	(2,985,971)
Operating cash flows before changes in working capital	<u>59,222,688</u>	<u>46,330,337</u>
Changes in working capital:		
Trade and other receivables	(70,755,364)	(28,315,984)
Other current assets	(661,537)	(1,204,634)
Trade and other payables	30,604,481	31,468,208
Cash flows generated from operations	<u>18,410,268</u>	<u>48,277,927</u>
Interest paid	(10,599,774)	(11,734,479)
Taxes paid	<u>(10,034,293)</u>	<u>(6,980,422)</u>
Net cash flows (used in)/generated from operating activities	<u>(2,223,799)</u>	<u>29,563,026</u>
Cash flows from investing activities		
Proceeds from disposal of plant and equipment	88,000	-
Investment in associated company	(3,000,000)	-
Additions to intangible assets	(129,071,687)	(138,126,521)
Purchase of plant and equipment	(922,927)	(1,790,301)
Acquisition of subsidiaries, net of cash and cash equivalents acquired	300	-
Interest received	2,608,579	2,985,971
Net cash flows used in investing activities	<u>(130,297,735)</u>	<u>(136,930,851)</u>
Cash flows from financing activities		
Dividend paid	(2,800,996)	(4,923,292)
Proceeds from issuance of ordinary shares		
- ESOS	6,899,540	-
Short term borrowings, net	(5,540,284)	129,876,184
Term loans, net	129,589,687	-
Finance lease obligations, net	(478,852)	(396,975)
Net cash flows generated from financing activities	<u>127,669,095</u>	<u>124,555,917</u>
Net (decrease)/increase in cash and cash equivalents	(4,852,439)	17,188,092
Cash and cash equivalents at beginning of financial year	<u>113,364,178</u>	<u>96,176,086</u>
Cash and cash equivalents at end of financial year	<u>108,511,739</u>	<u>113,364,178</u>
Cash and cash equivalents at the end of the financial year comprise the following:		
Short term deposits with licensed banks	84,412,187	67,152,710
Cash at banks and in hand	24,099,552	46,211,468
Cash and bank balances	<u>108,511,739</u>	<u>113,364,178</u>
Less: Bank overdrafts	-	-
	<u>108,511,739</u>	<u>113,364,178</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 & 128	Annual Improvements 2014 – 2016 Cycle	1 January 2018
Amendments to MFRS 12	Annual Improvements 2014 – 2016 Cycle	1 January 2017
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) Green Tech & Renewable energy

	Environmental Engineering RM	Landscaping & Infrastructure RM	Maintenance RM	Green Tech & Renewable Energy RM	Elimination RM	Total RM
12 months ended 31 October 2017						
Revenue						
Sale to external customers	222,320,230	26,449,461	4,201,476	48,713,260	-	301,684,427
Inter-segment sales	153,767,303	13,290,152	3,106,328	1,292,000	(171,455,783)	-
Total revenue	376,087,533	39,739,613	7,307,804	50,005,260	(171,455,783)	301,684,427
Results						
Profit for reportable segments	57,021,594	5,845,381	1,430,349	23,478,715	-	87,776,039
Other income						4,413,439
Administrative expenses						(5,552,661)
Operating profits						86,636,817
Finance costs						(11,795,017)
						74,841,800
Other expenses - Share options granted under ESOS						(5,211,360)
Share of results in associated company						(40,626)
Profit before tax						69,589,814
Income tax expense						(11,987,155)
Profit net of tax						57,602,659

	Environmental Engineering RM	Landscaping & Infrastructure RM	Maintenance RM	Green Tech & Renewable Energy RM	Elimination RM	Total RM
12 months ended 31 October 2016						
Revenue						
Sale to external customers	195,480,614	39,086,586	1,817,670	46,544,314	-	282,929,184
Inter-segment sales	116,092,339	21,241,760	-	2,462,500	(139,796,599)	-
Total revenue	311,572,953	60,328,346	1,817,670	49,006,814	(139,796,599)	282,929,184
Results						
Profit for reportable segments	44,536,433	6,090,738	407,670	21,536,577	-	72,571,418
Other income						5,906,127
Administrative expenses						(6,588,422)
Operating profit						71,889,123
Finance costs						(11,809,458)
Profit before tax						60,079,665
Income tax expense						(8,366,435)
Profit net of tax						51,713,230

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 October 2017:-

	RM
Capital expenditure	
Approved and contracted for:-	
- Intangible assets	<u>31,473,132</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 22 December 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 financial period under review, except as follows:-

- I. 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.

- II. On 2 March 2017, the Company has subscribed for ten (10) ordinary shares of RM1 each representing 100% of the total issued and paid-up capital of Cypark FMS Sdn. Bhd. ("CFMS") for a total consideration of RM10. Following the subscription, CFMS became the wholly owned subsidiary of the Group. This company will be principally engaged in the activity of investment holding and in the business of providing operation and maintenance and facilities management services.
- III. On 23 March 2017, the wholly owned subsidiary of the Group, CFMS has subscribed for 700 ordinary shares fully paid-up in the capital of Aomori Kogaku Sdn. Bhd. ("AKSB") representing 70% of the equity interest at a total consideration of RM700. AKSB was incorporated as a private company limited by shares and its paid-up capital is RM1,000 divided into 1,000 ordinary shares. The remaining 30% ordinary shares of AKSB are owned by TESCO Co., Ltd, a company incorporated in Japan, which is the leading company in Japan in implementing operation and maintenance in more than 100 sites of incinerators and water/waste water treatment facilities all across Japan.

Following the subscription, AKSB became a subsidiary of the Group with the purpose of developing the business of operation and maintenance specialising in the Waste to Energy Plants.

A13. Changes in composition of the group – cont'd

- IV. On 20 June 2017, the wholly owned subsidiary of the Group, CGT has subscribed for 1,000 ordinary shares fully paid-up in the capital of Cypark REstore Sdn. Bhd. (“CRSB”) representing 100% of the equity interest at a total consideration of RM1,000. CRSB was incorporated as a private company limited by shares and its paid-up capital is RM1,000 divided into 1,000 ordinary shares. This company will be principally engaged in providing green technology and renewable energy services.

A14. Contingent liabilities

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

	31 October 2017
	RM
Secured:	
- Performance bond/tender bond guarantees favouring Government/ Statutory bodies and companies acceptable to the banks for various projects	41,846,573
- Bank guarantees extended to Government/Government Bodies in respect of various projects of the Group	9,541,500
- Bank guarantees extended to third parties in respect various projects of the Group	600,000
- Letter of credits given to suppliers for purchase of materials	33,333,246
	<u>85,321,319</u>
Unsecured:	
- Corporate guarantees given to banks for credit facilities granted to subsidiaries	755,220,000
	<u>755,220,000</u>
TOTAL	<u>840,541,319</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 31/10/2017 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	5,012,367	15,979,867	10,403,602

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

The Group's revenue for 4Q2017 decreased marginally by RM3.4 million to RM64.2 million as compared to RM67.6 million recorded in 4Q2016. The profit before tax for 4Q2017 increased by RM7.1 million to RM21.2 million from RM14.1 million as recorded in 4Q2016 due mainly to better margin generated from new projects. The Group's profit after tax ("PAT") for 4Q2017 increased by RM5.2 million or 40.4% to RM18.2 million from RM12.9 million as recorded in preceding year quarter.

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

Environmental Engineering

The revenue for 4Q2017 was at RM44.9 million as compared to RM53.8 million recorded in 4Q2016. Despite the decrease in revenue, the profit before tax in current quarter increased by RM5.2 million or 54.0% to RM14.9 million from RM9.7 million in 4Q2016. This was mainly due to better profit contributed by the newly secured projects in this division and cost savings achieved through value engineering.

Landscaping & Infrastructure

The revenue for the landscaping and infrastructure division for current quarter increased by RM2.4 million to RM5.0 million as compared to RM2.6 million recorded in 4Q2016. The profit before tax also increased by 32.1% to RM1.7 million in current quarter as compared to 4Q2016.

Maintenance (Operation & Maintenance)

The revenue generated by this division for current quarter increased substantially by RM1.5 million or 907% to RM1.7 million as compared to RM0.2 million in 4Q2016. In line with the increase in revenue, the profit before tax also increased significantly to RM0.5 million from RM0.1 million recorded in 4Q2016. The higher revenue and profit were mainly contributed by the implementation of the newly secured specialist maintenance works on leachate treatment plants since 3Q2017.

Green Tech & Renewable Energy

The revenue for green tech & renewable energy division for current quarter increased by 14.7% or RM1.6 million to RM12.6 million as compared to RM11.0 million recorded in 4Q2016. The profit before tax of this division increased significantly by RM1.0 million or 32.7% to RM4.1 million as compared to RM3.0 million recorded in 4Q2016. These were mainly contributed by the saving achieved in finance costs in current quarter.

Current financial year ended 31 October 2017 Vs Preceding financial year ended 31 October 2016

The Group's revenue for the current financial year increased by RM18.8 million or 6.6% to RM301.7 million as compared to RM282.9 million recorded in the preceding financial year. This was mainly attributed to the increase in income generated from the Environment Engineering division. The newly secured projects in this division also contributed higher profit to the Group in current financial year. The significant increase in profit was however partly offset by the requirement of the recognition of accounting expenses on the grant of equity-settled share options to employees of RM5.2 million for current financial year in accordance to Accounting Standard MFRS 2. As a result, the profit before tax for current financial year increased by RM9.5 million or 15.8% to RM69.6 million from RM60.1 million. The profit after tax for the current financial year increased by RM5.9 million or 11.4% to RM57.6 million as compared to RM51.7 million recorded in preceding financial year after additional tax provision made for non-tax-exempted projects during the current financial year.

B1. Analysis of performance – cont'd**Current financial year ended 31 October 2017 Vs Preceding financial year ended 31 October 2016**

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

Environmental Engineering

The revenue for the current financial year increased by RM26.8 million or 13.7% to RM222.3 million as compared to RM195.5 million recorded in the preceding financial year. The profit before tax increased by RM12.5 million or 29.8% to RM54.3 million from RM41.9 million in the preceding financial year. These were mainly contributed by the revenue and better margin generated from the new projects in this division.

Landscaping & Infrastructure

Revenue for the landscaping and infrastructure division decreased substantially by RM12.6 million or 32.3% to RM26.4 million in the current financial year as compared to RM39.1 million in the preceding financial year. Correspondently, the profit before tax of this division also decreased by RM1.5 million or 23.7% to RM4.7 million in the current financial year from RM6.1 million in the preceding financial year. The decrease was mainly due to the completion of certain landscaping and infrastructure projects since 3Q2017 and lower work activities for the new project during the early stage of preliminary works implemented in current financial year.

Maintenance (Operation & Maintenance)

Revenue in current financial year increased significantly by 131.1% or RM2.4 million to RM4.2 million as compared to RM1.8 million in preceding financial year. The profit before tax also increased substantially by 250% or RM1.0 million to RM1.4 million as compared to RM0.4 million in preceding financial year. These were mainly due to better margin generated from newly secured specialist maintenance works on leachate treatment plants.

Green Tech & Renewable Energy

The revenue for green tech & renewable energy division increased by RM2.2 million or 4.7% to RM48.7 million in current financial year as compared to RM46.5 million recorded in preceding financial year. The profit before tax of this division however, increased substantially by RM2.7 million or 23.4% to RM14.4 million in current financial year from RM11.7 million in preceding financial year. These were mainly due to higher landfill operating revenue generated and also the saving achieved in finance costs in current financial year.

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

The revenue of the Group for the current quarter decreased by 14.5% or RM10.9 million to RM64.2 million as compared to RM75.1 million recorded in the immediate preceding quarter. The decrease was mainly due to the lower work activities of the environmental engineering project at Ladang Tanah Merah in current quarter as compared to preceding quarter. The profit before tax of the Group increased slightly by RM1.6 million or 8.2% to RM21.2 million as compared to RM19.6 million recorded in the immediate preceding quarter due to reversal of unutilised bonus provision in current quarter.

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 October 2017	Cumulative Year to date 12 months ended 31 October 2017
Profit before tax is stated after crediting:-		
Interest income	604,149	2,608,579
Other income (including investment income)	29,040	120,686
Gain on disposal of plant and equipment	-	88,000
Foreign exchange (loss)/gain - unrealised	(4,743)	1,292,149
Profit before tax is stated after charging:-		
Interest expenses	2,319,288	11,795,017
Depreciation	3,374,693	13,537,447
Foreign exchange (gain)/loss - realised	(304,025)	235,404
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 October 2017 RM	Current year to date 31 October 2017 RM
Income tax		
- Current	3,035,588	11,715,310
- Over provision in prior year	(0)	(65,484)
Deferred tax	17,082	337,329
	<u>3,052,670</u>	<u>11,987,155</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. 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. The ESOS shall be for a duration of five (5) years and will be expired on 18 October 2020.

A total of 23,100,000 ESOS options ("2017 Options") under the ESOS Scheme was offered to eligible directors and employees at RM2.12 on 26 April 2017 and were fully accepted by all eligible directors and employees on 16 May 2017.

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

Directors	2017 Options Offered (Unit)	Options Accepted (Unit)
Tan Sri Razali bin Ismail	3,000,000	3,000,000
Dato' Daud bin Ahmad	9,000,000	9,000,000
Dato' Dr. Freezailah bin Che Yeom	150,000	150,000
Headir bin Mahfidz	150,000	150,000
Megat Abdul Munir bin Megat Abdullah Rafaie	150,000	150,000
Datuk Abdul Malek bin Abdul Aziz	150,000	150,000

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

	Number of options over ordinary shares of RM0.50 each					Exercisable as at 31.10.2017
	Outstanding as at 1.11.2016	Granted	Movement during the financial period Exercised	Lapsed	Outstanding as at 31.10.2017	
2017 option	-	23,100,000	(3,254,500)	-	19,845,500	19,845,500
Weighted average exercise price (RM)	-	2.12	2.12	2.12	2.12	2.12
Weighted average remaining contractual life (months)	-					36

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

	Weighted average exercise price (RM)	Exercise period
2017 option	2.12	26.4.2017 – 18.10.2020

The fair value of share options granted during the financial period was estimated using the binomial simulation model, taking into account the terms and conditions upon which the options were granted. The inputs to the option pricing model are as follows:-

Weighted average share price (RM)	2.40
Weighted average exercise price (RM)	2.12
Expected volatility (%)	24.82
Expected life (years)	3.48
Risk-free Interest rate (%)	3.73
Expected dividend yield (%)	2.47

B9. Status of corporate proposals – cont'd**b. 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 ordinary shares in CRB (“**CRB Shares**”) 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 was subject to the approval of the shareholders of CRB at the Eleventh Annual General Meeting which was convened on 11 April 2017. The Board had also determined that the DRS will apply to the aforesaid dividend.

The shareholders of CRB had on 11 April 2017 approved the declaration of the single-tier final dividend of RM0.052 per CRB Shares for the financial year ended 31 October 2016 and the renewal of the authority to allot and issue new CRB Shares, for the purpose of the DRS of the Company.

The listing application for the listing of and quotation for the new CRB Shares to be issued pursuant to the DRS was submitted to Bursa Malaysia Securities Berhad on 12 April 2017 and was subsequently approved on 14 April 2017.

On 5 May 2017, the Board fixed the issue price of the new CRB shares to be issued pursuant to the DRS at RM2.18 per CRB Share. The issue price represents a discount of RM0.2393 or approximately 9.89% to the theoretical ex-dividend volume weighted average market price (“VWAP”) of approximately RM2.4193, which was arrived at after taking into consideration the five (5)-day VWAP up to and including 4 May 2017, being the last trading day prior to the price fixing date on 5 May 2017 of RM2.4713 per CRB Share and the Final Dividend of RM0.052 per CRB Share.

The Company had on 22 June 2017, issued and allotted 4,800,200 new CRB Shares pursuant to the DRS and the DRS had been completed on 23 June 2017, following the listing and quotation of the abovementioned CRB Shares.

B10. Group's borrowings and debts securities

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

	RM
Short term borrowings	
Secured:-	
Trust receipts	47,623,196
Finance lease	511,009
Term loans	23,958,320
Revolving credits	48,000,000
	<u>120,092,524</u>
Long term borrowings	
Secured:-	
Finance lease	1,816,563
Term loans	445,761,471
	<u>447,578,034</u>
Total borrowings	
Secured:-	
Trust receipts	47,623,196
Finance lease	2,327,572
Term loans	469,719,791
Revolving credits	48,000,000
	<u>567,670,559</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. Huls Engineering Sdn. Bhd. (“Plaintiff”) v Cypark Sdn. Bhd. (“Defendant”) (Shah Alam High Court Suit No.: BA-22C-35-07/2017)

The purported claim dispute between HULS Engineering Sdn Bhd (“HULS”) and Cypark Sdn Bhd (“CSB”) revolves around the “Supply, Delivery and Installation of Geosynthetic Clay Liner and Drainage Layer” between the Plaintiff and the Defendant awarded works vide numerous Letters of Award (“Letters of Award”).

The Plaintiff has filed a civil suit against CSB in Shah Alam High Court claiming, inter alia, for the sum of RM3,079,013.86 being the purported alleged outstanding sum due and payable by the Defendant to the Plaintiff for the Geosynthetic Clay Liner and Drainage Layer supplied and delivered claimed by the Plaintiff to the Defendant.

CSB, as the Defendant through its Advocates & Solicitors, has filed the statement of defence and counterclaim on the 18.08.2017, on the basis that the Defendant has already made payment amounting to RM29,366,991.34 to the Plaintiff to date for all the work done.

Further the statement of defence upholds that the Plaintiff has not complied with the terms and conditions of the Contract and failed to complete the contracted Works. Defendant as a result has suffered losses in carrying out the incomplete Works. As such, the Defendant in its counterclaim has prayed for the court to assess the costs incurred by the Defendant to complete the Works.

Furthermore, the Defendant is contractually entitled to retain retention sums, as stated in its defence. The Defendant also counterclaims Liquidated and Ascertained Damages (LAD) as provided for under the Contract, whereby the LAD of RM3,000.00 per day is calculated on delay from the original completion date under the Contract until the actual completion date of the Subcontract works.

Defendant further claims interests on the counterclaim, costs and any other relief deemed just and fit by the Court.

The matter is now fixed for Case Management in Shah Alam High Court on 13.02.2018 for the parties to file the bundle of documents and obtain further directions from the Court on the said matter. Trial dates have been fixed on 19.03.2018 to 23.03.2018.

B13. Realised and unrealised profits or losses of the Group

	Current Financial Period As at 31 October 2017 RM	Preceding Financial Year As at 31 October 2016 RM
Total retained profits of the Group and its subsidiaries		
- Realised	257,794,645	211,744,081
- Unrealised	5,000	314,000
	257,799,645	212,058,081
Total share of accumulated losses from associated company		
- Realised	(40,626)	-
	257,759,019	212,058,081
Less: Consolidation adjustments	(7,029,667)	(5,667,329)
Retained earnings as per financial statements	250,729,352	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 October 2017:-

	Quarter ended		Year to date ended	
	31 Oct 2017 RM	31 Oct 2016 RM	31 Oct 2017 RM	31 Oct 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	18,154,686	12,935,311	57,604,032	51,713,230
Weighted average number of ordinary shares for basic earnings per shares computation	256,012,233	250,291,875	256,012,233	250,291,875
Effects of dilution - share options	1,987,182	-	1,987,182	-
Weighted average number of ordinary shares for diluted earnings per share computation	257,999,415	250,291,875	257,999,415	250,291,875