CYPARK RESOURCES BERHAD
(Company No: 642994-H)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 OCTOBER 2011

Unaudited Condensed Consolidated Statements of Comprehensive Income
For the Fourth Quarter ended 31 October 2011

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31 October 2011 RM	**Preceding Year Quarter 31 October 2010 RM (Restated)**	**Current Year To Date 31 October 2011 RM**	**Preceding Year To Date 31 October 2010 RM (Audited)**
Revenue	42,407,299	36,953,448	161,213,225	177,552,535
Cost of sales	(31,922,074)	(23,575,336)	(118,653,441)	(127,929,459)
Gross profit	10,485,225	13,378,112	42,559,784	49,623,076
Other income	582,739	516,090	2,259,674	1,186,244
Administrative expenses	(2,833,532)	(1,405,195)	(8,135,183)	(11,155,545)
Operating profit	8,234,432	12,489,007	36,684,275	39,653,775
Finance costs	(1,832,041)	(3,937,846)	(6,449,421)	(9,987,925)
Profit before tax	6,402,391	8,551,161	30,234,854	29,665,850
Income tax expense	(2,531,145)	(3,304,934)	(8,693,128)	(9,377,208)
Profit after tax	3,871,246	5,246,227	21,541,726	20,288,642
Other Comprehensive Income				
Net fair value gain on financial assets and financial liabilities	243,927	-	442,504	-
Total comprehensive income for the period	4,115,173	5,246,227	21,984,230	20,288,642
Total comprehensive income attributable to equity holders of the Company	4,115,173	5,246,227	21,984,230	20,288,642
Earnings per share attributable to equity holders of the Company				
- Basic (Note 2)	0.03	0.04	0.15	0.14
- Diluted	0.03	0.04	0.15	0.14

Notes

(1) 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 2010 and the accompanying notes attached to the unaudited interim financial statements.

(2) Based on the issued share capital of 145,000,000 shares after the completion of the initial Public Offering (as detailed in note B8).

CYPARK RESOURCES BERHAD
(Company No: 642994-H)

Unaudited Condensed Consolidated Statements of Financial Position
As at 31 October 2011

	Unaudited As At 31 October 2011	Audited As At 31 October 2010
	RM	RM
Assets		
Non-current assets		
Plant and equipment	3,412,946	1,697,594
Intangible assets	127,316	127,316
Other investments	480,000	170,000
Deferred tax assets	-	75,099
Long term trade receivables	-	1,238,556
	4,020,262	3,308,565
Current assets		
Trade receivables	255,805,813	181,510,666
Other receivables	546,006	4,304,720
Project development cost	2,166,506	-
Cash and cash equivalents	77,291,838	61,259,045
	335,810,163	247,074,431
Total assets	339,830,425	250,382,996
Equity and liabilities		
Equity attributable to equity holders of the company		
Share capital	72,500,000	72,500,000
Share premium	15,163,246	15,204,519
Share option reserve	400,000	-
Foreign exchange reserve	(130,760)	(126,171)
Foreign statutory reserve	84,096	85,001
Reverse acquisition reserve	(36,700,000)	(36,700,000)
Retained earnings	55,074,565	36,399,301
Total equity	106,391,147	87,362,650
Non-current liabilities		
Borrowings	1,282,067	1,442,959
Deferred tax liabilities	32,904	6,389
	1,314,971	1,449,348
Current liabilities		
Trade payables	79,995,769	26,292,816
Other payables	30,259,846	30,437,889
Borrowings	114,725,475	95,320,946
Tax payables	7,143,217	9,519,347
	232,124,307	161,570,998
Total liabilities	233,439,278	163,020,346
Total equity and liabilities	339,830,425	250,382,996
Net assets per share attributable to ordinary equity holders of the Company (RM) (Note 2)	0.73	0.60

Notes

(1) 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 2010 and the accompanying notes attached to the unaudited interim financial statements.

(2) Based on the issued share capital of 145,000,000 shares after the completion of the initial Public Offering (as detailed in note B8).

CYPARK RESOURCES BERHAD
(Company No: 642994-H)

Unaudited Condensed Consolidated Statements of Changes in Equity
As at 31 October 2011

	Attributable to equity holders of the Company							
	Non distributable						Distributable	
	Share capital RM	Share premium RM	Share option reserve RM	Foreign exchange reserve RM	Foreign statutory reserve RM	Reverse acquisition deficit RM	Retained earnings RM	Total RM
Group								
YTD ended 31 October 2011								
As at 1 November 2010	72,500,000	15,204,519	-	(126,171)	85,001	(36,700,000)	36,399,301	87,362,650
Effects of adopting FRS139	-	-	-	-	-	-	497,283	497,283
	72,500,000	15,204,519	-	(126,171)	85,001	(36,700,000)	36,896,584	87,859,933
Dividends paid							(3,806,249)	(3,806,249)
Share issuance expense	-	(41,273)		-	-	-	-	(41,273)
Share option reserve	-	-	400,000	-	-	-	-	400,000
Total Comprehensive Income	-	-		-	-	-	21,984,230	21,984,230
Foreign currency translation	-	-		(4,589)	(905)	-	-	(5,494)
As at 31 October 2011	72,500,000	15,163,246	400,000	(130,760)	84,096	(36,700,000)	55,074,565	106,391,147
YTD ended 31 October 2010								
As at 1 November 2009	40,000,002	-		4,976	97,130	(36,700,000)	33,610,657	37,012,765
Issue of ordinary shares:								
- Issued for cash	15,000,000	18,000,000						33,000,000
- Bonus issue	17,499,998						(17,499,998)	-
Transaction costs		(2,795,481)						(2,795,481)
Total Comprehensive Income	-	-		-	-	-	20,288,642	20,288,642
Foreign currency translation	-	-		(131,147)	(12,129)	-	-	(143,276)
As at 31 October 2010	72,500,000	15,204,519	-	(126,171)	85,001	(36,700,000)	36,399,301	87,362,650

(1) 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 2010 and the accompanying notes attached to the unaudited interim financial statements.

CYPARK RESOURCES BERHAD
(Company No: 642994-H)

Unaudited Condensed Consolidated Statements of Cash Flows
For the Fourth Quarter ended 31 October 2011

	12 months ended	
	31 October 2011	31 October 2010
	RM	RM
		(Audited)
Cash flows from operating activities		
Profit before taxation	30,234,854	29,665,850
Adjustment for:		
Depreciation of plant and equipment	548,300	430,990
Gain on disposal of plant and equipment	(221,261)	(80,800)
Provision for doubtful debts	-	296,251
Net fair value gain on financial assets and liabilities	442,504	-
Impairment of plant and equipment	-	66,412
Impairment of subordinated bond	-	2,520,000
Unrealised foreign exchange gain	-	(110,192)
Interest expense	6,449,421	9,987,925
Interest income	(1,896,418)	(951,702)
Operating profit before working capital changes	35,557,400	41,824,734
Changes in working capital:		
Receivables	(69,646,162)	(16,944,443)
Payables	54,060,478	(12,860,871)
Cash generated from operation	19,971,716	12,019,420
Interest paid	(6,449,421)	(9,987,925)
Taxes paid	(10,945,287)	(9,389,867)
Net cash generated from/(used in) operating activities	2,577,008	(7,358,372)
Cash flows from investing activities		
Acquisition of plant and equipment (Note a)	(2,086,594)	(198,626)
Increase in project development costs	(2,166,506)	-
Proceeds from disposal of plant and equipment	244,200	80,800
Interest received	1,896,418	951,702
Net cash (used in)/generated from investing activities	(2,112,482)	833,876
Cash flows from financing activities		
Share issuance expense	(41,273)	-
Share option reserve	400,000	-
Dividends paid	(3,806,249)	-
Proceeds from Revolving Credit	-	39,300,000
Repayment of Revolving Credit	(8,400,000)	-
Repayment of short-term borrowings	(11,965,466)	(40,000,000)
Proceeds from short-term borrowings	13,352,548	1,852,154
Proceeds from issuance of ordinary shares net of transaction cost	-	30,204,519
Repayment of hire purchase obligations	(404,986)	(220,662)
Net cash (used in)/generated from financing activities	(10,865,426)	31,136,011
Net (decrease)/increase in cash and cash equivalents	(10,400,900)	24,611,515
Cash and cash equivalents at beginning of financial year	17,508,459	(6,967,028)
Effects of foreign exchange rate changes	(27,847)	(136,028)
Cash and cash equivalents at end of financial year	7,079,712	17,508,459
Cash and cash equivalents at the end of the financial year comprise the following:		
Deposit with licensed bank	74,770,848	59,139,835
Cash and bank balances	2,520,990	2,119,210
Bank overdrafts	(70,212,126)	(43,750,586)
	7,079,712	17,508,459
Note a:		
Plant and equipment were acquired by the way of:		
Cash payments	2,086,594	198,626
Loan and hire purchase	200,000	1,489,000
	2,286,594	1,687,626

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 2010 and the accompanying notes attached to the unaudited interim financial statements.

NOTES TO THE INTERIM FINANCIAL REPORT

PART A : EXPLANATORY NOTES IN COMPLIANCE WITH FINANCIAL REPORTING STANDARDS ("FRS") 134, INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with FRS 134: Interim Financial Reporting and Appendix 9B Part A of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 October 2010.

The interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of Cypark Resources Berhad Group. The interim consolidated financial report and notes thereon do not include all the information required for a full set of financial statements prepared in accordance with FRSs.

A2. Change in accounting policies

The significant accounting policies adopted by the Group are consistent with those of the audited financial statements for the financial year ended 31 October 2010 of the Group, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs. Interpretations and Technical Releases for the financial year beginning 1 November 2010:

	Effective for annual periods beginning on or after
FRS 4: Insurance Contracts	
FRS 7 Financial Instruments: Disclosures	1 January 2010
FRS 101: Presentation of Financial Statements (Revised)	1 January 2010
FRS 123: Borrowing Costs	1 January 2010
FRS 139: Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1: First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 2: Share-based Payment - Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 132: Financial Instruments: Presentation	1 January 2010
Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives	1 January 2010
Amendments to FRSs 'Improvements to FRSs (2009)'	1 January 2010
IC Interpretation 9: Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10: Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11: FRS 2 - Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13: Customer Loyalty Programmes	1 January 2010
IC Interpretation 14: FRS119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
TR I - 3 Presentation of Financial Statements of Islamic Financial Institutions	1 January 2010

A2. Change in accounting policies (cont'd)

	Effective for annual periods beginning on or after
Amendments to FRS 132: Classification of Rights Issues	1 March 2010
FRS 1: First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3: Business Combinations (revised)	1 July 2010
Amendments to FRS 2: Share-based Payment	1 July 2010
Amendments to FRS 5: Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 127: Consolidated and Separate Financial Statements (amended)	1 July 2010
Amendments to FRS 138: Intangible Assets	1 July 2010
Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives	1 July 2010
IC Interpretation 12: Service Concession Arrangements	1 July 2010
IC Interpretation 16: Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17: Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to IC Interpretation 15: Agreeements for the Construction of Real Estate	30 August 2010

Other than the implications as disclosed below, the adoption of the above FRSs, IC Interpretations and Amendments do not have material impact on the financial statements of the Group:

(i) FRS 8 : Operating Segments

FRS 8 requires identification and reporting of operating segments based on internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Group presents its segment information based on its business segments, which is also the basis of presenting its monthly internal management reports.

(ii) FRS 139 : Financial Instruments : Recognition and measurement

FRS 139 establishes the principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items.

Upon the adoption of FRS 139, the details of the changes in accounting policies are summarised below:

(i) Initial recognition and measurement

With the adoption of FRS 139, all financial assets and financial liabilities, including derivatives, are recognised at contract dates when, and only when, the Company or any subsidiary becomes a party to the contractual provisions of the instruments.

Upon initial recognition, the financial assets and financial liabilities, if any, recognised and unrecognised in prior financial year are classified as the following instruments:

	Pre FRS 139	Post FRS 139
1	Other investment	Financial assets at fair value through profit and loss
2	Trade and other receivables	Loan and receivables
3	Cash and bank balance	Loan and receivables
4	Trade and other payables	Loan and receivables
5	Short term borrowing	Loan and receivables
6	Long term borrowing	Financial liabilities at amortised cost

Subsequent to their initial recognition, the financial assets and financial liabilities are measured as below:

	Instrument	Measurement Basis
1	Financial assets at fair value through profit and loss	At fair value through profit and loss
2	Held to maturity investment	At amortised cost using effective interest method
3	Loans and receivables	At amortised cost using effective interest method
4	Financial liabilities at amortised costs	At amortised cost using effective interest method
5	Financial liabilities at fair value through profit and loss	At fair value through profit and loss

A2. Change in accounting policies (cont'd)

In accordance with the transitional provisions, the effects of adoption of FRS 139 are adjusted against the opening balances as at 1 November 2010. Comparatives are not restated. The adjustments made on 1 November 2010 are as follows:

	Opening balances as at 1 November 2010	Effects of adoption of FRS 139	Opening balances as restated
Non-current assets			
Other investments	170,000	310,000	480,000
Current assets			
Trade receivables	181,510,666	(348,285)	181,162,381
Equity			
Retained earnings	36,399,301	497,283	36,896,584
Current liabilties			
Trade payables	26,292,816	(535,568)	25,757,248

(ii) 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 specific debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

The Company has provided a financial guarantee to a financial institution for the guarantee of a credit facility granted to one of its subsidiaries. As there is no upfront payment for the guarantee contract and the directors are of the view that the chances of the financial institution to call upon the corporate guarantee are remote, the fair value is likely to be zero.

The Company also monitors the performance of its subsidiary closely to ensure they meet all their financial obligations on time. In view of the minimal risk of default, the Company has derecognised the guarantee as financial liability.

(iii) Inter company Advances or Loans

Prior to adoption of FRS 139, the loans and advances granted from the Company to its subsidiaries are at interest free and were recorded at cost.

Upon the adoption of FRS 139, the advances and loans are classified as Loan and Receivables assets. As the loan is interest free and is payable on demand, the difference between the fair value and amortised cost of the loan or advance is likely to be zero.

Standards and Interpretations issued and not yet effective

The following revised FRSs, new Issues Committee ("IC") Interpretations and Amendments to FRSs have been issued by the MASB and are effective for annual periods commencing on or after 1 January 2011. They have yet to be adopted as they are not yet effective for the current financial year ended 31 October 2011:

	Effective for annual periods beginning
Amendments to FRS 1: Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 2 : Group Cash-settled Share-based Payment Transactions	1 January 2011
Amendments to FRS 7: Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRSs 'Improvements to FRSs (2010)'	1 January 2011
IC Interpretation 18: Transfers of Assets from Customers	1 January 2011
IC Interpretation 14: Prepayments of a Minimum Funding Requirement	1 July 2011
IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
FRS 124: Related Party Disclosures (revised)	1 January 2012
IC Interpretation 15: Agreements for the Construction of Real Estate	1 January 2012

The Group and the Company plan to adopt the above pronouncements when they become effective in the respective financial period. Unless otherwise described below, these pronouncements are expected to have no significant impact to the financial statements of the Group and the Company upon their initial application:

A2. Change in accounting policies (cont'd)

FRS 3: Business Combinations (revised) and FRS 127: Consolidated and Separate Financial Statements (amended)

FRS 3 (revised) introduces a number of changes to the accounting for business combinations occurring on or after 1 July 2010. These include changes that affect the valuation of non-controlling interest, the accounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration and business combinations achieved in stages. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs and future reported results.

FRS 127 (amended) requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as a transaction with owners in their capacity as owners and to be recorded in equity. Therefore, such transaction will no longer give rise to goodwill, nor will it give rise to a gain or loss. Furthermore, the amended Standard changes the accounting for losses incurred by the subsidiary as well as loss of control of a subsidiary.

The changes by FRS 3 (revised) and FRS127 (amended) will be applied prospectively and only affect future acquisition or loss of control of subsidiaries and transactions with non-controlling interests.

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 2010.

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

Save as except under Note B8 below, there were no issuance, cancellation, repurchase, resale, and repayment of debt and equity securities for the current financial quarter.

A8 Dividends paid

At the Annual General Meeting, a first and final tax exempt (single-tier) dividend in respect of the financial year ended 31 October 2010, of 5.25% on 145,000,000 ordinary shares, amounting to a dividend payable of RM3,806,249.40 (2.62 sen per ordinary share) was approved by the shareholders on 27 April 2011 and paid on 15 June 2011.

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

1) Environmental
2) Landscaping
3) Maintenance

	Environmental RM	Landscaping RM	Maintenance RM	Elimination RM	Total RM
12 months ended 31 October 2011 (Unaudited)					
Revenue					
Sale to external customers	150,532,606	9,717,019	963,600	-	161,213,225
Inter-segment sales	79,851,421	-	912,000	(80,763,421)	-
Total revenue	230,384,027	9,717,019	1,875,600	(80,763,421)	161,213,225
Results					
Segment results					36,684,275
Finance costs					(6,449,421)
Profit before taxation					30,234,854
Taxation					(8,693,128)
Profit after tax					21,541,726
Other Comprehensive Income					
Net fair value gain/(loss) on financial assets and financial liabilities					442,504
Total comprehensive income					21,984,230

	Environmental RM	Landscaping RM	Maintenance RM	Elimination RM	Total RM
12 months ended 31 October 2010 (Audited)					
Revenue					
Sale to external customers	167,652,604	8,974,850	925,081	-	177,552,535
Inter-segment sales	100,091,685	-	936,000	(101,027,685)	-
Total revenue	267,744,289	8,974,850	1,861,081	(101,027,685)	177,552,535
Results					
Segment results					39,653,775
Finance costs					(9,987,925)
Profit before taxation					29,665,850
Taxation					(9,377,208)
Total comprehensive income					20,288,642

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 were no capital commitment for property, plant and equipment as at 31 October 2011.

	Capital Commitment as at 31.10.2011
Development of Integrated Renewable Energy Park comprises 8MW Solar PV and 2MW Biogas Power Plant at Pajam	39,611,796

A12. Material events subsequent to the end of period reported

Except as dislcosed here, there were no material events subsequent to the end of the current financial quarter up to 22 December 2011, 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.

	Capital Commitment subsequent to Year ended 31.10.2011
Development of Integrated Renewable Energy Park comprises 8MW Solar PV and 2MW Biogas Power Plant at Pajam	27,202,538

A13. Changes in composition of the group

Except for the following changes in group composition, there is no material events subsequent to the end of the current financial quarter that have not been reflected in this quarterly report as at the date of this report:

(A) The Company had on 3 May 2011 acquired 250,000 ordinary shares of RM1 each fully paid-up in the capital of Cypark Renewable Energy Sdn. Bhd. (formerly known as Artis Botanica Corporation Sdn. Bhd.) (CRE) at a total cash consideration of RM1,400,968 from Cypark Sdn. Bhd., the wholly owned subsidiary of the Company due to corporate restructuring that was required as a result of CRE's recent expansion into renewable energy. Consequently, CRE become a wholly-owned subsidiary of the Company.

CRE was incorporated on 13 April 2000 with authorised share capital of RM500,000 divided into 500,000 ordinary shares of RM1.00 each. CRE's principal activities are that of a landscape maintenance services specialist for public parks, public amenities and other landscape developments.

The acquisition of CRE does not have any impacts on the earnings and net tangible assets of the Group and Company .

(B) CRE had on 15 June 2011 acquired 2 ordinary shares of RM1 each fully paid-up in the capital of Cypark Suria (Negeri Sembilan) Sdn. Bhd (formerly known as Cypark Suria Sdn. Bhd) (CRS) at a total cash consideration of RM2 only from the major shareholders namely Tan Sri Razali Bin Ismail and Encik Daud Bin Ahmad. Consequently, CRS became a wholly-owned subsidiary of CRE.

(C) CRS has on 23 May 2011 acquired a wholly-owned subsidiary known as Cypark Suria (Pajam) Sdn. Bhd (CRP). The acquisition is to facilitate the group's participation in renewable energy business.

CRS was incorporated on 27 January 2011 with authorised share capital of RM100,000 divided into 100,000 ordinary shares of RM1 each. The issued and paid-up share capital of CRS is RM2 divided into 2 ordinary shares of RM1 each. CRS's intended principal activity is engaging in the business of renewable energy.

CRP was incorporated on 18 March 2011 with authorised share capital of RM500,000 divided into 500,000 ordinary shares of RM1 each. The issued and paid-up share capital of CRP is RM250,000 divided into 250,000 ordinary shares of RM1 each. CRP's intended principal activity is also engaging in the business of renewable energy.

The acquisition of CRE will not have any impacts on the earnings and net tangible assets of the Group and Company.

(D) CRS had on 19 September 2011 acquired 2 Ordinary Shares of RM1 each fully paid-up in the capital of Cypark Suria (Sua Betong) Sdn. Bhd. (CSSB), Cypark Suria (Kuala Sawah) Sdn. Bhd. (CSKS) and Cypark Suria Bukit Palong (CSBP) at a total cash consideration of RM2 each respectively. Consequently, CSSB, CSKS and CSBP became wholly-owned subsidiaries of CRS.

The acquisition is to facilitate the group's participation in renewable energy business.

The acquisition of CSSB, CSKS and CSBP will not have any impacts on the earnings and net tangible assets of the Group and Company.

A14. Contingent liabilities and contingent assets

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

	31 October 2011 RM
Secured:	
- Performance bond guarantees favouring Government / Statutory bodies and companies acceptable to the banks for various projects	39,675,976
- Corporate guarantees given to banks for credit facilities granted to subsidiaries	500,000
- Letter of credits given to suppliers for purchase of materials	3,021,456
Unsecured:	
- Bank guarantees extended to third parties in respect various projects of the Group	200,000
- Litigations claims	3,087,614
	46,485,046

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

The litigation claims relate to the dispute in the final amount claimed by the sub-contractors. The Group with the advice of their solicitors, is confident of defending these cases. Accordingly, the amount claimed have not been provided for in the financial statements.

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 October 2011 RM
CyEn Resources Sdn Bhd	Siow Kwang Khee, Daud bin Ahmad, Tan Sri Razali bin Ismail and Tan Swee Loon	Sub-contractor charges and consulting fees paid for environmental / landscape works	4,575,492	22,680,508	23,683,804

NOTES TO THE INTERIM FINANCIAL REPORT

PART B - ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)

B1. Review of performance of the Group

Current year Quarter ended 31st October 2011 vs Preceding year Quarter ended 31st October 2010

The Group generated a total revenue of RM 42.4 million during the current quarter, which is about RM5.5 million or 15% higher than the revenue registered in the previous year's corresponding quarter. The increase is due to additional provisional sum works performed during the current quarter after receiving client's official instruction. Slower progress of work recorded in fourth quarter last year mainly due to transitional period required for design planning and site survey before commencement of Phase II works for some sites.

The Group's gross profit margin for the current quarter is 25%, which is 11% lower than the gross profit margin recorded in previous year's quarter (36%). Gross profit margin in previous year's quarter is higher due to good margin generated from design fee income and good material rate negotiated in that quarter. The decrease in gross profit margin is however offset by significant savings in finance costs in current quarter. This has resulted in profit margin before taxation for current quarter to decrease only by 8% to 17% in the current quarter as compared to 23% in the previous year's quarter.

The profit margin after tax and after comprehensive income of the Group for the current quarter is 10%, 4% lower than the 14% recorded in the previous year's corresponding quarter.

Current financial year ended 31st October 2011 vs Preceding financial year ended 31st October 2010

The revenue of the Group for the current financial year ended 31 October 2011 is RM161 mil. The revenue is lower by RM16 mil or 9% as compared to previous financial year ended 31 October 2010. This is mainly caused by the delay in the handover of certain Phase Two Landfill sites by the client for execution of works due to local municipality's requirement for continuous landfill operation.

The gross profit margin of the Group for the current financial year is 26%, lower by 2% as compared to 28% recorded in the preceding financial year.

The profit before tax improved by 2% to 19% in the current financial year, as compared to 17% recorded in the previous financial year. This is mainly due to the significant decrease in administrative and finance costs subsequent to the Company being listed in October 2010. Lower margin in preceding financial year is also due to a one off provision made for the dimunition in value of investment in subordinated bond of RM1.7 million.

The profit margin after tax and after comprehensive income of the Group for the current financial year has improved significantly to 14% as a result of the factors mentioned above, as compared to the 11% achieved in previous financial year.

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

The revenue of the Group is RM42.4 million for the current quarter. The revenue has increased by 20% from RM35.2 million in the previous quarter to RM42.4 million in the current quarter mainly due to execution of additional provisional sum works after receiving client's official instruction. The gross profit margin for the current quarter is 25%, lower by 4% as compared to 29% recorded in the preceding quarter.

The profit margin before tax has decreased from 22% in previous quarter to 15% in current quarter, mainly due to the additional costs incurred for donations and provision made for year end bonus .

The profit margin after tax and after comprehensive income of the Group for the current quarter and previous quarter remained in the range of 10% to 14%.

B3. Prospects for the Next Financial Year

Market growth of solid waste management services is expected to be driven by the increasing waste output of Malaysia's population. Urbanisation and the increasing development of urban areas are the main causes to increasing consumption and solid waste generation. By 2020 daily solid waste output is expected to bloat to 30,000 tonnes compared to a current level of approximately 20,550 tonnes.

The solid waste management market is expected to grow robustly. It was valued at RM 3.82 billion in 2009, and is expected to grow at a CAGR of 5.3% from 2009 to 2014. The demand-push for solid waste management solutions and services is likely to come most significantly from the public sector initiatives. The group expects to benefit from government projects earmarked under the RMK10 which may contribute to stronger business prospect.

The Group has recently ventured into the renewable energy business. The group's first Renewable Energy Park project in Pajam which involves the integration of three potential resources available at the landfill i.e. Solar, Landfill gas (Biogas) and Waste (Biomass) into a scalable renewable energy project capable of generating up to 10 megawatts of electricity has been included as one of the Entry Point Projects of the National Economic Transformation Program announced by the Prime Minister of Malaysia on 8 March 2011.

The Group believes that with the various initiatives being implemented by the Malaysian Government in promoting Green Energy, our plans for our future growth, augur well for Cypark Resources Berhad.

Based on the industy outlook and our plans as indicated above and barring any unforeseen circumstances, the Board of Directors is of the opinion that the business and performance of the Group will remain positive and strong in the forthcoming financial year 2012.

B4. Profit forecast and profit estimate

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

B5. Income tax expense

	Current year quarter 31 October 2011 RM	Preceding year quarter 31 October 2010 RM
Malaysia tax	2,429,531	3,304,934
Deferred tax	101,614	-
	2,531,145	3,304,934

B6. Profit on sale of unquoted investments and / or properties

There were no Profit on Sale of Unquoted Investments and / or Properties during the current financial quarter.

B7. Purchase or disposal of quoted securities

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

B8. Status of corporate proposals

In conjunction with, and as an integral part of the listing and quotation for the entire issued and paid-up share capital of our Company on the Main Market of Bursa Securities on 15 October 2010, the Company implemented the listing scheme set out as follows : -

- Bonus Issue;
- Shares Transfer;
- IPO;
- Offer for Sale;
- Listing of and Quotation of our Shares; and
- ESOS.

The about are inter-conditional and are viewed as one exercise undertaken to facilitate the Listing of the Company.

a. Bonus issue

Our Company undertook a bonus issue of 34,999,996 new ordinary shares of RM 0.50 each to our existing shareholders on the basis of approximately seven (7) bonus shares for every sixteen (16) existing Shares held in our Company. Bonus Issue was effected through the capitalisation of RM 17,500,000 out of our Company's audited retained earnings as at 31 March 2010.

The Bonus Issue was completed on 23 August 2010 and resulted in an increase in the issued and paid-up share capital of our Company from RM 40,000,002 to RM 57,500,000.

All the new Shares issued pursuant to the Bonus Issue ranked pari passu in all respect with the existing Shares of our Company except that they will not be entitled to any dividends, rights, allotments declared, made or paid prior to the allotment of the said new Shares.

B8. Status of corporate proposals (cont'd)

b. Shares transfer

On 20 September 2010, two shareholders of our Company, namely Siow Kwang Khee and Tan Sri Razali bin Ismail have transferred a portion of their Shares to Daud bin Ahmad and Tan Swee Loon for an agreed upon consideration.

After the bonus issue and shares transfer, the shareholding structure of our Company are as follows:

Name	**After bonus issue and shares transfer**	**%**
Tan Sri Razali bin Ismail	61,962,000	53.9
Daud bin Ahamd	16,813,000	14.6
Siow Kwang Khee	23,290,000	20.3
Tan Swee Loon	12,935,000	11.2
	115,000,000	100

c. Initial Public Offer ("IPO")

The Company issued its prospectus for its IPO on 28 September 2010 and undertook the following : -

(i) Public issue
A Public Issue of 30,000,000 new ordinary shares of RM0.50 each at an issue price of RM1.10 per share.

(ii) Offer for sale
An Offer For Sale of 28,000,000 ordinary shares of RM0.50 each at an offer price of RM1.10 per share.

d. Listing

The Company's entire enlarged issued and paid-up share capital after the public issue and offer for sale, comprising 145 million ordinary shares of RM0.50 each were listed on the Main Market of Bursa Securities on 15 October 2010.

e. ESOS

Bursa Securities had vide its letter dated 20 September 2010 granted the approval-in-principle for the listing of and quotation for new Shares of up to a maximum of fifteen percent (15%) of our issued and paid-up share capital to be issued at any point in time within the duration of the ESOS pursuant to the exercise of options granted to eligible Directors and employees of our Group.

The ESOS shall be for a duration of five (5) years and may be extended for up to another five (5) years at the discretion of the Board of Directors upon the recommendation of the ESOS committee.

A total of 3,650,000 ESOS options (2010 Options) under the ESOS Scheme was offered to eligible directors and employees at the Initial Public Offer (IPO) price of RM1.10 each on 14 October 2010 and were fully accepted by all eligible parties on 3 November 2010.

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

	Title	**Options Offered (RM)**		**Options Accepted (RM)**
Daud Bin Ahmad	Director	2010 Option	1,400,000	1,400,000
Siow Kwang Khee	Director	2010 Option	1,000,000	1,000,000

B8. Status of corporate proposals (cont'd)

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

2010 Options

	← Number of options over ordinary shares of RM0.50 each →					
	Outstanding as at 01.11.2010	← Movement during the financial period → Granted	Exercised	Lapsed	Outstanding as at 31.10.2011	Exercisable as at 31.10.2011
2010 Options	-	3,650,000	-	-	3,650,000	3,650,000
	-	3,650,000	-	-	3,650,000	3,650,000
Weighted average exercise price (RM)		1.10	1.10	1.10	1.10	1.10
Weighted average remaining contractual life (months)	60					48

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

	Weighted average exercise price RM	Exercise period
2010 Options	1.10	14.10.2010 - 13.10.2015

The fair value of share options granted during the financial period was estimated using the Binomial Model, taking into account the terms and conditions upon which the options were granted. The fair value of the share option measured at grant date and the assumptions are as follows:

Fair value of share options at the following grant date (RM) :

3 November 2010	0.01
Weighted average share price (RM)	1.10
Weighted average exercise price (RM)	1.10
Expected volatility (%)	11
Expected life (years)	5
Risk-free Interest rate (%)	2.75
Expected dividend yield (%)	2.524

B8. Status of corporate proposals (cont'd)

f. Utilisation of proceeds

Arising from the Public Issue, the Company raised gross proceeds of RM33.0 million. The status of the utilisation of the proceeds as at 22 December 2011 was as follows : -

		Estimated Timeframe for utilisation upon Listing	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance / Deviation RM'000	%	Notes
(i)	Repayment of overdraft (contract) facility obtained for the purpose of the National Landfill Restoration project.	Within 12 months	10,000	10,000	-	0%	
(ii)	Working capital*						
	- Expansion of business	Within 18 months	2,000	2,000	-	0%	
	- Existing and future operations	Within 12 months	18,618	18,131	487	3%	
(iii)	Estimated listing expenses*	Within 2 months	2,382	2,869	(487)	-20%	(1)
Total proceeds			**33,000**	**33,000**	**0**		

(1) The gross proceeds arising from the Offer for Sale, net of relevant fee, were accrued entirely to the Offerors and no part of the proceeds has been received by our Company.

(2) The total listing expenses was RM2,869,000. In accordance with the provisions of FRSIC Consensus 13, the amount was written off against shares premium account in current period. The deficit of RM487,000 was funded out of the working capital portion allocated for working capital as indicated in section 1.7 of the prospectus.

B9. Group's borrowings and debts securities

The Group's borrowings and debts securities as at 31 October 2011 are as follows:-

	RM
Short term borrowings	
Secured:	
Bank overdrafts	70,212,126
Trust receipts	13,352,548
Hire purchase	260,801
Revolving credit	30,900,000
	114,725,475
Long term borrowings	
Secured:	
Hire purchase	1,282,067
Total borrowings	
Secured:	
Bank overdrafts	70,212,126
Trust receipts	13,352,548
Hire purchase	1,542,868
Revolving credit	30,900,000
	116,007,542

B10. Off Balance Sheet Financial Instruments

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

B11. Material Litigation

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

a. Chung Nyap Yoon Sdn Bhd ("Plaintiff") v CSB

(Shah Alam High Court Suit No: MT4-22-920-2001)

The Plaintiff is claiming against Cypark Sdn Bhd for the sum of RM 1,894,720.49 as alleged balance of payment for agreed works done pursuant to a letter of award where the plaintiff was appointed as a sub-contractor of CSB in a development project. CSB is defending this suit against the Plaintiff. On 9 July 2010, solicitors of CSB had submitted to court a preliminary report prepared by an independent quantity surveyor. The Plaintiff's solicitor has reserved the Plaintiff's right to put in an expert report and the solicitors of CSB have also reserved CSB's right to put in a more detailed expert report. The matter came up for trial on 12, 13 and 16 May 2011 and is fixed for continued trial on 5 Sept 2011. The case closed with the defendant's counsel having called altogether 6 witnesses to testify in the trial. Full trial was conducted on 13.5.2011, 16.5.2011 and 5.9.2011. Parties were directed by the court on 6.10.2011 to submit their written submissions by 17.11.2011 and further directed to file the reply submission by 8.12.2011. The matter is fixed for decision on 10.01.2012.

b. YNK Construction Sdn Bhd ("Plaintiff") v CSB

(Kuala Lumpur High Court Suit No: S7-22-1859-2004)

The Plaintiff is claiming against Cypark Sdn Bhd for the sum of RM 1,192,893.50 as balance of payment for agreed works done pursuant to a sub-contract arrangement where the Plaintiff was appointed as a sub-contractor of CSB in a development project. CSB is defending this suit against the Plaintiff and is further pursuing a counter claim against the Plaintiff for the sum of RM 72,828.27 or alternatively, the sum RM 156,742.27 due to a dispute on the methods valuing the payment for the agreed works done pursuant to the said sub-contract. The said sub-contract has provided for the method of construction to be "in-situ reinforced concrete drains". However the actual method of construction carried out was "precast concrete box culvert drain". The Plaintiff has contended that the method of valuation should based on the terms of said sub-contract whereas CSB has contended that the method of valuation should based on the actual construction.

The matter came up for case management on 28 September 2010, whereby both parties have consented to the matter to be referred to Arbitration. On 29 October 2010, both parties' legal counsels informed the judge that Mr. Saw Soon Kooi has been appointed as the Arbitrator. The matter has been referred to Arbitration pursuant to Section 24A of the Courts of Judicature 1964.

A preliminary meeting was held by the Arbitrator on 6 December 2010 at the Malaysian Institute of Arbitrators and subsequently further hearing dates for continued trials on 21 and 22 April 2011, 26 and 27 September 2011 and, 11 and 12 October 2011 with the Plaintiff's witnesses testifying during the trials and closing its case.

The Arbitrator has fixed the following dates for Arbitration hearing with the Defendant's witnesses testifying on the following dates fixed for trial:

4th January 2012
5th January 2012
8th February 2012
9th February 2012
21st March 2012
22nd March 2012

In defending the suit, the Defendant had engaged an independent registered quantity surveyor to form his professional opinion on the method of valuation and recommendation of final valuation for the construction of box culvert done by the Plaintiff. The Independent expert quantity surveyor shall testify for the Defendant during the fixed dates mentioned above.

As the matter is referred to Arbitration pursuant to Section 24A of the Court of Judicature Act 1964, the judge had requested parties to consider withdrawing the suit in the Court and the parties be bound by the Arbitrators award. On 2 December 2011, parties agreed to the withdrawal of the High Court suit, subject to the following terms and conditions:

(1) Arbitration proceedings to conclude and the award and the decision by the Arbitrator shall be binding on parties in accordance with Arbitration Act 2005 and;
(2) The award made by the Arbitrator shall take into account all legal costs, interests and expenses incurred during the commencement of the High Court suit until the withdrawal of the suit in Court.

Arbitration proceedings with hearing dates for continued trial remain as mentioned above.

B11. Material Litigation (cont'd)

c. **Kawalan Keselamatan Sentral (M) Sdn Bhd ("Plaintiff") v CSB**

(Shah Alam Session Court Summons No: S1-52-2047-2009)

The Plaintiff is claiming against CSB for the sum of RM 210,731.20 for non-payments of their fees pursuant to purported security services rendered by the Plaintiff from August 2008 to May 2009. CSB is defending this suit against the Plaintiff and has filed their defence and counterclaim for this matter claiming, inter alia, the sum of RM 403,900.00 being losses suffered by CSB due to the negligence of the Plaintiff in rendering their security services. The matter was fixed for trial on 7, 8, and 9 June 2011 and 6 July 2011. Written submissions by both Plaintiff and Defendant's counsels were made to court on 18 August 2011 and the court has fixed 24 August 2011 for the decision to be heard. However on 24 August 2011, the judge was not ready with the decision and has fixed 7 October 2011 for the decision to parties.

On 7 October 2011, the Court had allowed the Plaintiff's claim and dismissed CSB's counterclaim with costs. Subsequently, on 17 October 2011, CSB filed a Notice of Appeal which is currently pending the provision of grounds from the Judge.

B12. Realised and unrealised profits or losses of the Group

	Current quarter As at 31 October 2011 RM	Preceding quarter As at 31 July 2011 RM
Total retained earnings of the Group and its subsidiaries		
Realised	53,828,560	49,957,314
Unrealised (included effects of FRS 139 adoption)	1,118,689	874,762
	54,947,249	50,832,076
Add : Consolidation adjustments	127,316	127,316
Retained Earnings as per financial statements	55,074,565	50,959,392

B13. Dividends

At the Annual General Meeting, a first and final tax exempt (single-tier) dividend in respect of the financial year ended 31 October 2010, of 5.25% on 145,000,000 ordinary shares, amounting to a dividend payable of RM3,806,249.40 (2.62 sen per ordinary share) was approved by the shareholders on 27 April 2011 and paid on 15 June 2011.

B14. Earnings Per Share

Basic and diluted earnings per share are calculated based on the issued share capital of 145,000,000 ordinary shares of RM 0.50 each in issue.

B15. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors on 30 December 2011.