

Unaudited Condensed Consolidated Statements of Comprehensive Income
For the Second Quarter ended 31 October 2024

	Individual Quarter		Cumulative Period		
	Current Year Quarter 31 Oct 2024 RM	Preceding Year Quarter 31 Oct 2023 RM	Current Year To Date 31 Oct 2024 RM	Preceding Year To Date 31 Oct 2023 RM	
Revenue	49,153,778	55,279,436	98,971,450	91,798,011	
Cost of sales	(42,035,616)	(45,667,989)	(92,067,366)	(78,008,323)	
Gross profit	7,118,162	9,611,447	6,904,084	13,789,688	
Other income	1,466,407	2,070,448	2,959,632	5,088,796	
Administrative expenses	(7,369,245)	(3,801,647)	(14,505,455)	(4,497,084)	
Reversal of provision/impairment	30,090,000	-	30,216,101	2,253,171	
Operating profit	31,305,324	7,880,248	25,574,362	16,634,571	
Finance costs	(15,178,303)	(8,246,385)	(27,140,353)	(18,245,254)	
Share of results of an associate	(25,809)	44,861	(174,159)	12,211	
Profit/(Loss) before tax	16,101,212	(321,276)	(1,740,150)	(1,598,472)	
Taxation and Zakat	(7,204,777)	1,326,172	(7,304,481)	3,162,502	
Profit/(loss) for the quarter/financial year	8,896,435	1,004,896	(9,044,631)	1,564,030	
Other comprehensive income net of tax	-	-	-	-	
Total comprehensive income for the quarter/year	8,896,435	1,004,896	(9,044,631)	1,564,030	
Total comprehensive income/(loss) attributable to:-					
- Owners of the Company	2,282,103	991,530	(15,791,043)	1,296,039	
- Non-controlling interest	6,614,332	13,366	6,746,412	267,991	
	8,896,435	1,004,896	(9,044,631)	1,564,030	
Loss per share for loss attributable to the owners of the Company (sen per share)					
- Basic	Note B14 (a)	(0.77)	(0.61)	(4.01)	(1.05)
- Diluted	Note B14 (b)	(0.77)	(0.60)	(4.01)	(1.05)

Note:

1. The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 April 2024 and the accompanying notes attached to the unaudited interim financial statements.

Unaudited Condensed Consolidated Statements of Financial Position as at 31 October 2024

	Unaudited As At 31 October 2024 RM	Audited As At 30 April 2024 RM
ASSETS		
Non-current assets		
Plant and equipment	878,763,372	856,839,372
Right-of-use assets	4,403,875	4,615,819
Intangible assets	891,554,867	916,210,404
Investment in associates	2,653,077	2,827,237
Other investments	24,000,000	24,000,000
Deferred tax assets	24,972,070	32,180,767
	<u>1,826,347,261</u>	<u>1,836,673,598</u>
Current assets		
Trade and other receivables	125,821,134	108,949,089
Contract assets	820,320,141	795,814,331
Tax assets	10,574,298	10,510,787
Deposits, cash and bank balances	170,758,484	153,481,719
	<u>1,127,474,057</u>	<u>1,068,755,926</u>
Total assets	<u>2,953,821,318</u>	<u>2,905,429,525</u>
LIABILITIES		
Current liabilities		
Loans and borrowings	268,465,495	196,121,839
Lease liabilities	178,578	513,343
Trade and other payables	193,309,906	212,391,272
Tax liabilities	16,641	31,469
	<u>461,970,620</u>	<u>409,057,923</u>
Net current assets	<u>665,503,437</u>	<u>659,698,003</u>
Non-current liabilities		
Loans and borrowings	1,295,676,675	1,291,094,544
Lease liabilities	4,817,728	4,859,030
	<u>1,300,494,403</u>	<u>1,295,953,574</u>
Total liabilities	<u>1,762,465,023</u>	<u>1,705,011,497</u>
Net assets	<u>1,191,356,295</u>	<u>1,200,418,026</u>
EQUITY		
Share capital	602,133,698	602,133,698
Reverse acquisition reserve	(36,700,000)	(36,700,000)
Retained earnings	110,450,252	143,433,952
Equity attributable to owners of the Company	<u>675,883,950</u>	<u>708,867,650</u>
Perpetual Sukuk	525,810,463	508,634,906
Non-controlling interests	(10,338,118)	(17,084,530)
Total Equity	<u>1,191,356,295</u>	<u>1,200,418,026</u>
Total equity and liabilities	<u>2,953,821,318</u>	<u>2,905,429,525</u>
Net assets per share attributable to owners of the Company	1.46	1.48

Note:

- The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 April 2024 and the accompanying notes attached to the unaudited interim financial statements.

CYPARK RESOURCES BERHAD (Reg. No.: 200401004491(642994-H))
UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2024

Unaudited Statements of Changes in Equity for the Second Quarter ended 31 October 2024

	Non-distributable			Distributable			Non-controlling interests	Total Equity
	Share capital	Share option reserve	Reverse acquisition reserve	Retained earnings	Total	Perpetual Sukuk		
	RM	RM	RM	RM	RM	RM	RM	RM
2025 Group								
Opening balance at 1 May 2024	602,133,698	-	(36,700,000)	143,433,952	708,867,650	508,634,906	(17,084,530)	1,200,418,026
Total comprehensive income	-	-	-	(15,791,043)	(15,791,043)	-	6,746,412	(9,044,631)
Issuance of perpetual sukuk (net of expenses)	-	-	-	-	-	(17,100)	-	(17,100)
Transactions with owners								
Distribution to Perpetual Sukuk holders	-	-	-	(17,192,657)	(17,192,657)	17,192,657	-	-
Total transactions with owners	-	-	-	(17,192,657)	(17,192,657)	17,192,657	-	-
Closing balance at 31 October 2024	602,133,698	-	(36,700,000)	110,450,252	675,883,950	525,810,463	(10,338,118)	1,191,356,295
2024 Group								
Opening balance at 1 May 2023	585,597,276	1,090,295	(36,700,000)	257,966,287	807,953,857	232,964,113	(17,818,262)	1,023,099,707
Total comprehensive income	-	-	-	1,296,039	1,296,039	-	267,991	1,564,030
Issuance of perpetual sukuk (net of expenses)	-	-	-	-	-	264,239,350	-	264,239,350
Transactions with owners								
Issue of ordinary shares via:-								
- Exercise of ESOS Options	6,978,972	(462,845)	-	-	6,516,128	-	-	6,516,128
ESOS Options forfeited	-	-	-	4,672	4,672	-	-	4,672
Distribution to Perpetual Sukuk holders	-	-	-	(9,728,313)	(9,728,313)	9,728,313	-	-
Distribution paid to Perpetual Sukuk holders	-	-	-	-	-	(8,743,123)	-	(8,743,123)
Total transactions with owners	6,978,972	(462,845)	-	(9,723,641)	(3,207,513)	985,190	-	(2,222,324)
Closing balance at 31 October 2023	592,576,248	627,450	(36,700,000)	249,538,685	806,042,383	498,188,652	(17,550,271)	1,286,680,764

Note:

- The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 April 2024 and the accompanying notes attached to the unaudited interim financial statements.

Unaudited Condensed Consolidated Statements of Cash Flows
For the Second Quarter ended 31 October 2024

	6 months ended	
	31 Oct 2024	31 Oct 2023
	RM	RM
Cash flows from operating activities		
Profit/(Loss) before tax	(1,740,150)	(1,598,472)
Adjustments for:		
Depreciation of plant and equipment	12,978,089	4,566,955
Share of results in associated companies	174,159	(12,211)
Gain on disposal of plant and equipment	(404,321)	-
Depreciation of right-of-use assets	211,944	275,692
Amortisation of intangible assets	26,830,062	12,211,807
Reversal of provision/impairment	(30,216,101)	(2,253,171)
Interest expense	41,555,596	33,171,559
Interest income	(2,036,689)	(3,434,197)
Operating cash flows before changes in working capital	<u>47,352,589</u>	<u>42,927,962</u>
Changes in working capital:		
Trade and other receivables	(16,655,945)	38,343,502
Contract assets	(24,505,810)	(35,205,575)
Trade and other payables	10,918,634	(58,316,904)
Cash flows used in operations	<u>17,109,468</u>	<u>(12,251,015)</u>
Tax and Zakat paid	<u>(174,123)</u>	<u>(818,806)</u>
Net cash flows generated from/(used in) operating activities	<u>16,935,345</u>	<u>(13,069,821)</u>
Cash flows from investing activities		
Proceeds from disposal of plant and equipment	404,321	-
Additions to intangible assets	(2,174,525)	-
Plant and equipment	(34,902,088)	(102,395,400)
Interest received	2,036,689	3,434,197
Net cash flows used in investing activities	<u>(34,635,603)</u>	<u>(98,961,204)</u>
Cash flows from financing activities		
Issuance of ordinary shares via:		
- Exercise of ESOS Options	-	6,520,800
Issuance of perpetual sukuk (net of expenses)	(17,100)	264,239,350
Distribution to perpetual sukuk holders	-	(8,743,123)
Repayment of lease liabilities	(806,793)	(707,092)
Net (repayments)/drawdowns of other borrowings	74,623,236	(26,656,657)
Net (repayments)/drawdowns of term loans	4,582,131	64,119,049
Interest paid	(41,124,871)	(49,856,611)
Net cash flows generated from financing activities	<u>37,256,603</u>	<u>248,915,715</u>
Net increase in cash and cash equivalents	<u>19,556,345</u>	<u>136,884,690</u>
Cash and cash equivalents at beginning of financial year	<u>150,709,260</u>	<u>152,231,826</u>
Cash and cash equivalents at end of financial year	<u>170,265,605</u>	<u>289,116,517</u>

Cash and cash equivalents at the end of the financial year comprise the following:

Short term deposits with licensed banks	151,063,972	129,345,150
Cash at banks and in hand	<u>19,694,512</u>	<u>159,771,367</u>
Cash and bank balances	170,758,484	289,116,517
Less: Bank overdrafts	<u>(492,878)</u>	<u>-</u>
	<u>170,265,605</u>	<u>289,116,517</u>

Note:

- The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 April 2024 and the accompanying notes attached to the unaudited interim financial statements.

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 30 April 2024. 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 30 April 2024.

A2. Changes in accounting policies

The significant accounting policies and computation methods are consistent with those adopted for the year ended 30 April 2024, except for the adoption of the following new MFRS:

MFRSs, Amendments to MFRSs and IC Interpretation		Effective for annual period beginning on or after
Amendments to MFRS 7	Financial Instruments: Disclosures	1 January 2024
Amendments to MFRS 16	Leases	1 January 2024
Amendments to MFRS 101	Presentation of Financial Statements	1 January 2024
Amendments to MFRS 107	Statement of Cash Flows	1 January 2024

The adoption of the abovementioned standards did not have a material impact on the financial statements of the Group.

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 MASB but not yet effective:-

MFRSs, Amendments to MFRSs and IC Interpretation		Effective for annual period beginning on or after
Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2025
Amendments to MFRS 7	Financial Instruments: Disclosures	1 January 2026
Amendments to MFRS 9	Financial Instruments	1 January 2026
MFRS 1, MFRS 7, MFRS 9, MFRS 10 & MFRS 107	Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10	Consolidated Financial Statements	<i>Deferred</i>
Amendments to MFRS 128	Investments in Associates and Joint Ventures	<i>Deferred</i>

The Group and the Company plan to adopt the above pronouncements when they become effective in the respective financial year. 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 30 April 2024.

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

Unless otherwise disclosed in the Notes B1 and B2, there were no significant unusual items affecting the assets, liabilities, equity, net income or cash flows during the current financial quarter under review.

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 under review, other than disclosed below: -

a) The Group has changed the useful life of its Waste-to-Energy (“WTE”) plants aligned with the concession period since 3Q2024. This change contrasts with the 40-year useful life that was previously adopted in the financial results for 2Q2024.

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 under review.

A8. Dividends paid

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

CYPARK RESOURCES BERHAD (Reg. No.: 200401004491(642994-H))
UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2024

A9. Segmental Information

The Group's segmental report for the financial period-to-date is as follows:

	Renewable Energy RM	Construction & Engineering RM	Green Tech & Environmental Services RM	Waste Management & Waste-To-Energy RM	Elimination RM	Total RM
6 months ended 31 October 2024						
Revenue						
Sale to external customers	50,836,933	19,646,051	1,454,760	27,033,706	-	98,971,450
Inter-segment sales	65,876,708	-	-	-	(65,876,708)	-
Total revenue	116,713,641	19,646,051	1,454,760	27,033,706	(65,876,708)	98,971,450
Results						
Profit/(Loss) before tax	21,030,370	1,527,251	(697,866)	(23,599,905)	-	(1,740,150)
Income tax and zakat expenses						(7,304,481)
Loss net of tax						(9,044,631)
6 months ended 31 October 2023						
Revenue						
Sale to external customers	50,911,045	19,033,956	2,351,389	19,501,621	-	91,798,011
Inter-segment sales	134,386,147	-	-	-	(134,386,147)	-
Total revenue	185,297,192	19,033,956	2,351,389	19,501,621	(134,386,147)	91,798,011
Results						
Profit/(Loss) before tax	7,689,482	3,533,542	2,480,547	(15,302,044)	-	(1,598,472)
Income tax and zakat expenses						3,162,502
Profit net of tax						1,564,030

A10. Valuation of property, plant and equipment

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

A11. Capital commitments

Save as disclosed below, there was no capital commitment as at 31 October 2024: -

	RM
Capital expenditure	
- Plant and equipment	33,000,000

A12. Material events subsequent to the end of the financial quarter.

Save as disclosed below, there were no material events subsequent to the end of the current financial quarter up to 24 December 2024, 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, other than disclosed as below:-

- a) The Group Large Scale Solar project located in Danau Tok Uban, with a capacity of 30 MWac, achieved its Initial Operational Date (IOD) on 16 November 2024. This marks a significant milestone as the project is now fully operational and contributing renewable energy to the national grid. The financial impact of the project's operation will be reflected in subsequent financial quarter.

A13. Changes in composition of the group

There were no material changes in the composition of the Group during the current financial quarter under review.

A14. Contingent liabilities

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

	31 Oct 2024
	RM
Secured:	
- Performance bond/tender bond guarantees favouring Government/ Statutory bodies for various projects	1,310,365
- Bank guarantees extended to Government Bodies/Companies for various projects	126,737,071
- Bank guarantees extended to third parties in respect of various projects of the Group	243,699
- Bank guarantees extended to Subsidiaries of the Group	46,000,000
- Letter of credits given to suppliers for purchase of materials	-
	<u>174,291,135</u>
Unsecured:	
- Corporate guarantees given to banks for credit facilities granted to subsidiaries	<u>1,350,520,000</u>
	<u>1,350,520,000</u>
TOTAL	<u>1,524,811,135</u>

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

A15. Significant related party transactions

There was no significant related party transactions during the current financial quarter under review.

B1. Analysis of performance**Current Quarter ended 31 October 2024 vs Previous Quarter ended 31 October 2023**

The Group reported total revenue of RM49.2 million for 2Q2025, as compared to RM55.3 million in 2Q2024. The lower revenue of RM6.1 million or 11% was mainly attributed to lower revenue recognition from the hospital construction project, which is reaching completion. Particularly, the Group also started generating revenue from its LSS3 plant in Terengganu, which achieved its Commercial Operation Date (“COD”) on 9 June 2024, contributing positively to the overall revenue. Additionally, the Waste-to-Energy (WTE) plant resumed operations on 29 October 2024, following a period of unscheduled downtime and upgrading works that began in April 2024. The Group also expects compensation from the insurance coverage, thus the Group has made provisions for this anticipated compensation.

In 2Q2025, the Group reported a profit after tax of RM8.9 million, a significant increase as compared to RM1.0 million in 2Q2024. The increase is mainly due to the one-off reversal on provision that had been made previously thus, contributing positively to the Group.

The LSS2 projects located in Kelantan achieved its Initial Operational Date (“IOD”) on 16 November 2024. This is a significant milestone for the project, and the beginning of the contribution of renewable energy to the national grid. The Group will begin receiving scheduled and confirmed payments upon revenue collection from Tenaga Nasional Berhad (“TNB”) for the sale of renewable energy.

As we move forward, the transition of completed LSS2 projects to the Operations & Maintenance (“O&M”) phase is anticipated to further strengthen the Group's revenue and cash flows. With revenue from these projects projected over the next 21 years, the Group can expect consistent revenue and cash inflows, improving its financial stability in the long term.

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

Renewable Energy

In 2Q2025, the Group reported a revenue of RM27.8 million for the solar energy segment, maintaining a similar level compared to the previous quarter 2Q2024. This revenue was primarily driven by electricity sales from the newly completed Large-Scale Solar project in Terengganu, which began operations on 9 June 2024, as well as from the existing 24MW brownfield solar plants. The Group expects the newly operational solar plant, along with the transition of the LSS2 projects to the O&M phase, to positively impact future revenue, earnings, and cash flows throughout the concession period.

Additionally, the division reported a significant increase in profit before tax, amounting to RM24.0 million for the quarter. This surge was mainly due to the reversal of a one-off provision that had been made previously. The reversal led to an improvement in the division's profit, which in turn, positively contributed to the Group's overall profits.

Construction & Engineering

In the 2Q2025, the division reported a revenue of RM6.2 million, marking a decrease of RM9.1 million or 60% compared to RM15.3 million in the 2Q2024. This decline was primarily due to the reduction in billings from the Hospital Rawang construction project, which is nearing completion.

The division also posted a profit before tax of RM0.5 million for the quarter, a decrease of RM1.8 million or 78% from the RM2.3 million reported in 2Q2024.

Current Quarter ended 31 October 2024 vs Previous Quarter ended 31 October 2023-cont'd**Green Tech & Environmental Services**

In 2Q2025, the division recorded a revenue of RM0.9 million, a decrease of RM0.4 million or 32% from RM1.3 million in 2Q2024. The decline was primarily due to unscheduled downtime for the repair of the biogas engine, which began in August 2024, with operations resuming on 2 September 2024. The revenue is primarily derived from energy sales of the 1.55MW palm oil mill effluent biogas plant in Kg Gajah, Perak. The plant will continue to sell energy to TNB under a long-term renewable energy power purchase agreement (“REPPA”) signed with TNB. The division reported a profit before tax of RM0.03 million in 2Q2025, compared to RM0.7 million in 2Q2024.

Waste Management & Waste-To-Energy

In 2Q2025, the Group recorded revenue of RM14.3 million and a loss before tax of RM8.4 million, compared to revenue of RM9.5 million and a loss before tax of RM8.5 million in 2Q2024. Despite the fire incident, the division expects to receive compensation from the insurance coverage, and a provision has been made for the anticipated compensation.

The management is in close discussions with relevant authorities regarding an increase in the tipping fee and have thus far, received encouraging feedback.

Current Financial Year ended 31 October 2024 vs Previous Financial Year ended 31 October 2023

The Group recorded revenue of RM99.0 million for the current financial year, an increase of RM7.2 million or 8% compared to RM91.8 million in the previous financial year. This growth was driven by revenue generated from its LSS3 plant in Terengganu, which achieved its COD on 9 June 2024. Despite the fire incident, the division expects to receive compensation from the loss of revenue through its insurance coverage, and a provision has been made for the anticipated compensation.

In 2Q2025, the Group experienced an increase in administrative costs, primarily due to one-off professional fees and one-off marketing and promotional event expenses which had been incurred during the current financial year. However, these higher costs were partially offset by a one-off reversal of provisions made in the previous financial periods. The Group reported a loss after tax of RM9.0 million in 2Q2025, a decline of RM7.4 million compared to the profit after tax of RM1.6 million in 2Q2024.

Looking ahead, the completed LSS2 projects that achieved IOD on 16 November 2024 will transition into the O&M phase, continuing to generate various revenue streams for the Group, including interest and O&M revenues. Both are recurring income sources for the concession period. The total inflow from these secured contracts will provide long-term positive contributions to the Group.

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

Renewable Energy

This division reported a revenue of RM50.8million in this current financial year with a decrease of RM0.1 million 0.2% from RM50.9million in the previous financial year. Despite commencing electricity sales from the newly completed Large-Scale Solar project in Terengganu since its COD on 9 June 2024, the slight decline is partly attributed to the cessation of certain operations and maintenance business from certain sites, and due to newly secured Net Energy Metering (“NEM”) project that just commenced in the current financial year.

Current Financial Year ended 31 October 2024 vs Previous Financial Year ended 31 October 2023-cont'd**Renewable Energy-cont'd**

The division also reported a significant increase in profit before tax of RM21.0 million for the current financial year. This was primarily driven by the reversal of a one-off provision that had been made previously. This reversal subsequently improved the Group profit, contributing significantly to the overall profit.

The Group anticipates that the newly operational solar plant located in Terengganu will positively impact future revenue, earnings, and cash flows of this division throughout the concession period.

Construction & Engineering

Revenue in this division was recorded at RM19.6 million in the current financial year, almost similar with the previous financial year. Revenue was primarily contributed by the progress of work activities on the existing construction project located in Rawang. The profit before tax recorded at RM1.5 million in the current financial year.

Green Tech & Environmental Services

The revenue in this division decreased by 38%, or RM0.9 million, to RM1.5 million in the current financial year, down from RM2.4 million in the previous financial year. The decline was primarily due to an unscheduled downtime for the repair of the biogas engine since August 2024 with the division resuming its operation on 2 September 2024. Consequently, this division reported a loss before tax of RM0.7 million in the current financial year, compared to a profit of RM2.5 million in the previous financial year. The loss is mainly due to the higher cost incurred from the repair and maintenance work.

The division generates its revenue mainly from energy sales of the 1.55MW palm oil mill effluent biogas plant in Kg Gajah, Perak. The plant will continue to sell energy to TNB under a long-term REPPA signed with TNB.

Waste Management & Waste-To-Energy

The revenue recorded in this division for the financial year stands at RM27.0 million as compared to RM19.5million in the previous financial year. Recurring revenue streams generated include the sale of green energy from the completed integrated WTE plant, tipping fees, and recycling revenue.

Despite the fire incident which happened in 4Q2024 which led to unscheduled downtime, the division has made provisions for the anticipated compensation from its insurance coverage.

The Group recorded a loss before tax of RM23.6 million for the current financial year, compared to a loss of RM15.3 million in the previous financial year. The increase in loss before tax is attributable to changes in the assumptions regarding the useful life of the Waste-to-Energy (WTE) plant, which were adopted starting from the third quarter of 2024, with the Group aligning the useful life of the WTE plant with its concession period, instead of the 40-year useful life used in the first two quarters of the previous financial year. These changes have had a material impact on the division's bottom line.

To date, the management is in close discussions with relevant authorities regarding an increase in the tipping fee and have thus far, received encouraging feedback.

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

The Group's higher operating profit recorded in the current quarter was RM31.3 million as compared to loss before tax of RM5.7 million in the preceding quarter. The better performance in the current quarter was mainly contributed by the revenue generated from LSS3 plant in Terengganu, which commenced operations on 9 June 2024. This improvement was also largely due to the reversal of provisions that had been made in the previous financial year. This reversal has a substantial positive impact on the Group's profitability for the quarter.

Accordingly, the Group recorded a profit before tax of RM16.1 million for the quarter, a significant turnaround from the loss of RM17.8 million in 1Q2025.

B3. Prospects for the Current Financial Year

While we continue to focus on completing our current projects, we are also selectively venturing into new projects. In realising our target of reaching a capacity goal of 800MW by 2027, we are proactively identifying expansion and diversification opportunities in the industry. Our priority lies in RE businesses including large scale solar power, biogas, biomass and WTE projects which will enable us to tap into clean and sustainable energy sources while we continue to play our significant role in decreasing GHG emissions.

The Group also provides services to smaller-scale projects including rooftop solar, hybrid solar projects, biogas and biomass as it allows us to cater to more customers and diversify our RE production. In the pipeline, our new projects include the construction of NEM rooftop projects for tier one financial institutions, government agencies and hotels. We are also expanding our business opportunities by scouting for projects with state-owned entities and companies nationwide, representing a strong indication of our commitment to capitalise on our expertise and emerging markets in all states.

Our endeavour for business expansion in the RE industry is further bolstered by the Government's introduction of various schemes including the Corporate Green Power Programme ("CGPP") and Corporate Renewable Energy Supply Scheme ("CRESS"). Furthermore, the emphasis on battery solutions within RE which is the Battery Energy Storage System ("BESS"), affords The Group with more engagement opportunities in energy storage initiatives.

The Group's focus remains on i) waste management particularly in Waste-to-Energy ("WTE") as the Government focuses on a green economy, recycling of waste and implementing a circular economy towards a more sustainable future for Malaysians; ii) the National Energy Transition Roadmap ("NETR") to accelerate Malaysia's energy transition; iii) supporting the 12th Malaysia Plan which outlines aspirations for the nation to achieve net zero emissions by 2050 as well as iv) the National Energy Policy (DTN) which aspires Malaysia to become a low carbon nation by 2040.

The Group's track record remains as Malaysia's first and leading solar energy developer and the only operator of a Municipal Solid Waste ("MSW") WTE plant in Ladang Tanah Merah, Negeri Sembilan with capacity of 15 MW. These strengths and rich experience stand us in good stead to win more WTE projects in the future, locally and regionally.

Renewable Energy

At present, the Group constructs, operates, owns, and/or manages close to 400 MWp of RE assets. The COD of 100 MWac LSS3 project in Terengganu in June 2024 and 60 MWac LSS2 projects in Kelantan by Dec 2024 further strengthen The Group's position as the RE market leader in Malaysia. With the impending completion of the LSS2 project, RE will remain as the major contributor to The Group's recurring revenue and profit in 2025.

Under the GREEN MADANI initiatives, the Government introduced the new Corporate Renewable Energy Supply Scheme ("CRESS") on July 2024 which would allow RE producers and qualified corporate users to enter into green power supply agreements on mutually agreed terms using the current supply system. The usage of Battery Energy Storage System ("BESS") in the installation of Solar Plants would have an effect on the system access charge under the CRESS program which aims to stabilize firm outputs by RE producers and thus, solve any electricity excess generated by the RE producers.

B3. Prospects for the Current Financial Year-cont'd**Renewable Energy**

The CRESS program offers reliable and consistent green electricity supply while providing flexibility for choosing energy sources such as green energy. It also allows participants to hedge against future fluctuations in green electricity rates and negotiate pricing directly with RE producers. Additionally, this program supports compliance with ESG targets, helping organizations achieve their sustainability goals.

The Energy Commission on 29 November 2024, had issued a Request for Qualification for BESS with capacity of 400MW/1,600MWh. BESS will support the integration of renewable energy to the grid and meet current and projected demand, with commercial operations scheduled in 2026.

On 6 December 2024, The Group signed a Heads of Agreement with Terengganu Inc, for the Group to participate as the developer of 500MWac Floating Solar in Kenyir. Equity participation in this key project, will further enhance the Group's profile in floating solar solutions in particular, and increase our overall share of the solar market in Malaysia.

Construction & Engineering

With the award of the construction of a 10-storey private hospital along with a 6-storey parking facility at Sungai Bakau, Mukim Rawang, Selangor Darul Ehsan on 19 April 2023, The Group is aggressively pursuing other healthcare-themed construction projects in the country through its participation in tenders as well as through direct proposals.

The civil engineering sub-sector will continue to be the main driver of the construction sector. The Group continues to intensify its efforts and resources to secure more projects in the construction of infrastructure, landscaping, residential and commercial buildings with its proven experience and credibility.

To further expand its solar business, the Group is now are pursuing the Engineering, Procurement, Construction and Commissioning ("EPCC") of the largest floating solar in the 500MWac Floating Solar in Kenyir. Given the huge commitment required for the project, The Group will be partnering reputable EPCC players to participate in the bidding exercise.

Green Technology & Environmental Services

Additionally, the Group has incorporated the small scale solar for Commercial & Industry ("C&I") sector in 2024 under the NEM initiative. We tailored solutions to organizations for their ESG Initiative to reduce their carbon footprint by installing solar panels on the organization rooftops based on the capacity needed for their electricity usage. Furthermore, organizations are able to benefit from its solar investment tax allowance from MIDA or the Malaysian Green Tech Corporation ("MGTC") to encourage organizations to go green. For instance, The Group is looking into executing its largest rooftop solar system installation which is for a higher educational institution in Kuantan, Pahang.

As Malaysia is the second largest palm oil producer in the world behind Indonesia, the country has over 420 operating palm oil mills which translates to a potential of 450 – 500 MW of electricity generated from the waste of palm oil mills in the form of Palm Oil Mill Effluent ("POME") and Empty Fruit Bunches ("EFB"). Biogas could also be derived from methane capture which could translate to a further 200 – 300 MW. The holistic approach of the Group to make both the products sold (biomass and biogas from palm oil waste) and the production process using these resources to be environmentally sustainable, hence, promoting a true circular economy in the palm oil industry.

With the recent announcement by SEDA on the Feed-in Tariff 2.0 programme, the Group is also looking ahead to expand its portfolio to include more biogas and biomass project capacities by developing biomass plants strategically working with the nation's top palm oil producers.

B3. Prospects for the Current Financial Year-cont'd**Waste Management & Waste-to-Energy (“WTE”)**

The SMART WTE project in Ladang Tanah Merah, Negeri Sembilan achieved its Commercial Operation Date (“COD”) and started its sale of green energy from waste to TNB on 14 December 2022. This integration of Solid Waste Advance Recovery and Treatment facilities (SMART) together with the WTE plant is the first of its kind in this region and it is expected to contribute circa RM80 million per annum in revenue.

Encouraged by the Group’s successful commissioning of the only operational WTE in the country, the Group has recently entered into a landmark Teaming Agreement with China Tianying, Inc. (“CNTY”), a European and Asian leader in waste management and environmental technologies listed on Shenzhen Stock Exchange with a total of 657 authorized patents. The exclusive strategic partnership marks a significant step in the Group’s mission to address Malaysia’s pressing waste and landfill challenges by utilising advanced plasma waste-to-energy (WTE) technology. The Teaming Agreement will culminate in the development and deployment of a plasma WTE line that is intended to be located at the Group’s existing WTE facility at Ladang Tanah Merah, Negeri Sembilan. With this second line, Malaysia’s only operating WTE facility will have the capacity and the technology to process the entire municipal waste produced in Negeri Sembilan.

The Group plans to actively participate in future WTE tenders that would be announced by Kementerian Perumahan dan Kerajaan Tempatan under its national WTE implementation plan. With the track record of successfully designing, constructing, commissioning, and operating the country’s first WTE plant in Negeri Sembilan, the Group has highly favourable odds to win more WTE projects in the future. The Group expects future WTE plant capacities to be between 15MW and 25MW per plant with an expected investment value of above RM500 million each.

B5. Profit/(Loss) before tax

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31 Oct 2024	Preceding Year Quarter 31 Oct 2023	Current Year To Date 31 Oct 2024	Preceding Year To Date 31 Oct 2023
Profit/(Loss) before tax is stated after crediting:-				
Financing revenue arising from contracts with customers	9,079,002	9,429,985	18,302,186	19,026,071
Interest income	1,026,853	1,741,228	2,036,689	3,434,197
Other income (including investment income)	35,233	329,220	518,622	1,654,599
Gain on disposal of asset	404,321	-	404,321	-
Reversal of provision/impairment	30,090,000	-	30,216,101	2,253,171
	-	-	-	-
Profit/(Loss) before tax is stated after charging:-				
Interest expenses	22,280,433	15,602,586	41,555,596	33,171,559
Amortisation of intangible assets	13,204,622	6,105,904	26,830,062	12,211,807
Depreciation of right-of-use assets	105,972	137,750	211,944	275,692
Depreciation of plant and equipment	8,071,423	2,239,981	12,978,089	4,566,955

B6. Income tax expense

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31 Oct 2024 RM	Preceding Year Quarter 31 Oct 2023 RM	Current Year To Date 31 Oct 2024 RM	Preceding Year To Date 31 Oct 2023 RM
Taxation and Zakat				
- Income tax Current	431	2,196,504	6,376	2,868,397
- Overprovision in prior year	-	-	89,408	-
Deferred tax	7,204,346	(3,522,676)	7,208,697	(6,030,899)
	<u>7,204,777</u>	<u>(1,326,172)</u>	<u>7,304,481</u>	<u>(3,162,502)</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 under review.

B8. Purchase or disposal of quoted securities

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

B9. Status of corporate proposals

There were no corporate proposals announced but not completed at the date of this report.

B10. Group borrowings and debts securities

The Group's borrowings and debts securities as at 31 October 2024 are as follows:-

	31 Oct 2024	30 April 2024
	RM	RM
Short term borrowings		
Secured and unsecured:-		
Bank overdrafts	492,878	2,772,459
Trust receipts	9,700,424	10,077,188
Bond - Sukuk Murabahah	19,107,243	19,107,243
Term loans	93,664,949	93,664,949
Revolving credits	145,500,000	70,500,000
	<u>268,465,495</u>	<u>196,121,839</u>
Long term borrowings		
Secured:-		
Term loans	823,633,330	799,529,472
Bond - Sukuk Murabahah	472,043,344	491,565,072
	<u>1,295,676,675</u>	<u>1,291,094,544</u>
Total borrowings		
Secured and unsecured:-		
Bank overdrafts	492,878	2,772,459
Trust receipts	9,700,424	10,077,188
Term loans	917,298,279	893,194,421
Revolving credits	145,500,000	70,500,000
Bond - Sukuk Murabahah	491,150,587	510,672,315
	<u>1,564,142,169</u>	<u>1,487,216,383</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) In the Matter of An Arbitration Pursuant to the Arbitration Rules of the Asian International Arbitration Centre and the Arbitration Act 2005

Claimant : Cypark Resources Berhad
Respondent : The Government of Malaysia & 3 Ors.

On 19.05.2022, Cypark Resources Berhad (“**CRB**”) issued a Notice of Arbitration against the Government of Malaysia, Kementerian Perumahan dan Kerajaan Tempatan, Jabatan Pengurusan Sisa Pepejal Negara and Ketua Pengarah, Jabatan Pengurusan Sisa Pepejal Negara (“**the Respondents**”) pursuant to Clause 67.0 of the Standard Form of Design and Build Contract PWD Form DB (Rev. 2007), Contract No. KPKT/JPSPN/1001/18/2009 of 2009 for *Projek Penutupan Selamat dan Pemulihan 16 Tapak Pelupusan Sisa Pepejal di Semenanjung Malaysia* (“**the Contract**”).

CRB is claiming against the Respondents for, among others, the following reliefs: -

- a) Extension of Time (“**EOT**”) for the Contract from 30.11.2014 until the Certificate of Practical Completion i.e. 23.12.2015 for 388 days;
- b) Loss and Expenses for the EOT Period amounting to RM61,339,616.73; and
- c) Release of the remaining balance of the withheld Liquidated Ascertained Damages (“**LAD**”) amounting to RM2,655,651.00.

The Respondents served their Response to the Notice of Arbitration on 22.08.2022 by claiming, among others, as follows:-

- a) The Respondents were still conducting the assessment over documents submitted by CRB for the loss and expense claim;
- b) The Respondents are entitled to deduct LAD sum due to the following reasons:-
 - i) CRB failed to complete the works on the date of completion;
 - ii) The Certificate of Delay and EOT were issued subsequent to the commencement of the EOT period.

On the 22 February 2024, a preliminary meeting with the Arbitrator was fixed for further directions on filing the cause papers, however postponed by the Arbitrator.

Subsequently another date for preliminary hearing was fixed on 27 May 2024 to receive directions but has been vacated again with no new dates fixed yet. The parties are currently in the midst of reaching a settlement.

B12. Material Litigation-cont'd**(B) KNM Process Systems Sdn Bhd (Plaintiff) v. Cypark Sdn Bhd (Defendant) Shah Alam High Court Originating Summons No. 24C(ARB)-2-02/2020 (Court of Appeal Appeal No. B-02(C)(A)-551-03/2020, B-02(IM)(C)-552-03/2020, B-02(C)(A)-581-04/2020 & B-02(C)(A)-579-04/2020)**

This case is pertaining to an Injunction application filed by KNM for Advance Payment Guarantee No. 07101IGK1601144 and Performance Security No. 06702153310001 (“the said Bonds”) issued by KNM in favour of Cypark for the Waste to Energy (WTE) Project in Ladang Tanah Merah amounting to RM26,600,000. Due to the default by KNM and subsequently the termination of the contract, Cypark called upon the said Bonds and demanded for the proceeds of the same to be released to Cypark. On 14 February 2020, KNM filed an Injunction application to restrain Cypark/agent/employees from receiving the proceeds from the said Bonds. On 23 March 2020, the Court allowed the Injunction application.

Subsequently Cypark applied and the Court ordered to vary the order of the Injunction whereby KNM shall extend the said Bonds until the conclusion of the arbitration or alternatively until the disposal of all appeal(s).

During the case management fixed on 18 December 2023, parties’ respective counsels updated the Court that the written Grounds of Judgment from the Court of Appeal was yet to be received.

On 22 February 2024, parties’ respective counsels informed the Court that they had not received the Grounds of Judgement from the Court of Appeal. A further case management was fixed on 11 March 2024 to update the Court on the restraining order by KNM and the Grounds of Judgement.

Court had fixed another case management on 20 March 2024 and 21 March 2024 for monitoring of documents and filing of written submissions and bundle of documents.

The Federal Court hearing scheduled on 05 April 2024 was vacated due to KNM’s filing of the Restraining Order. On 29 August 2024 court fixed hearing date on 09 September 2024 to hear Cypark’s Leave Application. On 09 September 2024, it was recorded for Cypark to proceed with the appeal at the Federal Court. Consent order dated 29 October 2024 was recorded and sealed at Federal Court. The Appeals have been duly concluded.

B13. Dividends

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

B14. Profit/(Loss) per share

The following reflect the profit/(loss) after taxation and weighted average number of share used in the computation of basic and diluted profit/(losses) per share for the quarter ended 31 October 2024: -

- (a) Basic profit/(loss) per share amounts are based on profit/(loss) for the financial quarter/year attributable to owners of the Company (after adjusting for distribution to holders of perpetual sukuk) and the weighted average number of ordinary shares in issue during the financial quarter/year, calculated as follows:

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31 Oct 2024 RM	Preceding Year Quarter 31 Oct 2023 RM	Current Year To Date 31 Oct 2024 RM	Preceding Year To Date 31 Oct 2023 RM
Profit/(loss) net of tax, representing total comprehensive income attributable to owners of the Company	2,282,103	991,530	(15,791,043)	1,296,039
Distribution to holders of perpetual sukuk	(8,614,855)	(5,833,745)	(17,192,657)	(9,728,313)
	<u>(6,332,752)</u>	<u>(4,842,215)</u>	<u>(32,983,700)</u>	<u>(8,432,274)</u>
Weighted average number of ordinary shares for basic earnings per shares computation	822,827,635	799,283,044	822,827,635	799,283,044
Basic loss per ordinary share (sen)	<u>(0.77)</u>	<u>(0.61)</u>	<u>(4.01)</u>	<u>(1.05)</u>

- (b) Diluted profit/(loss) per share are based on the profit/(loss) for the financial quarter/year attributable to owners of the Company (after adjusting for distribution to holders of perpetual sukuk) and the weighted average number of ordinary shares outstanding during the financial quarter/year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares, calculated as follows:

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31 Oct 2024 RM	Preceding Year Quarter 31 Oct 2023 RM	Current Year To Date 31 Oct 2024 RM	Preceding Year To Date 31 Oct 2023 RM
Profit/(loss) net of tax, representing total comprehensive income attributable to owners of the Company	2,282,103	991,530	(15,791,043)	1,296,039
Distribution to holders of perpetual sukuk	(8,614,855)	(5,833,745)	(17,192,657)	(9,728,313)
	<u>(6,332,752)</u>	<u>(4,842,215)</u>	<u>(32,983,700)</u>	<u>(8,432,274)</u>
Weighted average number of ordinary shares for basic earnings per shares computation	822,827,635	799,283,044	822,827,635	799,283,044
Effects of dilution - share options	-	4,213,741	-	4,213,741
Weighted average number of ordinary shares for diluted earnings per share computation	<u>822,827,635</u>	<u>803,496,785</u>	<u>822,827,635</u>	<u>803,496,785</u>
Diluted loss per ordinary share (sen)	<u>(0.77)</u>	<u>(0.60)</u>	<u>(4.01)</u>	<u>(1.05)</u>