Cypark

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JANUARY 2025

Unaudited Condensed Consolidated Statements of Comprehensive Income
For the Third Quarter ended 31 January 2025

		Individual Quarter		Cumulative Period	
		Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
		31 Jan 2025	31 Jan 2024	31 Jan 2025	31 Jan 2024
		RM	RM	RM	RM
Revenue		39,739,747	35,889,412	138,711,197	127,687,423
Cost of sales		(39,959,160)	(54,631,674)	(132,026,526)	(132,639,997)
Gross (loss)/profit		(219,413)	(18,742,262)	6,684,671	(4,952,574)
Other income		17,022,559	3,153,107	19,982,191	8,242,094
Administrative expenses		(6,449,078)	(4,145,744)	(20,954,533)	(8,642,828)
Reversal of provision/impairment		30,090,000	(5,520,794)	60,306,101	(3,267,814)
Operating profit/(loss)		40,444,068	(25,255,693)	66,018,430	(8,621,122)
Finance costs		(18,262,696)	(7,978,379)	(45,403,049)	(26,223,633)
Share of results of an associate		(325,623)	-	(499,782)	12,211
Profit/(Loss) before tax		21,855,749	(33,234,072)	20,115,599	(34,832,544)
Taxation and Zakat		(7,201,857)	5,497,907	(14,506,338)	8,660,409
Profit/(loss) for the quarter/period		14,653,892	(27,736,165)	5,609,261	(26,172,135)
Other comprehensive income net of tax		-	-	-	-
Total comprehensive income/(loss) for the quarter/period		14,653,892	(27,736,165)	5,609,261	(26,172,135)
Total comprehensive income/(loss) attributable to:-					
- Owners of the Company		8,755,334	(27,983,546)	(7,035,709)	(26,687,507)
- Non-controlling interest		5,898,558	247,381	12,644,970	515,372
		14,653,892	(27,736,165)	5,609,261	(26,172,135)
Profit/(Loss) per share for profit/(loss) attributable to the owners of the Company (sen per share)					
- Basic	Note B14 (a)	0.00	(4.49)	(4.01)	(5.54)

Note:
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 these unaudited interim financial statements.

Unaudited Condensed Consolidated Statements of Financial Position as at 31 January 2025

	Unaudited As At 31 Jan 2025 RM	Audited As At 30 April 2024 RM
ASSETS		
Non-current assets		
Plant and equipment	878,920,366	856,839,372
Right-of-use assets	4,276,589	4,615,819
Intangible assets	879,210,311	916,210,404
Investment in associates	2,327,454	2,827,237
Other investments	24,000,000	24,000,000
Deferred tax assets	17,767,723	32,180,767
	1,806,502,443	1,836,673,599
Current Assets		
Trade and other receivables	103,031,595	108,949,089
Contract assets	819,182,722	795,814,331
Tax assets	10,552,948	10,510,787
Deposits, cash and bank balances	178,283,714	153,481,719
	1,111,050,979	1,068,755,926
Total assets	2,917,553,422	2,905,429,525
LIABILITIES		
Current liabilities		
Loans and borrowings	339,438,158	196,121,839
Lease liabilities	335,458	513,343
Trade and other payables	106,737,305	212,391,274
Tax liabilities	28,387	31,469
	446,539,308	409,057,925
Net current assets	664,511,671	659,698,001
Non-current liabilities		
Loans and borrowings	1,260,435,192	1,291,094,544
Lease liabilities	4,599,552	4,859,030
	1,265,034,744	1,295,953,574
Total liabilities	1,711,574,053	1,705,011,499
Net assets	1,205,979,370	1,200,418,026
EQUITY		
Share capital	602,133,698	602,133,698
Reverse acquisition reserve	(36,700,000)	(36,700,000)
Retained earnings	110,473,910	143,433,952
Equity attributable to owners of the Company	675,907,608	708,867,650
Perpetual Sukuk	534,511,322	508,634,906
Non-controlling interests	(4,439,560)	(17,084,530)
Total Equity	1,205,979,370	1,200,418,026
Total equity and liabilities	2,917,553,422	2,905,429,525
Net assets per share attributable to owners of the Company	1.47	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 these unaudited interim financial statements.

Unaudited Statements of Changes in Equity for the Third Quarter ended 31 January 2025

	Non-distributable			Distributable				
	Share capital RM	Share option reserve RM	Reverse acquisition reserve RM	Retained earnings RM	Total RM	Perpetual Sukuk RM	Non-controlling interests RM	Total Equity 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 (loss)/income	-	-	-	(7,035,709)	(7,035,709)	-	12,644,970	5,609,261
Issuance of perpetual sukuk (net of expenses)	-	-	-	-	-	(47,917)		(47,917)
Transactions with owners								
Distribution to Perpetual Sukuk holders	-	-	-	(25,924,333)	(25,924,333)	25,924,333	-	-
Total transactions with owners	-	-	-	(25,924,333)	(25,924,333)	25,924,333	-	-
Closing balance at 31 Jan 2025	602,133,698	-	(36,700,000)	110,473,910	675,907,608	534,511,322	(4,439,560)	1,205,979,370
2024								
Group								
Opening balance at 1 May 2023	585,597,276	1,090,296	(36,700,000)	257,966,286	807,953,858	232,964,113	(17,818,262)	1,023,099,709
Total comprehensive (loss)/income	-	-	-	(26,687,507)	(26,687,507)	-	515,372	(26,172,135)
Additional non-controlling interests arising on acquisition of subsidiary	-	-	-	-	-	-	20	20
Issuance of perpetual sukuk (net of expenses)	-	-	-	-	-	264,237,350	-	264,237,350
Transactions with owners								
Issue of ordinary shares via:-								
- Exercise of ESOS Options	16,536,422	(1,090,296)	-	-	15,446,126	-	-	15,446,126
ESOS Options forfeited	-		-	4,672	4,672	-	-	4,672
Distribution to Perpetual Sukuk holders	-	-	-	(17,964,525)	(17,964,525)	17,964,525	-	-
Distribution paid to Perpetual Sukuk holders	-	-	-	-	-	(13,084,767)	-	(13,084,767)
Total transactions with owners	16,536,422	(1,090,296)	-	(17,959,853)	(2,513,727)	4,879,758	-	2,366,030
Closing balance at 31 Jan 2024	602,133,698	-	(36,700,000)	213,318,926	778,752,624	502,081,221	(17,302,870)	1,263,530,975

Note:
The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 April 2024 and the accompanying notes attached to these unaudited interim financial statements.

Unaudited Condensed Consolidated Statements of Cash Flows
For the Third Quarter ended 31 January 2025

	9 months ended	
	31 Jan 2025	31 Jan 2024
	RM	RM
Cash flows from operating activities		
Profit/(loss) before tax	20,115,599	(34,832,544)
Adjustments for:		
Depreciation of plant and equipment	18,676,010	6,797,961
Share of results in associated companies	499,782	(12,211)
Gain on disposal of plant and equipment	(499,321)	-
Depreciation of right-of-use assets	317,916	389,772
Amortisation of intangible assets	40,333,048	39,323,123
Reversal of provision/impairment	(60,306,101)	3,267,814
Reversal of Finance cost-Unwinding discount	3,037,521	-
Interest expense	66,956,158	48,544,236
Interest income	(3,087,885)	(6,452,191)
Operating cash flows before changes in working capital	86,042,727	57,025,960
Changes in working capital:		
Trade and other receivables	6,223,595	(7,141,703)
Contract assets	(23,368,391)	(23,822,442)
Trade and other payables	(48,691,488)	(73,112,246)
Cash flows generated from/(used in) operations	20,206,443	(47,050,431)
Tax and Zakat paid	(138,538)	(1,932,301)
Net cash flows generated from/(used in) operating activities	20,067,905	(48,982,732)
Cash flows from investing activities		
Proceeds from disposal of plant and equipment	499,321	-
Additions to intangible assets	(3,332,956)	-
Plant and equipment	(40,757,004)	(187,235,602)
Issuance of ordinary shares to a non-controlling shareholder of a subsidiary	-	20
Interest received	3,087,885	6,452,191
Net cash flows used in investing activities	(40,502,754)	(180,783,391)
Cash flows from financing activities		
- Exercise of ESOS Options	-	15,450,800
Issuance of perpetual sukuk (net of expenses)	(47,917)	264,237,350
Distribution to perpetual sukuk holders	-	(13,084,767)
Repayment of lease liabilties	(846,774)	(731,474)
Net (repayments)/drawdowns of other borrowings	124,574,501	(114,616,078)
Net (repayments)/drawdowns of term loans	(9,425,351)	160,024,401
Interest paid	(66,525,433)	(67,251,832)
Net cash flows generated from financing activities	47,729,026	244,028,400
Net increase in cash and cash equivalents	27,294,176	14,262,277
Cash and cash equivalents at the beginning of financial year	150,709,260	152,231,826
Cash and cash equivalents at the end of financial year	178,003,437	166,494,104

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

Short term deposits with licensed banks	147,287,047	125,057,507
Cash at banks and in hand	30,996,667	43,474,988
Cash and bank balances	178,283,714	168,532,495
Less: Bank overdrafts	(280,277)	(2,038,391)
	178,003,437	166,494,104

Note:
The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 April 2024 and the accompanying notes attached to these 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	*Deferred*
Amendments to MFRS 128	Investments in Associates and Joint Ventures	*Deferred*

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

Unless otherwise disclosed in the Notes B1 and B2, 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 the change in the useful life of its Waste-to-Energy (“WTE”) plant to be aligned with the concession period, commencing 3Q2024.

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.

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
9 months ended 31 Jan 2025						
Revenue						
Sale to external customers	74,133,696	22,218,962	2,856,551	39,501,988	-	138,711,197
Inter-segment sales	77,843,655	-	-	-	(77,843,655)	-
Total revenue	151,977,351	22,218,962	2,856,551	39,501,988	(77,843,655)	138,711,197
Results						
Profit/(loss) before tax	39,951,001	15,283,923	(838,069)	(34,281,256)	-	20,115,599
Income tax and zakat expenses						(14,506,338)
Profit net of tax						5,609,261

9 months ended 31 Jan 2024	Renewable Energy RM	Construction & Engineering RM	Green Tech & Environmental Services RM	Waste Management & Waste-To-Energy RM	Elimination RM	Total RM
Revenue						
Sale to external customers	68,788,449	21,860,675	3,577,723	33,460,576	-	127,687,423
Inter-segment sales	329,142,834	-	-	-	(329,142,834)	-
Total revenue	397,931,283	21,860,675	3,577,723	33,460,576	(329,142,834)	127,687,423
Results						
Profit/(Loss) before tax	7,884,407	3,733,147	2,163,392	(48,613,490)	-	(34,832,544)
Income tax and zakat expenses						8,660,409
Loss net of tax						(26,172,135)

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 January 2025: -

	RM
Capital expenditure	
- Plant and equipment	30,000,000

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

There were no material events subsequent to the end of the current financial quarter up to 20 March 2025, being the latest practicable date ("LPD") which is not earlier than 7 days from the date of issuance of this quarterly report, that have not been reflected in this quarterly report.

A13. Changes in composition of the group

There were no material changes in the composition of the Group during the current financial 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 Jan 2025 RM
Secured:	
- Performance bond/tender bond guarantees favouring Government/ Statutory bodies for various projects	510,365
- Bank guarantees extended to Government Bodies/Companies for various projects	125,627,571
- Bank guarantees extended to third parties in respect of various projects of the Group	182,646
- Bank guarantees extended to Subsidiaries of the Group	46,000,000
- Letter of credits given to suppliers for purchase of materials	-
	172,320,582
Unsecured:	
- Corporate guarantees given to banks for credit facilities granted to subsidiaries	1,350,520,000
	1,350,520,000
TOTAL	1,522,840,582

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 January 2025 vs Previous Quarter ended 31 January 2024

The Group reported total revenue of RM39.7 million for 3Q2025, marking a significant increase by RM3.8 million in 3Q2024, representing a 10.7% growth. This increase was primarily driven by revenue contributions from the LSS3 plant, which positively impacted the Group's overall financial performance.

In 3Q2025, the Group recorded a profit after tax of RM14.6 million, a remarkable turnaround from the RM27.7 million loss reported in 3Q2024. This positive shift was largely attributed to a one-off reversal of a prior provision and compensation received from an amicable settlement with the main contractor of the WTE plant, both of which significantly contributed to profitability.

The LSS2 projects in Kelantan successfully achieved their Initial Operational Date (IOD) on 16 November 2024, marking a key milestone in the Group's renewable energy contributions to the national grid. The Group will commence scheduled and confirmed payments upon revenue collection from Tenaga Nasional Berhad ("TNB") for the sale of renewable energy.

Furthermore, the Danau Tok Uban (DTU) floating solar plant projects have successfully reached their Commercial Operation Dates (COD). The DTU2 plant achieved COD on 7 January 2025, followed by the DTU1 plant on 31 January 2025. These milestones signify the successful completion of both projects, which are now fully operational and actively supplying clean energy to the national grid.

Looking ahead, the transition of completed LSS2 projects to the Operations & Maintenance ("O&M") phase is expected to further strengthen the Group's revenue and cash flows. With revenue from these projects projected over the next 21 years, the Group anticipates steady and predictable cash inflows, enhancing its financial stability and supporting long-term growth.

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

Renewable Energy

In 3Q2025, this division generated revenue of RM23.3 million, reflecting an increase of the solar energy segment, compared to RM17.9 million in the previous quarter 3Q2024. This growth was primarily driven by electricity sales from the newly completed LSS3 plant in Terengganu, which commenced operations on 9 June 2024, as well as contributions from the existing 24MW brownfield solar plants. Looking ahead, the Group anticipates that the newly operational solar plant, combined with the transition of the LSS2 projects to the O&M phase, will have a positive impact on future revenue, earnings, and cash flows throughout the concession period.

Additionally, the division reported a significant increase in profit before tax, amounting to RM18.9 million for the quarter under review. This surge was mainly driven by the reversal of a one-off provision that was made previously.

Construction & Engineering

In 3Q2025, the division reported revenue of RM2.6 million, a decrease of RM0.2 million, or 9%, compared to RM2.8 million in 3Q2024. This decline was attributable to the lower billings from the Rawang Hospital construction project, which was nearing completion.

The division recorded a significant increase in profit before tax of RM13.7 million for the quarter as compared to RM0.2 million reported in 3Q2024. The significant increase in profitability was driven by the compensation received from an amicable settlement with the main contractor of the WTE plant.

Current Quarter ended 31 January 2025 vs Previous Quarter ended 31 January 2024-cont'd

Green Tech & Environmental Services

In 3Q2025, the division recorded revenue of RM1.4 million, an increase of RM0.2 million or 14% compared to RM1.2 million in 3Q2024. This revenue primarily stemmed from energy sales of the 1.55MW palm oil mill effluent biogas plant located in Kg Gajah, Perak. The plant will continue to supply energy to TNB under a long-term Renewable Energy Power Purchase Agreement ("REPPA") signed with TNB.

Waste Management & Waste-To-Energy

In 3Q2025, the division recorded revenue of RM12.5 million and a loss before tax of RM10.7 million, compared to revenue of RM14 million and a loss before tax of RM8.3 million in 3Q2024. The decline in revenue was primarily due to shorter operational days recorded in the current financial quarter under review. The plant only resumed operations and connection to the grid after the fire in April on 23 November 2024, resulting in just 64 days of operation during the quarter under review. Additionally, the increased loss was attributed to higher operational costs associated with repair and stabilisation efforts for the WTE plant.

The results presented above have not included the revision of the tipping fee as announced on 24 March 2025.

Current Financial Year ended 31 January 2025 vs Previous Financial Year ended 31 January 2024

The Group recorded total revenue of RM138.7 million for the current financial year, reflecting an increase of RM11.0 million or 9% from RM127.7 million in the previous financial year. This growth was primarily driven by revenue contributions from the LSS3 plant in Terengganu, which successfully achieved its Commercial Operation Date (COD) on 9 June 2024.

Additionally, following the fire incident at the Waste-to-Energy (WTE) plant, the Group anticipates receiving insurance compensation for revenue losses. A provision has been made in the financial statements to account for the expected insurance proceeds, further reinforcing the Group's financial stability.

In 3Q2025, administrative costs increased due to one-off professional fees and expenses related to marketing and promotional events. However, these higher costs were partially offset by a one-off reversal of provisions made in prior financial periods. Moreover, the Group received compensation from an amicable settlement with the main contractor of the WTE plant, which had a positive impact on profitability. As a result, the Group reported a profit after tax of RM5.6 million for the current financial year, marking a substantial turnaround from the RM26.2 million loss after tax recorded in the previous financial year.

The LSS2 projects—Danau Tok Uban (DTU1 and DTU2)—successfully reached their Initial Operational Date (IOD) on 16 November 2024, with DTU2 achieving COD on 7 January 2025, followed by DTU1 on 31 January 2025. With these milestones, both projects have now transitioned into the Operations & Maintenance (O&M) phase, ensuring steady revenue streams for the Group.

Revenue from these projects will comprise scheduled interest income and O&M service fees, serving as recurring income sources throughout the concession period. These secured contracts are expected to contribute positively to the Group's long-term financial performance, enhancing revenue predictability and cash flow stability in the years ahead.

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

Current Financial Year ended 31 January 2025 vs Previous Financial Year ended 31 January 2024 -cont'd

Renewable Energy

This Renewable Energy division reported revenue of RM74.1 million for the current financial year, representing an increase of RM5.3 million or 7.8% from RM68.8 million in the previous financial year. This growth was primarily driven by the commencement of electricity sales from the newly completed LSS3 project in Terengganu, which successfully achieved its Commercial Operation Date (COD) on 9 June 2024.

Additionally, the division recorded a significant increase in profit before tax to RM39.9 million for the current financial year, compared to the previous financial year. This improvement was primarily attributed to a one-off reversal of a provision, further enhancing the Group's profitability.

Looking ahead, the newly operational solar plant in Terengganu is expected to contribute positively to the division's future revenue, earnings, and cash flows throughout the concession period.

Construction & Engineering

The Construction & Engineering division reported revenue of RM22.2 million for the current financial year, remaining largely consistent with the previous financial year. This revenue was primarily driven by the progress of work activities on the ongoing construction project in Rawang.

The division also recorded a significant increase in profit before tax to RM15.3 million in the current financial year. This notable improvement was primarily attributed to compensation received from an amicable settlement with the WTE plant's main contractor, contributing positively to the division's overall profitability.

Green Tech & Environmental Services

Revenue for the Green Tech & Environmental Services division declined by 20%, or RM0.7 million, to RM2.9 million in the current financial year, down from RM3.6 million in the previous financial year. This decrease was primarily due to unscheduled downtime for the repair of the biogas engine, which commenced in August 2024, with operations resuming in the following month.

As a result, the division recorded a loss before tax of RM0.8 million in the current financial year, compared to a profit of RM2.2 million in the previous financial year. The loss was further impacted by higher repair and maintenance costs incurred during the period.

The division generates its revenue primarily from energy sales from the 1.55MW palm oil mill effluent biogas plant in Kg Gajah, Perak. The plant continues to supply energy under a long-term Renewable Energy Power Purchase Agreement (REPPA) with Tenaga Nasional Berhad (TNB), ensuring a stable revenue stream over the concession period.

Waste Management & Waste-To-Energy (WTE)

Revenue for the Waste Management & WTE division increased by 17.9%, rising to RM39.5 million in the current financial year from RM33.5 million in the previous financial year. This growth was driven by recurring revenue streams, including the sale of green energy from the completed integrated Waste-to-Energy (WTE) plant, tipping fees, and recycling revenue.

Following the fire incident in 4Q2024, which resulted in unscheduled downtime, the division made provisions for anticipated insurance compensation in the first half of the financial year to mitigate the financial impact.

As a result, the division recorded a loss before tax of RM34.3 million, representing a 29.4% improvement from the RM48.6 million loss reported in the previous financial year.

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

The Group reported revenue of RM39.7 million for 3Q2025, reflecting a 19.1% decrease from RM49.1 million in 2Q2025. The decline was primarily due to lower construction activities for the Hospital Rawang project, which is nearing completion, as well as reduced revenue from the LSS3 plant in Merchang, impacted by the northeast monsoon during the financial quarter under review.

Despite the revenue decline, the Group recorded a higher operating profit of RM40.4 million in 3Q2025, compared to RM31.3 million in 2Q2025, representing a 29.1% increase. The improved profitability was mainly driven by compensation received from an amicable settlement with the main contractor of the WTE plant, which had a substantial positive impact on the Group's earnings for the quarter.

As a result, profit before tax increased significantly by 35.4% to RM21.8 million in 3Q2025, compared to RM16.1 million in 2Q2025.

B3. Prospects for the Current Financial Year

With the successful completion of all outstanding projects, the Group is now selectively pursuing new ventures. In line with its target of achieving 800MW capacity by 2027, the Group is proactively identifying expansion and diversification opportunities within the renewable energy (RE) sector. Strategic priorities remain focused on large-scale solar power, biogas, biomass, and waste-to-energy (WTE) projects, reinforcing its commitment to clean and sustainable energy while playing a significant role in reducing greenhouse gas (GHG) emissions.

Additionally, the Group continues to provide services for smaller-scale RE projects, including rooftop solar, hybrid solar, biogas, and biomass solutions. This approach enables broader customer reach and further diversification of the RE portfolio. Upcoming projects include the construction of NEM rooftop solar installations for tier-one financial institutions, government agencies, and hotels. The Group is also expanding its business footprint by exploring project opportunities with state-owned entities and companies nationwide, demonstrating a strong commitment to leveraging expertise and capturing emerging market opportunities across all states.

Expansion initiatives are further supported by various government-driven schemes, such as the Corporate Renewable Energy Supply Scheme (CRESS). Furthermore, the increasing emphasis on energy storage solutions, particularly Battery Energy Storage Systems (BESS), presents new opportunities for the Group to participate in this evolving segment of the RE landscape.

The Group remains aligned with key national policies and strategic initiatives, including:

i. Advancing waste management, particularly in WTE, as part of the Government's drive towards a circular economy, waste recycling, and a greener future for Malaysia.
ii. Supporting the National Energy Transition Roadmap (NETR) to accelerate the nation's shift towards sustainable energy.
iii. Contributing to the objectives of the 12th Malaysia Plan, which outlines aspirations for achieving net-zero emissions by 2050.
iv. Aligning with the National Energy Policy (DTN), which envisions Malaysia as a low-carbon nation by 2040.

The Group's strong track record as Malaysia's first and leading solar energy developer, combined with its position as the sole operator of a 15MW Municipal Solid Waste (MSW) Waste-to-Energy (WTE) plant in Ladang Tanah Merah, Negeri Sembilan, underscores its industry leadership. Leveraging these strengths and extensive experience, the Group is well-positioned to secure future WTE projects both locally and regionally.

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

Renewable Energy

Malaysia's renewable energy industry is experiencing rapid growth, driven by government policies, corporate sustainability goals, and increasing demand for clean energy. The Malaysian Government has set a target of 40% RE generation in the national energy mix by 2035, in line with the National Energy Transition Roadmap (NETR) and the 12th Malaysia Plan. The solar energy market in Malaysia is particularly promising, with installed capacity expected to exceed 10 GW by 2030. This growth is fueled by government-backed programs such as the Corporate Renewable Energy Supply Scheme (CRESS), which are designed to accelerate corporate RE adoption.

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 Malaysia's largest floating solar projects in Kelantan in January 2025 further strengthened the Group's position as the RE market leader in Malaysia. With the completion of the LSS2 project, RE will remain as the major contributor to the Group's recurring revenue and profit in 2025.

To capitalize on the growing RE opportunities, the Group remains committed to expanding its RE portfolio. The CRESS program allows RE producers and corporate users to enter into green power supply agreements, ensuring price stability and compliance with Environmental, Social, and Governance (ESG) goals. The inclusion of BESS in solar plant installations will further optimize power distribution and stabilize output, addressing excess electricity generation challenges.

On 29 November 2024, the Energy Commission issued a Request for Qualification (RFQ) for 400MW/1,600MWh of BESS capacity, with commercial operations targeted for 2026. The Group is pleased to announce that it has been shortlisted by Suruhanjaya Tenaga for participation in MyBeST (BESS for Peninsular Malaysia).

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, and increase our overall share of the solar market in Malaysia.

With Malaysia's total renewable energy market expected to reach RM33 billion by 2030, the Group is well-positioned to seize emerging opportunities, leveraging its strong track record, technical expertise, and government-backed initiatives to drive long-term growth and value creation.

Construction & Engineering

On 19 April 2023, the Group was awarded the contract for the construction of a 10-storey private hospital, along with a 6-storey parking facility, in Sungai Bakau, Mukim Rawang, Selangor Darul Ehsan. Building on this success, the Group has been actively pursuing additional healthcare-themed construction projects across Malaysia through tender participation and direct proposals, further strengthening its foothold in this growing sector.

The civil engineering sub-sector is expected to remain the primary driver of Malaysia's construction industry, supported by infrastructure development and urban expansion initiatives. Leveraging its proven expertise and track record, the Group is intensifying its efforts to secure new projects across infrastructure, landscaping, residential, and commercial developments. By capitalizing on its credibility and technical capabilities, the Group remains well-positioned to capture emerging opportunities in Malaysia's construction landscape.

As part of its ongoing renewable energy expansion strategy, the Group is actively pursuing the Engineering, Procurement, Construction, and Commissioning (EPCC) contract for Malaysia's largest floating solar project—the 500MWac Floating Solar in Kenyir. Given the complexity and scale of this landmark project, the Group is partnering with leading EPCC players to strengthen its bidding position and optimize project execution.

With Malaysia's solar EPCC industry projected to grow at a CAGR of 8%–10% over the next five years, the Group is well-positioned to capitalize on high-impact projects, expand its solar business, and strengthen its market presence in large-scale renewable energy solutions.

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 can 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.

Malaysia, as the world's second-largest palm oil producer after Indonesia, has a vast untapped renewable energy potential. With over 420 operational palm oil mills nationwide, the country holds an estimated 450–500 MW of electricity generation capacity from palm oil mill waste, specifically through Palm Oil Mill Effluent (POME) and Empty Fruit Bunches (EFB). Additionally, further potential exists in biogas production from methane capture, which could contribute an additional 200–300 MW of renewable energy.

Recognizing this immense opportunity, the Group has adopted a holistic approach to biomass and biogas energy generation, focusing on environmentally sustainable solutions that promote a true circular economy in the palm oil industry. By leveraging advanced waste-to-energy technologies, the Group aims to transform palm oil mill by-products into valuable renewable energy sources, ensuring both the products sold (biomass and biogas) and the production process remain sustainable and efficient.

With the recent announcement by SEDA on the Feed-in Tariff 2.0 (FiT 2.0) programme, the Group is strategically positioning itself to expand its renewable energy portfolio, particularly in biogas and biomass projects. This initiative aligns with the Group's commitment to harnessing sustainable energy sources, reducing carbon emissions, and driving Malaysia's transition toward a greener economy.

Waste Management & Waste-to-Energy ("WTE")

The Group's SMART WTE project in Ladang Tanah Merah, Negeri Sembilan which integrates Solid Waste Advanced Recovery and Treatment (SMART) technology with WTE operations, is the first of its kind in the region and is expected to generate approximately RM80 million in annual revenue.

The Malaysian government has initiated plans to establish six Waste-to-Energy (WTE) plants nationwide by 2025, aiming to reduce landfill dependency and promote sustainable waste management practices. WTE technologies, including combustion, gasification, pyrolysis, anaerobic digestion, and landfill gas recovery, are recognized as effective methods to convert non-recyclable waste into usable heat, electricity, or fuel.

Therefore, building on the success of Malaysia's only operational WTE facility, the Group has recently entered into a landmark Teaming Agreement with China Tianying, Inc. (CNTY), a leading waste management and environmental technology company listed on the Shenzhen Stock Exchange with a portfolio of 657 authorized patents. This partnership represents a significant milestone in the Group's mission to address Malaysia's critical waste and landfill challenges by deploying advanced plasma WTE technology.

Under this agreement, the Group and CNTY will collaborate on the development and deployment of a plasma WTE line at the Ladang Tanah Merah WTE facility, marking a significant technological advancement in the country's waste management sector. Once operational, this second WTE line will enable Malaysia's only functioning WTE facility to process the entire municipal waste output of Negeri Sembilan, further enhancing waste-to-energy efficiency and environmental sustainability.

The Group is poised to participate in upcoming WTE tenders under the national WTE implementation plan by Kementerian Perumahan dan Kerajaan Tempatan (KPKT). With a proven track record in designing, constructing, and operating Malaysia's first and only operational WTE plant, the Group is well-positioned to secure additional projects and expand its leadership in sustainable waste management.

B5. Profit/(Loss) before tax

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31 Jan 2025	Preceding Year Quarter 31 Jan 2024	Current Year To Date 31 Jan 2025	Preceding Year To Date 31 Jan 2024
Profit/(Loss) before tax is stated after crediting:-				
Financing revenue arising from contracts with customers	9,063,757	9,390,873	27,365,943	28,352,486
Interest income	1,051,195	3,017,994	3,087,885	6,452,191
Other income (including investment income)	15,876,364	135,113	16,394,986	1,789,903
Gain on disposal of asset	95,000	-	499,321	-
Reversal of provision/impairment	30,090,000	-	60,306,101	-
Profit/(Loss) before tax is stated after charging:-				
Interest expenses	25,400,562	15,230,278	66,956,158	48,544,236
Amortisation of intangible assets	13,502,985	27,111,315	40,333,048	39,323,123
Depreciation of right-of-use assets	105,972	114,080	317,916	389,772
Depreciation of plant and equipment	5,697,921	2,231,007	18,676,010	6,797,961
Reversal of provision/impairment	-	5,520,794	-	3,267,814
Reversal of Finance cost-Unwinding discount	3,037,521	-	3,037,521	-

B6. Income tax expense

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31 Jan 2025 RM	Preceding Year Quarter 31 Jan 2024 RM	Current Year To Date 31 Jan 2025 RM	Preceding Year To Date 31 Jan 2024 RM
Taxation and Zakat				
- Income tax Current	460	545,713	6,836	3,414,110
- Over/under provision in prior year	(2,950)	-	86,458	-
- Zakat	-	500,000	-	500,000
Deferred tax	7,204,347	(6,543,620)	14,413,044	(12,574,519)
	7,201,857	(5,497,907)	14,506,338	(8,660,409)

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 January 2025 are as follows:-

	31 Jan 2025 RM	30 April 2024 RM
Short term borrowings		
Secured and unsecured:-		
Bank overdrafts	280,277	2,772,459
Trust receipts	2,731,689	10,077,188
Bond - Sukuk Murabahah	19,641,243	19,107,243
Term loans	114,364,949	93,664,949
Revolving credits	202,420,000	70,500,000
	339,438,158	196,121,839
Long term borrowings		
Secured:-		
Term loans	788,765,274	799,529,472
Bond - Sukuk Murabahah	471,669,918	491,565,072
	1,260,435,192	1,291,094,544
Total borrowings		
Secured and unsecured:-		
Bank overdrafts	280,277	2,772,459
Trust receipts	2,731,689	10,077,188
Term loans	903,130,223	893,194,421
Revolving credits	202,420,000	70,500,000
Bond - Sukuk Murabahah	491,311,161	510,672,315
	1,599,873,350	1,487,216,383

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.

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 financial quarter ended 31 January 2025: -

(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 Jan 2025 RM	Preceding Year Quarter 31 Jan 2024 RM	Current Year To Date 31 Jan 2025 RM	Preceding Year To Date 31 Jan 2024 RM
Profit/(loss) net of tax, representing total comprehensive income attributable to owners of the Company	8,755,334	(27,983,546)	(7,035,709)	(26,687,507)
Distribution to holders of perpetual sukuk	(8,731,676)	(8,236,212)	(25,924,333)	(17,964,525)
	23,658	(36,219,758)	(32,960,042)	(44,652,032)
Weighted average number of ordinary shares for basic earnings per shares computation	822,827,635	806,513,101	822,827,635	806,513,101
Basic earnings/(loss) per ordinary share (sen)	0.00	(4.49)	(4.01)	(5.54)