Cypark Resources Berhad
(642994-H)

POWERING
SUSTAINABLE FUTURE

MISSION

We strive to enhance the quality of living environment. We are multi-disciplinary professionals who are committed to provide quality services beyond our client's expectations and work towards the best interest for our stakeholders by continuous improvement of our skills.

VISION

To provide world-class professional engineering and renewable energy services through smart application of environmental science, technology and methodologies, resulting in innovative, practical and cost-effective solutions.

CORE VALUES

- Quality
- Continuous Improvement
- Professional
- Teamwork
- Caring
- Ownership
- Hardworking

CONTENTS

COVER RATIONALE

At Cypark, we believe that sustainability is not just a buzzword, it is the only way forward. Our cover indicates our aspirations in bringing to light – and life – a future where technology, humanity and nature all continue to coexist harmoniously.

CYPARK: SOLAR 101

The total solar energy that reaches the Earth's surface every year could meet existing global energy needs 10,000 times over.

The key parts of a solar energy generation system are:

- PV panels to collect sunlight
- An inverter to transform direct current to alternating current
- Support structures to orient the PV panels toward the sun

Worldwide solar capacity reached 23 gigawatts (GW) in 2009, the equivalent capacity of more than 40 coal-fired power plants. In 2012 worldwide capacity exceeded 100 GW.

Solar Power 101

The Basics

Solar energy is the cleanest, most abundant, renewable energy source available. It can be produced on a distributed basis with equipment located on rooftops or on ground-mounted systems, as well as through large-scale systems at a central power plant. The energy generated can supply power directly to homes and businesses as well as deliver energy to customers through the electricity grid.

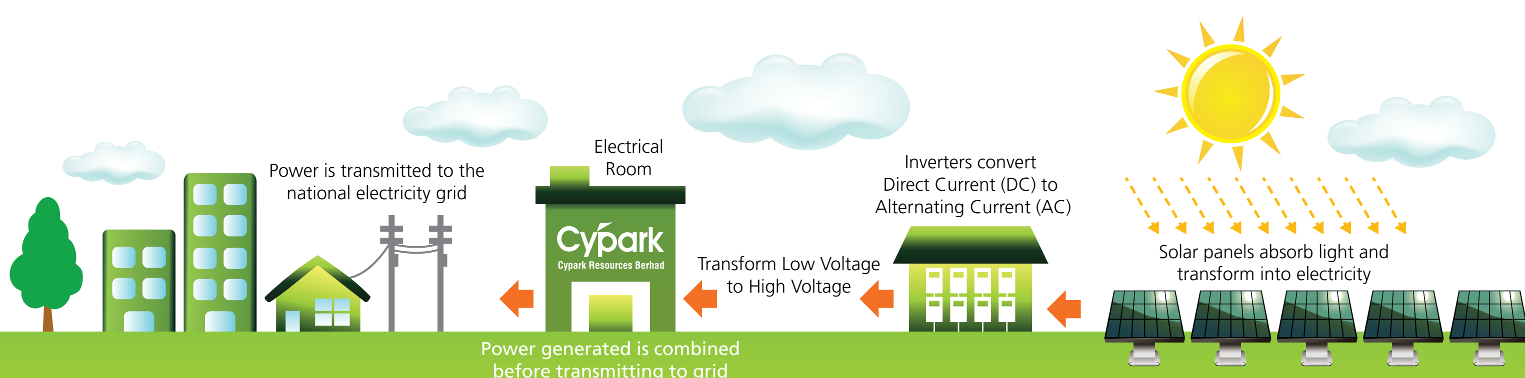
The Technology

Solar cells convert the energy of light directly into electricity by the photovoltaic (PV) effect. Most modern solar cells are made from either crystalline silicon (c-Si) or thin-film semiconductor material. Crystalline silicon panels are estimated to be approximately 90 percent of the total solar capacity manufactured in 2010. Crystalline silicon solar cells originate with the extraction of silica found in sand or quartz. That polysilicon is then refined and melted into multicrystalline or monocrystalline silicon blocks or ingots that are then sawed into wafers. These wafers act as semiconductors as they are transformed into solar cells. These cells are then connected together and enclosed between a transparent cover and a weatherproof back sheet to produce a panel. Standard crystalline silicon panels contain about 60 to 72 solar cells and generate 120 to 300 Watt-peak depending on size and efficiency.

The Market

The energy crises of 1970s saw the first commercialised applications of solar PV for grid-connected power, but high prices limited large-scale adoption of solar energy. The industry grew steadily, however, reaching 1 GW per year of capacity installed in 2004. Over the last decade, PV production has been increasing by an average of more than 50 percent each year, making it the world's fastest-growing energy technology. In 2010, the global solar energy market grew more than 100 percent as a result of public policy combined with innovations that are driving solar costs down at a dramatic pace.

Source: European Photovoltaic Industry Association and Solar Energy Industries Association



CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Razali bin Ismail
Executive Chairman
Non-Independent Executive Director

Dato' Daud bin Ahmad
Group Chief Executive Officer
Non-Independent Executive Director

Encik Headir bin Mahfidz
Independent Non-Executive Director

Datuk Abdul Malek bin Abdul Aziz
Independent Non-Executive Director

Dato' Dr. Freezailah bin Che Yeom
Independent Non-Executive Director

Encik Megat Abdul Munir bin Megat Abdullah Rafaie
Independent Non-Executive Director

AUDIT COMMITTEE

Chairman
Dato' Dr. Freezailah bin Che Yeom

Members
Encik Headir bin Mahfidz

Encik Megat Abdul Munir bin Megat Abdullah Rafaie

NOMINATION COMMITTEE

Chairman
Dato' Dr. Freezailah bin Che Yeom

Members
Encik Headir bin Mahfidz

Encik Megat Abdul Munir bin Megat Abdullah Rafaie

REMUNERATION COMMITTEE

Chairman
Dato' Dr. Freezailah bin Che Yeom

Members
Tan Sri Razali bin Ismail

Datuk Abdul Malek bin Abdul Aziz

RISK MANAGEMENT COMMITTEE

Chairman
Datuk Abdul Malek bin Abdul Aziz

Members
Encik Headir bin Mahfidz

Encik Megat Abdul Munir bin Megat Abdullah Rafaie

COMPANY SECRETARIES

Chua Siew Chuan (MAICSA 0777689)
Yeow Sze Min (MIA 31521)

CORPORATE OFFICE

Unit 13A-09, Block A
Phileo Damansara II
No. 15, Jalan 16/11
46350 Petaling Jaya
Selangor Darul Ehsan
Tel : 03-7660 6170
Fax : 03-7660 6169
Website : www.crbenv.com

REGISTERED OFFICE

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Tel : 03-2084 9000
Fax : 03-2094 9940

SHARE REGISTRAR

Securities Services (Holdings) Sdn Bhd (36869-T)
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Tel : 03-2095 7077

AUDITORS

Ernst & Young (AF: 0039)
Chartered Accountants
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Tel : 03-7495 8000

PRINCIPAL BANKERS

Malayan Banking Berhad (3813-K)
Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
Tel : 03-2070 8833

HSBC Amanah Malaysia Berhad (807705-X)
No. 2, Leboh Ampang
50100 Kuala Lumpur
Tel : 03-2070 0744

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad (Main Market)
Stock Name : CYPARK
Stock Code : 5184

INVESTOR RELATIONS AND KEY PERFORMANCE HIGHLIGHTS

INVESTOR RELATIONS

Cypark Resources Berhad maintains a strong rapport with the investment community through proactive and regular investor engagements. The Investor Relations (IR) team, led by the Group Chief Executive Officer and Chief Financial Officer, drives and facilitates financial communication efforts with existing and potential institutional investors, financial analysts as well as retail shareholders.

IR engagement activities throughout the financial year 2013 include presentations, meetings and site visits to allow the investment community greater access to top management in order to facilitate better understanding of latest developments in the company as well as current industry issues.

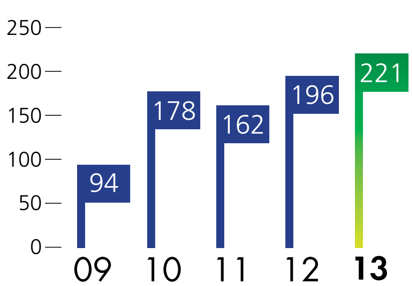
The IR portal (http://ir.chartnexus.com/cypark/index.php) on the company's website serves as a key communication platform through which the IR team ensures up-to-date corporate information and financial data are readily accessible to stakeholders.

KEY PERFORMANCE HIGHLIGHTS

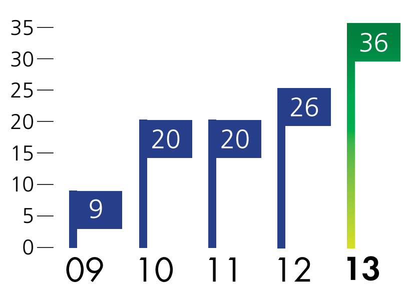
Year Ended 31 October

	2009	2010	2011	2012	2013
Turnover	94,037,184	177,552,535	161,530,920	195,801,612	**220,665,368**
Net Profit	9,437,411	20,288,642	20,087,808	25,578,401	**35,924,431**
Net Assets	37,012,765	87,362,650	105,355,861	152,631,298	**219,355,995**
Earnings Per Share (sen)	8.21	17.33	13.85	16.59	**21.79**
Net Asset Per Share (sen)	46.27	60.25	72.66	95.43	**123.00**

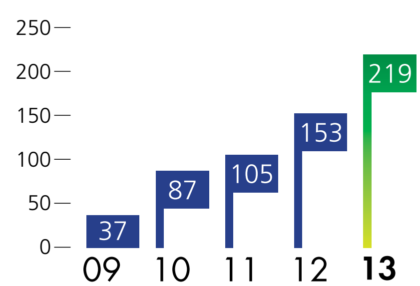
TURNOVER (RM MIL)



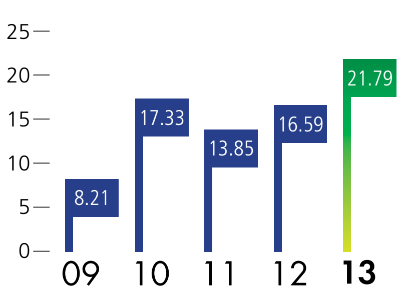
NET PROFIT (RM MIL)



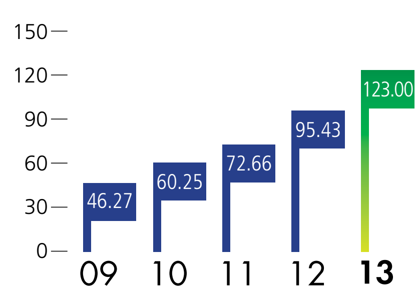
NET ASSETS (RM MIL)



EARNINGS PER SHARE (SEN)



NET ASSETS PER SHARE (SEN)



MAKING THE HEADLINES

Cypark sustains its communication with the GLOBAL LANDSCAPE

The Group manages corporate communication transparently and responsibly.

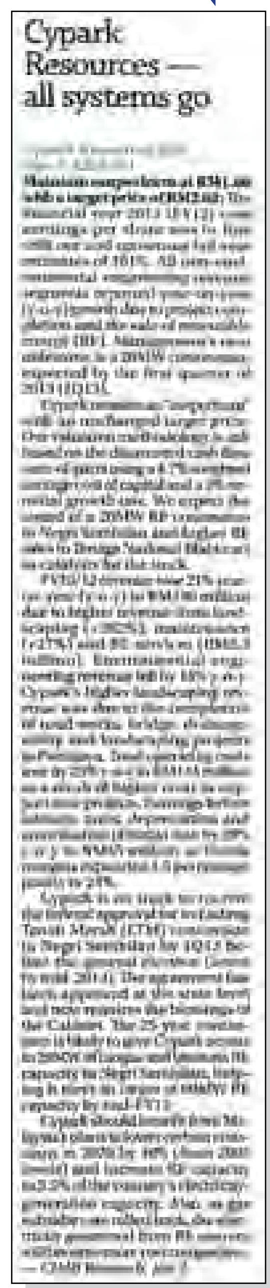
02 JAN 2013 | Utusan Malaysia
Cypark optimis harungi 2013

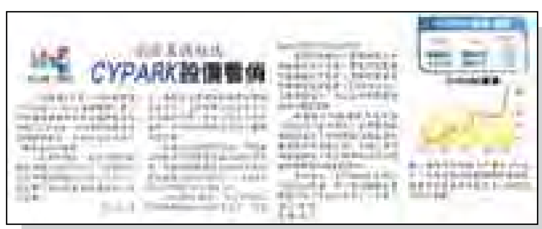
03 JAN 2013 | Interview TV3

03 JAN 2013 | The Malaysian Reserve
Cypark Resources RM25.6m net profit within expectations

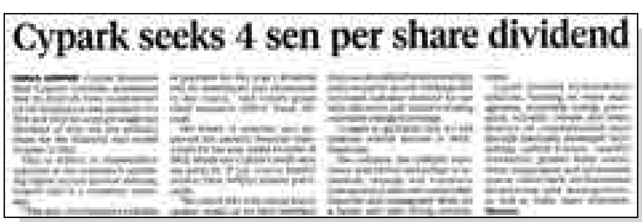
14 JAN 2013 | The Edge
Cypark target price RM2.82 (Outperform)

03 JAN 2013 | The Edge
Cypark Resources all systems go

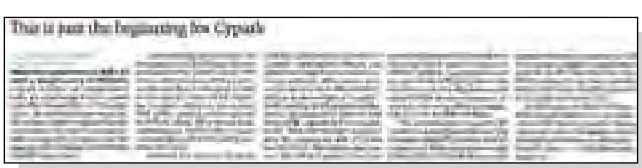




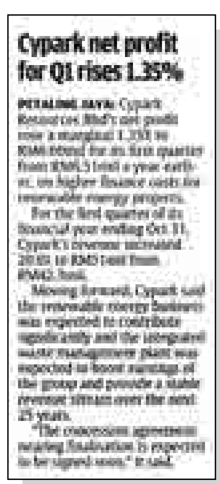
03 JAN 2013 | Sin Chew Daily
Cypark shares are viewed positive



02 MARCH 2013 | NST
Cypark seeks 4 sen per share dividend



02 APRIL 2013 | Edge Financial Daily
This is just the beginning for Cypark



30 MARCH 2013 | The Star
Cypark net profit for Q1 rises 1.35%

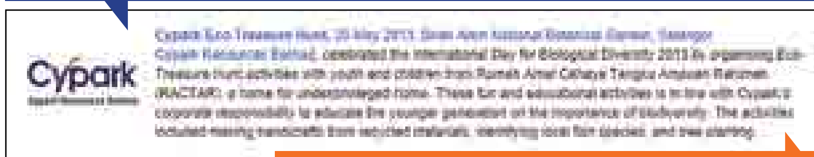
MAKING THE HEADLINES

The Group maintains an active and professional relationship both with mainstream and business media as well as with those from specific sectors including national and international experts.

04 APRIL 2013 | Nanyang Siang Pau
Cypark 2nd half revenue expected to increase with additional RE production


Cypark 下半年营收看涨

26 MAY 2013 | Convention on Biological Diversity
Cypark Eco-Treasure Hunt, Shah Alam National Botanical Garden


Cypark

Source: https: //www.cbd.int/idb/2013/celebrations/my/

20 MAY 2013 | The Busy Weekly
Cypark not affected by SEDA new degression rate


Cypark不受影響


CYPARK资源
長期前景看漲

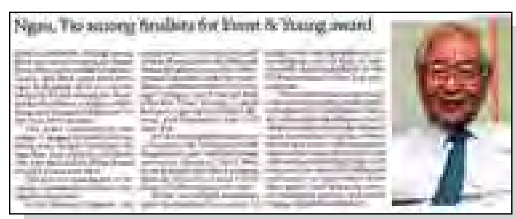
02 OCTOBER 2013 | China Press
Positive view on Cypark's long-term outlook

16 MAY 2013 | Nanyang Siang Pau
Cypark's share price increased to RM2.05


Cypark 资源上挑 RM2.05


Cypark staying the course as RE and EE businesses pick up

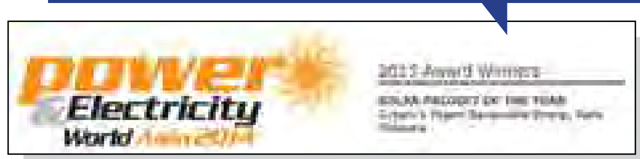

Green incentives in 2014 Budget?



18 OCTOBER 2013 | Edge Financial Daily
Cypark shortlisted in Ernst & Young Award

13 OCTOBER 2013 | NST
Government opened up channels for renewable energy business - Cypark

Power & Electricity World Asia 2013
Cypark Accorded "Solar Project of Year 2013" Award

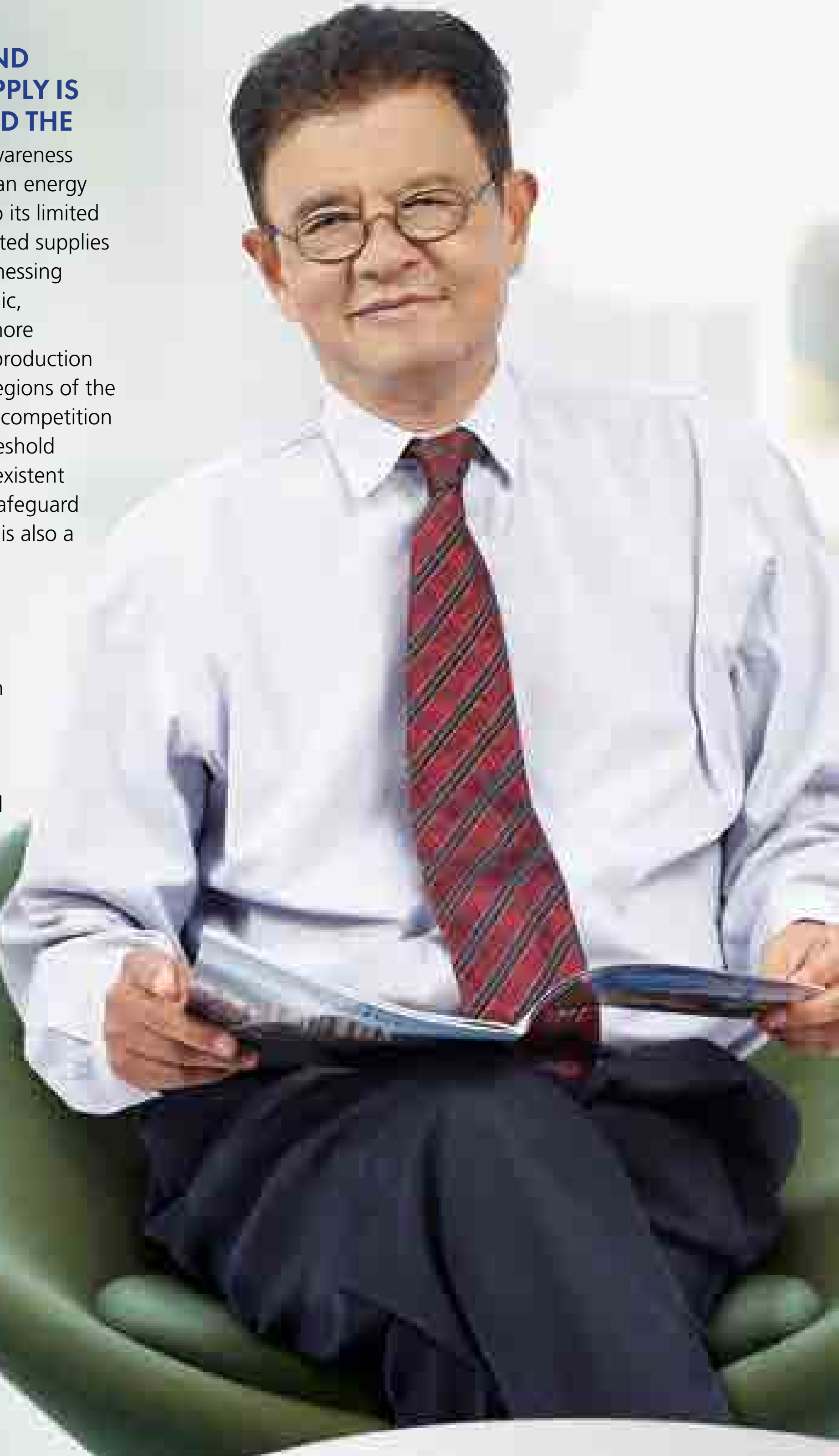


02 OCTOBER 2013 | The Malaysian Reserve
Cypark staying the course as RE and EE businesses pick up

CHAIRMAN'S STATEMENT

"**RENEWABLE ENERGY IS ON THE RISE, AND THE TRANSFORMATION OF ENERGY SUPPLY IS GATHERING MOMENTUM – ALL AROUND THE WORLD.** Here, in Malaysia, there is an increasing awareness of fossil fuels as a key factor in climate change and as an energy source that is becoming steadily more expensive due to its limited availability. In contrast to this, not only are there unlimited supplies of renewable energy but the costs associated with harnessing them are also continually falling. The use of photovoltaic, for example, has already become, in many areas, the more economically viable and sustainable alternative to the production of electricity using conventional methods. In sun-rich regions of the world, large PV power plants are now already in direct competition with conventional power plants. In developing and threshold countries where the grid supply is either weak or non-existent and industrial consumers use diesel generator sets to safeguard their power supply, supplementary use of photovoltaic is also a commercially attractive proposition.

THE ENERGY SECTOR HAS CHANGED RAPIDLY AND PERMANENTLY AROUND THE WORLD; demand has shifted to non-European markets, price and competitive pressure has increased, solar power has become competitive in sub-segments and China is emerging as the world's largest photovoltaic market. Looking back, 2013 is an eventful year for the solar sector, in which an exciting course was set for the future of sustainable energy."



Tan Sri Razali bin Ismail
Executive Chairman
Non-Independent Executive Director

SUSTAINABLE ENERGY DEVELOPMENT: GLOBAL OVERVIEW

In January 2014 the International Renewable Energy Agency (IRENA) released the report "REmap 2030," which maps out a pathway for doubling the share of renewable energy in the global energy mix based on the technologies that are available today. According to the report, global renewable energy share can reach and exceed 30 percent by 2030 at no extra cost while energy efficiency and improved energy access can advance the share of renewables in the global energy mix up to 36 percent.

In essence, the geographical and technical characteristics of renewable energy systems have four major implications for renewable energy based markets:

- Availability of renewable sources of energy, especially that of wind and solar, far outstrips that of fossil fuels and uranium;
- Every country has access to at least some form and amount of renewable energy, be it wind, solar, biomass, hydro, or geothermal, thereby all countries could become energy producers;
- Renewable energy can be more efficiently harvested at certain locations than others, thus some countries can generate energy cheaper than others; and
- A great part of renewable energy production is of an intermittent nature and electricity generation may be distributed in a large number of small units.

The above could be easily illustrated.

The sun is a perfect example.

Ancient civilizations around the world worshipped the sun as a visible manifestation of a life-giving celestial force and as humankind developed, veneration and myth eventually gave way to curiosity and scientific inquiry. Early thinkers even sought to harness the power of the sun to address their basic needs at the time, such as lighting fires and defending themselves.

We have since evolved and so have our priorities. Today's global concerns — such as energy security, economic development and halting the impact of environmental degradation — are very different from the seemingly rudimentary needs of our ancestors and while our priorities have changed, we can still look to the sun for solutions.

Consider this: every hour, the sun beams more energy onto our planet than we need to satisfy our total power needs for an entire year. If fully harnessed, solar power has the potential to guarantee universal energy security. This, in turn, would have a catalytic influence on sustainable economic development, job creation and on efforts to protect our planet.

While a futuristic vision of the Earth developing into a solar-powered utopia may be far-fetched for now, tapping into the power of the sun for large scale generation of electricity is very much a reality.

Solar power has become fairly pedestrian since the first photovoltaic cells came out of the lab in the 1950s. Early challenges, such as high costs and low yields have been overcome with innovative solutions and solar power has never been as economical or reliable as it is today; emerging as an important component of the global power generation portfolio, offering a cost-competitive supplement to traditional carbon-based fuels, while also providing a hedge against fuel-price fluctuations. Today utility-scale solar farms soak up the sun and photovoltaic panels dot rooftops across the world.

CHAIRMAN'S STATEMENT

Waste is another simple example.

Each and every one of us contributes to the generation of waste.

A 2012 World Bank report warned that global solid waste generation was on pace to increase 70 percent by 2025, rising from more than 3.5 million tonnes per day in 2010 to more than 6 million tonnes per day by 2025. The waste from cities alone is already enough to fill a line of garbage trucks 5,000 kilometres long every day. The global cost of dealing with all that waste is rising too: from USD 205 billion a year in 2010 to USD 375 billion by 2025, with the sharpest cost increases in developing countries.

World Energy Council defines Waste-to-Energy (WtE) technologies consist of any waste treatment process that creates energy in the form of electricity, heat or transport fuels (e.g. diesel) from a waste source.

The global market for WtE technologies was valued at US$6.2bn in 2012 and forecasted to increase to US$29.2bn by 2022. Over the coming decade, growth trends are expected to continue, led by expansion in the US, European, Chinese, and Indian markets. Asia-Pacific's WtE market will post substantial growth by 2015, as more countries view the technology as a sustainable alternative to landfills for disposing waste while generating clean energy. By 2022, based on continued growth in Asian markets combined with the maturation of European waste management regulations and European and US climate mitigation strategies, the annual global market for WtE technologies will exceed $29 billion, for all technologies combined.

Sustainable energy has been widely defined as "energy that provides for the energy needs of today without compromising the energy needs of future generations." Driving the expansion of sustainable energy adoption worldwide is crucial in the fight against climate change as it has the power to transform the way people around the world use electricity—improving our communities and our planet. Renewable energy sources are the cleanest, greenest sustainable energy source available.

Fundamentally, even if climate change is not in the equation, just looking at the numbers alone, one could see that investment in sustainable energy makes good business sense, for now and for the future.

CYPARK'S BUSINESS PERFORMANCE

Cypark continues to blaze trails at the fore front of renewable energy development in Malaysia. But we did not get here by chance! From our commitment to environmental stewardship, pride in the communities we serve and the superior customer value we deliver – being a green energy leader is not just the way we do business, it is our business.

2013 saw the Group adding many more megawatts to our renewable energy parks. With the addition of our fifth site in Kuala Sawah, Negeri Sembilan, Malaysia the Group's solar parks are producing a total of 42,545 MWh annual generation, achieving annual avoidance of 29,357 tonnes of carbon dioxide equivalence and reducing annual greenhouse gas (methane) by 1,398 tonnes.

Our brand strengths, operational excellence, and innovation were again recognised by leading agencies when our Integrated Renewable Energy Park in Pajam, Negeri Sembilan, Malaysia was accorded *Solar Project of Year 2013* by Power & Electricity World Asia and our Group Chief Executive Officer, Dato' Daud Ahmad was named "Ernst & Young *Technology Entrepreneur of the Year 2013 (Malaysia).*

By delivering outstanding value to a wide range of stakeholders, we have been rewarded with financial success that can be reinvested in our company for the benefits of shareholders and stakeholders alike. We expect that our strategic investments will help us maintain and grow our position as a clean energy leader while continuing to provide benefits for our stakeholders.

For Cypark, that's sustainable development. That's what it means to be the green energy leader. And that's how we intend to continue to deliver value for all of our shareholders and stakeholders in the future.

CHAIRMAN'S STATEMENT

REVIEW OF PERFORMANCE AND FINANCIAL RESULTS

For the financial year ended 31 October 2013, the Group achieved strong operating results, experienced continued success in delivering projects, and received notable accolades. The Group's revenue for the current financial year increased by 12.70% to RM221 million from RM196 million recorded in the preceding financial year. Profit after tax for the current financial year ended 31 October 2013 compared to the previous year jump significantly by 40.45% to RM35.9 million from RM25.6 million.

DIVIDEND

In respect of the financial year ended 31 October 2012 as reported in the directors' report of that year, first and final tax exempt (single tier) dividend of 4.00 sen per share on 160,651,500 ordinary shares, declared on 17 April 2013 and paid on 13 June 2013 was RM6,426,060.

At the forthcoming Annual General Meeting, a final tax exempt (single-tier) dividend in respect of the financial year ended 31 October 2013 of 5.00 sen per share on 180,597,650 ordinary shares, amounting to a dividend payable of RM 9,029,882.50 will be proposed for shareholders' approval.

GIVING BACK

Commitment to environmental sustainability has become an essential ingredient to doing business responsibly and successfully, not only as a condition of social license to operate but also, increasingly, a competitive advantage. Cypark's operations are fundamentally compatible with environmental protection. Our operations relate directly to our mission, which is to enhance the quality of living environment.

In a world of constantly growing energy demand, Cypark's goal is to responsibly enable as many people as possible to access sustainable energy. In practical terms, this includes providing sustainable energy, an integral element of our operational and business excellence goals, as part of our corporate responsibility activity.

In line with the goals of the 1Malaysia Green Foundation (Yayasan Hijau 1Malaysia) - a non-profit organisation spearheaded by both the government and private sector aimed to promote green values as a lifestyle, particularly at grassroots level - Cypark lived up to its core value of caring through the inaugural launch of its project "Solar Rooftop for School" with the goal of inspiring the next generation of technicians and engineers ready to tackle climate change hands-on while providing the schools with a means of reducing its electricity expenditure while embracing energy sustainability.

Technology is just one aspect of our contribution in promoting green values. Education is a shared responsibility and one that encapsulates a noble spirit to build a future generation of Malaysians who stand tall in the eyes of the world as outstanding global citizens. Cypark, in 2013, received approval from the Ministry of Education Malaysia to expand its Renewable Energy Education Awareness Program — a program to educate students on the importance of renewable energy and its contribution towards environmental sustainability — from within Peninsular Malaysia to nationwide.

Dialogue with our stakeholders — defined as anyone affected by our activities — is a fundamental resource that enables us to develop corporate responsibility projects that benefit both our operations and our host communities.

Through giving back, we contribute by bringing our energy and passion for sustainability to the communities where we work and live.

FOSTERING FUTURE GENERATION OF GREEN LEADERS

The renewable energy industry is at the cutting edge of new technology and is global in scope. These two characteristics alone place a premium on having highly competent management and an exceptionally skilled workforce. Our tagline of *Powering Sustainable Future* is inspiring to our employees as it espouses the company's sustainable living plan which is driven by an appreciation of the environment and a desire to preserve it.

CHAIRMAN'S STATEMENT

As our business sets to expand rapidly in the years ahead, Cypark endeavours to create a rewarding corporate climate that supports the efforts of a diverse range of employees. We firmly believe that our employees are a key competitive advantage and the driver of how we deliver value to our customers and superior returns for our shareholders. We revel in providing our employees with a challenging workplace and rewarding them for working together, improving every day and delivering great results.

Cypark prides itself as a performance-centric organisation where both the shared and technical competencies of its people are highly valued. Training and learning opportunities is just one avenue for our employees to excel in their current positions and prepare for future roles and responsibilities. Aimed at developing future leaders and growing the organisation's talent pipeline, Cypark instils a culture of empowerment to shape employees into versatile, broad-minded individuals who possess energy and passion to challenge each other to innovate and to sustain the passion we have for continuous improvement. We anticipate that our development programs will provide a competitive advantage in attracting new employees to Cypark; from skilled technicians and engineers to those with successful track records in research, development, marketing, business development and sales.

Individual professional competency and attitude is just as important as technical skills. Cypark consistently seeks candidates with integrity, leadership potential, strong thinking, operation discipline and a passion for winning. As a 'build from within' company that is consistently developing new solutions for a sustainable future, Cypark is persistent in identifying employees with the courage, curiosity and conviction to see possibilities where others only see challenges. Loyalty is achieved by investing in employee development and career growth by means of providing a solid career foundation through exposure to various functions and disciplines in the business.

Moving forward, Cypark endeavours to continue to offer a highly challenging and stimulating environment where the talents, commitment and drive of our people come together to forge cohesive teams working together towards a shared corporate vision.

SUSTAINABLE BUSINESS

As citizens, we are all stakeholders of our earth's environment. As a green energy company, Cypark recognises that environmental protection and stewardship are rewarded with financial success. Whichever way one looks at it, sustainable development is critical to our long-term viability and therefore our capacity to create value wherever we do business: by generating direct and indirect jobs, by stimulating social and economic development, and by facilitating access to sustainable energy. The Group recognises the need to uphold business models that enable responsible, equitable growth. In short, Cypark's future depends on our ability to balance social engagement with business objectives.

The world is changing at an exponential rate, and the seemingly immovable electricity industry of the past is no longer exempt. The energy industry is on the cusp of a revolution much like the telecommunications industry was in the 1980s and 1990s. Imagine an energy industry that gives consumers the option of independence from the grid — how much and how often is up to them. This is the future of unprecedented customer choice we see at Cypark. The Group embraces the challenge of reinventing our company to meet the changing needs of consumers by offering sustainable energy choices through innovative emerging green energy technologies.

Our unique value proposition come hand-in-hand with the exciting prospects of the Malaysian energy landscape. With the implementation of revised surcharge on electricity bill for the Renewable Energy Fund, effective 1st January 2014, from 1.0% to 1.6% for Peninsular Malaysia and first time implementation of 1.6% for Sabah, the renewable energy industry in Malaysia is fast progressing in the right direction.

The path towards transforming our country's traditional energy infrastructure and the industry model is a big undertaking. From announcements on the removal of subsidies for fossil fuel to the need to build additional power plants and replace aging ones indicates the dynamism of the nation's power industry as a whole; an industry in which renewable energy shares the same market.

CHAIRMAN'S STATEMENT

Blessed with an abundant endowment of renewable energy sources, Malaysia urgently needs to design innovative policies and mechanisms by which to transform its energy future to a secure and sustainable renewable resource base. While the government has taken certain measures for the promotion of renewables, such as plans to construct WtE plants, wind mapping projects and promotion of solar for rooftops, these needs to be scaled up and expedited. In tandem with the government initiatives, other stakeholders including the industry as well as citizens need to play a proactive role. 'Renewables as the new normal' should be something that we should all strive for.

We see a bright future ahead for Cypark and the solar industry. We look forward to sharing our lessons learned with our shareholders and stakeholders as we continue to support to augment the way our nation is powered and advance our growth sustainably.

FUTURE FOCUS

Bloomberg New Energy Finance report indicates that with the price of solar photovoltaic cells having dropped 99% in the past quarter century, this has created an increasing number of markets around the globe in which solar is at or very close to grid parity. This bodes well for the renewable energy industry in general as our 21st century energy supply is destined to be not only cleaner than before, but also more distributed and grid independent.

Cypark is determined to be one of the leaders in this transformation of the energy industry. Based on renewable energy industry outlook – locally and globally — the Group is in an excellent position to pursue future growth by continuing to innovate and lead the market; centering on the Group's two core expertise — integrated renewable energy generation and green engineering solutions. We intend to grow along with industry's growth placing ourselves as premium local and key regional player.

Going forward, we plan to continue to optimise our business models and commercial processes. Cypark has made tremendous strides becoming a business that is more sustainable economically, socially and environmentally. Our approach is to effectively deliver exemplary financial and operating results today while positioning ourselves for a revolution in the clean energy industry by investing in emerging green technologies that will define the 21st century energy landscape.

2014 will see the group embark in its SMART WTE project in Ladang Tanah Merah, Negeri Sembilan while continue in its journey to bring economic transformation to remediated landfills. We see responsible renewable energy development on contaminated lands and landfills as a win-win-win for the nation, local communities, and the environment. By identifying the renewable energy potential of contaminated sites across the country, these screening results are a good step toward meeting national renewable energy goals in order to address climate change, while also cleaning up and revitalizing contaminated lands in our communities. Our SMART WTE facility, on the other hand, is integrated into broader waste management regimes aimed at reducing the use of landfills. By reducing waste volumes by 90% or more and avoiding methane gas emissions from landfill decay, WtE offers an attractive option to promote low-carbon growth in the crowded renewable energy landscape.

Last year, I said we were poised to enter a new era of growth as Cypark pursued the golden opportunities emerging with a new energy future. Now, I can tell you that the future of competitive energy has arrived, and — together — we have only just begun to reap the benefits. Powered by our progress in implementing innovative green energy choices, we are better positioned than ever to succeed in our mission to become Malaysia's premier sustainable energy company of the 21st century.

ACKNOWLEDGEMENTS

Cypark remains committed to furthering our efforts to accomplish our strategic objectives as we move forward. We are confident that we are doing the right things as a company to capture the opportunities that lie before us and are eagerly engaged in delivering value to our shareholders.

I am proud to be heading up such a talented team at Cypark. I am confident we have outstanding future growth prospects. As a high-performing organisation, both financially and operationally, we are intensely focused on delivering unparalleled value to our customers. Finally and most importantly, we are committed to continuing to grow shareholder value.

The many achievements that we have made in the past are all due to your unwavering support and encouragement. The many others that we hope to accomplish in the future will also be thanks to you.

I thank all of our shareholders, partners, policy makers, employees and other stakeholders for your continued support as we work in 2014 to deliver the dividends of our strategy to win in our competitive environment and to transform the sustainable energy space for the benefit of all of us and the future generation.

Tan Sri Razali bin Ismail
Executive Chairman
Non-Independent Executive Director

IN THE LIMELIGHT

POWER & ELECTRICITY AWARD (ASIA) SOLAR PROJECT OF THE YEAR 2013

“Winning the *Power & Electricity Award (Asia) - Solar Project of the Year 2013* signifies that Cypark’s unceasing strive for quality and excellence has ensured our leading market position and track record continues to be well acknowledged by the industry”

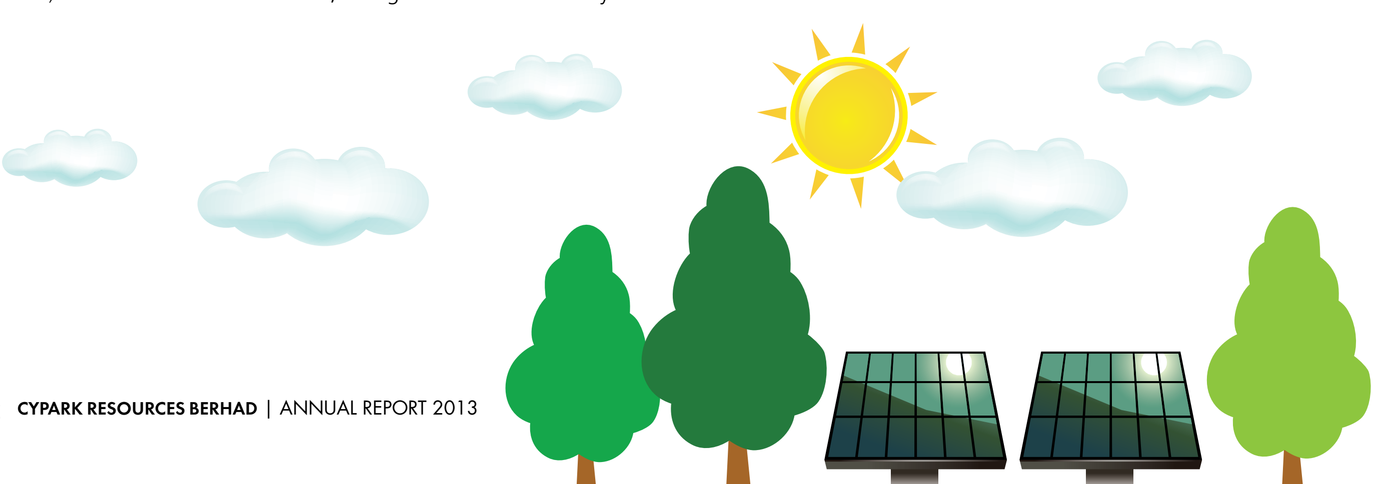
Tan Sri Razali bin Ismail

Dato’ Daud Ahmad (far right), winner ‘Technology Entrepreneur of The Year 2013’ for Malaysia award organised by Ernst & Young (EY), with other award winners who are (from left) Datuk Ir. Rosaline Ganendra, Dr Ngau Boon Keat and Bryan Loo.

ERNST & YOUNG ENTREPRENEUR OF THE YEAR AWARD: TECHNOLOGY ENTREPRENEUR OF THE YEAR 2013

“First time a green entrepreneur was nominated for and won the technology entrepreneur of the year award. The award has brought recognition from the masses towards green technology in Malaysia. Green technology has now been recognised as a viable business model”

Dato’ Daud Ahmad



BOARD OF DIRECTORS

Datuk Abdul Malek bin Abdul Aziz
Independent Non-Executive Director

Encik Megat Abdul Munir bin Megat Abdullah Rafaie
Independent Non-Executive Director

Dato' Daud bin Ahmad
Group Chief Executive Officer
Non-Independent Executive Director

Tan Sri Razali bin Ismail
Executive Chairman
Non-Independent Executive Director

Encik Headir bin Mahfidz
Independent Non-Executive Director

Dato' Dr. Freezailah bin Che Yeom
Independent Non-Executive Director

BOARD OF DIRECTORS' PROFILE

TAN SRI RAZALI BIN ISMAIL
Executive Chairman
Non-Independent Executive Director

Tan Sri Razali Ismail, a Malaysian, aged 75, was appointed to the Board on 1 October 2006. A substantial shareholder to the Company as well as founder of Cypark Sdn. Bhd., he is also a member of the Remuneration Committee.

Tan Sri Razali retired from government in 1998 after a career of over 35 years in the Malaysian Diplomatic Service. He held various posts including as Permanent Representative to the United Nations (UN).

At the UN, Tan Sri Razali was involved in articulating and developing positions in various bodies on issues such as development and sustainability, poverty and marginalisation, political reforms in the UN and issues of human rights and the environment. From 2000 – 2005, he was the UN Secretary-General's Special Envoy to Myanmar.

A graduate of Universiti Malaya, Tan Sri Razali is involved in environmental industries specifically in renewable energy and solar, is the Pro Chancellor of the University Science Malaysia, Chairman of the National Peace Volunteer Corp (Yayasan Salam), heads an NGO project - Yayasan Chow Kit on street and displaced children; sits on the Board of the Razak School of Government, and promotes the protection and replanting of mangroves. He has also been appointed as Chairman of the Global Movement of Moderates Foundation.

Tan Sri Razali has attended 5 out of the 5 Board of Directors' Meetings held during the financial year ended 31 October 2013. He does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He does not have any convictions for any offences.

DATO' DAUD BIN AHMAD
Group Chief Executive Officer
Non-Independent Executive Director

Dato' Daud bin Ahmad, a Malaysian, aged 48, was appointed to the Board on 1 October 2006 and is one of the co-founder of Cypark Sdn. Bhd. He was appointed to be the CEO of Cypark since January 2001.

An accountant by profession, Dato' Daud is a graduate of Pennsylvania State University, USA. He also completed an Executive Management Programme at University of Chicago (Barcelona) and is a member of the Chartered Institute of Waste Management (CIWM) UK.

Winner of Ernst & Young "Technology Entrepreneur of the Year Award 2013" for Malaysia, Dato' Daud has over 24 years of experience including in the fields of International Business, Oil & Gas, Waste Management, Renewable Energy and Environmental Management. Prior to his involvement in Cypark, he worked for KPMG, Motorola Malaysia Sdn Bhd, ESSO Production Malaysia Inc. and Ayer Molek Berhad.

Dato' Daud has attended 5 out of the 5 Board of Directors' Meetings held during the financial year ended 31 October 2013. He does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He does not have any convictions for any offences.

ENCIK HEADIR BIN MAHFIDZ
Independent Non-Executive Director

Encik Headir bin Mahfidz, a Malaysian, aged 48, was appointed to the Board on 7 September 2010. He was appointed by the Board as a member of the Audit Committee on 22 September 2010 and a member of the Nomination Committee on 1 January 2012.

He graduated from the University of Tasmania, Australia with a Bachelor of Commerce degree in 1989. In 1992, he qualified as a Certified Practising Accountant, as certified by CPA Australia. He is also a Member of Malaysian Institute of Accountants, being admitted since 1996.

Encik Headir has attended 5 out of the 5 Board of Directors' Meetings held during the financial year ended 31 October 2013. He does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He does not have any convictions for any offences within the past ten (10) years, other than traffic offences, if any.

DATUK ABDUL MALEK BIN ABDUL AZIZ
Independent Non-Executive Director

Datuk Abdul Malek bin Abdul Aziz, a Malaysian, aged 76 was appointed to the Board on 19 September 2012. He was appointed by the Board as Chairman of the Risk Management Committee and a member of Remuneration Committee on 19 September 2012.

Datuk Malek served for close to four decades in the Malaysian Public Service commencing as Assistant Secretary and retired as Senior Deputy Secretary General in the Prime Minister's Department. Among the key positions he held were Secretary to the National Security Council, Director General of Immigration, Deputy Secretary General of the Ministry of Home Affairs and Deputy Director General of the Public Services Department. He also served as Chairman of Public Services Tribunal for almost a decade.

A law graduate from University of Singapore, he also holds a Diploma in International Relations and attended a course at the Royal College of Defence Studies, United Kingdom.

Datuk Malek has attended 5 out of the 5 Board of Directors' Meetings held during the financial year ended 31 October 2013 since his appointment to the Board. He does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He does not have any convictions for any offences.

BOARD OF DIRECTORS' PROFILE

DATO' DR FREEZAILAH BIN CHE YEOM
Independent Non-Executive Director

Dato' Dr. Freezailah bin Che Yeom, a Malaysian, aged 74, was appointed to the Board on 8 June 2010. He was appointed by the Board as Chairman of the Audit Committee on 22 September 2010 and is also the Chairman of the Nomination Committee and Remuneration Committee.

He obtained a First Class Honours degree in Forestry and a PhD in Ecology from Edinburgh University in 1963 and 1974 respectively. Dato' Dr. Freezailah is currently an Advisor to the Ministry of Plantation Industries and Commodities. He has previously served in the Forestry Department of Peninsular Malaysia and has held several senior positions such as Deputy Chief Research Officer of the Forest Research Institute, Director of Forestry in the States of Kelantan and Pahang and Deputy Director-General of Forestry. In 1986, Dato' Dr. Freezailah was elected as the founding Executive Director of the International Tropical Timber Organisation (ITTO), created by the United Nations, to promote the conservation and sustainable development of tropical forests. Based in Yokohama, Japan, he served the ITTO for 13 years and contributed to its establishment and development into a respected global organisation.

Dato' Dr. Freezailah has attended 5 out of the 5 Board of Directors' Meetings held during the financial year ended 31 October 2013. He does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He does not have any convictions for any offences within the past ten (10) years, other than traffic offences, if any.

ENCIK MEGAT ABDUL MUNIR BIN MEGAT ABDULLAH RAFAIE
Independent Non-Executive Director

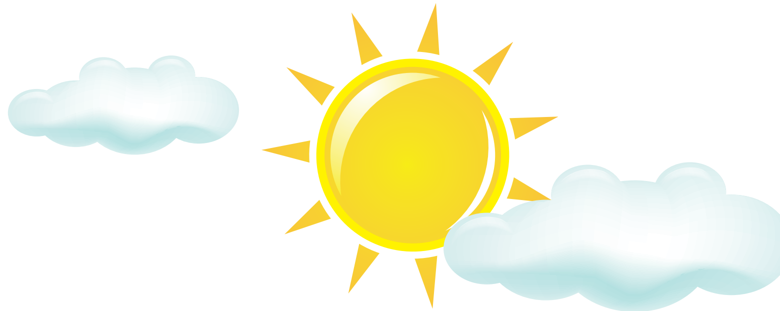
Encik Megat Abdul Munir bin Megat Abdullah Rafaie, a Malaysian, aged 44, was appointed to the Board on 1 August 2012. He was appointed by the Board as a member of the Audit Committee, Nomination Committee and Risk Management Committee on 1 August 2012.

He is a founding partner of the legal firm Messrs. Zain Megat & Murad and leads the Kuala Lumpur branch as well as three of the firm's practice areas. These are namely Litigation, Corporate Commercial and the Foundation Laws practice areas. He advises on foreign investments, mergers and acquisitions, listing and compliance requirements as well as queries from Bursa Malaysia Securities Berhad and the Securities Commission. Since 1999, he has been appointed as a director of a Taiwanese global multi-national company based and listed in Malaysia and entrusted to chair its Audit Committee since 2002.

Prior to forming Messrs. Zain Megat & Murad, Megat had stints at Messrs. Lee Swee Seng & HM Low and Messrs. Leong & Megat upon completion of his Bachelor of Laws at International Islamic University Malaysia. He was called to the Malaysian Bar in 1994.

Encik Megat Abdul Munir has attended 5 out of the 5 Board of Directors' Meetings held during the financial year ended 31 October 2013 since his appointment to the Board. He does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He does not have any convictions for any offences.

CORPORATE RESPONSIBILITY



As Malaysia's front runner in renewable energy and green technologies, Cypark's Corporate Responsibility programs aim to bring our energy and passion for sustainability to the communities where we work and live. We use our skills, resources and relationships --- our key strengths --- to support communities through educational awareness programs, employee volunteerism and philanthropic contributions.

ADOPT-A-SCHOOL PILOT PROGRAM

In line with the global green agenda to encourage communities to adopt sustainable living practices and reduce national carbon emissions levels, 2013 saw Cypark's maiden venture into solar rooftop system for schools with the project launch of a 5kW system for SMK Damansara Utama and SK Kuala Gula.

With the aim of creating a spiral effect on the communities and a profound impact on the environment in the future, the program would not only empower schools with sustainable technology but would also enable students to learn and gain exposure on renewable energy in the comfort of their learning environment.

Sekolah Menengah Kebangsaan Damansara Utama (SMKDU)
Awareness activities at SMKDU aim at instilling environmental sustainability awareness with the hope of generating Green Ambassadors for the school.

Sekolah Kebangsaan Kuala Gula (SKKG)
Located in a tiny, secluded, fishing village with an abundance of mangroves, awareness activities for SKKG centers towards introducing the students to the cohesive roles of marine science and conservational ecology in ensuring environmental sustainability, with elements of fun injected into the program.

CORPORATE RESPONSIBILITY

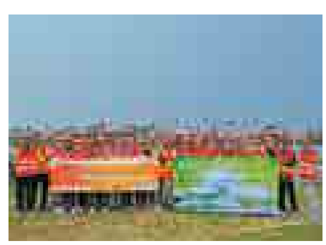
RENEWABLE ENERGY EDUCATION AWARENESS PROGRAM

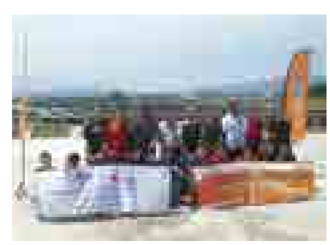
Dedicated to empowering, inspiring and motivating a new generation of Green Leaders in Malaysia, Cypark's Renewable Energy Education Awareness Program --- a program to advance renewable energy education among students and policy makers (local and international) --- hosts approximately 200 visitors a month at its sites across Peninsular Malaysia. For those unable to visit the site, activities are conducted on-site at the learning institutions and/or relevant organisations

LEARNING INSTITUTIONS

GOVERNMENT

CELEBRATING TOGETHER





Cypark organises activities and programs in conjunction with global celebrations relating to environment and renewable energy. These celebrations places our stakeholders on center stage, enabling us to further connect with them as well as bring into focus the importance of sustainable living and how it increases economic and environmental value.

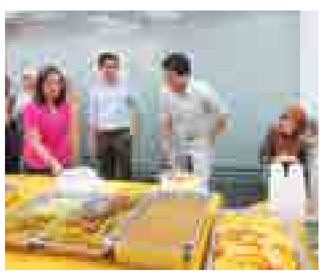
CORPORATE RESPONSIBILITY

STAKEHOLDERS ENGAGEMENT


Engaging in constructive dialogue with stakeholders keeps us responsive to issues important to our customers, employees (current and potential), investors, regulators and the wider community. In addition to regular stakeholder communication on core issues impacting Cypark and its operations, we also engage with a range of different stakeholders at different times to ensure we understand the environment we operate within.

EMPLOYEE ENGAGEMENT

FUN

TRAINING




A critical aspect of Cypark's achievements today and in the future is inspiring the commitment of our employees to the achievement of shared business and sustainability objectives. Health, safety and job satisfaction of our employees are crucial determinants in the success of our business. Being a "build from within" company, part of our efforts to improve engagement and satisfaction, aside from fun initiatives, is to provide training to the individual across three areas: formal development including classroom style training, developmental relationship in which an individual receives support and feedback from managers and peers (buddy system) and on-the-job experiences such as secondment and enlarge roles.

ENVIRONMENTAL & ECONOMIC TRANSFORMATION

KUALA SAWAH, RANTAU, NEGERI SEMBILAN

ENVIRONMENTAL TRANSFORMATION

PRE-CLOSURE

POST-CLOSURE

ECONOMIC TRANSFORMATION

Kuala Sawah Renewable Energy Park: At a Glance:

• Installed Capacity	:	2 MW + 1.3 MW (Phase 1) + 2 MW (Phase 2) Solar PV
• Project Owner	:	Selasih Mentari Sdn Bhd
• Project Developer/ Turnkey Contractor/ Operator	:	Cypark Renewable Energy Sdn Bhd
• Power Purchaser	:	Tenaga Nasional Berhad
• Facility Size	:	21 Acres Safely Closed Non Sanitary Landfill
• Environmental Safe Closure (Design, Engineering & Technology)	:	Cypark Resources Berhad

PAJAM, NEGERI SEMBILAN

ENVIRONMENTAL TRANSFORMATION

PRE-CLOSURE

POST-CLOSURE

ECONOMIC TRANSFORMATION

Pajam Integrated Renewable Energy Park: At a Glance:

- Installed Capacity : 3 MW + 5 MW (Phase 1) + 5 MW (Phase 2) Solar PV & 1 MW Biogas
- Project Owner : Cypark Suria (Pajam) Sdn Bhd (10 MW)
  Cypark Suria (Negeri Sembilan) Sdn Bhd (3 MW)
- Project Developer/ Turnkey Contractor/ Operator : Cypark Resources Berhad (8 MW)
  Cypark Renewable Energy Sdn Bhd (5 MW)
- Power Purchaser : Tenaga Nasional Berhad
- Facility Size : 64 Acres safely closed non sanitary landfill
- Environmental Safe Closure
  (Design, Engineering & Technology) : Cypark Resources Berhad

ENVIRONMENTAL & ECONOMIC TRANSFORMATION
COMPLETED PROJECTS

ENVIRONMENTAL TRANSFORMATION

KUALA PERLIS, PERLIS

PRE-CLOSURE

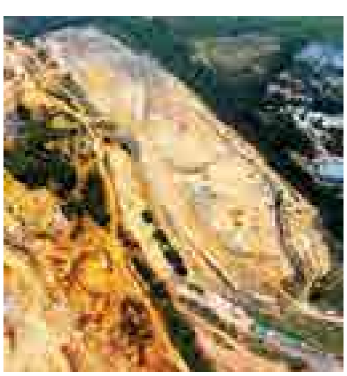
POST-CLOSURE

RIMBA TERJUN, JOHOR

PRE-CLOSURE

POST-CLOSURE

BUKIT PALONG, NEGERI SEMBILAN



PRE-CLOSURE

POST-CLOSURE

ECONOMIC TRANSFORMATION

Kuala Perlis Renewable Energy Park: At a Glance:

• Installed Capacity	:	5MW + 1MW Solar PV
• Project Owner	:	Ambang Fiesta Sdn Bhd
• Project Developer/ Turnkey Contractor/ Operator	:	Cypark Renewable Energy Sdn Bhd
• Power Purchaser	:	Tenaga Nasional Berhad
• Facility Size	:	20 Acres Safely Closed Non Sanitary Landfill
• Environmental Safe Closure (Design, Engineering & Technology)	:	Cypark Resources Berhad

Rimba Terjun Renewable Energy Park: At a Glance:

• Installed Capacity	:	2MW Solar PV
• Project Owner	:	Rentak Raya Sdn Bhd
• Project Developer/ Turnkey Contractor/ Operator	:	Cypark Renewable Energy Sdn Bhd
• Power Purchaser	:	Tenaga Nasional Berhad
• Facility Size	:	14 Acres Safely Closed Non Sanitary Landfill
• Environmental Safe Closure (Design, Engineering & Technology)	:	Cypark Resources Berhad

Bukit Palong Integrated Renewable Energy Park: At a Glance:

• Installed Capacity	:	3 MW Solar PV 0.5 MW + 0.5 MW (Biogas)
• Project Owner	:	Gaya Dunia Sdn Bhd
• Project Developer/ Turnkey Contractor/ Operator	:	Cypark Renewable Energy Sdn Bhd
• Power Purchaser	:	Tenaga Nasional Berhad
• Facility Size	:	25 Acres Safely Closed Non Sanitary Landfill
• Environmental Safe Closure (Design, Engineering & Technology)	:	Cypark Resources Berhad

RE FUN FACTS 2013

MOST IMPORTANT SOLAR STATISTICS OF 2013

4 MINUTES

In 2006, U.S. solar installers were putting up a system every **80 minutes.**

In 2013, Greentech Media (GTM) Research shows a system is installed every **FOUR MINUTES.**

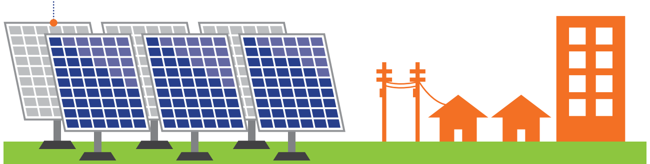
By 2016, there could be a solar PV system deployed in America every **80 seconds.**

10 GIGAWATTS

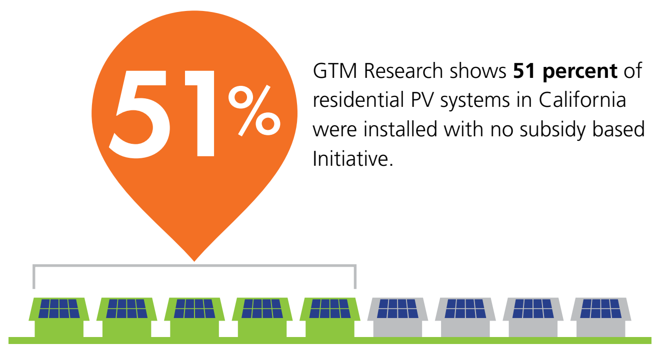
With **930 megawatts** of installations in the third quarter of 2013, America has already **surpassed 10 gigawatts** of cumulative capacity.

100 GIGAWATTS

In 2011, the global solar industry had **50 gigawatts** of capacity installed. **By the end of 2012, it had surpassed 100 gigawatts. By the end of 2015,** global solar capacity is expected to reach more than **200 gigawatts.**

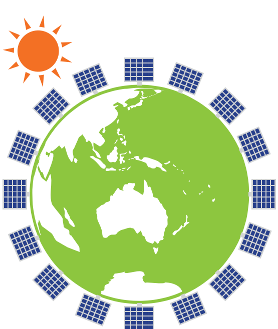


51 PERCENT



GTM Research shows **51 percent** of residential PV systems in California were installed with no subsidy based Initiative.

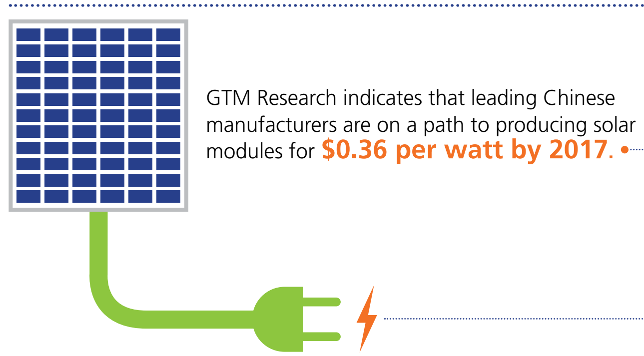
2.5 YEARS



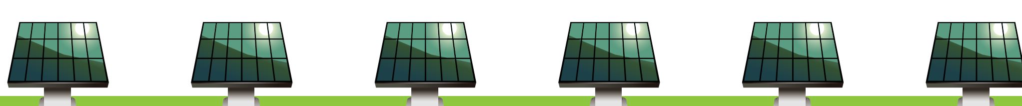
The 100-gigawatt number was an important benchmark for solar. It took nearly 40 years to get 50 gigawatts on the ground and on rooftops.

But in just 2.5 years, two-thirds of all solar PV projects were built worldwide.

$0.36 PER WATT

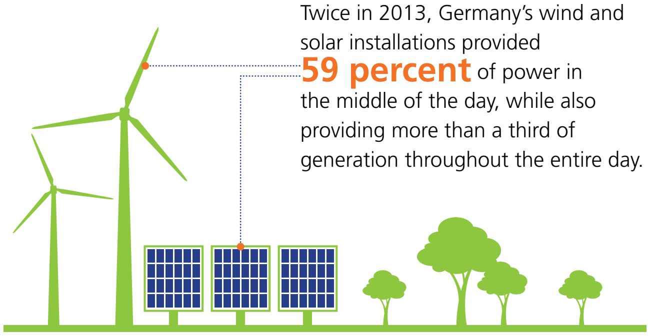


GTM Research indicates that leading Chinese manufacturers are on a path to producing solar modules for **$0.36 per watt by 2017.**



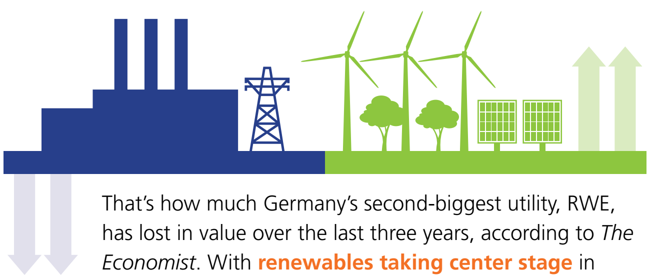
RE FUN FACTS 2013

59 PERCENT



Twice in 2013, Germany's wind and solar installations provided **59 percent** of power in the middle of the day, while also providing more than a third of generation throughout the entire day.

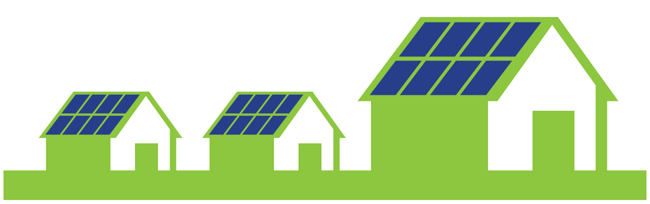
ONE-THIRD



That's how much Germany's second-biggest utility, RWE, has lost in value over the last three years, according to *The Economist*. With **renewables taking center stage** in Germany, they are creating steep drops in wholesale prices and forcing large fossil fuel plants to sit idle.

64 PERCENT

The non-hardware costs of a residential solar installation now account for **nearly two-thirds of the total system cost,** according to National Renewable Energy Laboratory. **Those costs include labor, supply chain logistics, permits and customer acquisition.**



$1 BILLION

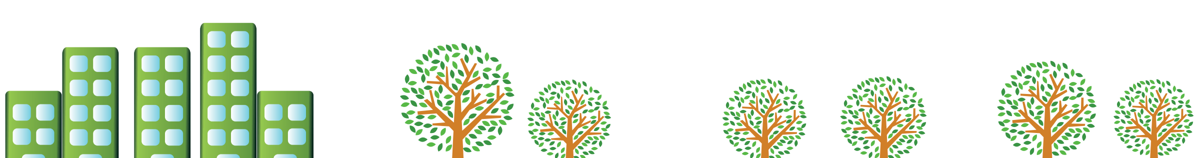
If the U.S. solar industry is going to hit the **362,000** installations in 2016 forecast by GTM Research, it will spend more than **$1 BILLION** to get the customer leads needed.

That amounts to **$0.49 per watt,** or about **10 percent** of the total cost of an installation.

25 PERCENT

According to the National Renewable Energy Laboratory, **only one-quarter of residential and commercial rooftops in America are suitable for solar.** That creates a big opportunity for crowdsourced and community solar, two models that are gaining traction in the country.

Source: ***Greentech Media Inc. Written by Stephen Lacey, December 17, 2013***



CORPORATE GOVERNANCE STATEMENT

INTRODUCTION

The Board is committed to ensure that a high standard of corporate governance is practised throughout the Company and its subsidiaries ("the Group") in discharging its responsibilities with integrity, transparency and professionalism to protect and enhance shareholder value and the financial position of the Group. The Board has always been vigilant of the fiduciary duties entrusted upon the Board as a principle guide in discharging its duties.

The Board recognises the importance of good corporate governance and supports the principles and best practices promulgated in the Malaysian Code on Corporate Governance 2012 ("the Code") to enhance business prosperity and maximise shareholder value. The Board will continuously evaluate the Group's corporate governance practices and procedures, and where appropriate will adopt and implement the best practices as enshrined in the Code to the best interest of the shareholders of the Company. As such, the Board plays a primary role in ensuring that good corporate governance is being practised.

Below is a statement and description in general pursuant to Paragraph 15.25 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR") on how the Group has applied the principles and recommendations as laid out in the Code throughout the financial year ended 31 October 2013.

BOARD OF DIRECTORS

Board Composition

The Board currently has six (6) members comprising two (2) Executive Directors and four (4) Independent Non-Executive Directors. This strong and independent element brings an objective and independent judgment to the decision-making process of the Board and is vital to the effective stewardship of the Group. The biographical details of the Board members are set out in the Board section under the heading of "Board of Directors' Profile".

Board Balance

The Board has established clear functions reserved for the Board and those delegated to the Management and this is documented in the Board Charter, which is published on the Company's website. The Board and the Management's roles and responsibilities are set out clearly and understood to ensure accountability of both parties respectively. These division of responsibilities will be reviewed regularly to ensure that the dynamic needs of the Group are consistently met.

Yg Bhg Tan Sri Razali bin Ismail, a Non-Independent Executive Director, chairs the Board while the position of Group Chief Executive Officer is held by Dato' Daud bin Ahmad. There is a clear division of responsibilities between the two roles to ensure that there is a balance of power and authority. The Group Chief Executive Officer has the principal and primary responsibility of reporting, clarifying and communicating matters to the Board. All four (4) Independent Non-Executive Directors who represent two third (2/3) of the Board are independent of management and free from any businesses or relationships which could materially interfere with the exercise of their independent judgments.

The two (2) Executive Directors bring with them a wide range of business experiences, financial and economic knowledge, technical skills, and other knowledge and experience in the fields that are related to environmental technology, engineering solutions and integrated landscape services, as well as business management, operations and administration within the Group. The said Executive Directors are responsible for implementing the policies and decisions of the Board, and overseeing the operations, as well as coordinating the development and implementation of business and corporate strategies.

There is proper balance in the Board with the presence of the four (4) Independent Directors of the necessary caliber to carry sufficient weight in Board decisions through various discussions within the Group. They play a key role in providing unbiased and independent views, advice and contributing their knowledge and experience toward the formulation of policies and in the decision-making process. The Board structure ensures that no individual or group of individuals dominates the Board's decision-making process. Although all the Directors have equal responsibility for the Company and the Group's operations, the role of the Independent Directors are particularly important in ensuring that the strategies proposed by the Executive Directors are deliberated on and have taken into account the interest, not only of the Company, but also that of the shareholders, employees, customers, suppliers and the community. The Board would ensure that it undertakes an assessment of its independent directors annually.

The Board has identified Dato' Dr. Freezailah bin Che Yeom to be the Senior Independent Non-Executive Director to whom concerns may be conveyed by shareholders and the general public.

Board Gender Diversity

The Board believes that candidature to the Board should be based on a candidate's merits but in line with the Code, the board will consider more females onto the Board in due course to bring about a more diverse perspective.

Board Meetings

The Chairman of the Board is responsible for ensuring that the Board members meet regularly throughout the year. The Board is to meet at least four (4) times in a year, with additional meetings convened whenever urgent/necessary and whenever important decisions are required. Board meetings are generally scheduled in advance with the relevant time and venue fixed tentatively on a certain date. Board members are aware of the expected time commitment and protocols for accepting new directorships.

Formal notices, agendas, papers and reports are supplied to the Board in a timely manner prior to Board meetings. The Board is supplied with all necessary information to enable it to effectively discharge its duties and responsibilities. Besides holding of Board meetings, the Board also exercises control on issues/matters that require immediate Board approval through the circulation and passing of Directors' Circular Resolutions pursuant to the relevant Article of Association of the Company.

The requisite quorum for Board meetings as set out in the Articles of Association are two (2) members, unless otherwise determined by the Board from time to time. All conclusions or decisions of the Board are duly recorded in the Board minutes. The Board met five (5) times during the financial year ended 31 October 2013 in the discharge of its duties and responsibilities in the control and monitoring of the operations and development of the Group. The attendance record of the Directors during the financial year ended 31 October 2013 was as follow:-

Directors	Attendance
Tan Sri Razali bin Ismail	5 out of 5
Dato' Daud bin Ahmad	5 out of 5
Dato' Dr. Freezailah bin Che Yeom	5 out of 5
Encik Headir bin Mahfidz	5 out of 5
Encik Megat Abdul Munir bin Megat Abdullah Rafaie	5 out of 5
Datuk Abdul Malek bin Abdul Aziz	5 out of 5

CORPORATE GOVERNANCE STATEMENT

Duties and Responsibilities of the Board

The Board provides effective leadership and manages overall control of the Group's affairs through the schedule of matters reserved for its decision. The Board guides the Company on its short and long term goals, provides advice, reviews and approves strategies formulated by the management and deliberates on business development issues while providing balance to the management of the Company.

The Board is responsible for the following:-

- reviewing and adopting a strategic plan for the Group, including establishing goals, ensuring that strategies are in place to achieve them, and overseeing the conduct of business;

- establishing policies for strengthening the performance of the Group including ensuring that the Management is proactively seeking to build the business through innovation, initiative, technology, new products and the development of its business capital;

- identifying principal risks and ensuring the implementation of appropriate systems to manage these risks;

- succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing senior management;

- reviewing the adequacy and the integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;

- deciding on whatever steps are necessary to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken;

- ensuring that the Company's financial statements are true and fair and conform with any applicable laws and/or regulations;

- ensuring that the Company adheres to high standards of ethics and corporate behaviour, which is formalised through a code of conduct; and

- overseeing the development and implementation of a shareholders' communication policy.

Board of Committees

i. Audit Committee

The Board is currently assisted by the Audit Committee whose Terms of Reference are summarised as set out in the ensuing pages under the heading of "Audit Committee Report".

ii. Nomination Committee

As at the financial year ended 31 October 2013, the Nomination Committee comprises three (3) Independent Non-Executive Directors. The Nomination Committee is responsible for proposing new nominees, if required and relevant, for the Board's approval and appointments and assessing existing Directors on a current and also on-going basis. In making these recommendations, the Nomination Committee will consider the required mix of skills, technical know-how, capabilities, experiences and independence of each member.

The actual decision as to who shall be nominated should be the responsibility of the full Board after considering the recommendations of the Committee.

The members of the Nomination Committee are:-

Dato' Dr. Freezailah bin Che Yeom	Chairman, Independent Non-Executive Director
Encik Headir bin Mahfidz	Member, Independent Non-Executive Director
Encik Megat Abdul Munir bin Megat Abdullah Rafaie	Member, Independent Non-Executive Director

The Nomination Committee shall meet at least once a year as and when deemed fit, necessary and expedient. In the discharge of its duties for the financial year ended 31 October 2013, the Nomination Committee had reviewed each Director, including the Group Chief Executive Officer, to assess the character, experience, integrity, competence and time that can be committed by each of the said persons to effectively discharge his role as a director or chief executive, as well as the Committees of the Board, through a comprehensive assessment system based on recommended best practices/criteria and facilitated by the Secretaries, where the results are deliberated upon and reported to the Board accordingly. The Nomination Committee had also reviewed the criteria adopted for such assessment to ensure that it is current and relevant.

In regards to board composition, the Board endeavours to ensure that it consists of individuals with a diverse background and equipped with professional and technical knowledge to effectively carry out its roles as the representative to the interests of shareholders in setting the Company's strategy and ensuring its implementation. The qualifications for Board membership are the ability to make sensible business decisions and recommendations, an entrepreneurial talent for contributing to the creation of shareholder value, the ability to see the wider picture, the ability to raise constructive queries, preferably with some experience in the industry sector, high ethical standards, sound practical sense, and commitment to furthering the interests of shareholders and the achievement of the Company's goals.

iii. Remuneration Committee

The Remuneration Committee comprises two (2) Independent Non-Executive Directors and one (1) Executive Director. The Remuneration Committee is responsible for making recommendations to the Board on the appropriate remuneration packages and benefits based on their acquired skills, technical know-how, experiences and capabilities of the new nominees (if any) and of the current Executive Directors and to review each of their respective annual remuneration packages.

The members of the Remuneration Committee are:-

Dato' Dr. Freezailah bin Che Yeom	Chairman, Independent Non-Executive Director
Tan Sri Razali bin Ismail	Member, Executive Director
Datuk Abdul Malek bin Abdul Aziz	Member, Independent Non-Executive Director

The Remuneration Committee shall meet at least once a year and as and when deemed fit, necessary and expedient.

iv. Risk Management Committee

The Risk Management Committee comprises three (3) Independent Non-Executive Directors. The principal objective of the Risk Management Committee is to assist the Board in their responsibilities to identify, measure, control and monitor risks that will promote high asset quality and cost effective solutions to its clients.

The members of the Risk Management Committee are:-

Datuk Abdul Malek bin Abdul Aziz	Chairman, Independent Non-Executive Director
Encik Headir bin Mahfidz	Member, Independent Non-Executive Director
Encik Megat Abdul Munir bin Megat Abdullah Rafaie	Member, Independent Non-Executive Director

The Risk Management Committee shall meet at least four (4) times a year and as and when deemed fit, necessary and expedient.

Directors' Remuneration

The remunerations of the Executive Directors were determined fairly based on the performance and the profitability of the Group as a whole. The Directors' remuneration is at the discretion of the Board, taking into account the comparative market rates which commensurate with the level of contribution, experience and participation of each Director. The overriding principle adopted in setting the remuneration packages for the Executive Directors by the Remuneration Committee is to ensure that the Company attracts and retains the appropriate Directors of the caliber needed to run the Group successfully.

The determination of the remuneration for Non-Executive Directors is a matter of the Board as a whole. The level of remuneration for Non-Executive Directors reflects the amount paid by other comparable organisations, adjusted for the experience and levels of responsibilities undertaken by the particular Non-Executive Directors concerned. The remuneration package of Non-Executive Directors will be a matter to be deliberated by the Board, with the Director concerned abstaining from deliberations and voting on deliberations in respect of his individual remuneration.

Directors' fees payable to Non-Executive Directors during the financial year ended 31 October 2013 were recommended by the Board and be approved by the shareholders at the Eighth Annual General Meeting held on 17 April 2013. The Non-Executive Directors do not participate in decisions on their own remuneration package. In addition, the Company has also undertaken steps in reimbursing reasonable out-of-pocket expenses incurred by all the Non-Executive Directors in the course of their duties as Directors of the Company.

Remuneration paid or payable or otherwise made available to all Directors of the Company who have served during the financial year ended 31 October 2013 is tabulated as follows:-

	Executive Directors (RM)	Non-Executive Directors (RM)	Total (RM)
Salaries & other emoluments	1,638,535	-	1,638,535
Fees	-	294,000	294,000
Benefit in kind/others	1,854,733	130,853	1,985,586

The number of Directors of the Company who served during the financial year and whose remuneration from the Group fall within the following bands are as follows :-

	Number of Directors	
Range of Remuneration	**Executive**	**Non-Executive**
RM50,001 – RM100,000	-	1
RM100,001 – RM150,000	-	3
RM1,600,001 – RM1,700,000	1	-
RM1,800,001 – RM1,900,000	1	-

Re-election of Directors

One third (1/3) of the Board members, including the Executive Chairman and Group Chief Executive Officer are required to retire by rotation at least once in every three (3) years at the Annual General Meeting and where eligible, be subject to re-election by the shareholders.

In accordance with Article 84 of the Articles of Association, Dato' Daud bin Ahmad shall retire by rotation and be subjected to re-election at the forthcoming Ninth Annual General Meeting.

Pursuant to Section 129(6) of the Companies Act, 1965, Tan Sri Razali bin Ismail, Dato' Dr. Freezailah bin Che Yeom and Datuk Abdul Malek bin Abdul Aziz, who are over seventy (70) years of age, shall be subject to re-appointment at the forthcoming Ninth Annual General Meeting.

Directors' Access to Information and Advice

All Directors have full and timely access to information concerning the Company and the Group. They are entitled to the information of the Company to enable them to carry out their duties effectively as Directors. The Board members have access to the advice and services of the Secretaries and the Senior Management staff in the Group and all information in relation to the Group whether as a full Board or in their individual capacity to assist them in the furtherance of their duties and responsibilities. Where necessary, the Directors may engage independent professionals at the Group's expense on specialised issues to enable the Board to discharge its duties with adequate knowledge on the matters being deliberated.

Directors' Training

Pursuant to Paragraph 15.08 of the MMLR, the Company and its Group acknowledges the fact that continuous education is vital for the Board members to gain insight into the state of economy, technological advances in their core businesses, latest regulatory developments and management strategies. This additional knowledge will enable the Board members to discharge their roles, duties and responsibilities more effectively.

The Board has undertaken an assessment of the training needs of each of its Directors and ensured that all its members undergo the necessary training programmes as prescribed and other training programmes to enable the discharge of duties effectively.

The Directors are also encouraged to attend continuous education programmes/seminars/conferences and shall as such receive further training from time to time to keep themselves abreast of the latest development in statutory laws, regulations and best practices, where appropriate, in line with the changing business environment and the need to be cognisant of commercial opportunities and risks as well as to be adequately equipped to execute judicious decision-making.

During the financial year ended 31 October 2013, all the directors have attended at least one training programme. Amongst the training programme and seminars attended by the Directors during the financial year ended 31 October 2013 were as follows:-

- Briefing Session on Annual Report 2012 / Financial Stability and Payment Systems Report 2012
- Life Agency Business
- Allianz General Insurance Company (Malaysia) Berhad's reserving and solvency requirement under Risk Based Capital Framework, reserving process and brief overview of other core actuarial areas – Pricing and product development
- Allianz Life Insurance Malaysia's key life insurance product and reserving and solvency requirements under Risk Based Capital Framework
- CIMB 5th Annual Malaysia Corporate Day

- Solar Expo
- 2nd International Smart Energy Conference
- Panelist at the Boardroom Conversion Session – "Green Technology: A Platform for Sustainable Energy Development"
- KETTHA Industry Awards 2013
- Save-The-Date / Ernst & Young Entrepreneur of the Year
- Enhancing Quality in Transforming Public Sector Auditng
- Seminar Percukaian Kebangsaan 2013
- National Tax Conference 2013
- Malaysian Financial Reporting Standards – Impact on Company Tax
- Advanced Principles of Business Combinations and Consolidation
- A Comprehensive Workshop on Deferred Taxation
- Workshop on Reinvestment Allowance for Manufacturers and Services Business
- Tax Deductibility of Expenses – Practical Issues with Understanding of Public Rulings
- Financial Reporting with MFRS: MFRS Compliant Financial Statements – A Step By Step Guide to Preparation
- Workshop on Pioneer Status or Investment Tax Allowance
- Enhancing Synergy to Face New Challenges in Public Sector Auditing
- Advocacy Session on Corporate Disclosure for Directors
- Society of Trust and Estate Practitioners (STEP) Mauritius Conference
- SSM National Conference 2013 – Corporate – The New Global Language for Business
- Indonesian Wealth Management Forum 2013
- Franchise Summit 2013
- Risk Management Forum – Embracing Risks for Long-term Corporate Success – Boosting Your Risk Governance
- MINDA Directors Forum

INVESTORS' RELATION AND SHAREHOLDERS' COMMUNICATION

Investors' Relations

The Board acknowledges the need for shareholders to be informed on all material business developments affecting the Group's state of affairs. To ensure shareholders and investors are well informed, information are disseminated through various disclosures and announcements to Bursa Malaysia Securities Berhad. This includes the timely release of quarterly financial results on the Group's performance and operations. The circulation of the Company's Annual Report and the relevant announcements made through to the Bursa Malaysia Securities Berhad and the Company's website are currently the primary means of communication between the Company, its shareholders and the general public.

Any queries from the shareholders and members of the general public, if any, received through electronic mails, phone calls or written requests are and will be referred to and handled by the Chief Financial Officer and the Secretaries, who report directly to the Executive Chairman and the Group Chief Executive Officer.

Annual General Meeting

The Company conducts Annual General Meetings as a principal forum of dialogue with shareholders and a major forum of opportunities for the Company to meet with individual shareholders, where necessary. The key element of the Company's dialogue with its shareholders is the opportunity to gather views of, and answer questions from both, private and institutional shareholders on all issues relevant to the Company.

At the Annual General Meeting, the Board shall present the progress and performance of the business and will encourage shareholders to participate in the discussions on the progress/performance of the Group and give their views to the Directors as well as to speak with them informally before and after the Meeting. The Executive Chairman, the Group Chief Executive Officer, the Non-Executive Directors, the Chief Financial Officer, the External Auditors, and the Secretaries will be available to respond to the shareholders' queries during the Meeting. All shareholders are advised of their rights to demand a poll vote at the commencement of the Annual General Meeting and while the Board takes cognisance that the adoption of electronic voting could facilitate greater shareholders participation, due to costs and other practicalities, the Board has yet to adopt an electronic voting system.

Shareholders and members of the general public are invited to access to the Bursa Malaysia Securities Berhad's website at www.bursamalaysia.com or the Company's website at www.crbenv.com to obtain the latest announcements, financial results and performance and information of the Company and its Group.

ACOUNTABILITY AND AUDIT

Financial Reporting

In addition to providing financial report on an annual basis to the shareholders, the Company also presents the Group's financial results on a quarterly basis via public announcements. The Audit Committee assists the Board in scrutinizing information for disclosure to ensure accuracy, adequacy and completeness of all relevant information for disclosure.

Internal Control

The information on the Group's internal control is presented in the section under the heading of "Statement on Risk Management and Internal Control".

Relationship with Auditors

The Board, through the Audit Committee, maintains a close and formal as well as a transparent arrangement and relationship with the Company's external auditors in seeking professional advice and ensuring compliance with the accounting standards in Malaysia. The Company's Audit Committee Report and the summary of its Terms of References are set out in the section under the heading of "Audit Committee Report".

This Statement is made in accordance with a resolution of the Board of Directors passed on 10 March 2014.

AUDIT COMMITTEE REPORT

The Audit Committee was established by the Board of Directors with the primary objective to assist the Board of Directors in fulfilling its fiduciary responsibilities relating to corporate governance, system of internal controls, risk management processes and management and financial reporting practices of the Group.

MEMBERS OF THE AUDIT COMMITTEE

Dato' Dr. Freezailah bin Che Yeom	*Chairman, Independent Non-Executive Director*
Encik Headir bin Mahfidz	*Member, Independent Non-Executive Director*
Encik Megat Abdul Munir bin Megat Abdullah Rafaie	*Member, Independent Non-Executive Director*

TERMS OF REFERENCE

Composition

The Board shall appoint the Audit Committee members from amongst themselves, comprising no fewer than three (3) members, all of whom shall be Non-Executive Directors, where the majority shall be independent directors.

All members of the Audit Committee should be financially literate and at least one (1) member:-

- shall be a member of the Malaysian Institute of Accountants ("MIA"); or
- if he is not a member of the MIA, he must have at least 3 years of working experience and:
    i. he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
    ii. he must be a member of one (1) of the associations of the accountants specified in Part II of the First Schedule of the Accountants Act 1967.
- fulfills such other requirements as prescribed by Bursa Malaysia Securities Berhad.

No alternate director shall be appointed as a member of the Audit Committee. In the event of any vacancy in the Audit Committee resulting in the non-compliance with its composition as above, the Board shall within three (3) months of the event appoint such number of the new members as may be required to fill the vacancy.

Chairman

The members of the Audit Committee shall elect a Chairman from amongst their number who shall be an independent Non-Executive Director.

Secretary

The Secretary(ies) of the Audit Committee shall be the Company Secretary(ies).

Terms of Office

The Board of Directors of the Company shall review the term of office and performance of the Audit Committee and each of its members at least once in every three (3) years.

Meetings

The Audit Committee meetings shall regularly, with due notice of issues to be discussed, and shall record its conclusions in discharging its duties and responsibilities. In addition, the Chairman may call for additional meetings at any time at the Chairman's discretion.

Upon the request of the external auditors, the Chairman of the Audit Committee shall convene a meeting of the Audit Committee to consider any matters the external auditors believe should be brought to the attention of the Directors or shareholders.

Notice of Audit Committee meetings shall be given to all the Audit Committee members unless the Audit Committee waives such requirement.

The Chairman of the Audit Committee shall engage on a continuous basis with the Chairman of the Board, senior management such as the Group Chief Executive Officer and the Chief Financial Officer, the internal auditors and the external auditors in order to be kept informed of matters affecting the Company.

The Chief Financial Officer and a representative of the internal and external auditors respectively should normally attend meetings. Other Board members and employees may attend meetings upon the invitation of the Audit Committee. However, the Audit Committee shall meet with the external auditors without Executive Board members present at least twice a year and whenever necessary.

Questions arising at any meeting of the Audit Committee shall be decided by a majority of votes of the members present, and in the case of equality of votes, the Chairman of the Audit Committee shall have a second or casting vote.

Minutes

Minutes of each meeting shall be kept at the registered office and distributed to each member of the Audit Committee and also to the other members of the Board. The Audit Committee Chairman shall report on each meeting to the Board.

Quorum

The quorum for the Audit Committee meeting shall be the majority of members present whom must be Independent Directors.

Objectives

The principal objectives of the Audit Committee are to assist the Board of Directors in discharging its statutory duties and responsibilities relating to accounting and reporting practices of the holding company and each of its subsidiaries. In addition, the Audit Committee shall:

- evaluate the quality of the audits performed by the internal and external auditors;
- provide assurance that the financial information presented by management is relevant, reliable and timely;
- oversee compliance with laws and regulations and observance of a proper code of conduct; and
- determine the quality, adequacy and effectiveness of the Group's control environment.

AUDIT COMMITTEE REPORT

Authority

The Audit Committee shall, in accordance with a procedure to be determined by the Board of Directors and at the expense of the Company,

(a) investigate any activity within its terms of reference.

(b) have full and unlimited/unrestricted access to all information and documents/resources.

(c) obtain other independent professional advice or other advice and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary.

(d) have direct communication channels with the internal and external auditors.

(e) promptly report any matter reported to the Board that has not been satisfactorily resolved resulting in a breach of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

Duties and Responsibilities

The key duties and responsibilities of the Audit Committee are as follows:-

(a) to consider the appointment of the external auditors, the audit fee and any question of resignation or dismissal;

(b) to establish policies governing the circumstances under which contracts for the provision of non-audit services can be entered into and procedures that must be followed by the external auditors;

(c) to discuss with the external auditors the nature and scope of the audit, system of internal controls, management letter and responses and any matter the auditor may wish to discuss;

(d) to review the quarterly and year-end financial statements of the Company and the Group before submission to the Board, focusing particularly on:–

- any change in accounting policies and practices
- significant adjustments arising from the audit
- the going concern assumption
- compliance with applicable financial reporting standards and other legal requirements

(e) to do the following, in relation to the internal audit function:-

- review the adequacy of the scope, functions, competency and resources of the internal audit function, and that it has the necessary authority to carry out its work;

- review the internal audit programme and results of the internal audit process and, where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function;

- review the internal audit plan, consider the internal audit reports and findings of the internal auditors, fraud investigations and actions and steps taken by Management in response to audit findings;

- review any appraisal or assessment of the performance of members of the internal audit function; and
- approve any appointment or termination of internal auditors;

(f) to consider any related party transactions and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;

(g) to report its findings on the financial and management performance, and other material matters to the Board;

(h) to consider the major findings of internal investigations and management's response;

(i) to verify the allocation of employees' share option scheme ("ESOS") in compliance with the criteria as stipulated in the by-laws of ESOS of the Company;

(j) to monitor the independence and qualification of the Company's external auditors;

(k) to review the adequacy and effectiveness of risk management, internal control and governance systems;

(l) to consider other topics as defined by the Board; and

(m) to consider and examine such other matters as the Audit Committee considers appropriate.

Frequency and Attendance of Meetings

The Audit Committee shall meet as the Chairman decides and deems necessary but not less than four (4) times in a financial year. The meeting will normally be attended by the members of the Committee and the Chief Financial Officer, who is primarily charged with the duties, functions and responsibilities of the Group's finance. The presence of the external auditors will be requested, if required and the external auditors may also request a meeting if they consider it necessary.

During the financial year ended 31 October 2013, there were five (5) meetings held. The details of the attendance of each member are as follows:-

Audit Committee Members	No. of meetings attended
Dato' Dr. Freezailah bin Che Yeom	5 out of 5
Encik Headir bin Mahfidz	5 out of 5
Encik Megat Abdul Munir bin Megat Abdullah Rafaie	5 out of 5

Summary of Duties and Activities of the Committee

During the financial year ended 31 October 2013, the Committee has discharged its duties and functions effectively and the activities carried out by the Audit Committee included, among others, the following:-

a. reviewed the audited financial statements of the Group for the financial year ended 31 October 2013 prior to the Board's approval for release to Bursa Malaysia Securities Berhad;

b. reviewed the unaudited quarterly reports on the consolidated results and financial statements and financial results prior to tabling of the same to the Board for approval;

c. reviewed the recurrent related party transactions of a revenue of trading nature of the Company;

d. reviewed the year end financial statements of the Company and the Group, prior to their approval of the Board, focusing in particular on the following :-

    i. changes in or implementation of any major accounting policies, if any;

    ii. significant and unusual events, if any; and

    iii. compliance with accounting standards, regulatory and other legal requirements;

e. discussed and reviewed with the external auditors, the applicability and the impact of the new accounting standards and new financial reporting regime issued by the Malaysian Accounting Standards Board and the scope of work and audit plan of the Company and its Group for the financial year ended 31 October 2013 and discussed any significant issues and concerns arising from the audit;

f. deliberated on major issues the external auditors raised, and to review the financial statements to which the Committee would focus on the changes in accounting policies, if any and accounting practices, significant adjustments arising from the audit, the going concern assumptions, compliance with the accounting standards and other legal requirements and compliances with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and problems and reservations arising from the interim and final external audits, if any;

g. reviewed the external audit reports and assessed the auditor's findings and the management's responses thereto and thereafter, made the necessary recommendations/changes to the Board of Directors for their approval;

h. reviewed with the external auditors, the adequacy of the internal control and risk management systems and evaluated the systems with the external auditors;

i. to review whether there is reason (supported by grounds) to believe that the external auditors are not suitable for re-appointment;

j. reviewed the adequacy of the scope, functions, competency and resources of the outsourced internal auditors and that they have the necessary authority to carry out their work;

k. reviewed the internal audit plan and reports presented on the state of internal control of the Group;

l. advised the Group on the implementation of its Standard Operating Policies and Procedures covering areas of sales administration, procurements, purchasing, project management and implementation, etc;

m. discussed and ensure the external auditors' review of the Statement on Risk Management and Internal Control of the Group for inclusion in the Annual Report for the year 2013; and

n. reviewed and monitored the suitability and independence of the external auditors.

Employees' Share Option Scheme ("ESOS")

The ESOS of the Company was allocated based on the following criteria as was disclosed to the eligible employees of the Company and verified by the Audit Committee:-

a. confirmed staff

b. length of service

c. ranking / staff grade

Internal Audit Function

The Company acknowledged and the Audit Committee had put emphasis on the importance of having an internal audit function within the Group and as such, had outsourced its internal audit function to a professional service firm to assist the Board and the Audit Committee in providing independent assessment of the adequacy, efficiency and effectiveness of the Company and the Group's internal control system. The costs incurred for maintaining the outsourced internal audit function for the financial year ended 31 October 2013 amounted to RM40,096.

A summary of the activities of the internal audit function for the financial year ended 31 October 2013 is as follows:-

(a) evaluation of the Group's internal control systems in the areas of mapping out the business processes on the scope defined, performing a system of controls evaluation on high-risk areas within the business processes and reviewing the overall control environment where there is a significant amount of implementation lapses;

(b) review of the accounting records;

(c) presentation of audit findings and corrective actions to be taken by Management in the quarterly Audit Committee meetings; and

(d) conducted follow-up audits to ensure corrective actions had been taken.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("the Board) of Cypark Resources Berhad is pleased to present its Statement on Risk Management and Internal Control which has been prepared pursuant to paragraph 15.26(b) of Main Market Requirements of Bursa Malaysia Securities Berhad and guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("the Guidelines").

BOARD RESPONSIBILITY

The Board recognises the importance of sound risk management practices and internal controls to safeguard shareholders' investments and the Company's assets. The Board acknowledges its responsibility and is committed in maintaining the Company's risk management and system of internal control as well as reviewing its adequacy, integrity and effectiveness.

There are inherent limitations in any system of internal control and the system is designed to manage and mitigate the impact rather than completely eliminate the risks that may impact the achievement of the Company's business objectives. Therefore, the system of internal control can only provide reasonable but no absolute assurance against material misstatement or loss.

RISK MANAGEMENT FRAMEWORK AND KEY FEATURES OF INTERNAL CONTROL SYSTEM

Risk management is firmly embedded in the Company's management system as the Board firmly believes that risk management is critical for the Company's sustainability and the enhancement of shareholder value. With the assistance of an external consultant, the Company had recently developed its Corporate Risk Register where its key management and heads of department are delegated with the responsibility to manage identified risks within defined parameters and standards.

Periodic management meetings, attended by the Executive & Non-Executive Directors are held to discuss key risks and the relevant mitigating controls. Risks are prioritised in terms of likelihood and impact on the achievement of the Company's business objectives.

The risk management framework mentioned above serves as an on-going process to identify, evaluate and manage significant risks faced by the Company.

The key elements of the Group's internal control system include:-

a. A clear and defined organisation structure that is aligned to the business and operational requirements of the core businesses of the Group which limits the respective levels of authority, accountability and responsibility of their job functions and specifications;

b. Documentation of standard operating procedures and ensuring that internal policies, processes and procedures are drawn-up, reviewed and revised as and when required and necessary;

c. Regular operational and financial reporting to the Senior Management and/or the Board, highlighting their progress and variances from budgets. The Audit Committee and the Board review quarterly operational as well as financial results and reports;

d. Regular Group Management meetings are held as and when necessary to raise issues, discuss, review and monitor the business development and resolve operational and management issues and review financial performances against the business plans, the targets and the budgets, if any, for each operating unit and regular visits by the Senior Management team to each operating unit as and when necessary;

e. Board and Audit Committee Meetings are scheduled regularly, that is at least four (4) times in a year and the respective meeting papers are distributed on a timely basis to enable members to have access to all relevant information for reviews and queries to be raised;

f. Audit Committee prepares the Audit Committee Report and also reviews the quarterly financial results and yearly Audited Financial Statements prior to the approval of the Board;

g. Management ensures that safety working regulations within the Group are being considered, implemented and adhered to accordingly;

h. As and when necessary, staff training and development programs may be provided to equip staff with the appropriate knowledge and skills to enable staff to carry out their job functions productively and effectively;

i. Adequate insurance of major assets to ensure that assets of the Group are sufficiently covered against mishap that may results material losses to the Group;

j. Regular visits to the project sites by senior management;

k. Close involvement of the Executive Directors of the Group in its daily operations;

l. Established procedures for strategic planning and operations;

m. Certain of the Company's operations are ISO 9001: 2008 certified. With such certification, audits are conducted by external parties periodically to ensure compliance with the terms and conditions of the certification; and

n. Related party transactions are disclosed, reviewed and monitored by the Board on a periodic basis.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to external consultants to assist the Board and Audit Committee in providing an independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control system. The internal audit function reports directly to the Audit Committee.

During the financial year ended 31 October 2013, the internal audit function carried out multiple audits in accordance with the risk-based internal audit plan approved by the Audit Committee. The results of the internal audit review and the recommendations for improvement were presented to the Audit Committee at their quarterly meetings. The internal audit function also carried out follow up audits to ensure that the necessary corrective actions have been undertaken to address the control gaps noted. Based on the internal audit reviews conducted, none of the weaknesses noted have resulted in any material losses, contingencies or uncertainties that would require separate disclosure in this Annual Report.

BOARD ASSESSMENT

The Board is of the view that the Company's overall risk management and internal control system is operating adequately and effectively, in all material aspects, and have received the same assurance from both the Group Chief Executive Officer and Group Chief Financial Officer of the Company.

The Board confirms that the risk management process in identifying, evaluating and managing significant risks faced by the Company has been in place throughout the financial year ended 31 October 2013 up to the date of approval of this statement.

This statement is made in accordance with a resolution of the Board of Directors passed on 10 March 2014.

OTHER COMPLIANCE INFORMATION

SHARE BUYBACK

During the financial year ended 31 October 2013, there were no share buybacks undertaken by the Company. The general mandate to obtain shareholders' approval for share buybacks will be sought at the forthcoming Annual General Meeting as stated in the Circular to Shareholders dated 31 March 2014 attached to this Annual Report.

EXERCISE OF OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

During the financial year ended 31 October 2013, 7,827,000 share options were granted pursuant to the Employees' Share Option Scheme ("ESOS"). Please see below for more information on the ESOS.

DEPOSITORY RECEIPT PROGRAM

During the financial year ended 31 October 2013, the Company did not sponsor any Depository Receipt Program.

IMPOSITION OF SANCTIONS AND/OR PENALTIES

There were no sanctions and/or penalties imposed on the Company and its subsidiaries, on the Directors or Management by the relevant regulatory bodies and authorities.

NON-AUDIT FEES

During the financial year ended 31 October 2013, there was no non-audit fees paid to the external auditors of the Company for services rendered to the Group.

PROFIT ESTIMATE, FORECAST OR PROJECTION

The Company did not make any release on the profit estimate, forecast or projections for the financial year ended 31 October 2013.

PROFIT GUARANTEE

During the financial year ended 31 October 2013, there was no profit guarantee given by the Company.

MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

The Board has ensured that as at the end of the financial year ended 31 October 2013 that there were no existing material contracts of the Company and its subsidiaries involving directors and substantial shareholders, either still subsisting at the end of the financial year or entered into since the end of the previous financial year.

MATERIAL LITIGATIONS

The pending material litigations as at to date are as disclosed and stated in the Circular/Statement to Shareholders dated 31 March 2014 as attached to this Annual Report.

REVALUATION POLICY ON LANDED PROPERTY

The Company and its Group presently do not own any real properties. As such, there is no requirement to adopt any such Revaluation Policy.

RELATED PARTY TRANSACTIONS

Save as disclosed hereinafter, the significant related-party transactions, existing or potential, which involves the Directors, major shareholders and/or persons connected with such Directors or major shareholders as defined under Section 122A of the Companies Act, 1965 are set out in Note 28 of the Financial Statements of this Annual Report and also as disclosed and stated in the Circular/ Statement to Shareholders dated 31 March 2014 attached to the Annual Report wherein the Company is seeking for the renewal of shareholders' existing mandate for the recurrent related party transactions of a revenue or trading in nature for the period from the date of the forthcoming Annual General Meeting to the following Annual General Meeting of the Company.

CONFLICT OF INTEREST

None of the Directors or major shareholders of the Company has any interest, direct or indirect, in any business carrying on a similar trade as the Company or its subsidiaries and which is not quoted on a stock exchange. There is no conflict between the Group and its Adviser, Reporting Accountants and Solicitors. The Adviser, Reporting Accountants and Solicitors are paid a fee for their services.

ESOS

The Group has three (3) ESOS in existence during the year ended 31 October 2013 and the said ESOS is governed by the By-Laws approved by the shareholders at an Extraordinary General Meeting held on 22 September 2010. The information in relation to the ESOS, is as follows:-

Details	**2013 Options**	**2011 Options**	**2010 Options**
Total options or shares outstanding as at 1 November 2012	-	6,320,500	3,475,000
Total number of options or shares granted during the year	7,827,000	-	-
Total number of options exercised or shares vested	-	(300,000)	(2,047,000)
Total options or shares outstanding as at 31 October 2013	7,827,000	6,020,500	1,428,000

Granted to Executive Directors and Senior Management	**2013 Options**	**2011 Options**	**2010 Options**
Total options or shares outstanding as at 1 November 2012	-	5,000,000	3,200,000
Total number of options or shares granted during the year	5,000,000	-	-
Total number of options exercised or shares vested	-	(100,000)	(1,900,000)
Total options or shares outstanding as at 31 October 2013	5,000,000	4,900,000	1,300,000

Granted to Executive Directors and Senior Management	**2013 Options**	**2011 Options**	**2010 Options**
Aggregate maximum allocation in percentage	50%	50%	50%
Actual percentage granted	18.7%	20.8%	14.7%

Notes:

- *2010 Options, 2011 Options and 2013 Options commenced on 3 November 2010, 5 January 2012 and 3 September 2013, respectively and all the Options will expire on 13 October 2015.*

UTILISATION OF PROCEEDS

As at the end of the financial year ended 31 October 2013, the Company has utilised the proceeds from the private placement of the ordinary shares exercised in July 2013 as follows:-

Purpose	**Proposed Utilisation (RM)**	**Actual Utilisation (RM)**	**Balance (RM)**	**Intended Timeframe for Utilisation**
Working capital requirements	30,419,545	10,000,000	20,419,545	Within twelve (12) months
Expenses	104,240	104,240	-	-

CORPORATE RESPONSIBILITY

For year ended 31 October 2013, Cypark had contributed a total of RM675,000 to implement numerous Corporate Responsibility activities including contribution in the form of solar rooftop systems for schools. The objectives of the activities undertaken are to educate stakeholders on the importance of renewable energy and its contribution towards ensuring a sustainable environment. Activities carried out successfully in year 2013 include Eco-Treasure Hunt in conjunction with International Bio-diversity Day, World Energy Day Celebrations and many more as illustrated from page 17 – 19 of our Corporate Responsibility section.

STATEMENT OF DIRECTORS' RESPONSIBILITY

The Board of Directors is required under Paragraph 15.26 (a) of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad to issue a statement explaining their responsibility for preparing the year-end financial statements.

In relation to the year-end financial statements, the Company's and the Group's financial statements are drawn up in accordance with the applicable approved accounting standards in Malaysia and the Malaysian Companies Act, 1965. The Board of Directors is responsible to ensure that the financial statements of the Company and the Group give a true and fair view of the affairs of the Company and its Group. The Statement by the Directors pursuant to Section 169(15) of the Malaysian Companies Act, 1965 is set out in the section headed "Statement by Directors" of the Directors' Report and year-end financial statements of the Company for the financial year ended 31 October 2013.

In order to ensure that the financial statements are properly drawn up, the Board has taken the following measures :-

- to adopt appropriate, adequate and applicable accounting standards and policies and applied them consistently;

- ensured that applicable approved accounting standards have been followed;

- where applicable, judgments and estimates are made on a reasonable and prudent basis; and

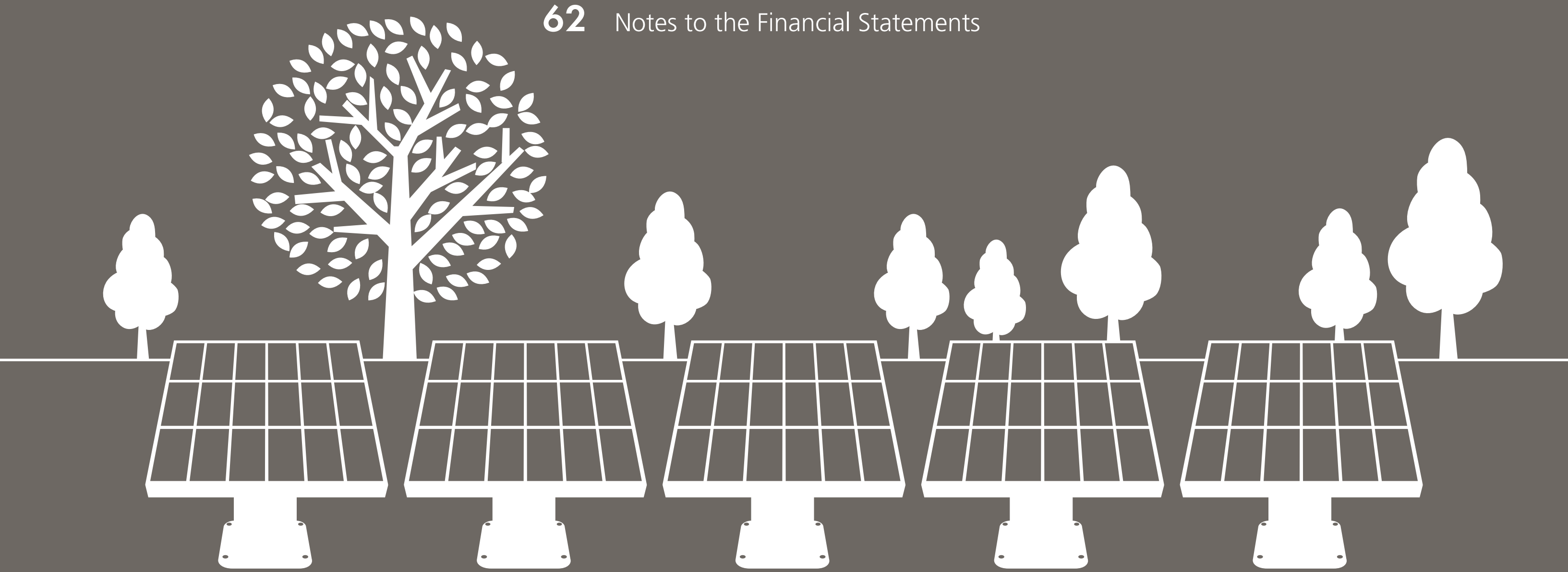
- upon due inquiry into the state of affairs of the Company, there are no material matters that may affect the ability of the Company to continue in business on a going concern basis.

The Board has also ensured that the quarterly and year-end financial statements of the Company and the Group are released to the Bursa Malaysia Securities Berhad in a timely manner in order to keep our investing public informed of the Group's latest performance and developments.

The Board is responsible for ensuring that the Company maintains accounting records that disclose with reasonable accuracy the financial position of the Company, and which enable them to ensure the financial statements comply with the Companies Act, 1965.

The Board has general responsibility for taking such steps that are reasonably available to them to safeguard the assets of the Company, and to prevent and detect fraud and other irregularities.

FINANCIAL STATEMENTS



DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 October 2013.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The Company is also principally involved in the closure and restoration of landfills located in various locations throughout West Malaysia and provision of management services.

The principal activities of the subsidiaries are disclosed in Note 15 to the financial statements.

There have been no significant changes in the nature of these principal activities during the financial year.

RESULTS

	Group RM	Company RM
Profit from continuing operations, net of tax	35,924,431	1,514,235
Profit net of tax, attributable to owners of the parent	35,924,431	1,514,235

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

The amounts of dividends paid by the Company since 31 October 2012 were as follows:

	RM
In respect of the financial year ended 31 October 2012 as reported in the directors' report of that year:	
First and final tax exempt (single-tier) dividend of 4.00 sen per share on 160,651,500 ordinary shares, declared on 17 April 2013 and paid on 13 June 2013.	6,426,060

At the forthcoming Annual General Meeting, a final tax exempt (single-tier) dividend in respect of the financial year ended 31 October 2013 of 5.00 sen per share on 180,597,650 ordinary shares, amounting to a dividend payable of RM9,029,882 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 October 2014.

DIRECTORS

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

Tan Sri Razali bin Ismail
Dato' Daud bin Ahmad
Dato' Dr. Freezailah bin Che Yeom
Encik Headir bin Mahfidz
Encik Megat Abdul Munir bin Megat Abdullah Rafaie
Datuk Abdul Malek bin Abdul Aziz

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than those arising from the share options granted under the Employees' Share Options Scheme.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as shown in Note 8 to the financial statements) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, except as disclosed in Note 28 to the financial statements.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares and options over shares in the Company and its related corporations during the financial year were as follows:

	← Number of ordinary shares of RM0.50 each →			
Name of director	**1.11.2012**	**Bought**	**Sold**	**31.10.2013**
Direct interest:				
Ordinary shares of the Company				
Tan Sri Razali bin Ismail	46,325,600	2,955,000	-	49,280,600
Dato' Daud bin Ahmad	12,719,400	1,500,000	-	14,219,400
Dato' Dr. Freezailah bin Che Yeom	100,000	-	-	100,000
Encik Headir bin Mahfidz	25,000	-	-	25,000
Encik Megat Abdul Munir bin Megat Abdullah Rafaie	20,000	-	-	20,000
Datuk Abdul Malek bin Abdul Aziz	11,000	-	-	11,000

DIRECTORS' INTERESTS (cont'd)

	← Number of options over ordinary shares of RM0.50 each →			
Name of director	**1.11.2012**	**Granted**	**Exercised**	**31.10.2013**
Share options of the Company				
Tan Sri Razali bin Ismail	-	1,500,000	-	1,500,000
Dato' Daud bin Ahmad	3,400,000	2,000,000	(1,500,000)	3,900,000
Dato' Dr. Freezailah bin Che Yeom	-	75,000	-	75,000
Encik Headir bin Mahfidz	-	75,000	-	75,000
Encik Megat Abdul Munir bin Megat Abdullah Rafaie	-	75,000	-	75,000
Datuk Abdul Malek bin Abdul Aziz	-	50,000	-	50,000

Tan Sri Razali bin Ismail by virtue of his interest in shares in the Company is also deemed to be interested in shares in all the Company's subsidiaries to the extent the Company has an interest.

EMPLOYEE SHARE OPTIONS SCHEME

The Cypark Resources Berhad Group's Employees' Share Options Scheme ("ESOS") is governed by the By-Laws approved by the shareholders at an Extraordinary General Meeting held on 22 September 2010.

The salient features and other terms of the ESOS are disclosed in Note 27 to the financial statements.

During the financial year, the Company granted 7,827,000 share options under the ESOS. These options expire on 13 October 2015.

Details of all the options to subscribe for ordinary shares of the Company pursuant to the ESOS as at 31 October 2013 are as follows:-

Expiry date	**Exercise price (RM)**	**Number of options**
13 October 2015	1.10	1,428,000
13 October 2015	1.34	6,020,500
13 October 2015	1.65	7,827,000
Total		15,275,500

EMPLOYEE SHARE OPTIONS SCHEME (cont'd)

The Company has been granted exemption by the Companies Commission of Malaysia from having to disclose the names of option holders, other than directors, who have been granted options to subscribe for less than 75,000 ordinary shares of RM0.50 each. The names of option holders granted options to subscribe for 75,000 or more ordinary shares of RM0.50 each during the financial year are as follows:-

	Number of share options			
Name	**1.11.2012**	**Granted**	**Exercised**	**31.10.2013**
Tan Swee Loon	3,800,000	1,500,000	(500,000)	4,800,000
Achmat Nadhrain Ibrahim	350,000	250,000	(92,000)	508,000
Ng Kuan Wah	250,000	250,000	(100,000)	400,000
Tinalene Shaguna A/P Annamalai	125,000	250,000	(25,000)	350,000
Ong Ee Mee	150,000	150,000	(30,000)	270,000
Sharifah Nor Husniah binti Syed Hussin	175,000	125,000	-	300,000
Tan Kian Kee @ Kien Loong	50,000	100,000	(50,000)	100,000
Ibrahim bin Abdul Aziz	25,000	75,000	(25,000)	75,000
Marhamah Zainal Abidin	-	75,000	-	75,000
Mohd Faizul Hisham Mhd Amin Nordin	-	75,000	-	75,000
Muhamad Yusof Sabtu	20,000	75,000	(20,000)	75,000
Syahidan bin Md Kuzi	-	75,000	-	75,000
Syed Mohd. Faizal bin Engku Embong	-	75,000	-	75,000
Tazlina binti Tajuddin	-	75,000	-	75,000

Details of options granted to directors are disclosed in the section on Directors' Interests in this report.

OTHER STATUTORY INFORMATION

(a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:

   (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

   (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the directors are not aware of any circumstances which would render:

   (i) the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and

   (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

OTHER STATUTORY INFORMATION (cont'd)

(c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

(e) At the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(f) In the opinion of the directors:

(i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

SIGNIFICANT EVENT

In addition to the significant events disclosed elsewhere in this report, other significant events are disclosed in Note 37 to the financial statements.

Signed on behalf of the Board in accordance with a resolution of the directors dated 25 February 2014.

Tan Sri Razali bin Ismail

Dato' Daud bin Ahmad

STATEMENT BY DIRECTORS

Pursuant to Section 169(15) of the Companies Act, 1965

We, Tan Sri Razali bin Ismail and Dato' Daud bin Ahmad, being two of the directors of Cypark Resources Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 54 to 128 are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 October 2013 and of the financial performance and cash flows for the year then ended.

The information set out in Note 39 to the financial statements on page 128 have been prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the directors dated 25 February 2014.

Tan Sri Razali bin Ismail

Dato' Daud bin Ahmad

STATUTORY DECLARATION

Pursuant to Section 169(16) of the Companies Act, 1965

I, Dato' Daud bin Ahmad, being the director primarily responsible for the financial management of Cypark Resources Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 54 to 128 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared
by the abovenamed Dato' Daud bin Ahmad
at Petaling Jaya in the Selangor
on 25 February 2014.

Dato' Daud bin Ahmad

Before me,

INDEPENDENT AUDITORS' REPORT

to the members of Cypark Resources Berhad (Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Cypark Resources Berhad, which comprise the statements of financial position as at 31 October 2013 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 54 to 128.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of Companies Act, 1965, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 October 2013 and of their financial performance and cash flows of the year then ended in accordance with Malaysia Financial Reporting Standards, International Financial Reporting Standards and the requirement of the Companies Act, 1965 in Malaysia.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 ("Act") in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which is indicated in Note 15 to the financial statements, being financial statements that have been included in the consolidated financial statements.

(c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

(d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 39 to the financial statements on page 128 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

As stated in Note 2.2 to the financial statements, Cypark Resources Berhad adopted Malaysian Financial Reporting Standards on 1 November 2012 with a transition date of 1 November 2011. These standards were applied retrospectively by directors to the comparative information in these financial statements, including the statements of financial position as at 31 October 2012 and 1 November 2011, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year ended 31 October 2012 and related disclosures. We were not engaged to report on the comparative information and it is unaudited. Our responsibilities as part of our audit of the financial statements of the Group and of the Company for the year ended 31 October 2013 have, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 November 2012 do not contain misstatements that materially affect the financial position as of 31 October 2013 and financial performance and cash flows for the year then ended.

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young
AF: 0039
Chartered Accountants

Kua Choh Leang
No.2716/01/15(J)
Chartered Accountant

Kuala Lumpur, Malaysia
25 February 2014

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 31 October 2013

	Note	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
			(Restated)		
Continuing operations					
Revenue	4	220,665,368	195,801,612	24,866,491	39,891,253
Cost of sales	5	(159,812,190)	(144,322,372)	(8,676,125)	(27,974,907)
Gross profit		60,853,178	51,479,240	16,190,366	11,916,346
Other income		5,005,721	3,136,481	3,376,158	1,153,494
Administrative expenses		(8,523,326)	(11,702,396)	(9,881,259)	(7,674,080)
Operating profits		57,335,573	42,913,325	9,685,265	5,395,760
Finance costs	6	(14,253,818)	(8,775,393)	(5,708,651)	(3,764,685)
Profit before tax from continuing operations	7	43,081,755	34,137,932	3,976,614	1,631,075
Income tax expense	9	(7,157,324)	(8,526,720)	(2,462,379)	(423,700)
Profit from continuing operations, net of tax		35,924,431	25,611,212	1,514,235	1,207,375
Discontinued operation					
Loss from discontinued operation, net of tax	10	-	(32,811)	-	-
Profit net of tax		35,924,431	25,578,401	1,514,235	1,207,375
Other comprehensive income:					
Foreign currency translation, representing other comprehensive income for the year, net of tax		-	-	-	-
Total comprehensive income for the year, attributable to owners of the parent		35,924,431	25,578,401	1,514,235	1,207,375

	Note	Group 2013	Group 2012
Earnings per share attributable to owners of the parent (sen per share)			
- Basic	11	21.79	16.59
- Diluted	11	20.69	15.68
Earnings per share from continuing operations attributable to owners of the parent (sen per share)			
- Basic	11(a)	21.79	16.61
- Diluted	11(a)	20.69	15.70
Loss per share from discontinued operation attributable to owners of the parent (sen per share)			
- Basic	11(b)	-	(0.02)
- Diluted	11(b)	-	(0.02)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 October 2013

		Group		
		31.10.2013	31.10.2012	1.11.2011
	Note	RM	RM	RM
Assets				
Non-current assets				
Plant and equipment	12	274,650,253	96,896,523	5,886,880
Intangible assets	14	85,810,825	297,316	297,316
Deferred tax assets	16	1,227,916	522,836	150,117
Trade receivables	17	2,016,884	2,447,018	1,203,896
		363,705,878	100,163,693	7,538,209
Current assets				
Development cost	13	-	1,825,890	-
Trade and other receivables	17	200,592,748	336,543,365	232,372,779
Other current assets	18	319,548	465,345	542,067
Tax recoverable		-	1,788,572	-
Cash and bank balances	19	112,939,014	79,880,612	76,932,485
		313,851,310	420,503,784	309,847,331
Assets of disposal group classified as held for sale	10	-	-	23,765,480
		313,851,310	420,503,784	333,612,811
Total assets		677,557,188	520,667,477	341,151,020
Equity and liabilities				
Current liabilities				
Provision	20	-	-	1,894,720
Loans and borrowings	21	141,519,822	144,071,490	114,725,474
Trade and other payables	22	122,867,321	121,798,772	81,245,369
Tax payables		3,417,081	4,201,847	3,888,662
		267,804,224	270,072,109	201,754,225
Liabilities of disposal group classified as held for sale	10	-	-	23,070,772
		267,804,224	270,072,109	224,824,997
Net current assets		46,047,086	150,431,675	108,787,814

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 October 2013

		Group		
		31.10.2013	31.10.2012	1.11.2011
	Note	RM	RM	RM
Non-current liabilities				
Loans and borrowings	21	178,401,102	85,366,325	1,282,068
Retention sum	22	11,845,867	12,273,102	9,344,672
Deferred tax liabilities	16	150,000	324,643	343,422
		190,396,969	97,964,070	10,970,162
Total liabilities		458,201,193	368,036,179	235,795,159
Net assets		219,355,995	152,631,298	105,355,861
Equity attributable to equity holders of the Company				
Share capital	23	89,172,325	79,966,250	72,500,000
Share premium	23	58,411,469	34,008,536	15,163,246
Reverse acquisition reserve	24	(36,700,000)	(36,700,000)	(36,700,000)
Employee share option reserve	25	5,723,576	2,106,258	774,714
Retained earnings	26	102,748,625	73,250,254	53,665,759
Reserve of disposal group classified as held for sale	10	-	-	(47,858)
Total equity		219,355,995	152,631,298	105,355,861
Total equity and liabilities		677,557,188	520,667,477	341,151,020

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION
As at 31 October 2013

	Note	31.10.2013 RM	Company 31.10.2012 RM	1.11.2011 RM
Assets				
Non-current assets				
Plant and equipment	12	430,698	396,229	25,449
Investment in subsidiaries	15	41,400,970	41,400,970	41,400,968
Deferred tax assets	16	6,106	420,487	136,781
Trade receivables	17	506,351	486,695	-
		42,344,125	42,704,381	41,563,198
Current assets				
Trade and other receivables	17	196,277,816	238,915,049	228,127,176
Other current assets	18	60,426	281,592	29,555
Tax recoverable		-	1,788,572	-
Cash and bank balances	19	40,467,661	42,858,891	41,170,376
		236,805,903	283,844,104	269,327,107
Total assets		279,150,028	326,548,485	310,890,305
Equity and liabilities				
Current liabilities				
Loans and borrowings	21	76,800,220	117,228,468	75,392,486
Trade and other payables	22	33,435,367	72,775,260	118,951,763
Tax payables		465,985	-	2,199,717
		110,701,572	190,003,728	196,543,966
Net current assets		126,104,331	93,840,376	72,783,141
Non-current liabilities				
Retention sum	22	407,414	389,462	1,476,351
		407,414	389,462	1,476,351
Total liabilities		111,108,986	190,393,190	198,020,317
Net assets		168,041,042	136,155,295	112,869,988
Equity attributable to equity holders of the Company				
Share capital	23	89,172,325	79,966,250	72,500,000
Share premium	23	58,411,469	34,008,536	15,163,246
Employee share option reserve	25	5,723,576	2,535,012	774,714
Retained earnings	26	14,733,672	19,645,497	24,432,028
Total equity		168,041,042	136,155,295	112,869,988
Total equity and liabilities		279,150,028	326,548,485	310,890,305

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 October 2013

		← Non-distributable			→	Distributable	
	Note	Share capital RM	Share premium RM	Employee share option reserve RM	Reverse acquisition reserve RM	Reserve of disposal group classified as held for sale RM	Retained earnings RM	Equity total RM
2013								
Group								
At 1 November 2012		79,966,250	34,008,536	2,106,258	(36,700,000)	-	73,250,254	152,631,298
Total comprehensive income		-	-	-	-	-	35,924,431	35,924,431
Transactions with owners								
Issue of ordinary shares	23	8,032,575	22,491,210	-	-	-	-	30,523,785
Share issuance expense	23	-	(104,240)	-	-	-	-	(104,240)
Exercise of employee share options	25	1,173,500	2,015,963	(535,763)	-	-	-	2,653,700
Dividends on ordinary shares	36	-	-	-	-	-	(6,426,060)	(6,426,060)
Grant of equity-settled share options to employees		-	-	4,153,081	-	-	-	4,153,081
Total transactions with owners		9,206,075	24,402,933	3,617,318	-	-	(6,426,060)	30,800,266
At 31 October 2013		89,172,325	58,411,469	5,723,576	(36,700,000)	-	102,748,625	219,355,995
2012								
Group								
At 1 November 2011		72,500,000	15,163,246	774,714	(36,700,000)	(47,858)	53,665,759	105,355,861
Total comprehensive income		-	-	-	-	-	25,578,401	25,578,401
Transactions with owners								
Issue of ordinary shares	23	7,250,000	18,850,000	-	-	-	-	26,100,000
Share issuance expense	23	-	(418,932)	-	-	-	-	(418,932)
Exercise of employee share options	25	216,250	414,222	(92,922)	-	-	-	537,550
Dividends on ordinary shares	36	-	-	-	-	-	(5,993,906)	(5,993,906)
Grant of equity-settled share options to employees		-	-	1,424,466	-	-	-	1,424,466
Reserve of disposal group classified as held for sale recycled to profit and loss		-	-	-	-	47,858	-	47,858
Total transactions with owners		7,466,250	18,845,290	1,331,544	-	47,858	(5,993,906)	21,697,036
At 31 October 2012		79,966,250	34,008,536	2,106,258	(36,700,000)	-	73,250,254	152,631,298

STATEMENTS OF CHANGES IN EQUITY
For the financial year ended 31 October 2013

	Note	Non-distributable Share capital RM	 Share premium RM	 Employee share option reserve RM	Distributable Retained earnings RM	 Equity total RM
Company						
At 1 November 2012		79,966,250	34,008,536	2,535,012	19,645,497	136,155,295
Total comprehensive income		-	-	-	1,514,235	1,514,235
Transactions with owners						
Issue of ordinary shares	23	8,032,575	22,491,210	-	-	30,523,785
Share issuance expense	23	-	(104,240)	-	-	(104,240)
Exercise of employee share options	25	1,173,500	2,015,963	(535,763)	-	2,653,700
Dividends paid	36	-	-	-	(6,426,060)	(6,426,060)
Grant of equity-settled share options to employees		-	-	3,724,327	-	3,724,327
Total transaction with owners		9,206,075	24,402,933	3,188,564	(6,426,060)	30,371,512
At 31 October 2013		89,172,325	58,411,469	5,723,576	14,733,672	168,041,042
At 1 November 2011		72,500,000	15,163,246	774,714	24,432,028	112,869,988
Total comprehensive income		-	-	-	1,207,375	1,207,375
Transactions with owners						
Issue of ordinary shares	23	7,250,000	18,850,000	-	-	26,100,000
Share issuance expense	23	-	(418,932)	-	-	(418,932)
Exercise of employee share options	25	216,250	414,222	(92,922)	-	537,550
Dividends paid	36	-	-	-	(5,993,906)	(5,993,906)
Grant of equity-settled share options to employees		-	-	1,853,220	-	1,853,220
Total transaction with owners		7,466,250	18,845,290	1,760,298	(5,993,906)	22,077,932
At 31 October 2012		79,966,250	34,008,536	2,535,012	19,645,497	136,155,295

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For the financial year ended 31 October 2013

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
		(Restated)		(Restated)
Operating activities				
Profit before tax from continuing operations	43,081,755	34,137,932	3,976,614	1,631,075
Loss before tax from discontinued operation	-	(32,811)	-	-
	43,081,755	34,105,121	3,976,614	1,631,075
Adjustments for:				
Depreciation of plant and equipment	7,656,957	1,978,293	134,441	26,785
Impairment loss on trade receivables	-	1,530,271	-	-
Bad debt written off	96,187	-	96,187	-
Construction profit recognised pursuant to IC Interpretation 12	(19,266,710)	-	-	-
Reversal of provision for legal claim	-	(294,720)	-	-
Unrealised foreign exchange loss	-	8,293	-	-
Reversal of general provision	-	(1,422,524)	-	-
Loss on disposal of subsidiary	-	12,929	-	-
Grant of equity-settled share options to employees	4,153,081	1,424,466	3,724,327	1,853,220
Interest expense	14,253,818	8,775,393	5,708,651	3,764,685
Interest income	(2,417,800)	(1,446,447)	(1,685,291)	(953,494)
Loss on disposal of plant and equipment	-	25,257	-	-
Operating cash flows before changes in working capital	47,557,288	44,696,332	11,954,929	6,322,271
Changes in working capital:				
Trade and other receivables	92,646,019	(106,746,098)	19,820,446	(11,291,117)
Other current assets	367,689	76,722	221,166	(252,037)
Development cost	1,825,890	(1,825,890)	-	-
Trade and other payables	(508,667)	44,651,032	(16,884,661)	(47,372,109)
Provision	-	(1,600,000)	-	-
Cash flows from/(used in) operations	141,888,219	(20,747,902)	15,111,880	(52,592,992)
Interest paid	(13,319,924)	(8,447,774)	(5,444,987)	(3,639,419)
Taxes (paid)/refund	(7,033,241)	(10,393,605)	206,559	(4,695,695)
Net cash flows from/(used in) operating activities	121,535,054	(39,589,281)	9,873,452	(60,928,106)

STATEMENTS OF CASH FLOWS
For the financial year ended 31 October 2013

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
		(Restated)		(Restated)
Investing activities				
Additions to service concession asset	(65,918,967)	-	-	-
Proceeds from disposal of plant and equipment	-	240,000	-	-
Net cash inflow effect from business combination	2,747,030	-	-	-
Net cash inflow from disposal of subsidiary	-	430,941	-	-
Investment in subsidiaries	-	-	-	(2)
Purchase of plant and equipment	(46,531,408)	(92,629,193)	(168,910)	(397,565)
Interest received	2,417,800	1,446,447	1,685,291	953,494
Net cash flows (used in)/from investing activities	(107,285,545)	(90,511,805)	1,516,381	555,927
Financing activities				
Dividends paid	(6,426,060)	(5,993,906)	(6,426,060)	(5,993,906)
Proceeds from revolving credit	739,000	-	-	2,000,000
Repayment of revolving credit	-	(400,000)	-	-
Repayment of borrowings	(14,476,756)	-	(26,258,569)	-
Proceeds from borrowings	-	54,334,169	-	55,108,671
Proceeds from term loans	20,721,485	75,000,000	-	-
(Placement)/withdrawal of short term deposits with licensed banks	(3,495,730)	5,029,415	(223,224)	(3,153,703)
Proceeds from issuance of ordinary shares, net of transaction cost				
- under private placement	30,523,785	26,100,000	30,523,785	26,100,000
- under ESOS	2,653,700	537,550	2,653,700	537,550
Share issuance expense	(104,240)	(418,932)	(104,240)	(418,932)
Repayment of obligation under finance leases	(298,241)	(614,141)	-	-
Net cash flows from financing activities	29,836,943	153,574,155	165,392	74,179,680
Net increase in cash and cash equivalents	44,086,452	23,473,069	11,555,225	13,807,501
Cash and cash equivalents at beginning of year	21,787,241	(1,679,984)	1,943,657	(11,863,844)
Effect of exchange rate changes on cash and cash equivalents	-	(5,844)	-	-
Cash and cash equivalents at end of year (Note 19)	65,873,693	21,787,241	13,498,882	1,943,657

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Cypark Resources Berhad ("the Company") is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Bursa Malaysia Securities Berhad. The principal place of business of the Company is located at 13A-09, Block A, Phileo Damansara II, No. 15, Jalan 16/11, 46350 Petaling Jaya, Selangor Darul Ehsan and the registered office of the Company is located at Level 7, Menara Millenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur.

The Company is an investment holding company. The Company is also principally involved in the closure and restoration of landfills located in various locations throughout West Malaysia.

The principal activities of the subsidiaries are disclosed in Note 15.

There have been no significant changes in the nature of these principal activities during the financial year.

The financial statements for the year ended 31 October 2013 were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 25 February 2014.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

On 1 November 2012, the Group and the Company adopted the Malaysian Financial Reporting Standards ("MFRS") framework established by the Malaysian Accounting Standards Board ("MASB"). The MFRS framework was introduced to fully converge the existing Financial Reporting Standards ("FRS") in Malaysia with the International Financial Reporting Standards ("IFRS") framework established by the International Accounting Board ("IASB").

The financial statements of the Group and of the Company have been prepared in accordance with MFRS, IFRS and the Companies Act, 1965 in Malaysia. Unless otherwise indicated in the significant accounting policies, the financial statements have been prepared under the historical cost basis.

The financial statements are presented in Ringgit Malaysia (RM).

2.2 First time adoption of Malaysian Financial Reporting Standards ("MFRS")

The financial statements of the Group and of the Company for the year ended 31 October 2013 are the first set of financial statements prepared in accordance with the MFRS and MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards has been applied. For the periods up to and including the year ended 31 October 2012, the Group and the Company prepared its financial statements in accordance with FRS in Malaysia.

In preparing its opening MFRS Statement of Financial Position as at 1 November 2011, which is the date of transition, the Group has adjusted the amount previously reported in accordance with the FRS. Except as discussed below, the transition from FRS to MFRS has no significant impact on the financial position, financial performance and cash flows of the Group and of the Company. Accordingly, no notes related to the statement of financial position as at date of transition to MFRS are presented.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 First time adoption of Malaysian Financial Reporting Standards ("MFRS") (cont'd)

(i) Business combination

MFRS 1 provides the option to apply MFRS 3 Business Combinations prospectively from the date of transition or from a specific date prior to the date of transition. This provides relief from the full retrospective application of MFRS 3 which would require restatement of all business combinations prior to the date of transition.

Acquisition before date of transition

The Group has elected to apply MFRS 3 prospectively from the date of transition. In respect of acquisition prior to the date of transition,

(a) the classification of former business combinations under FRS is maintained;
(b) there is no re-measurement of original fair values determined at the time of business combination (date of acquisition); and
(c) the carrying amount of goodwill recognised under FRS is not adjusted.

2.3 Standards issued but not yet effective

The Company has not adopted the following standards and interpretations that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
MFRS 101 Presentation of Items of Other Comprehensive Income (Amendments to MFRS 101)	1 July 2012
Amendments to MFRS 101: Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)	1 January 2013
MFRS 3 Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004)	1 January 2013
MFRS 10 Consolidated Financial Statements	1 January 2013
MFRS 11 Joint Arrangements	1 January 2013
MFRS 12 Disclosure of interests in Other Entities	1 January 2013
MFRS 13 Fair Value Measurement	1 January 2013
MFRS 119 Employee Benefits	1 January 2013
MFRS 127 Separate Financial Statements	1 January 2013
MFRS 128 Investment in Associate and Joint Ventures	1 January 2013
MFRS 127 Consolidated and Separate Financial Statements (IAS 27 as revised by IASB in December)	1 January 2013
Amendment to IC Interpretation 2 Members' Shares in Co-operative Entities and Similar Instruments (Annual Improvements 2009-2011 Cycle)	1 January 2013
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to MFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards – Government Loans	1 January 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 Standards issued but not yet effective (cont'd)

Description	Effective for annual periods beginning on or after
Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards – Annual Improvements)	1 January 2013
Amendments to MFRS 116: Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 132: Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS134: Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 10: Consolidated Financial Statements: Transition Guidance	1 January 2013
Amendments to MFRS 11: Joint Arrangements: Transition Guidance	1 January 2013
Amendments to MFRS 12: Disclosure of Interests in Other Entities: Transition Guidance	1 January 2013
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities	1 January 2014
MFRS 9 Financial Instruments	1 January 2015

Adoption of the above standards will have no material impact on the financial statements of the Group and of the Company in the year of initial application, except as discussed below:

MFRS 9 Financial Instruments

MFRS 9 reflects the first phase of work on the replacement of MFRS 139 and applies to classification and measurement of financial assets and financial liabilities as defined in MFRS 139. The standard was initially effective for annual periods beginning on or after 1 January 2013, but Amendments to MFRS 9: Mandatory Effective Date of MFRS 9 and Transition Disclosures, issued in March 2012, moved the mandatory effective date to 1 January 2015. The adoption of the first phase of MFRS 9 will have an effect on the classification and measurement of the Group's financial assets, but will not have an impact on classification and measurements of the Group's financial liabilities. The Group will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

MFRS 10 Consolidated Financial Statements

MFRS 10 supercedes MFRS 127 Consolidated and Separate Financial Statements and SIC-12 Consolidation - Special Pupose Entities. The standard defines the principle of control and establishes control as the basis for determining which entities are consolidated in the consolidated financial statements.

The principle of control sets out the following three elements of control:

(a) power over the investee;
(b) exposure, or rights, to variable returns from involvement with the investee; and
(c) the ability to use power over the investee to affect the amount of the investor's returns.

The standard also sets out the accounting requirements for the preparation of consolidated financial statements, especially in circumstances where the investor holds less than a majority of voting rights, or where an investee is designed so that voting rights are not the dominant factor in deciding control, or in circumstances involving agency relationships or where the investor has control over specified assets of an investee.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 Standards issued but not yet effective (cont'd)

MFRS 12 Disclosure of Interests in Other Entities

MFRS 12 is a combined disclosure standard for interests in subsidiaries, joint ventures, associates and unconsolidated structured entities. The standard requires an entity to disclose information that enables users of its financial statements to evaluate the nature of, and risks associated with, its interests in other entities and the effects of those interests on its financial position, financial performance and cash flows.

The standard affects disclosures only and has no impact on the financial position or performance of the Group.

Amendments to MFRS 101 Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)

The amendments to MFRS 101 change the grouping of items presented in other comprehensive income. Items that could be reclassified (or recycled) to profit or loss at a future point in time would be presented separately from items which will never be reclassified. The amendment affects presentation only and has no impact on the Group's financial position and performance.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting dates as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intragroup balances, income and expenses and unrealised gains and losses resulting from intragroup transactions are eliminated in full.

Acquisitions of subsidiaries are accounted for by applying the purchase method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in other comprehensive income. The cost of a business combination is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the business combination. Any excess of the cost of business combination over the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities is recorded as goodwill on the statement of financial position. Any excess of the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised as income in profit or loss on the date of acquisition. When the Group acquires a business, embedded derivatives separated from the host contract by the acquiree are reassessed on acquisition unless the business combination results in a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

In a business combinations achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree net identifiable assets.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.4 Basis of consolidation (cont'd)

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

On 1 October 2006, the Company acquired Cypark Sdn. Bhd. ("CSB") for a consideration satisfied by the issuance of 80,000,000 shares of RM0.50 each to the vendors. Under the Malaysian Financial Reporting Standards ("MFRS") 3: Business Combination, this transaction meets the criteria of a Reverse Acquisition. The consolidated financial statements have therefore been prepared under the reverse acquisition accounting method as set out by the said Standard, with CSB being treated as the accounting acquirer of the Company. In accordance with the principles of reverse acquisition, the consolidated financial statements have been prepared as if it had been in existence in its current group form since 1 November 2005. The consolidated financial statements represent therefore a continuation of CSB's financial statements.

The key features of the basis of consolidation under reverse acquisition are as follows:

- The cost of the business combination is deemed to have been incurred by CSB in the form of equity instruments issued to the owners of the Company. CSB's shares were not listed prior to the acquisition and consequently the cost of the business combination has been based on the fair value of the Company's shares in issue immediately before the reverse acquisition;

- The assets and liabilities of CSB are recognised and measured in the consolidated financial statements at their pre-combination carrying amounts. The retained earnings and other equity balances recognised in the consolidated financial statements are those of CSB immediately before the business combination;

- The Company has been consolidated from the date of the reverse acquisition using the fair value of the identifiable assets, liabilities and contingent liabilities at that date. The cost of business combination was RM2 and therefore, goodwill of RM127,316 arose from the reverse acquisition; and

- The amount recognised as issued instruments in the consolidated financial statements is determined by adding the cost of business combination to the issued equity of CSB immediately before the business combination. However, the equity structure appearing in the consolidated financial statements is of the Company. Therefore, a reverse acquisition reserve of RM36,700,000 has been created, being the difference between the required Group's equity structure and the reported equity of the Company.

2.5 Foreign currency

(a) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.5 Foreign currency (cont'd)

(b) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(c) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

2.6 Plant and equipment

All items of plant and equipment are initially recorded at cost. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, plant and equipment and furniture and fixtures are measured at cost less accumulated depreciation and any accumulated impairment losses. When significant parts of plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.6 Plant and equipment (cont'd)

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets, at the following annual rates:

Machinery, furniture and site equipment	20%
Office equipment and renovation	10% - 20%
Motor vehicles	20%
Computer and peripherals	20% - 33.33%
Plant	4.76%

Assets under construction included in plant and equipment are not depreciated as these assets are not yet available for use.

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

2.7 Intangible assets

(a) Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date, to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit retained.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.7 Intangible assets (cont'd)

(b) Club membership

Club membership was acquired separately and it is not amortised as it has an indefinite useful life. The club membership is tested for impairment annually.

2.8 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss in the period in which it arises.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss. Impairment loss on goodwill is not reversed in a subsequent period.

2.9 Subsidiaries

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.10 Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit and loss, directly attributable transaction costs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 Financial assets (cont'd)

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables, held to maturity investments and available-for-sale financial assets.

(a) Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other losses or other income.

Financial assets at fair value through profit or loss could be presented as current or non-current. Financial assets that is held primarily for trading purposes are presented as current whereas financial assets that is not held primarily for trading purposes are presented as current or non-current based on the settlement date.

The Group and the Company have not designated any financial assets as at fair value through profit or loss.

(b) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loan and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

(c) Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold the investment to maturity.

Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the held-to-maturity investments are derecognised or impaired, and through the amortisation process.

Held-to-maturity investments are classified as non-current assets, except for those having maturity within 12 months after the reporting date which are classified as current.

The Group and the Company have not designated any financial assets as held-to-maturity investments.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 Financial assets (cont'd)

(d) Available-for-sale financial assets

Available-for-sale financial assets are financial assets that are designated as available for sale or are not classified in any of the three preceding categories.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on an available-for-sale equity instrument are recognised in profit or loss when the Group and the Company's right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date, the date that the Group and the Company commit to purchase or sell the asset.

2.11 Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

(a) Trade and other receivables and other financial assets carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, receivables that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.11 Impairment of financial assets (cont'd)

(a) Trade and other receivables and other financial assets carried at amortised cost (cont'd)

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(b) Unquoted equity securities carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(c) Available-for-sale financial assets

Significant or prolonged decline in fair value below cost, significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market are considerations to determine whether there is objective evidence that investment securities classified as available-for-sale financial assets are impaired.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to profit or loss.

Impairment losses on available-for-sale equity investments are not reversed in profit or loss in the subsequent periods. Increase in fair value, if any, subsequent to impairment loss is recognised in other comprehensive income. For available-for-sale debt investments, impairment losses are subsequently reversed in profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in profit or loss.

2.12 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, short term deposits at call and short term deposits pledged to banks which are subject to an insignificant risk of changes in value and have average maturity below 90 days. These also include bank overdrafts that form an integral part of the Group's cash management.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.13 Development costs

Development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

When the financial outcome of a development activity can be reliably estimated, development revenue and expenses are recognised in profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that development costs incurred for work performed to date bear to the estimated total development costs.

Where the financial outcome of a development activity cannot be reliably estimated, development revenue is recognised only to the extent of development costs incurred that is probable will be recoverable, and development costs on developments sold are recognised as an expense in the period in which they are incurred.

Any expected loss on a development project, including costs to be incurred over the defects liability period, is recognised as an expense immediately.

Development costs not recognised as an expense are recognised as an asset, which is measured at the lower of cost and net realisable value.

2.14 Intangible assets

Intangible assets comprising concession rights and the intangible asset model, as defined in IC Interpretation 12 are stated as cost less accumulated amortisation and impairment losses.

Intangible assets are not ammortised during the year as concession assets is still under construction.

At end of each reporting period, the Company assesses whether there is any indication of impairment. If such indication exists, the carrying amount is assessed and written down immediately to its recoverable amount.

The intangible asset model, as defined in IC Interpretation 12, applies to service concession arrangements where the grantor has not provided a contractual guarantee in respect of the amount receivable for constructing and operating the asset. Under this model, during construction or upgrade phase, the Company records an intangible asset representing the right to charge users of the public service and recognised profits from the construction or upgrade of the public service infrastructure. Income and expenses associated with construction contracts are recognised in accordance with MFRS 111 Construction Contracts.

Borrowing costs incurred in connection with an arrangement falling within the scope of IC Interpretation 12 will be expensed as incurred, unless the Company recognises an intangible asset under the interpretation. In this case, borrowing costs are capitalised in accordance with the general rules of MFRS 123 Borrowing Cost.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.15 Construction contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised over the period of contract as revenue and expenses respectively. The Company uses the percentage of completion method to determine the appropriate amount of revenue and costs to recognise in a given period; the stage of completion is measured by reference to the certified work done to date of the proportion the contract costs incurred for work performed to date compared to the estimated total contract costs.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that is probably will be recoverable; contract costs are recognised as an expense in the period in which they are incurred.

Irrespective of whether the outcome of the construction contract can be estimated reliably, when it is probable that the total contract costs will exceed the total contract revenue, the expected loss is recognised as an expense immediately.

The aggregate of the cost incurred and the attributable profit or loss recognised on each contract is compared against the progress billing up to the financial year end. When costs incurred plus attributable profits (less foreseeable losses, if any), exceed progress billing, the balance is shown as amount due from customers on construction contracts under receivables (with current assets). Where progress billing exceeds cost incurred plus attributable profits (less foreseeable losses, if any), the balance is shown as amount due to customers on construction contracts under payables (with current liabilities).

2.16 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.17 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of MFRS 139, are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.17 Financial liabilities (cont'd)

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities held for trading include derivatives entered into by the Group and the Company that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

The Group and the Company have not designated any financial liabilities as at fair value through profit or loss.

(b) Other financial liabilities

The Group's and the Company's other financial liabilities include trade payables, other payables and loans and borrowings.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.18 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.18 Financial guarantee contracts (cont'd)

At the reporting date, no value was placed on corporate guarantee provided by the Company to secure credit facility granted to its subsidiaries and the purchase of plant and equipment because there was no significant difference in the net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee where the directors regard the value of the credit enhancement provided by the corporate guarantee as minimal.

2.19 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

2.20 Employee benefits

(a) Defined contribution plans

The Group makes contributions to the Employees Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Employee share option plans

Employees of the Group receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted. This cost is recognised in profit or loss, with a corresponding increase in the employee share option reserve over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised at the beginning and end of that period.

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. The employee share option reserve is transferred to retained earnings upon expiry of the share options. When the options are exercised, the employee share option reserve is transferred to share capital if new shares are issued, or to treasury shares if the options are satisfied by the reissuance of treasury shares.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.21 Leases

As lessee

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Leased assets are depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.22 Discontinued operation

A component of the Group is classified as a "discontinued operation" when the criteria to be classified as held for sale have been met or it has been disposed of and such a component represents a separate major line of business or geographical area of operations or is part of a single coordinated major line of business or geographical area of operations. A component is deemed to be held for sale if its carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Upon classification as held for sale, non-current assets and disposal groups are not depreciated and are measured at the lower of carrying amount and fair value less costs to sell. Any differences are recognised in profit or loss.

2.23 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

(a) Landscaping, environmental projects and maintenance contracts

The contracts comprise revenue from providing an integral turnkey contract services, management services and planning and design services for external built environments and infrastructure works.

Revenue from landscaping and environmental projects are recognised based on claims submitted to or certified by customers. Maintenance contracts are based on scheduled monthly work performed as stipulated in the contracts.

Revenue from landfill projects are recognised based on work performed in accordance to a percentage of completion basis.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.23 Revenue (cont'd)

(b) Sale of electricity generated from renewable energy park

Revenue from the sale of electricity generated from the renewable energy park is recognised as and when the electricity is delivered to the off-taker, based on the invoiced value of sale of electricity computed at a pre-determined rate. This revenue also includes an estimated value of the electricity delivered from the date of their last meter reading and period end. Accrued unbilled revenues are reversed in the following month when actual billings occur.

(c) Interest income

Interest income is recognised on an accrual basis using the effective interest method unless recoverability is in doubt, in which case, it is recognised on receipt basis.

(d) Construction revenue

Revenue from construction contracts is accounted for by the stage of completion method as described in Note 2.15.

(e) Management fee

Revenue from management fee is recognised on accrual basis as and when the services are performed.

(f) Dividend income

Dividend income is recognised when the Company's right to receive payment is established.

2.24 Income taxes

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.24 Income taxes (cont'd)

(b) Deferred tax (cont'd)

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.25 Segment reporting

For management purposes, the Group is organised into operating segments based on their services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 35, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.26 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2.27 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group.

2.28 Government grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income may be presented as a credit in profit or loss, either separately or under a general heading such as "other income". Alternatively, they are deducted in reporting the related expenses. The Group has presented the grant as a deduction in the related expenses.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

3.1 Judgements made in applying accounting policies

There are no significant judgements made by management in the process of applying the Group's accounting policies that have a significant effect on the amounts recognised in the financial statements.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (cont'd)

3.2 Key sources of estimation uncertainty

The key assumption concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Revenue from landscaping and environmental projects

The Group and the Company recognise revenue from landscaping and environmental projects based on claims submitted to or certified by customers. However, there are circumstances where revenue is recognised based on work performed but yet to be certified by customers, which are commonly encountered in the final claim submitted upon the completion of the entire project.

In such circumstances, significant judgement is required in determining the amount to be recognised as revenue based on work performed. In making the judgement, the Group and the Company evaluate based on past experience and by relying on the work of other specialists. It is also the policy of the Group and of the Company to have informal discussion with the customers on the amount to be claimed before the formal claims are submitted.

The directors are of the opinion that all claims submitted based on work performed will not differ materially from the eventual certification by the customers.

(b) Impairment of loans and receivables

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivable at the reporting date is disclosed in Note 17.

(c) Impairment of investments in subsidiaries and plant and equipment

The management determines whether the carrying amount of its investments in subsidiaries and plant and equipment are impaired at each reporting date. This involves measuring the recoverable amounts which includes fair value less costs to sell. Based on the opinion of the directors, adequate impairment loss has been recognised in profit or loss of the Group and of the Company.

(d) Employee share option

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions and the carrying amounts are disclosed in Note 27.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (cont'd)

3.2 Key sources of estimation uncertainty (cont'd)

(e) Construction and service contracts

The Group recognises contract revenue and cost based on percentage of completion method. The stage of completion is measured by reference to the contract costs incurred for work performed to date bear to the estimated total contract costs. Significant judgement is required in determining the stage of completion, the extent of the contract costs incurred, the estimated total contract revenue (for contracts other than fixed price contracts) and contract costs, as well as the recoverability of the contracts. Total contract revenue also includes an estimation of the recoverable variation works that are recoverable from customers. In making these judgements, the Group relies on past experience and work of specialist.

(f) Revenue and cost recognition for intangible assets model

The Company adopts the intangible asset model as defined in IC Interpretation 12, and has recognised a reasonable construction margin for the construction of its concession assets. Income and expenses associated with the said construction are recognised based on percentage of completion method. The estimated margin is based on relative fair value of the concession assets less estimated cost of construction of the concession assets.

4. REVENUE

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Landscaping and infrastructure	15,162,675	17,993,559	-	-
Maintenance	963,921	1,463,600	-	-
Environmental engineering	183,314,574	171,009,061	15,311,158	39,891,253
Renewable energy	21,224,198	5,335,392	-	-
Management fee	-	-	7,422,000	-
Dividend income from subsidiary	-	-	2,133,333	-
	220,665,368	195,801,612	24,866,491	39,891,253

Included in the revenue of environmental engineering segment is an amount of RM84,689,433 (2012: nil) which represents the construction revenue recognised pursuant to IC Interpretation 12 ("IC 12") - Service Concession Arrangements from construction of a public service infrastructure. Revenue is recognised in accordance with MFRS 111 and based on the percentage of completion method during the construction phase.

5. COST OF SALES

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
		(Restated)		
Landscaping and infrastructure	14,544,049	16,456,175	-	-
Maintenance	500,000	878,660	-	-
Environmental engineering	131,383,861	125,087,947	8,676,125	27,974,907
Renewable energy	13,384,280	1,899,590	-	-
	159,812,190	144,322,372	8,676,125	27,974,907

Cost of sales comprised sub-contractors' costs, material costs, labour costs and site expenses.

Included in the cost of sales of environmental engineering segment is an amount RM65,422,723 (2012: nil) which represents construction costs recognised pursuant to IC Interpretation 12 - Service Concession Arrangements from the construction of a public service infrastructure.

6. FINANCE COSTS

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Interest expense on:				
- bank overdrafts	5,489,929	5,421,215	4,987,729	3,475,047
- obligations under finance lease	78,592	89,256	-	-
- term loans	5,916,057	571,418	-	-
- bill discounting	103,677	2,650	34,641	2,650
- revolving credits	396,325	1,616,323	120,990	24,098
- letter of credits	70,824	147,365	1,101	14,223
- trust receipts	748,403	455,781	13,247	-
- bank facility fees	-	93,066	-	75,000
- bank guarantee commission	516,117	50,700	287,279	48,400
Unwinding of discount	933,894	327,619	263,664	125,267
Total finance costs	14,253,818	8,775,393	5,708,651	3,764,685

7. PROFIT BEFORE TAX FROM CONTINUING OPERATIONS

The following items have been included in arriving at profit before tax from continuing operations:

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Continuing operations				
Auditors' remuneration				
- statutory audits				
- current year	209,400	160,510	57,000	52,000
- (over)/under provision in prior year	(23,100)	10,290	-	10,290
Bad debts written off	96,187	-	96,187	-
Depreciation of plant and equipment (Note 12)	7,656,957	1,978,293	134,441	26,785
Impairment loss on trade receivables (Note 17)	-	1,530,271	-	-
Facilities maintenance fees	530,000	-	-	-
Realised foreign exchange gain	(118,049)	-	(80)	-
Unrealised foreign exchange loss	-	8,293	-	-
Loss on disposal of plant and equipment	-	25,257	-	-
Loss on disposal of subsidiary	-	12,929	-	-
Operating lease:				
- minimum lease payments on premises	327,201	227,400	103,492	27,500
- minimum lease payments on site equipment	844,123	404,040	-	-
- minimum lease payments on motor vehicles	1,074,132	291,045	831,159	120,000
- minimum lease payments on office equipment	15,529	5,600	8,809	-
- minimum lease payments on land	187,172	80,988	-	-
Reversal of provision for legal claim (Note 20)	-	(294,720)	-	-
Reversal of general provision	-	(1,422,524)	-	-
Interest income from loans and receivables	(2,417,800)	(1,446,447)	(1,685,291)	(953,494)
Net government grant relating to income	(1,347,923)	-	-	-
Employee benefits expense:				
- salaries and wages	9,153,241	7,323,530	2,156,631	2,560,036
- defined contribution plan	1,252,015	900,468	391,112	350,205
- social security contributions	71,628	67,143	36,962	38,805
- share options granted under ESOS	2,226,460	991,366	1,928,066	1,289,760
- other benefits	511,267	691,602	339,820	542,792
Non-executive directors' remuneration (Note 8)	424,853	301,097	424,853	301,097

8. DIRECTORS' REMUNERATION

The details of remuneration receivable by directors of the Company during the year are as follows:

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Executive:				
Salaries and other allowances	1,638,535	1,252,000	1,638,535	1,252,000
Defined contribution plan	188,705	136,980	188,705	136,980
Social security contributions	620	723	620	723
Share options granted under ESOS	1,795,768	433,100	1,665,408	563,460
Total executive directors' remuneration	3,623,628	1,822,803	3,493,268	1,953,163
Non-executive:				
Fees, representing total non-executive directors' remuneration	294,000	301,097	294,000	301,097
Share options granted under ESOS	130,853	-	130,853	-
Total non executive directors' remuneration	424,853	301,097	424,853	301,097
Total directors' remuneration (Note 28(b))	4,048,481	2,123,900	3,918,121	2,254,260

The number of directors of the Company whose total remuneration during the financial year fell within the following band is analysed below:

	Number of directors	
	2013	2012
Executive directors:		
RM500,001 - RM600,000	-	1
RM600,001 - RM700,000	-	-
RM700,001 - RM800,000	-	1
RM1,600,001 - RM1,700,000	1	-
RM1,700,001 - RM1,800,000	-	-
RM1,800,001 - RM1,900,000	1	-
Non-executive directors:		
Below RM50,000	-	3
RM50,001 - RM100,000	1	2
RM100,001 - RM150,000	3	-

9. INCOME TAX EXPENSE

Major components of income tax expense

The major components of income tax expense for the years ended 31 October 2013 and 2012 are:

	Group		Company	
	2013	**2012**	**2013**	**2012**
	RM	**RM**	**RM**	**RM**
Statements of comprehensive income:				
Malaysian income tax				
- continuing operations:				
- Current income tax	8,439,000	8,917,953	2,030,333	929,739
- (Over)/under provision in prior years	(401,953)	265	17,665	(222,333)
	8,037,047	8,918,218	2,047,998	707,406
Deferred income tax				
- continuing operations (Note 16):				
- Origination and reversal of temporary differences	(1,344,406)	(323,348)	(52,743)	(283,706)
- Under/(over) provision in prior years	464,683	(68,150)	467,124	-
	(879,723)	(391,498)	414,381	(283,706)
Income tax attributable to continuing operations	7,157,324	8,526,720	2,462,379	423,700
Income tax attributable to discontinued operation (Note 10)	-	-	-	-
Income tax expense recognised in profit or loss	7,157,324	8,526,720	2,462,379	423,700

9. INCOME TAX EXPENSE (cont'd)

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 October 2013 and 2012 is as follows:

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Profit before tax from continuing operations	43,081,755	34,137,932	3,976,614	1,631,075
Loss before tax from discontinued operation (Note 10)	-	(32,811)	-	-
Accounting profit before tax	43,081,755	34,105,121	3,976,614	1,631,075
Taxation at Malaysian statutory tax rate of 25% (2012: 25%)	10,770,439	8,526,280	994,154	407,769
Non-deductible expenses	1,520,168	310,954	983,436	238,264
Income not subject to tax	(4,890,170)	-	-	-
Utilisation of previously unrecognised tax loses	-	(255,861)	-	-
Utilisation of previously unrecognised capital allowances	(305,843)	-	-	-
Deferred tax assets not recognised	-	13,232	-	-
Under/(over) provisions of deferred tax in prior years	464,683	(68,150)	467,124	-
(Over)/under provision of tax expense in prior years	(401,953)	265	17,665	(222,333)
Income tax expense recognised in profit or loss	7,157,324	8,526,720	2,462,379	423,700

Domestic current income tax is calculated at the Malaysian statutory tax rate of 25% (2012: 25%) of the estimated assessable profit for the year.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The above reconciliation is prepared by aggregating separate reconciliation for each national jurisdictions.

10. DISCONTINUED OPERATION

The Company's Board of Directors has made the decision to dispose of one of its wholly-owned subsidiary, Cypark Landscape Services Qatar WLL ("CLSQ"), which was previously reported in the Middle East segment. The decision is made as the Company has no intention to continue its operation after the completion of the project in Qatar.

As at 31 October 2011, the assets and liabilities related to CLSQ had been presented in the statements of financial position as "Assets of disposal group classified as held for sale" and "Liabilities of disposal group classified as held for sale", and its results were presented separately on the statements of comprehensive income as "Loss from discontinued operation, net of tax".

10. DISCONTINUED OPERATION (cont'd)

The Group had on 13 February 2012 entered into a sale and purchase of shares agreement with Creative Solutions International Ltd for the disposal of 98,000 shares of Qatari Riyal ("QAR") 1.00 each in the capital of CLSQ representing its entire interest in the capital of CLSQ, for a total cash consideration of RM460,000 resulting in a loss on disposal of RM12,929 (Note 7).

Statement of comprehensive income disclosures

The results of CLSQ up to the date of disposal, 13 February 2012 are as follows:

	2013 RM	2012 RM
Administrative expenses, representing loss before tax from discontinued operation	-	(32,811)
Income tax expense (Note 9)	-	-
Loss from discontinued operation, net of tax	-	(32,811)

The following items have been included in arriving at loss from discontinued operation, net of tax:

	Group	
	2013 RM	2012 RM
Discontinued operation		
Auditors' remuneration		
- statutory audits	-	-
- under provision in prior year	-	2,076
Realised foreign exchange gain	-	-
Operating lease:		
- Minimum lease payments on premises	-	29,887

Statement of cash flow disclosures

The cash flow attributable to CLSQ up to the date of disposal, 13 February 2012 are as follows:

	2013 RM	2012 RM
Operating, representing net cash outflows	-	(32,811)

10. DISCONTINUED OPERATION (cont'd)

The disposal had the following effects on the financial position of the Group as at the reporting date:

	Group	
	31.10.2013 RM	31.10.2012 RM
Trade and other receivables	-	23,438,486
Cash and bank balances	-	29,059
Trade and other payables	-	(20,997,475)
Provision for taxation	-	(2,050,843)
Net assets disposed of	-	419,227
Foreign currency translation reserve	-	137,618
Foreign statutory reserve	-	(83,916)
	-	472,929
Total disposal proceeds	-	(460,000)
Loss on disposal of a subsidiary	-	12,929
Disposal proceed settled by cash	-	460,000
Cash inflow arising from the disposal:		
Cash consideration	-	460,000
Less: Cash and cash equivalents of a subsidiary disposed of	-	(29,059)
Net cash inflow on disposal of a subsidiary	-	430,941

11. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing profit for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share amounts are calculated by dividing profit for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

11. EARNINGS PER SHARE (cont'd)

The following reflect the profit and share data used in the computation of basic and diluted earnings per share for the years ended 31 October 2013 and 2012:

	Group	
	2013 RM	2012 RM
Profit net of tax attributable to owners of the parent used in the computation of basic and diluted earnings per share	35,924,431	25,578,401
Add back: Loss from discontinued operation, net of tax, attributable to owners of the parent	-	32,811
Profit net of tax from continuing operations attributable to owners of the parent used in the computation of basic and diluted earnings per share	35,924,431	25,611,212

	Group	
	2013 Number of shares	2012 Number of shares
Weighted average number of ordinary shares for basic earnings per share computation	164,891,923	154,208,500
Effects of dilution - share options	8,713,686	8,929,678
Weighted average number of ordinary shares for diluted earnings per share computation	173,605,609	163,138,178
Earnings per share attributable to owners of the parent (sen per share)		
- Basic	21.79	16.59
- Diluted	20.69	15.68

There have been no other transactions involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these financial statements.

(a) Continuing operations

Basic earnings per share amounts are calculated by dividing profit for the year from continuing operations, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share amounts are calculated by dividing profit for the year from continuing operations, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares.

11. EARNINGS PER SHARE (cont'd)

(a) Continuing operations (cont'd)

	Group	
	2013 Number of shares	2012 Number of shares
Earnings per share from continuing operations attributableto owners of the parent (sen per share)		
- Basic	21.79	16.61
- Diluted	20.69	15.70

(b) Discontinued operation

The basic and diluted loss per share from discontinued operation are calculated by dividing the loss from discontinued operation, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares for basic earning per share computation and weighted average number of ordinary shares for diluted earning per share computation respectively.

	Group	
	2013 Number of shares	2012 Number of shares
Loss per share from discontinued operation attributable to owners of the parent (sen per share)		
- Basic	-	(0.02)
- Diluted	-	(0.02)

12. PLANT AND EQUIPMENT

Group	Machinery, furniture and site equipment RM	Office equipment and renovation RM	Motor vehicles RM	Computer and peripherals RM	Plant RM	Capital work-in-progress RM	Total RM
Cost							
At 1 November 2011	3,204,219	220,475	2,618,058	1,094,630	-	2,459,274	9,596,656
Additions	109,599	419,655	681,345	119,291	80,906,915	11,016,388	93,253,193
Disposals	-	-	(615,607)	-	-	-	(615,607)
At 31 October 2012	3,313,818	640,130	2,683,796	1,213,921	80,906,915	13,475,662	102,234,242
Acquisitions through business combinations	-	1,250	-	-	119,932,332	21,091,411	141,024,993
Additions	265,270	27,490	250,866	70,421	142,258	46,009,103	46,765,408
Reclassification	-	-	-	-	11,626,960	(11,626,960)	-
At 31 October 2013	3,579,088	668,870	2,934,662	1,284,342	212,608,465	68,949,216	290,024,643
Accumulated depreciation							
At 1 November 2011	1,378,209	42,051	1,207,344	1,082,172	-	-	3,709,776
Charge for the year (Note 7)	149,395	47,094	476,176	21,393	1,284,235	-	1,978,293
Disposals	-	-	(350,350)	-	-	-	(350,350)
At 31 October 2012	1,527,604	89,145	1,333,170	1,103,565	1,284,235	-	5,337,719
Acquisitions through business combinations	-	104	-	-	2,379,610	-	2,379,714
Charge for the year (Note 7)	165,600	137,665	467,225	39,538	6,846,929	-	7,656,957
At 31 October 2013	1,693,204	226,914	1,800,395	1,143,103	10,510,774	-	15,374,390
Net carrying amount							
At 31 October 2013	1,885,884	441,956	1,134,267	141,239	202,097,691	68,949,216	274,650,253
At 31 October 2012	1,786,214	550,985	1,350,626	110,356	79,622,680	13,475,662	96,896,523

12. PLANT AND EQUIPMENT (cont'd)

	Office equipment and renovation RM	Motor vehicles RM	Computer and peripherals RM	Total RM
Company				
Cost				
At 1 November 2011	-	25,756	1,450	27,206
Additions	324,380	4,293	68,892	397,565
At 31 October 2012	324,380	30,049	70,342	424,771
Additions	27,490	-	57,529	85,019
Transfer from a subsidiary	87,096	-	-	87,096
At 31 October 2013	438,966	30,049	127,871	596,886
Accumulated depreciation				
At 1 November 2011	-	1,717	40	1,757
Charge for the year (Note 7)	16,431	5,366	4,988	26,785
At 31 October 2012	16,431	7,083	5,028	28,542
Charge for the year (Note 7)	109,465	6,009	18,967	134,441
Transfer from a subsidiary	3,205	-	-	3,205
At 31 October 2013	129,101	13,092	23,995	166,188
Net carrying amount				
At 31 October 2013	309,865	16,957	103,876	430,698
At 31 October 2012	307,949	22,966	65,314	396,229

Acquisitions of plant and equipment during the financial year were financed by:

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Cash payments (including transfer from a subsidiary)	46,531,408	92,629,193	168,910	397,565
Finance lease arrangement	234,000	624,000	-	-
	46,765,408	93,253,193	168,910	397,565

12. PLANT AND EQUIPMENT (cont'd)

Assets held under finance lease

The carrying amount of plant and equipment of the Group held under finance lease at the reporting date was RM1,110,873 (2012: RM1,319,505).

Lease assets are pledged as security for the related lease liabilities (Note 29(c)).

Assets under construction

The Group's plant and equipment includes RM68,949,216 (31.10.2012: RM13,475,662) which relate to expenditure for renewable energy plants in the course of construction.

Capitalisation of borrowing costs

The Group's plant and equipment include borrowing costs arising from bank loans borrowed specifically for the purpose of the construction of the plants. During the financial year, the borrowing costs capitalised as cost of plant and equipment amounted to RM2,008,049 (31.10.2012: RM1,930,007).

13. DEVELOPMENT COSTS

In prior financial year, the development costs represent costs specifically incurred for the Group's upcoming Waste-to-Energy ("WTE") Project at Ladang Tanah Merah, Negeri Sembilan. The Group, through one of its subsidiaries, will enter into a concession agreement with the government under the WTE project to process, treat and dispose municipal waste collected from Negeri Sembilan. These costs mostly consist of professional and consultancy fee, staff cost meant solely for the said project and other preliminaries incurred.

During the financial year, the development costs have been recognised as part of the construction costs.

14. INTANGIBLE ASSETS

	Group			
	Intangible assets recognised pursuant to IC 12 RM	Goodwill RM	Club membership RM	Total RM
As at 31 October 2012/1 November 2012	-	127,316	170,000	297,316
Additions during the year	65,918,967	327,832	-	66,246,799
Profits from construction of a public service infrastructure	19,266,710	-	-	19,266,710
As at 31 October 2013	85,185,677	455,148	170,000	85,810,825

14. INTANGIBLE ASSETS (cont'd)

(a) Intangible assets recognised pursuant to IC 12

These intangible assets comprise fair value of the consideration receivable for the construction service delivered during the construction stage on a mark-up on cost incurred, in line with the practice of the industry, the Group is operating in.

As the concession asset is still under construction, hence the intangible assets are not amortised until it is completed or ready to generate revenue.

During the financial year, the borrowing costs capitalised in the intangible assets amounted to RM496,244 (31.10.2012: nil).

(b) Goodwill

Goodwill arises from the reverse acquisition of the Company in prior years and also the business combination with the three group of subsidiaries in current year.

Goodwill is allocated, at acquisition date, to cash generating units ("CGU") that are expected to benefit from that business combination. The aggregate carrying amounts of goodwill allocated to each CGU are as follows:-

	Group	
	2013 RM	2012 RM
Goodwill arises from reverse acquisition	127,316	127,316
Subsidiaries in sale of renewable energy segment	327,832	-
	455,148	127,316

The Group tests the goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

(i) Goodwill arises from reverse acquisition

The recoverable of this goodwill has been determined based on value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The pre-tax discount rate applied to the cash flow projections is 12% (31.12.2012: 12%). Gross margins are based on average values achieved in the preceding three years.

(ii) Goodwill allocated to subsidiaries in sale of renewable energy segment

The recoverable amount of this goodwill has been determined based on value in use calculation using cash flow projections from financial budgets approved by senior management.

The cash flows were projected based on past experience, actual operating results and long term budget as the subsidiaries have entered into Renewable Energy Power Purchase Agreement ("REPPA") with Tenaga Nasional Berhad ("TNB") for the sale of green electricity to TNB for a duration of 21 years. Management believe that the forecast was justified due to the long term nature of the business.

14. INTANGIBLE ASSETS (cont'd)

(b) Goodwill (cont'd)

(ii) Goodwill allocated to subsidiaries in sale of renewable energy segment (cont'd)

The revenue is projected in accordance to the installed capacity of the plant and Feed-In-Tariff ("FIT") rate as stated in the REPPA. The budgeted gross margin used to determine the gross margin is the average gross margin achieved in the similar industry and achieved by the subsidiaries in the period immediately before the budget period.

The pre-tax discount rate used is 8% which approximate the CGU's cost of fund.

The Group believes that any reasonably possible change in the above key assumptions applied are not likely to materially cause recoverable amount to be lower than its carrying amount.

15. INVESTMENT IN SUBSIDIARIES

	Company	
	31.10.2013 RM	**31.10.2012 RM**
Unquoted shares, at cost	41,400,970	41,400,970

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal activities	Proportion (%) of ownership interest 31.10.2013	31.10.2012
Held by the Company:			
Cypark Sdn. Bhd.*	Landscape specialist that offers integrated turnkey contract services, management services and planning and design services for external built environment including the landscape infrastructure, public amenities such as parks and recreation facilities, tourism development, nature conservation and environmental amelioration and landscape infrastructure works as well as plant materials sourcing, transportation conditioning and installation of plant materials at site.	100	100
Cypark Renewable Energy Sdn. Bhd.*	Investment holding, landscape maintenance services specialist and renewable energy specialist that offers environmental engineering and integrated turnkey contract services, management services and planning and design services.	100	100

15. INVESTMENT IN SUBSIDIARIES (cont'd)

Name of subsidiaries	Principal activities	Proportion (%) of ownership interest 31.10.2013	31.10.2012
Cypark Smart Technology (Holdings) Sdn. Bhd.**	Investment holding.	-	100
Cypark Smart Resources Sdn. Bhd. (formerly known as Cypark International Sdn. Bhd.)**	Investment holding.	100	-
Held through Cypark Sdn. Bhd.:			
Cypark Smart Resources Sdn. Bhd. (formerly known as Cypark International Sdn. Bhd.)**	Dormant.	-	100
Held through Cypark Renewable Energy Sdn. Bhd.:			
Kenari Pasifik Sdn. Bhd.**#	Investment holding.	-	-
Tiara Insight Sdn. Bhd.**#	Investment holding.	-	-
Semangat Sarjana Sdn. Bhd.**#	Investment holding.	-	-
Cypark Suria (Negeri Sembilan) Sdn. Bhd.**	Investment holding.	100	100
Held through Kenari Pasifik Sdn. Bhd.			
Gaya Dunia Sdn. Bhd.**#	Engaging in the business of renewable energy.	-	-
Held through Tiara Insight Sdn. Bhd.			
Rentak Raya Sdn. Bhd.**#	Engaging in the business of renewable energy.	-	-
Held through Semangat Sarjana Sdn. Bhd.			
Ambang Fiesta Sdn. Bhd.**#	Engaging in the business of renewable energy.	-	-

15. INVESTMENT IN SUBSIDIARIES (cont'd)

Name of subsidiaries	Principal activities	Proportion (%) of ownership interest 31.10.2013	31.10.2012
Held through Cypark Suria (Negeri Sembilan) Sdn. Bhd.:			
Cypark Suria (Pajam) Sdn. Bhd.*	Engaging in the business of renewable energy.	100	100
Cypark Suria (Kuala Sawah) Sdn. Bhd.**	Dormant.	100	100
Cypark Suria (Bukit Palong) Sdn. Bhd.**	Dormant.	100	100
Cypark Suria (Sua Betong) Sdn. Bhd.**	Dormant.	100	100
Held through Cypark Smart Resources Sdn. Bhd. (formerly known as Cypark International Sdn. Bhd.)			
Cypark Smart Technology (Holdings) Sdn. Bhd.**	Investment holding.	100	-
Held through Cypark Smart Technology (Holdings) Sdn. Bhd.:			
Cypark Smart Technology (NS) Sdn. Bhd.**	Investment holding.	100	100
Held through Cypark Smart Technology (NS) Sdn. Bhd.:			
Cypark Smart Technology Sdn. Bhd.*	Waste management facilities.	100	100

All the subsidiaries are incorporated in Malaysia.

* Audited by Ernst & Young, Malaysia
** Audited by firms other than Ernst & Young
\# Refer to Note 15 (b)

15. INVESTMENT IN SUBSIDIARIES (cont'd)

(a) Group reorganisation

(i) On 4 February 2013, the Company acquired 100% equity interest in Cypark Smart Resources Sdn. Bhd. (formerly known as Cypark International Sdn. Bhd.) from its wholly owned subsidiary, Cypark Sdn. Bhd. at a total consideration of RM2.

(ii) On 4 February 2013, the Company disposed of its wholly owned subsidiary, Cypark Smart Technology (Holdings) Sdn. Bhd. to its subsidiary, Cypark Smart Resources Sdn. Bhd. (formerly known as Cypark International Sdn. Bhd.) at a total consideration of RM2.

The group reorganisation did not have any material effect on the financial results and position of the Group.

(b) Business combination

On 30 April 2013, the wholly owned subsidiary of the Company, Cypark Renewable Energy Sdn. Bhd. ("CRE") has entered into three management service agreements with three group of companies as follows:-

(i) Kenari Pasifik Sdn. Bhd. ("KPSB") together with its wholly owned subsidiary, Gaya Dunia Sdn. Bhd. ("GDSB")

(ii) Tiara Insight Sdn. Bhd. ("TISB") together with its wholly owned subsidiary, Rentak Raya Sdn. Bhd. ("RRSB")

(ii) Semangat Sarjana Sdn. Bhd. ("SSSB") together with its wholly owned subsidiary, Ambang Fiesta Sdn. Bhd. ("AFSB")

The Group does not hold any ownership interests in these three group of companies. However, based on the agreements entered, the Group has control over the financial and operating policies of these three groups of companies and receive substantially all of the benefits related to their operations and net assets. Consequently, the Group consolidates these six companies.

(c) Disposal of a subsidiary

The Group had on 13 February 2012 entered into a sale and purchase of shares agreement with Creative Solutions International Ltd for the disposal of 98,000 shares of QAR1.00 each in the capital of Cypark Landscape Services Qatar W.L.L ("CLSQ") representing its entire interest in the capital of CLSQ, for a total cash consideration of RM460,000, resulting in a loss on disposal of RM12,929 (Note 7). The subsidiary was previously classified under "Disposal group classified as held for sale" as at 31 October 2011 as disclosed in Note 10.

16. DEFERRED TAX

Deferred income tax as at 31 October relates to the following:

	As at 1 November 2011 RM	Recognised in profit or loss RM	As at 31 October 2012 RM	Recognised in profit or loss RM	As at 31 October 2013 RM
Group					
Deferred tax liabilities:					
Plant and equipment	32,286	(12,200)	20,086	16,602,026	16,622,112
Trade payables	443,973	(51,851)	392,122	(188,020)	204,102
	476,259	(64,051)	412,208	16,414,006	16,826,214
Deferred tax asset:					
Provisions	(89,275)	54,929	(34,346)	(967,357)	(1,001,703)
Share options	(193,679)	(356,116)	(549,795)	549,795	-
Trade receivables	-	(26,260)	(26,260)	(59,377)	(85,637)
Unabsorbed capital allowances	-	-	-	(16,451,863)	(16,451,863)
Unabsorbed investment tax allowances	-	-	-	(364,927)	(364,927)
	(282,954)	(327,447)	(610,401)	(17,293,729)	(17,904,130)
	193,305	(391,498)	(198,193)	(879,723)	(1,077,916)
Company					
Deferred tax liabilities:					
Plant and equipment	2,498	84,887	87,385	(75,114)	12,271
Trade payables	87,699	(23,385)	64,314	(49,556)	14,758
	90,197	61,502	151,699	(124,670)	27,029
Deferred tax asset:					
Provisions	(33,299)	15,045	(18,254)	5,616	(12,638)
Share options	(193,679)	(356,116)	(549,795)	549,795	-
Trade receivables	-	(4,137)	(4,137)	(16,360)	(20,497)
	(226,978)	(345,208)	(572,186)	539,051	(33,135)
	(136,781)	(283,706)	(420,487)	414,381	(6,106)

Presented after appropriate offsetting as follows:-

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Deferred tax assets	(1,227,916)	(522,836)	(6,106)	(420,487)
Deferred tax liabilities	150,000	324,643	-	-
	(1,077,916)	(198,193)	(6,106)	(420,487)

16. DEFERRED TAX (cont'd)

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2013 RM	2012 RM
Unutilised business losses	(317,375)	-
Unabsorbed investment tax allowances	(208,346,761)	(78,976,908)
	(208,664,136)	(78,976,908)

The Group is eligible to claim 100% investment tax allowance ("ITA") on all qualifying expenditures incurred for its renewable energy business segment, within 5 years from the date that the qualifying expenditure is first incurred. At the reporting date, the Group is entitled to claim ITA on qualifying expenditures incurred on its plant with cost of RM212,608,465 (2012: RM80,906,915) (Note 12) categorised in its plant and equipment. ITA on the said qualifying expenditure is available for offset against future taxable profits of the Group, subject to the agreement of the Inland Revenue Board.

At the reporting date, deferred tax assets arising from the ITA are not recognised as it is too premature for the Group to anticipate their eventual realisation.

17. TRADE AND OTHER RECEIVABLES

	Group		Company	
	31.10.2013 RM	31.10.2012 RM	31.10.2013 RM	31.10.2012 RM
Current				
Trade receivables				
Third party	57,622,255	126,928,489	11,469,216	23,711,122
Retention sum	3,562,600	6,731,523	-	-
Amount due from subsidiaries	-	-	7,422,000	-
Unbilled amount due from customers on work performed	131,520,991	167,889,330	113,915,715	153,745,057
	192,705,846	301,549,342	132,806,931	177,456,179
Less: Allowance for impairment Unbilled amount due from customers on work performed	(1,530,271)	(1,530,271)	-	-
Trade receivables, net	191,175,575	300,019,071	132,806,931	177,456,179

17. TRADE AND OTHER RECEIVABLES (cont'd)

	Group		Company	
	31.10.2013 RM	**31.10.2012 RM**	**31.10.2013 RM**	**31.10.2012 RM**
Other receivables				
Amounts due from subsidiaries	-	-	61,741,451	60,777,942
Sundry receivables	8,164,435	35,891,817	1,452,772	568,616
Refundable deposits	1,252,738	632,477	276,662	112,312
	9,417,173	36,524,294	63,470,885	61,458,870
Total current receivables	200,592,748	336,543,365	196,277,816	238,915,049
Non-current				
Trade receivables				
Retention sum receivables	2,016,884	2,447,018	506,351	486,695
Total non-current receivables	2,016,884	2,447,018	506,351	486,695
Total trade and other receivable (current and non-current)	202,609,632	338,990,383	196,784,167	239,401,744
Add: Cash and bank balances (Note 19)	112,939,014	79,880,612	40,467,661	42,858,891
Less: Unbilled amount due from customers on work performed	(129,990,720)	(166,359,059)	(113,915,715)	(153,745,057)
Total loans and receivables	185,557,926	252,511,936	123,336,113	128,515,578

(a) Trade receivables

The Group's and the Company's normal trade credit term ranges from 60 to 90 (2012: 60 to 90) days. Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The unbilled amount due from customers on work performed mainly relates to the work performed on the projects of the Group. Subsequent billings to and collection from clients amounted to RM44,680,100 (31.10.2012: RM29,468,166) and RM17,148,285 (31.10.2012: RM131,143,379) respectively.

Ageing analysis of trade receivables

The ageing analysis of the Group's and of the Company's trade receivables (excluding the unbilled amount due from customers on work performed) is as follows:

	Group		Company	
	31.10.2013 RM	**31.10.2012 RM**	**31.10.2013 RM**	**31.10.2012 RM**
Neither past due nor impaired	23,506,453	63,685,926	9,835,436	21,102,631
31 to 60 days past due not impaired	4,595,688	10,221,524	204,000	1,125,186
61 to 90 days past due not impaired	11,373,406	21,326,680	2,248,041	-
More than 91 days past due not impaired	23,726,192	40,872,900	7,110,090	1,970,000
	39,695,286	72,421,104	9,562,131	3,095,186
Impaired	-	-	-	-
	63,201,739	136,107,030	19,397,567	24,197,817

17. TRADE AND OTHER RECEIVABLES (cont'd)

(a) Trade receivables (cont'd)

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are retention sums and creditworthy debtors with good payment records with the Group.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Receivables that are past due but not impaired

The Group and the Company have trade receivables amounting to RM39,695,286 (31.10.2012: RM72,421,104) and RM9,562,131 (31.10.2012: RM3,095,186), respectively that are past due at the reporting date but not impaired. The Group's trade receivables arise from customers with more than four years of experience with the Group and losses have occurred infrequently. The receivables that are past due but not impaired are unsecured in nature.

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Group Individual impaired	
	31.10.2013 RM	**31.10.2012 RM**
Trade receivables - nominal amounts	1,530,271	1,530,271
Less: Allowance for impairment	(1,530,271)	(1,530,271)
	-	-

Movement in allowance accounts:

	Group	
	31.10.2013 RM	**31.10.2012 RM**
At 1 November	1,530,271	452,492
Charge for the year (Note 7)	-	1,530,271
Written off (Note 7)	-	(452,492)
At 31 October	1,530,271	1,530,271

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

17. TRADE AND OTHER RECEIVABLES (cont'd)

(b) Amounts due from subsidiaries

Amounts due from subsidiaries are unsecured, non-interest bearing and repayable on demand.

(c) Grant receivable

Included in other receivables is an amount of RM4,493,075 which represents the government grant receivable by the Group in relation to the construction of facilities for the WTE project at Ladang Tanah Merah. During the year, the grant income receivable of RM4,493,075 has been offset against its costs and presented in other income as net grant income.

18. OTHER CURRENT ASSETS

Other current assets of the Group and of the Company relates to prepaid operating expenses of RM319,548 (31.10.2012: RM465,345) and RM60,426 (31.10.2012: RM281,592) respectively.

19. CASH AND BANK BALANCES

	Group		Company	
	31.10.2013 RM	31.10.2012 RM	31.10.2013 RM	31.10.2012 RM
Short term deposits with licensed banks	82,414,930	40,505,772	36,918,045	21,921,577
Cash at banks and in hand	30,524,084	39,374,840	3,549,616	20,937,314
Cash and bank balances (Note 17)	112,939,014	79,880,612	40,467,661	42,858,891

Deposits with licensed banks amounting to RM43,357,247 (31.10.2012: RM40,505,772) and RM24,912,789 (31.10.2012: RM21,921,577) of the Group and of the Company respectively are pledged to licensed banks for credit facilities granted to the Group and the Company. Included herein are deposits totaling RM15,473,317 (31.10.2012: RM10,216,320) of the Group kept in a sinking fund pursuant to a condition prescribed in the agreement for a credit facility obtained and hence, are not available for general use.

The interest rates of deposits with licensed banks at 31 October 2013 for the Group and the Company ranged from 2.60% to 3.22% (31.10.2012: 2.80% to 3.15%) per annum. The maturities of these deposits at the respective reporting dates ranged from 7 to 365 days (2012: 7 to 180 days).

19. CASH AND BANK BALANCES (cont'd)

For the purposes of the statements of cash flows, cash and cash equivalents comprise the following at the reporting date:

	Group		Company	
	31.10.2013 RM	31.10.2012 RM	31.10.2013 RM	31.10.2012 RM
		(Restated)		(Restated)
Cash at banks and in hand	30,524,084	39,374,840	3,549,616	20,937,314
Short term deposits with licensed banks with maturities less than 90 days	57,517,579	19,104,151	28,965,152	14,191,908
Bank overdrafts (Note 21)	(22,167,970)	(36,691,750)	(19,015,886)	(33,185,565)
Cash and cash equivalents	65,873,693	21,787,241	13,498,882	1,943,657

20. PROVISIONS

	Group	
	31.10.2013 RM	31.10.2012 RM
Legal claim		
At 1 November	-	1,894,720
Arose during the year (Note 7)	-	-
Utilised	-	(1,600,000)
Unused amount reversed (Note 7)	-	(294,720)
At 31 October	-	-

As at 31 October 2011, the provision relates to a litigation claim in relation to a dispute in the final amount claimed against a subsidiary by a sub-contractor. The High Court on 10 January 2012 ordered the sum of RM1,894,720 to be paid to the plaintiff and the amount has been provided accordingly in the statements of financial position as at 31 October 2011. The Group had subsequently filed an appeal against the judgement and notwithstanding the process of appeal, provision has been made on the ground of the aforesaid judgement as at the previous reporting date.

Subsequent to filing the appeal against the judgement, the Group has further filed for stay of execution of the aforesaid judgement. Affidavits were exchanged in regards to the stay of execution application and the said application was fixed for hearing on 30 May 2012. The Group filed in its Record of Appeal to the Court of Appeal on 29 March 2012. The plaintiff thereafter cross-appealed.

Thereafter, however, the plaintiff proposed a settlement whereby counterproposal for settlements were made and eventually, a settlement was reached between the Group and the plaintiff. Settlement sum of RM1,600,000 was to be made by the Group to the plaintiff and was paid via cheque dated 16 May 2012.

Upon clearance of the cheque, the Group filed a notice of withdrawal in regards to the appeal and also a Notice of Discontinuance in regards to the application for stay of execution on 29 May 2012. The said withdrawal and discontinuance was made without any order to costs and without liberty to file afresh. Similarly, the plaintiff also filed a notice of withdrawal on 29 May 2012 in regards to their cross appeal without any order to costs and without liberty to file afresh.

21. LOANS AND BORROWINGS

	Maturity	Group 31.10.2013 RM	Group 31.10.2012 RM	Company 31.10.2013 RM	Company 31.10.2012 RM
Current					
Secured:					
Obligations under finance leases (Note 29(c))	2013	332,650	286,402	-	-
Bank loans:					
- Bank overdrafts (Note 19)	On demand	22,167,970	36,691,750	19,015,886	33,185,565
- Advances against progress claims	2013	42,678,000	64,214,590	42,678,000	64,214,590
- Trust receipts	2013	25,000,157	19,859,584	9,567,909	16,209,149
- Bill discounting	2013	3,538,425	1,619,164	3,538,425	1,619,164
- Revolving credits	2013	25,539,000	16,400,000	2,000,000	2,000,000
- Term loans	2013	22,263,620	5,000,000	-	-
		141,519,822	144,071,490	76,800,220	117,228,468
Non-current					
Secured:					
Obligations under finance leases (Note 29(c))	2014 - 2019	1,155,836	1,266,325	-	-
Bank loans:					
- Revolving credit	2014 - 2015	5,700,000	14,100,000	-	-
- Term loans	2014 - 2018	171,545,266	70,000,000	-	-
		178,401,102	85,366,325	-	-
Total loans and borrowings (Note 22)		319,920,924	229,437,815	76,800,220	117,228,468

The remaining maturities of the loans and borrowings at the reporting date are as follows:-

	Group 31.10.2013 RM	Group 31.10.2012 RM	Company 31.10.2013 RM	Company 31.10.2012 RM
On demand or within 1 year	141,519,822	144,071,490	76,800,220	117,228,468
More than 1 year and less than 2 years	30,894,603	18,703,154	-	-
More than 2 year and less than 5 years	86,300,263	45,499,308	-	-
5 years or more	61,206,236	21,163,863	-	-
	319,920,924	229,437,815	76,800,220	117,228,468

21. LOANS AND BORROWINGS (cont'd)

The breakdown of Islamic and conventional loans and borrowings are as follows:-

	Group		Company	
	31.10.2013 RM	31.10.2012 RM	31.10.2013 RM	31.10.2012 RM
Current				
Islamic	53,901,328	25,923,860	16,022,965	12,165,444
Conventional	87,618,494	118,147,630	60,777,255	105,063,024
	141,519,822	144,071,490	76,800,220	117,228,468
Non-current				
Islamic	60,000,000	70,000,000	-	-
Conventional	118,401,102	15,366,325	-	-
	178,401,102	85,366,325	-	-

Obligation under finance leases

These obligations are secured by a charge over the leased assets (Note 12). The flat discount rate implicit in these leases ranged between 2.2% and 3.4% (31.10.2012: 2.2% and 3.4%) per annum.

Bank overdrafts and advances against progress claims ("AAPC")

Bank overdrafts and AAPC bear interests ranging from base lending rate ("BLR") + 1% to BLR + 1.75% (2012: BLR + 1% to BLR + 1.75%) per annum.

Bank overdrafts are repayable on demand while AAPC is granted 120 days repayment term.

Trust receipts and bill discounting

Trust receipts bear interests ranging from BLR + 0.5% to BLR + 1.25% and cost of funds ("COF") + 1% (31.12.2012: BLR + 0.5% to BLR + 1.25%) per annum. Bill discounting bears interest at BLR + 0.5% (31.10.2012: BLR + 0.5%) per annum.

Revolving credits

Revolving credits bear interest ranging from COF + 2% to COF + 2.5% and BLR + 0.75% (31.12.2012: COF + 2% and BLR + 0.75%) per annum.

Term loans

Term loans bear interests ranging from COF + 2% to COF + 2.25% and BLR + 1% (31.10.2012: COF + 2%) per annum and are secured by corporate guarantee issued by the Company. One of the term loans is secured by Guarantee Cover from Credit Guarantee Corporation Malaysia Berhad ("CGC").

The above facilities (except for obligation under finance lease and term loan) are secured by way of existing deposits pledged to the financial institutions, corporate guarantee issued by the Company.

22. TRADE AND OTHER PAYABLES

	Group		Company	
	31.10.2013 RM	31.10.2012 RM	31.10.2013 RM	31.10.2012 RM
Current				
Trade payables				
Third parties	113,467,330	107,340,067	2,506,653	6,384,820
Retention sum	1,187,383	-	-	-
Amounts due to subsidiaries	-	-	3,985,242	57,690,203
	114,654,713	107,340,067	6,491,895	64,075,023
Other payables				
Amounts due to subsidiaries	-	-	22,635,507	-
Advances from directors	-	2,132,258	-	2,132,258
Advances from customers	1,246,611	4,096,485	1,246,611	4,096,485
Sundry payables	2,762,666	4,772,206	1,134,896	375,499
Accruals	4,203,331	3,457,756	1,926,458	2,095,995
	8,212,608	14,458,705	26,943,472	8,700,237
	122,867,321	121,798,772	33,435,367	72,775,260
Non-current				
Trade payables				
Retention sum	11,845,867	12,273,102	407,414	389,462
Total trade and other payables	134,713,188	134,071,874	33,842,781	73,164,722
Add: Loans and borrowings (Note 21)	319,920,924	229,437,815	76,800,220	117,228,468
Total financial liabilities carried at amortised cost	454,634,112	363,509,689	110,643,001	190,393,190

(a) Trade payables

These amounts are non-interest bearing. The normal trade credit terms granted to the Group and the Company range from 30 to 90 days (31.10.2012: 30 to 90 days) although it is customary for the credit terms to be extended beyond 90 days but generally not more than 120 days.

Included in trade payables of the Group is amount due to a related party of RM7,489,401 (31.10.2012: RM4,383,593).

(b) Amounts due to subsidiaries

These amounts are unsecured, non-interest bearing and repayable on demand.

(c) Advances from directors and customers

These amounts are unsecured, non-interest bearing and repayable on demand.

23. SHARE CAPITAL AND SHARE PREMIUM

	Number of ordinary shares of RM0.50 each 2013	2012	Amounts 2013 RM	2012 RM
Authorised share capital:				
At beginning/end of year	200,000,000	200,000,000	100,000,000	100,000,000

	Number of ordinary shares of RM0.50 each	Amounts		
	Share capital	Share capital RM	Share premium RM	Total share capital and share premium RM
Issued and fully paid:				
At 1 November 2011	145,000,000	72,500,000	15,163,246	87,663,246
Ordinary shares issued for cash				
- Under private placement	14,500,000	7,250,000	18,850,000	26,100,000
- Under ESOS	432,500	216,250	414,222	630,472
Transaction cost	-	-	(418,932)	(418,932)
At 31 October 2012	159,932,500	79,966,250	34,008,536	113,974,786
Ordinary shares issued for cash				
- Under private placement	16,065,150	8,032,575	22,491,210	30,523,785
- Under ESOS	2,347,000	1,173,500	2,015,963	3,189,463
Transaction cost	-	-	(104,240)	(104,240)
At 31 October 2013	178,344,650	89,172,325	58,411,469	147,583,794

The Company's issued and paid up share capital was listed on the Main Market of Bursa Malaysia Securities Berhad on 15 October 2010. During the financial year, the Company increased its issued and paid-up ordinary share capital from RM79,966,250 to RM89,172,325 by way of:

(i) an issuance of 16,065,150 ordinary shares of RM0.50 each at an issue price of RM1.90 per share through Private Placement for cash, for additional working capital purposes. The share premium of RM22,491,210 arising from the issuance of ordinary shares and the share issuance costs of RM104,240 have been included in the share premium account.

(ii) an issuance of 2,347,000 ordinary shares of RM0.50 each through the exercise of ESOS by eligible employees of the Group. The share premium of RM2,015,963 arising from the issuance of ordinary shares has been included in the share premium account.

These new issued ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

The share premium arises from the issuance of ordinary shares and the related share issue cost have been included in the share premium account.

24. REVERSE ACQUISITION RESERVE

In accordance with the principles of reverse acquisition in MFRS 3: Business Combination, the amount recognised as issued instruments in the consolidated financial statements is determined by adding the cost of the business combination to the issued equity of the subsidiary being acquired immediately before the business combination. However, the equity structure appearing in the consolidated financial statements is of the Company.

Therefore, a reverse acquisition reserve of RM36,700,000 has been created, being the difference between the required Group's equity structure and the reported equity of the Company.

25. EMPLOYEE SHARE OPTION RESERVE

Employee share option reserve represents the equity-settled share options granted to employees (Note 27). The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the expiry or exercise of the share options.

26. RETAINED EARNINGS

Prior to the year of assessment 2008, Malaysian companies adopted the full imputation system. In accordance with the Finance Act, 2007 which was gazetted on 28 December 2007, companies shall not be entitled to deduct tax on dividends paid, credited or distributed to its shareholders, and such dividends will be exempted from tax in the hands of the shareholders ("single tier system"). However, there is a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the Section 108 of the Malaysian Income Tax Act, 1967 ("Section 108") balance and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the Section 108 balance to be locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act, 2007.

As at 31 October 2013 and 2012, the Company does not have any Section 108 balance. The Company may distribute dividends out of its entire retained earnings as at 31 October 2013 and 2012 under the single tier system.

27. EMPLOYEE SHARE OPTION PLANS

The Cypark Resources Berhad Group's Employee Share Options Scheme ("ESOS") is governed by the By-Laws approved by the shareholders at an Extraordinary General Meeting held on 22 September 2010.

The salient features of the ESOS are as follows:

(i) The ESOS options of 2010 options, 2011 options and 2013 options shall be in force commencing 14 October 2010, 22 December 2011 and 3 September 2013 respectively. All of these ESOS options will be expiring on 13 October 2015;

(ii) The Option Committee appointed by the Board of Directors to administer the ESOS, may from time to time grant options to eligible employees of the Group to subscribe for new ordinary shares of RM0.50 each in the Company;

27. EMPLOYEE SHARE OPTION PLANS (cont'd)

(iii) The total number of new ordinary shares to be offered under the ESOS shall not exceed in aggregate fifteen (15) per centum of the issued and paid-up share capital of the Company at any point in time during the existence of the ESOS and out of which not more than 50% of the shares shall be allocated, in aggregate, to executive directors and senior management. In addition, not more than 10% of the shares available under the ESOS shall be allocated to any individual director or employee who, either singly or collectively through person(s) connected with him/her, holds 20% or more in the issued and paid-up capital of the Company;

(iv) Eligible persons are employees and executive directors in full time employment (including contract employees) and payroll of at least one (1) company within the Group and have attained the age of eighteen (18) years;

(v) The criterion of allotment of new shares is by reference to the category of the eligible persons in consideration with due regard to the performance in the Group and seniority of the eligible persons;

(vi) The price at which the grantee is entitled to subscribe for each ordinary share under the ESOS shall be:

(a) in respect of any offer which is made in conjunction with the listing of the Company on the Main Market of Bursa Malaysia Securities Berhad, the initial public offer price to Malaysian public; or

(b) in respect of any offer which is made subsequent to the listing of the Company on the Main Market of Bursa Malaysia Securities Berhad, set at a discount of not more than ten per centum (10%) of the 5-day weighted average market price of the ordinary shares of the Company for the five (5) market days immediately preceding the date of the offer, or the par value of such share of the Company, whichever is higher.

(vii) In respect of the offer of 2010 options, 50% of the options shall become exercisable after the period of six (6) months from the date of the offer, and the remaining balance of the accepted ESOS shall become exercisable after one (1) year from the date of the respective offer. For the offers of 2011 options and 2013 options, the options shall become exercisable after the acceptance by employees. The employees' entitlements to the options are vested as soon as they become exercisable; and

(viii) All new ordinary shares issued upon exercise of the options granted under the ESOS will rank pari passu in all respects with the existing ordinary shares of the Company except that the new ordinary shares issued shall not rank for any dividend, rights or other distributions declared, made or paid to shareholders prior to the date of allotment.

Movement of share options during the financial year

The following table illustrates the number and weighted average exercise prices ("WAEP") of, and movements in, share options during the financial year:

2010 Options

	Group/Company			
	31.10.2013		31.10.2012	
	Number	WAEP RM	Number	WAEP RM
Outstanding at 1 November	3,475,000	1.10	3,650,000	1.10
- Granted	-	1.10	-	1.10
- Exercised	(2,047,000)	1.10	(175,000)	1.10
Outstanding at 31 October	1,428,000	1.10	3,475,000	1.10
Exercisable at 31 October	1,428,000	1.10	3,475,000	1.10

27. EMPLOYEE SHARE OPTION PLANS (cont'd)

2011 Options

	Group/Company			
	31.10.2013		31.10.2012	
	Number	WAEP RM	Number	WAEP RM
Outstanding at 1 November	6,320,500	1.34	-	1.34
- Granted	-	1.34	6,578,000	1.34
- Exercised	(300,000)	1.34	(257,500)	1.34
Outstanding at 31 October	6,020,500	1.34	6,320,500	1.34
Exercisable at 31 October	6,020,500	1.34	6,320,500	1.34

2013 Options

	Group/Company			
	31.10.2013		31.10.2012	
	Number	WAEP RM	Number	WAEP RM
Outstanding at 1 November	-	1.65	-	-
- Granted	7,827,000	1.65	-	-
- Exercised	-	1.65	-	-
Outstanding at 31 October	7,827,000	1.65	-	-
Exercisable at 31 October	7,827,000	1.65	-	-

The weighted average remaining contractual life of these options is 3 years.

Fair value of share options granted

The fair value of share options granted during the financial period was estimated at the grant date using the binomial option pricing model, taking into account the terms and conditions upon which the instruments were granted. The model simulates the total shareholder return and compares it against the group of principal competitors. It takes into account historic dividends, share price fluctuation covariance of the Company and each entity of the group of competitors to predict the distribution of relative share performance.

The following table lists the inputs to the option pricing models for 2010 Options, 2011 Options and 2013 Options:-

	2010 Options	2011 Options	2013 Options
Weighted average share price (RM)	1.04	1.38	1.88
Weighted average exercise price (RM)	1.10	1.34	1.65
Expected volatility (%)	40.00	20.00	36.60
Expected life (years)	5.00	3.80	2.11
Risk-free interest rate (%)	2.30	3.00	3.28
Dividend yield (%)	2.88	2.21	2.21

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

28. RELATED PARTY TRANSACTIONS

(a) Sale and purchase of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	2013 RM	2012 RM
Group		
Accounting fees charged to a related party*	(30,000)	(30,000)
Amount charged by a related party for work performed on the landscaping and infrastructure project*	2,803,172	-
Amount charged by a related party for work performed on the environmental engineering projects*	10,465,200	-
Company		
Operating and management fees charged by a subsidiary	-	720,000
Secondment fees charged by a subsidiary	-	192,000
Amount charged by a subsidiary for work performed on the landfill project	-	14,278,450
Dividend received from a subsidiary	(2,133,333)	-
Staff costs backcharged to subsidiaries	(1,675,334)	-
Management fees charged to subsidiaries	(7,422,000)	-

* Related party refers to a company in which certain directors have financial interests, namely CyEn Resources Sdn. Bhd.

(b) Compensation of key management personnel

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Short term employee benefit	2,881,244	2,426,980	2,284,593	1,854,528
Defined contribution plan	302,552	241,912	230,952	173,212
Share options granted under ESOS	2,979,751	1,136,888	1,915,211	633,893
Other benefits	1,240	1,343	620	723
	6,164,787	3,807,123	4,431,376	2,662,356

Included in the total key management personnel are:

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Director's remuneration (Note 8)	4,048,481	2,123,900	3,918,121	2,254,260

28. RELATED PARTY TRANSACTIONS (cont'd)

(b) Compensation of key management personnel (cont'd)

Directors' interest in employee share option scheme

During the financial year, 3,775,000 (31.10.2012: 2,000,000) share options were granted to six (31.10.2012: one) of the Company's directors (31.10.2012: executive directors) under the employee share option scheme (Note 27) at an exercise price of RM1.65 (2012: RM1.34) each.

During the financial year, one of the above-mentioned directors had exercised 1,500,000 (31.10.2012: nil) share options.

At the reporting date, the total number of outstanding share options granted by the Company to the above-mentioned directors under the employee share option scheme amounted to 5,675,000 (31.10.2012: 3,400,000).

29. COMMITMENTS

(a) Capital commitments

Capital expenditure as at the reporting date is as follows:

	Group	
	31.10.2013 RM	31.10.2012 RM
Capital expenditure		
Approved and contracted for:-		
Plant and equipment	-	2,667,449
Intangible assets	82,692,311	-

(b) Operating lease commitments - as lessee

The Group has entered into commercial leases on certain motor vehicles, premises, site and office equipment. The Group is restricted from subleasing the leased equipment to third parties.

Future minimum rentals payable under non-cancellable operating leases at the reporting date are as follows:

	Group		Company	
	31.10.2013 RM	31.10.2012 RM	31.10.2013 RM	31.10.2012 RM
Not later than 1 year	1,176,860	1,699,442	434,188	908,020
Later than 1 year but not later than 5 years	1,554,328	1,958,605	183,540	434,400
Later than 5 years	4,508,332	4,832,284	-	-
	7,239,520	8,490,331	617,728	1,342,420

29. COMMITMENTS (cont'd)

The Group has finance leases for certain items of motor vehicles (Note 12).

Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

(c) Finance lease commitments

	Group	
	31.10.2013 RM	31.10.2012 RM
Minimum lease payments:		
Not later than 1 year	399,492	360,648
Later than 1 year but not later than 2 years	379,671	360,648
Later than 2 years but not later than 5 years	766,283	878,030
Later than 5 years	118,280	169,395
Total minimum lease payments	1,663,726	1,768,721
Less: Amounts representing finance charges	(175,240)	(215,994)
Present value of minimum lease payments	1,488,486	1,552,727
Present value of payments:		
Not later than 1 year	332,650	286,402
Later than 1 year but not later than 2 years	330,983	303,154
Later than 2 years but not later than 5 years	709,403	799,308
Later than 5 years	115,450	163,863
Present value of minimum lease payments	1,488,486	1,552,727
Less: Amount due within 12 months (Note 21)	(332,650)	(286,402)
Amount due after 12 months (Note 21)	1,155,836	1,266,325

30. CONTINGENT LIABILITIES

	Group		Company	
	31.10.2013 RM	31.10.2012 RM	31.10.2013 RM	31.10.2012 RM
Unsecured:				
- Litigation claims	-	1,192,894	-	-

The litigation claims relate to the dispute in the final amount claimed by a sub-contractor. During the current financial year, the Group has fully settled the litigation claims by an amicable settlement of RM625,000.

31. BUSINESS COMBINATION

Subsidiaries controlled
31.10.2013

	Principal activity	Date of control obtained	Effective ownership interest	Consideration transferred
Kenari Pasifik Sdn. Bhd.	Investment holding	30.4.2013	-	-
Held through Kenari Pasifik Sdn. Bhd.				
Gaya Dunia Sdn. Bhd.	Renewable energy business	30.4.2013	-	-
Tiara Insight Sdn. Bhd.	Investment holding	30.4.2013	-	-
Held through Tiara Insight Sdn. Bhd.				
Rentak Raya Sdn. Bhd.	Renewable energy business	30.4.2013	-	-
Semangat Sarjana Sdn. Bhd.	Investment holding	30.4.2013	-	-
Held through Semangat Sarjana Sdn. Bhd.				
Ambang Fiesta Sdn. Bhd.	Renewable energy business	30.4.2013	-	-

Although the Group does not hold any ownership interests in these six companies and it does not transfer any consideration to obtain the control, it receives substantially all of the benefits related to their operations and net assets based on the terms of agreements entered between the Group and these six companies via the management service agreements dated 30 April 2013. Consequently, the Group consolidates these six companies.

These six companies are controlled by the Group so as to continue the expansion of the Group's renewable energy business.

Identifiable assets controlled and liabilities assumed

	Group RM
Plant and equipment	138,645,279
Trade and other receivables	5,730,687
Other current assets	221,892
Cash and cash equivalents	2,747,030
Trade and other payables	(49,585,319)
Term loans	(98,087,401)
Total net identifiable liabilities	(327,832)

31. BUSINESS COMBINATION (cont'd)

Net cash inflow arising from business combination

	Group RM
Consideration settled in cash and cash equivalents	-
Cash and cash equivalents controlled	2,747,030
	2,747,030

Goodwill

	Group RM
Total consideration transferred	-
Fair value of net identifiable liabilities	327,832
	327,832

Impact of the business combination on the results of Group

From the date of business combination, these six companies have contributed RM6,700,203 and RM442,752 to the Group's revenue and profit after tax, respectively. If the business combination had taken place at the beginning of the financial year, the Group's revenue would have been RM219,733,863 while the Group's profit after tax would have been RM36,291,665.

32. FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables	17
Cash and bank balances	19
Loan and borrowings (current)	21
Loan and borrowings (non-current)	21
Trade and other payables	22

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

32. FAIR VALUE OF FINANCIAL INSTRUMENTS (cont'd)

The carrying amounts of the current portion of loans and borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

The fair values of loans and borrowings are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

Amounts due from/(to) subsidiaries and finance lease obligations

The fair values of these financial instruments are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk.

The Board of Directors reviews and agrees with the policies and procedures established for these risks, which are executed by the Chief Financial Officer. The audit committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

The following sections provide details regarding the Group's and the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by:

- The carrying amount of each class of financial assets recognised in the statements of financial position.
- Nominal amounts of RM318,200,000 (31.10.2012: RM182,500,000) relating to corporate guarantees provided by the Company to financial institutions on its subsidiaries' bank loans.

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(a) Credit risk (cont'd)

Credit risk concentration profile

At the reporting date, the Group has a significant concentration of credit risk in the form of outstanding balances from four customers (2012: four customer) representing approximately 95% (2012: 87%) of the total trade receivables. The amounts due from customers on work performed mainly relate to unbilled portion of work performed on the closure and restorations of landfills, landscape development and maintenance as well as sale of renewable energy.

Financial assets that are neither past due nor impaired

Information regarding financial assets that are neither past due nor impaired is disclosed in Note 17. Deposits with banks that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 17.

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and of the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	31.10.2013				
	On demand or within one year RM	**One to two years RM**	**Two to five years RM**	**Over five years RM**	**Total RM**
Group					
Financial liabilities:					
Trade and other payables, excluding financial guarantees*	122,867,321	11,464,277	1,497,483	-	135,829,081
Loans and borrowings	141,519,822	30,894,603	86,300,263	61,206,236	319,920,924
Total undiscounted financial liabilities	264,387,143	42,358,880	87,797,746	61,206,236	455,750,005

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

	31.10.2013				
	On demand or within one year RM	One to two years RM	Two to five years RM	Over five years RM	Total RM
Company					
Financial liabilities:					
Trade and other payables, excluding financial guarantees*	3,641,549	85,101	381,343	-	4,107,993
Loans and borrowings	76,800,220	-	-	-	76,800,220
Total undiscounted financial liabilities	80,441,769	85,101	381,343	-	80,908,213

	31.10.2012				
	On demand or within one year RM	One to two years RM	Two to five years RM	Over five years RM	Total RM
Group					
Financial liabilities:					
Trade and other payables, excluding financial guarantees*	121,798,772	12,377,238	-	-	134,176,010
Loans and borrowings	144,071,490	18,703,154	45,499,308	21,163,863	229,437,815
Total undiscounted financial liabilities	265,870,262	31,080,392	45,499,308	21,163,863	363,613,825
Company					
Financial liabilities:					
Trade and other payables, excluding financial guarantees*	72,775,260	389,462	-	-	73,164,722
Loans and borrowings	117,228,468	-	-	-	117,228,468
Total undiscounted financial liabilities	190,003,728	389,462	-	-	190,393,190

* At the reporting date, the counterparties to the bank guarantees does not have a right to demand cash as the default has not occurred. Accordingly, financial guarantees under the scope of MFRS 139 are not included in the above maturity profile analysis.

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings. The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets. This strategy allows it to capitalise on cheaper funding in a low interest rate environment and achieve a certain level of protection against rate hikes.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 50 basis points higher/lower, with all other variables held constant, the Group's profit net of tax would have been RM441,000 lower/higher, arising mainly as a result of an increase in the fair value of fixed rate term loans. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional exposures arising from purchases that are denominated in a currency other than the functional currency of the Group, Ringgit Malaysia ("RM"). The foreign currency in which these transactions are denominated are mainly United States Dollar ("USD").

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

The net unhedged financial liabilities of the Group that are not denominated in their functional currencies are as follows:-

Group **Functional Currency of Group of Companies**	**Financial liabilities held in non-functional currencies USD**
At 31 October 2013	
Ringgit Malaysia	49,858,841

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(d) Foreign currency risk (cont'd)

Group Functional Currency of Group of Companies	Financial liabilities held in non-functional currencies USD
At 31 October 2012	
Ringgit Malaysia	40,851,870

Sensitivity analysis of foreign currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the USD exchange rates against the respective functional currency of the Group, with all other variables held constant.

		Group	
		31.12.2013 RM	31.12.2012 RM
Increase/(decrease) to profit before tax			
USD/RM	- Strengthened 2%	(997,177)	(817,037)
	- weakened 2%	997,177	817,037

34. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 October 2013 and 31 October 2012.

The Group monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio below 50%. The Group includes within net debt, loans and borrowings less cash and bank balances. Capital includes equity attributable to the owners of the parent.

34. CAPITAL MANAGEMENT (cont'd)

	Group		Company	
	31.10.2013 RM	31.10.2012 RM	31.10.2013 RM	31.10.2012 RM
Loans and borrowings (Note 21)	319,920,924	229,437,815	76,800,220	117,228,468
Less: Cash and bank balances (Note 19)	(112,939,014)	(79,880,612)	(40,467,661)	(42,858,891)
Net debt	206,981,910	149,557,203	36,332,559	74,369,577
Equity attributable to the owners of the parents, representing total capital	219,355,995	152,631,298	168,041,042	136,155,295
Capital and net debt	426,337,905	302,188,501	204,373,601	210,524,872
Gearing ratio	48.5%	49.5%	17.8%	35.3%

35. SEGMENT INFORMATION

Reporting format

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the services provided. The operating businesses are organised and managed separately according to the nature of the services provided, with each segment representing a strategic business unit that provides different services and serves different markets.

Business segments

For management purposes, the Group is organised into business units and has the following reportable business segments:

(i) Landscaping — Provision of landscape services for public parks, public amenities and other landscape developments;

(ii) Maintenance — Maintenance of landscape services for public parks, public amenities and other landscape developments;

(iii) Environmental engineering — Provision of nature conservation and environmental amelioration for customers and offer environmental engineering and integrated turnkey contract services, management services, planning and design services; and

(iv) Renewable energy — Sale of electricity generated from the renewable energy parks.

35. SEGMENT INFORMATION (cont'd)

Business segments (cont'd)

The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

Geographical segments

No segmental information is provided on a geographical basis as the Group's activities are conducted predominantly in Malaysia.

Allocation basis and transfer pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Information about major customers

The following details relate to major customers with revenue equal or more than 10% of the Group's total revenue and all these revenue arose from the sales by the environmental engineering segment:-

	Number of customers	Revenue RM	Percentage of total revenue %
2013			
Environmental engineering	5	125,700,306	57%
2012			
Environmental engineering	4	167,569,459	86%

35. SEGMENT REPORTING (cont'd)

The following table provides an analysis of the Group's revenue, results, assets and liabilities by business segments:-

31 October 2013	Environmental Engineering RM	Landscaping & Infrastructure RM	Maintenance RM	Sale of Renewable Energy RM	Continuing Operations Total RM	Discontinued Operations RM	Total RM
Revenue							
Total revenue	283,312,188	19,655,750	963,921	21,224,198	325,156,057	-	325,156,057
Inter-segment revenue	(99,997,614)	(4,493,075)	-	-	(104,490,689)	-	(104,490,689)
Revenue from external customers	183,314,574	15,162,675	963,921	21,224,198	220,665,368	-	220,665,368
Results							
Adjusted earnings before interest, taxes, depreciation and amortisation ("EBITDA")	50,148,735	1,469,121	463,921	14,742,221	66,823,998	-	66,823,998
Bad debts written off	(96,187)	-	-	-	(96,187)	-	(96,187)
Grant of equity-settled share options to employees	(4,153,081)	-	-	-	(4,153,081)	-	(4,153,081)
EBITDA	45,899,467	1,469,121	463,921	14,742,221	62,574,730	-	62,574,730
Depreciation	(624,766)	-	-	(7,032,191)	(7,656,957)	-	(7,656,957)
Interest income	2,102,216	272,817	-	42,767	2,417,800	-	2,417,800
Finance costs	(7,803,662)	(331,168)	-	(6,118,988)	(14,253,818)	-	(14,253,818)
Profit before tax	39,573,255	1,410,770	463,921	1,633,809	43,081,755	-	43,081,755
Income tax expense					(7,157,324)	-	(7,157,324)
Profit net of tax					35,924,431	-	35,924,431
Segment Assets	338,562,352	23,653,071	604,500	314,737,265	677,557,188	-	677,557,188
Included in the measure of segment assets is:-							
Additions to non-current assets other than financial instruments and deferred tax assets							
- Plant and equipment	350,777	-	-	46,414,631	46,765,408	-	46,765,408
- Intangible assets	85,185,677	-	-	327,832	85,513,509	-	85,513,509
	85,536,454	-	-	46,742,463	132,278,917	-	132,278,917
Segment Liabilities	242,843,551	10,232,881	-	205,124,761	458,201,193	-	458,201,193

35. SEGMENT REPORTING (cont'd)

The following table provides an analysis of the Group's revenue, results, assets and liabilities by business segments:-

31 October 2012	Environmental Engineering RM	Landscaping & Infrastructure RM	Maintenance RM	Sale of Renewable Energy RM	Continuing Operations Total RM	Discontinued Operations RM	Total RM
Revenue							
Total revenue	200,342,011	34,343,916	2,375,600	5,335,392	242,396,919	-	242,396,919
Inter-segment revenue	(29,332,950)	(16,350,357)	(912,000)	-	(46,595,307)	-	(46,595,307)
Revenue from external customers	171,009,061	17,993,559	1,463,600	5,335,392	195,801,612	-	195,801,612
Results							
Adjusted EBITDA	38,894,039	2,359,925	584,939	4,561,005	46,399,908	(32,811)	46,367,097
Impairment on trade receivables	-	-	-	(1,530,271)	(1,530,271)	-	(1,530,271)
Grant of equity-settled share options to employees	(1,424,466)	-	-	-	(1,424,466)	-	(1,424,466)
EBITDA	37,469,573	2,359,925	584,939	3,030,734	43,445,171	(32,811)	43,412,360
Depreciation	(525,783)	-	-	(1,452,510)	(1,978,293)	-	(1,978,293)
Interest income	1,193,454	239,960	-	13,033	1,446,447	-	1,446,447
Finance costs	(7,929,494)	(273,718)	-	(572,181)	(8,775,393)	-	(8,775,393)
Profit before tax	30,207,750	2,326,167	584,939	1,019,076	34,137,932	(32,811)	34,105,121
Income tax expense					(8,526,720)	-	(8,526,720)
Profit net of tax					25,611,212	(32,811)	25,578,401
Segment Assets	393,883,782	19,063,615	1,345,400	106,374,680	520,667,477	-	520,667,477
Included in the measure of segment assets is:-							
Additions to non-current assets other than financial instruments and deferred tax assets							
- Plant and equipment	1,208,173	-	-	92,045,020	93,253,193	-	93,253,193
Segment Liabilities	265,007,312	10,428,492	-	92,600,375	368,036,179	-	368,036,179

36. DIVIDENDS

	Group/Company	
	2013	2012
	RM	RM
Recognised during the financial year:		
Dividends on ordinary shares:		
First and final tax exempt (single-tier) dividend of 4.00 sen per share	6,426,060	-
First and final tax exempt (single-tier) dividend of 3.75 sen per share	-	5,993,906
Total	6,426,060	5,993,906

At the forthcoming Annual General Meeting, a final tax exempt (single-tier) dividend in respect of the financial year ended 31 October 2013 of 5.00 sen per share on 180,597,650 ordinary shares, amounting to a dividend payable of RM9,029,882 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 October 2014.

37. SIGNIFICANT EVENT

During the financial year, the Group has entered into management service agreements with Kenari Pasifik Sdn. Bhd., Tiara Insight Sdn. Bhd. and Semangat Sarjana Sdn. Bhd. (collectively refer to Companies). Based on the terms of the agreements, the Group receives substantially all of the benefits related to the operations and net assets of the Companies and their subsidiaries although the Group does not own any equity interests in the Companies. Consequently, the Group has consolidated these three group of companies.

38. COMPARATIVES

The following comparative figures have been reclassified to conform with current year's presentation:

	As previously stated RM	Re-classification RM	As restated RM
Statements of comprehensive income			
Group			
31 October 2012			
Cost of sales	145,336,423	(1,014,051)	144,322,372
Administrative expenses	10,688,345	1,014,051	11,702,396

38. COMPARATIVES (cont'd)

Statement of cash flows for the year ended 31 October 2012

	As previously stated RM	Re-classification RM	As restated RM
Group			
Withdrawal of short term deposits with licensed banks	-	5,029,415	5,029,415
Cash and cash equivalents at beginning of year	24,751,052	(26,431,036)	(1,679,984)
Cash and cash equivalents at end of year	43,188,862	(21,401,621)	21,787,241
Company			
Placement of short term deposits with licensed banks	-	(3,153,703)	(3,153,703)
Cash and cash equivalents at beginning of year	(7,287,878)	(4,575,966)	(11,863,844)
Cash and cash equivalents at end of year	9,673,326	(7,729,669)	1,943,657

39. SUPPLEMENTARY INFORMATION – BREAKDOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED

The breakdown of the retained earnings of the Group and of the Company as at 31 October 2013 and 31 October 2012 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group		Company	
	31.10.2013 RM	31.10.2012 RM	31.10.2013 RM	31.10.2012 RM
Total retained earnings				
- Realised	85,598,473	74,084,006	14,727,566	19,225,010
- Unrealised	19,705,095	189,900	6,106	420,487
	105,303,568	74,273,906	14,733,672	19,645,497
Less: Consolidation adjustments	(2,554,943)	(1,023,652)	-	-
Total retained earnings	102,748,625	73,250,254	14,733,672	19,645,497

ANALYSIS OF SHAREHOLDINGS
As at 5 March 2014

STATISTICS OF SHAREHOLDINGS AS AT 5 MARCH 2014

Authorised Share Capital	:	RM100,000,000.00
Issued and Paid-Up Share Capital	:	RM90,298,825.00
Class of Shares	:	Ordinary Shares of RM0.50 each
Voting Rights	:	One vote per ordinary share

Size of Shareholdings	No. of Shareholders	%	No. of Shares Held	%
1 – 99	14	0.54	220	0.00
100 – 1,000	406	15.56	321,030	0.18
1,001 – 10,000	1,555	59.58	7,520,300	4.16
10,001 – 100,000	487	18.66	16,025,200	8.87
100,001 – 9,029,881 (*)	144	5.52	102,701,820	56.87
9,029,882 and above (**)	4	0.15	54,029,080	29.92
TOTAL	**2,610**	**100.00**	**180,597,650**	**100.00**

Remarks : * Less than 5% of issued shares
** 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS

The substantial shareholders of Cypark Resources Berhad based on the Register of Substantial Shareholders of the Company and their respective shareholdings as at 5 March 2014 are as follows:-

	No. of Shares			
Substantial Shareholders	**Direct**	**%**	**Indirect**	**%**
Tan Sri Razali bin Ismail	49,280,600	27.29	-	-
Dato' Daud bin Ahmad	14,219,400	7.87	-	-

DIRECTORS' SHAREHOLDINGS

The Directors' shareholdings based on the Register of Directors' Shareholdings of the Company as at 5 March 2014 are as follows:-

	Direct Interest		Indirect Interest	
Directors	**No. of Shares Held**	**%**	**No. of Shares Held**	**%**
Tan Sri Razali bin Ismail	49,280,600	27.29	-	-
Dato' Daud bin Ahmad	14,219,400	7.87	-	-
Dato' Dr. Freezailah bin Che Yeom	100,000	0.06	-	-
Encik Headir bin Mahfidz	25,000	0.01	-	-
Encik Megat Abdul Munir bin Megat Abdullah Rafaie	20,000	0.01	-	-
Datuk Abdul Malek bin Abdul Aziz	6,000	0.00	-	-

ANALYSIS OF SHAREHOLDINGS
As at 5 March 2014

THIRTY LARGEST SECURITIES ACCOUNT HOLDERS

No.	Shareholders	No. of Shares	%
1.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Razali bin Ismail (8095427)	15,854,680	8.78
2.	EB Nominees (Tempatan) Sendirian Berhad Pledged Securities Account for Razali bin Ismail (KLM)	14,881,300	8.24
3.	Daud bin Ahmad	12,919,400	7.15
4.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Razali bin Ismail	10,373,700	5.74
5.	Razali bin Ismail	8,170,920	4.52
6.	Amanahraya Trustees Berhad Public Smallcap Fund	7,793,200	4.32
7.	Maybank Securities Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chua Sai Men	4,836,000	2.68
8.	Malacca Equity Nominees (Tempatan) Sdn. Bhd. Exempt AN for Phillip Capital Management Sdn. Bhd.	3,687,900	2.04
9.	HSBC Nominees (Tempatan) Sdn. Bhd. HSBC (M) Trustee Bhd for MAAKL Al-Fauzan (5170)	2,907,700	1.61
10.	Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board (KAF FM)	2,800,000	1.55
11.	HSBC Nominees (Tempatan) Sdn. Bhd. HSBC (M) Trustee Bhd for RHB-OSK Small Cap Opportunity Unit Trust (3548)	2,000,000	1.11
12.	HSBC Nominees (Tempatan) Sdn. Bhd. HSBC (M) Trustee Bhd for MAAKL Progress Fund (4082)	2,000,000	1.11
13.	Kumpulan Wang Simpanan Guru-Guru	2,000,000	1.11
14.	Tan Swee Loon	1,969,000	1.09
15.	Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Trustees Berhad for Public Balanced Fund (N14011950210)	1,955,000	1.08
16.	Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Trustees Bhd for Libra Amanah Saham Wanita (N14011980040)	1,880,000	1.04

THIRTY LARGEST SECURITIES ACCOUNT HOLDERS (cont'd)

No.	Shareholders	No. of Shares	%
17.	Maybank Nominees (Tempatan) Sdn. Bhd. Malaysian Trustees Berhad for AMB Smallcap Trust Fund (240165)	1,703,400	0.94
18.	HSBC Nominees (Tempatan) Sdn. Bhd. HSBC (M) Trustee Bhd for RHB-OSK Smart Treasure Fund (4694-002)	1,700,000	0.94
19.	HSBC Nominees (Tempatan) Sdn. Bhd. HSBC (M) Trustee Bhd for RHB-OSK Growth And Income Focus Trust (4892)	1,650,000	0.91
20.	AMSEC Nominees (Tempatan) Sdn. Bhd. Amtrustee Berhad for Pacific Pearl Fund (UT-PM-PPF)	1,618,500	0.90
21.	Maybank Nominees (Tempatan) Sdn. Bhd. Etiqa Insurance Berhad (SHAREHLDR'S FD)	1,610,000	0.89
22.	HDM Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lim Chai Beng (M02)	1,559,800	0.86
23.	UOBM Nominees (Tempatan) Sdn. Bhd. UOB Asset Management (Malaysia) Berhad for Uni.Asia Life Assurance Berhad (PAR FUND)	1,460,100	0.81
24.	Malaysia Nominees (Tempatan) Sendirian Berhad Great Eastern Life Assurance (Malaysia) Berhad (LPF)	1,398,000	0.77
25.	Amanahraya Trustees Berhad Public Strategic Smallcap Fund	1,387,000	0.77
26.	Citigroup Nominees (Asing) Sdn. Bhd. CBNY for DFA Emerging Markets Small Cap Series	1,317,100	0.73
27.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Daud bin Ahmad	1,300,000	0.72
28.	Citigroup Nominees (Asing) Sdn. Bhd. CBNY for Emerging Market Core Equity Portfolio DFA Investment Dimensions Group Inc	1,283,900	0.71
29.	Citigroup Nominees (Tempatan) Sdn. Bhd. Exempt AN for AIA Bhd.	1,282,500	0.71
30.	Maybank Nominees (Tempatan) Sdn. Bhd. Etiqa Takaful Berhad (SHAREHOLDERS FD)	1,250,000	0.69
	TOTAL	**116,549,100**	**64.54**

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Ninth Annual General Meeting ("9th AGM") of the Company will be held at Boardroom 4, Level 3, Eastin Hotel, 13, Jalan 16/11, Pusat Dagang Seksyen 16, 46350 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 22 April 2014 at 10:00 a.m. for the following purposes:-

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 October 2013 together with the Reports of the Directors and the Auditors thereon. **(Please refer to Note 7)**

2. To approve the declaration and payment of a final tax exempt (single tier) dividend of 5.00 sen per ordinary share for the financial year ended 31 October 2013. **(Resolution 1)**

3. To approve the payment of Directors' fees for the financial year ending 31 October 2014 and thereafter. **(Resolution 2)**

4. To re-elect Dato' Daud bin Ahmad, who is retiring in accordance with Article 84 of the Company's Articles of Association and being eligible, has offered himself for re-election. **(Resolution 3)**

5. To pass the following resolutions pursuant to Section 129(6) of the Companies Act, 1965 :-

   (a) "That Tan Sri Razali bin Ismail, who is retiring pursuant to Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed as Director of the Company and to hold office until the conclusion of the next Annual General Meeting." **(Resolution 4)**

   (b) "That Dato' Dr. Freezailah bin Che Yeom, who is retiring pursuant to Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed as Director of the Company and to hold office until the conclusion of the next Annual General Meeting." **(Resolution 5)**

   (c) "That Datuk Abdul Malek bin Abdul Aziz, who is retiring pursuant to Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed as Director of the Company and to hold office until the conclusion of the next Annual General Meeting." **(Resolution 6)**

6. To appoint Messrs. Mazars as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. **(Resolution 7)**

   Notice of Nomination pursuant to Section 172(11) of the Companies Act, 1965, a copy of which is annexed hereto and marked "Annexure A" in the Annual Report and had been received by the Company for the nomination of Messrs. Mazars for appointment as Auditors of the Company and the intention to propose the following ordinary resolution:-

   "That subject to their consent to act, Messrs. Mazars be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors, Messrs. Ernst & Young, to hold office until the conclusion of the next Annual General Meeting at a remuneration to be agreed between the Directors and the Auditors."

<u>As Special Business</u>

To consider and if thought fit, with or without any modification, to pass the following Ordinary Resolutions:-

7. **ORDINARY RESOLUTION NO. 1** **(Resolution 8)**
   - **PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

"**THAT** subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature for the Company and/or its subsidiaries to enter into and to give effect to the category of the recurrent related party transactions of a revenue or trading nature from time to time with the Related Party as specified in Section 1.4 of the Circular/Statement to Shareholders dated 31 March 2014 provided that such transactions are:-

(i) recurrent transactions of a revenue or trading nature;

(ii) necessary for the Company's day-to-day operations;

(iii) carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and

(iv) not to the detriment of minority shareholders

(the "**Proposed Shareholders' Mandate**");

THAT the authority for the Proposed Shareholders' Mandate shall continue to be in force until the earlier of:-

(i) the conclusion of the next Annual General Meeting of the Company at which time it will lapse unless the authority is renewed by a resolution passed at the next Annual General Meeting;

(ii) the expiration of the period within which the next Annual General Meeting is to be held pursuant to Section 143(1) of the Companies Act, 1965 ("**the Act**") but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Act; or

(iii) is revoked or varied by resolution passed by the shareholders in a general meeting before the next Annual General Meeting;

AND FURTHER THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required), as they may consider expedient or necessary to give effect to the Proposed Ratification and Proposed Shareholders' Mandate."

8. **ORDINARY RESOLUTION NO. 2** **(Resolution 9)**
- PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

"**THAT**, subject to the compliance with Section 67A of the Companies Act, 1965 and all other applicable laws, rules and regulations, approval be and is hereby given to the Company, to purchase such amount of ordinary shares of RM0.50 each in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad ("**Bursa Securities**") as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares to be purchased and held pursuant to this resolution does not exceed 10% of the existing issued and paid-up ordinary share capital of the Company including the shares previously purchased and retained as Treasury Shares (if any) and the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the total retained profits and share premium account of the Company, upon such terms and conditions as set out in the Circular/Statement to Shareholders dated 31 March 2014.

AND THAT such authority shall commence immediately upon the passing of this Ordinary Resolution and until the conclusion of the next Annual General Meeting ("**AGM**") of the Company or the expiry of the period within which the next AGM is required by law to be held unless revoked or varied by Ordinary Resolution in the general meeting of the Company but so as not to prejudice the completion of a purchase made before such expiry date, in any event in accordance with the provisions of Bursa Securities Main Market Listing Requirements and any other relevant authorities.

AND THAT authority be and is hereby given to the Directors of the Company to decide in their absolute discretion to retain the ordinary shares in the Company so purchased by the Company as Treasury Shares and/or to cancel them and/or to resell them and/or to distribute them as share dividends in such manner as may be permitted and prescribed by the provisions of the Bursa Securities Main Market Listing Requirements and any other relevant authorities.

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps as are necessary to enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and to do all such acts and things as the Directors may deem fit and expedient in the interests of the Company."

9. **ORDINARY RESOLUTION NO. 3** **(Resolution 10)**
   - AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

   "**THAT** subject to Section 132D of the Act and approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the issued and paid-up share capital of the Company for the time being and the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities.

   AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."

10. To transact any other ordinary business of which due notice shall have been given.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

Notice is hereby given that the final tax exempt (single tier) dividend of 5.00 sen per ordinary share for the financial year ended 31 October 2013, if approved by the shareholders at the Ninth Annual General Meeting, will be payable on 19 June 2014 to shareholders whose names appear in the Record of Depositors on 20 May 2014.

A Depositor shall qualify for entitlement to the dividend only in respect of:

(a) Shares transferred into the Depositor's securities account before 4.00 p.m. on 20 May 2014 in respect of ordinary transfers; and

(b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

CHUA SIEW CHUAN (MAICSA 0777689)
YEOW SZE MIN (MIA 31521)
Company Secretaries
Kuala Lumpur

Dated : 31 March 2014

NOTES:

1. In respect of deposited securities, only members/shareholders whose names appear in the Record of Depositors on 15 April 2014 shall be eligible to attend the Meeting.

2. A shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint one (1) or more proxies to attend and vote in his stead. Where a member/shareholder appoints more than one (1) proxy to attend and vote at the Meeting, such appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.

3. A proxy may but need not be a shareholder of the Company and a shareholder may appoint any person to be his proxy without limitation and the provisions of Section 149 (1)(a) and (b) of the Companies Act, 1965 ("**the Act**") shall not apply to the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the shareholder to speak at the Meeting.

4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.

5. Where a shareholder of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**") which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where a shareholder is an authorised nominee as defined under SICDA, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.

6. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the Registered Office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof.

7. This Agenda item is meant for discussion only, as the provision of Section 169(1) of the Act does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

8. Explanatory Note to Special Business:

   (i) **Resolution 8 – Proposed Shareholders' Mandate**

   The proposed Resolution 8 is intended to enable the Company and its affiliated companies to enter into recurrent related party transactions or a revenue or trading nature which are necessary for the Company's day-to-day operations to facilitate transactions in the normal course of business of the Company with the specified classes of related parties, provided that they are carried out on an arms' length basis and on normal commercial terms and are not prejudicial to the shareholders on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

   Please refer to the Circular/Statement to Shareholders dated 31 March 2014 for further information.

   (ii) **Resolution 9 – Proposed Authority for the Company to Purchase Its Own Shares**

   The proposed Resolution 9 is intended to allow the Company to purchase its own shares up to 10% of the total issued and paid-up capital of the Company at any time within the time period stipulated in the Main Market Listing Requirements of Bursa Securities.

   Please refer to the Circular/Statement to Shareholders dated 31 March 2014 for further information.

   (iii) **Resolution 10 – Authority to Issue Shares**

   The proposed Resolution 10 is intended to renew the authority granted to the Directors of the Company at the Eighth Annual General Meeting of the Company held on 17 April 2013 to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed 10% of the issued share capital of the Company for the time being (hereinafter referred to as the "**General Mandate**").

   The General Mandate granted by the shareholders at the Eighth Annual General Meeting of the Company had not been utilised and hence no proceed was raised therefrom.

   The new General Mandate will enable the Directors to take swift action for allotment of shares for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s) and to avoid delay and cost in convening general meetings to approve such issue of shares.

Date: 18 March 2014

The Board of Directors
CYPARK RESOURCES BERHAD
Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur

Dear Sirs,

NOTICE OF NOMINATION OF AUDITORS

We, the undersigned, being the registered shareholder of Cypark Resources Berhad ("**the Company**"), hereby nominate, Messrs. Mazars, for appointment as new Auditors of the Company in place of the retiring Auditors, Messrs. Ernst & Young at the forthcoming Annual General Meeting of the Company, pursuant to Section 172(11) of the Companies Act, 1965.

Therefore, we propose that the following resolution be considered at the forthcoming Annual General Meeting of the Company:-

"That subject to their consent to act, Messrs. Mazars be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors, Messrs. Ernst & Young, to hold office until the conclusion of the next Annual General Meeting at a remuneration to be agreed between the Directors and the Auditors."

Yours faithfully,
For and on behalf of

Dato' Daud bin Ahmad

Cypark Resources Berhad
(642994-H)
(Incorporated in Malaysia)

FORM OF PROXY

CDS Account No.	
Number of ordinary shares held	

*I/We (full name), ____________________________ bearing *NRIC No./Passport No./Company No. __________________________

of (full address)____

being a *member/members of Cypark Resources Berhad ("the Company") hereby appoint:-

First Proxy "A"

Full Name (in Block)	NRIC/ Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Full Address			

and/or failing *him/her,

Second Proxy "B"

Full Name (in Block)	NRIC/ Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Full Address			

 # to put on a separate sheet where there are more than two (2) proxies

100%

or failing *him/her, the *Chairman of the Meeting as *my/our proxy to vote for *me/us and on *my/our behalf at the Ninth Annual General Meeting of the Company to be held at Boardroom 4, Level 3, Eastin Hotel, 13, Jalan 16/11, Pusat Dagang Seksyen 16, 46350 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 22 April 2014 at 10:00 a.m. and at any adjournment thereof.

In the case of a vote by a show of hands, my proxy ___________________ (one only) shall vote on *my/our behalf.

Please indicate with an "X" in the spaces provided below as to how you wish your votes to be casted. If no specific direction as to voting is given, the proxy will vote or abstain from voting at *his/her discretion.

Item	Agenda			
1.	To receive the Audited Financial Statements for the financial year ended 31 October 2013 together with the Reports of the Directors and the Auditors thereon.			
		Resolution	**For**	**Against**
2.	To approve the declaration and payment of a final tax exempt (single tier) dividend of 5.00 sen per ordinary share for the financial year ended 31 October 2013.	1		
3.	To approve the payment of Directors' fees for the financial year ending 31 October 2014 and thereafter.	2		
4.	To re-elect Dato' Daud bin Ahmad, who is retiring in accordance with Article 84 of the Company's Articles of Association and being eligible, has offered himself for re-election.	3		
5 (a).	To re-appoint Tan Sri Razali bin Ismail, who is retiring pursuant to Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed as Director of the Company.	4		
5 (b).	To re-appoint Dato' Dr. Freezailah bin Che Yeom, who is retiring pursuant to Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed as Director of the Company.	5		
5 (c).	To re-appoint Datuk Abdul Malek bin Abdul Aziz, who is retiring pursuant to Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed as Director of the Company.	6		
6.	To appoint Messrs. Mazars as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.	7		
Special Business				
7.	Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue Or Trading Nature.	8		
8.	Proposed Renewal of Authority for Share Buy-Back.	9		
9.	Authority to Issue Shares pursuant to Section 132D of the Companies Act, 1965.	10		

As witness my/our hand(s) this day __________ of ____________________, 2014.

*Signature/Common Seal of Member

** Strike out whichever not applicable*

Notes:-

1. In respect of deposited securities, only members/shareholders whose names appear in the Record of Depositors on 15 April 2014 shall be eligible to attend the Meeting.
2. A shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint one (1) or more proxies to attend and vote in his stead. Where a member/shareholder appoints more than one (1) proxy to attend and vote at the Meeting, such appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
3. A proxy may but need not be a shareholder of the Company and a shareholder may appoint any person to be his proxy without limitation and the provisions of Section 149 (1)(a) and (b) of the Companies Act, 1965 ("**the Act**") shall not apply to the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the shareholder to speak at the Meeting.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.
5. Where a shareholder of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**") which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where a shareholder is an authorised nominee as defined under SICDA, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
6. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the Registered Office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof.

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STAMP

The Company Secretary
CYPARK RESOURCES BERHAD **(642994-H)**
c/o Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur

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Cypark : At a Glance

Cypark Resources Berhad, a public listed company on the Main Board of Bursa Malaysia (formerly known as the Kuala Lumpur Stock Exchange - KLSE) is a leading integrated renewable energy developer and green technology solutions provider, specialising in:

- integrated renewable energy generation (solar, biogas, biomass, waste-to-energy)
- integrated waste management solutions
- environmental remediation
- landfill restoration
- scientific closure and remediation of contaminated land through internally developed technology (COLARIS)
- ground water assessment, remediation, and information system (GARIS)
- environmental monitoring and management as well as
- wastewater treatment

Contact Information

Cypark endeavours to build customer loyalty by doing what we say we will do every time and on time. We believe customer satisfaction is the best measure of our success.

For more information on our services, please contact us at:

Email:
- General Information: marketing.pr@crbenv.com
- Investor Relations: irinfo@crbenv.com
- Media Contact: marketing.pr@crbenv.com

Awards & Accolades

POWER & ELECTRICITY AWARDS (ASIA)
Solar Project of the Year 2013

ASIAN POWER AWARDS
Power Utility of Year (Malaysia) 2012

MALAYSIA BOOK OF RECORDS
Largest Grid-Connected Solar Park

MALAYSIA BOOK OF RECORDS
Most Number of Solar Panels on a Grid-Connected Solar Park (Safely Closed Landfill)

MALAYSIAN GREENTECH AWARDS
GreenTech Developer Award 2012 (Silver)

ISO 9001:2008 Certified
The only ISO 9001:2008 Certified Integrated Environmental and Landscape Company in Malaysia

Enterprise 50 Award 2004

Cypark
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(642994-H)

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