



# CME GROUP BERHAD

(Company No. 52235-K)  
(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013

(The figures have not been audited)

	Unaudited At 31/03/2013 RM '000	Unaudited At 31/12/2012 RM '000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	7,421	7,522
Investment properties	38,050	39,230
Other financial assets	891	891
Deferred tax assets	11	11
<b>TOTAL NON-CURRENT ASSETS</b>	<b>46,373</b>	<b>47,654</b>
<b>CURRENT ASSETS</b>		
Inventories	1,638	1,566
Amount due from contract customers	261	1,582
Trade receivables and other receivables	11,309	2,212
Fixed deposits with licensed banks	-	215
Tax recoverable	325	400
Cash and bank balances	419	486
<b>TOTAL CURRENT ASSETS</b>	<b>13,952</b>	<b>6,461</b>
<b>TOTAL ASSETS</b>	<b>60,325</b>	<b>54,115</b>
<b>EQUITY AND LIABILITIES</b>		
<b>CAPITAL AND RESERVES</b>		
Issued capital	40,510	40,510
Reserves	497	243
<b>Equity attributable to equity holders of the Company</b>	<b>41,007</b>	<b>40,753</b>
<b>Non-controlling interests</b>	<b>203</b>	<b>153</b>
<b>TOTAL EQUITY</b>	<b>41,210</b>	<b>40,906</b>
<b>NON-CURRENT LIABILITIES</b>		
Hire-purchase payables	450	400
Long-term loan	1,223	1,010
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>1,673</b>	<b>1,410</b>
<b>CURRENT LIABILITIES</b>		
Amount due to contract customers	315	-
Trade payables and other payables	12,135	4,089
Hire-purchase payables	108	108
Bank borrowings	4,689	7,465
Tax liabilities	195	137
<b>TOTAL CURRENT LIABILITIES</b>	<b>17,442</b>	<b>11,799</b>
<b>TOTAL LIABILITIES</b>	<b>19,115</b>	<b>13,209</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>60,325</b>	<b>54,115</b>
<b>Net Tangible Assets Per RM0.10 Share</b>	<b>0.101</b>	<b>0.101</b>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statement for the year ended 31 December 2012 and the explanatory notes attached to the interim financial report.)

**CME GROUP BERHAD**

(Company No. 52235-K)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE CURRENT QUARTER AND CUMULATIVE 3-MONTH PERIOD ENDED 31 MARCH 2013**

*(The figures have not been audited)*

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current year quarter 31/03/2013 (RM '000)	Preceding year corresponding quarter 31/03/2012 (RM '000)	Current year-to-date 31/03/2013 (RM '000)	Preceding year corresponding period 31/03/2012 (RM '000)
Revenue	6,372	5,547	6,372	5,547
Cost of sales	(4,591)	(4,009)	(4,591)	(4,009)
<b>Gross profit</b>	<b>1,781</b>	<b>1,538</b>	<b>1,781</b>	<b>1,538</b>
Other gains	165	105	165	105
Administrative expenses	(1,229)	(1,105)	(1,229)	(1,105)
Other expenses	(184)	(148)	(184)	(148)
Finance costs	(105)	(121)	(105)	(121)
<b>Profit before tax</b>	<b>428</b>	<b>269</b>	<b>428</b>	<b>269</b>
Income tax expense	(124)	(75)	(124)	(75)
<b>Profit for the period</b>	<b>304</b>	<b>194</b>	<b>304</b>	<b>194</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>304</b>	<b>194</b>	<b>304</b>	<b>194</b>
<b>Profit attributable to:-</b>				
Equity holders of the Company	254	141	254	141
Non-controlling interests	50	53	50	53
	<b>304</b>	<b>194</b>	<b>304</b>	<b>194</b>
Earnings per share (sen)				
- Basic	0.063	0.035	0.063	0.035
- Diluted	N/A	N/A	N/A	N/A

*(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statement for the year ended 31 December 2012 and the explanatory notes attached to the interim financial report.)*

**CME GROUP BERHAD***(Company No. 52235-K)  
(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2013***(The figures have not been audited)*

	<b>Issued capital</b>	<b>Retained earnings/ (Accumulated losses)</b>	<b>Non-distributable reserves–Fair value reserve</b>	<b>Equity attributable to equity holders of the Company</b>	<b>Non-controlling Interests</b>	<b>Total equity</b>
	<i>RM'000</i>	<i>RM'000</i>	<i>RM'000</i>	<i>RM'000</i>	<i>RM'000</i>	<i>RM'000</i>
<b>Balance as at 1 January 2012</b>	40,110	(183)	419	40,346	95	40,441
Total comprehensive income for the year	-	20	(13)	7	58	65
Issuance of ordinary shares in subsidiary company	400	-	-	400	-	400
<b>Balance as at 31 December 2012</b>	40,510	(163)	406	40,753	153	40,906
Total comprehensive income for the period	-	254	-	254	50	304
<b>Balance as at 31 March 2013</b>	40,510	91	406	41,007	203	41,210

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statement for the year ended 31 December 2012 and the explanatory notes attached to the interim financial report.)***CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2013***(The figures have not been audited)*

	<b>Current year-to-date</b>	<b>Preceding year corresponding year-to-date</b>
	<b>31/03/2013</b>	<b>31/03/2012</b>
	<i>RM'000</i>	<i>RM'000</i>
<b>CASH FLOWS USED IN OPERATING ACTIVITIES</b>		
Profit for the period	303	194
Adjustments for:		
Depreciation of property, plant and equipment	110	115
Finance costs	105	121
Gain on disposal of investment properties	(150)	-
Income tax expense recognised in profit or loss	125	75
Interest income	(6)	-
Operating profit before working capital changes	487	505
Changes in working capital:		
Net changes in current assets	(7,848)	(2,096)
Net changes in current liabilities	8,361	2,010
Cash from operations	1,000	419
Tax refund	38	-
Income tax paid	(31)	(35)
Net cash from operating activities	1,007	384

**CME GROUP BERHAD**

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**CASH FLOWS USED IN INVESTING ACTIVITIES**

Withdrawal of fixed deposit	215	(1,125)
Interest income received	6	-
Proceed from disposal of investment properties	1,330	-
Purchase of property, plant and equipment	(8)	(10)

Net cash from/(used in) investing activities 1,543 (1,135)

**CASH FLOWS FROM FINANCING ACTIVITIES**

Repayment of bank borrowings	(2,745)	414
Interest expense paid	(105)	(121)
Proceed from issuance of issued capital	-	-
Repayment of hire purchase payables	50	77

Net cash (used in)/from financing activities (2,800) 370

**NET CHANGE IN CASH AND CASH EQUIVALENTS** (250) (381)

**CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR** (4,020) (3,627)

**CASH AND CASH EQUIVALENTS AT END OF PERIOD** (4,270) (4,008)

**Cash and Cash Equivalents are as follows:-**

Fixed deposits with licensed banks	-	2,284
Cash and bank balances	419	1,159
Bank overdrafts	(4,689)	(5,167)
	<u>(4,270)</u>	<u>(1,724)</u>
Less: - Fixed deposits pledged	-	(2,284)
	<u>(4,270)</u>	<u>(4,008)</u>

*(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Statement for the year ended 31 December 2012 and the explanatory notes attached to the interim financial report.)*



**NOTES TO THE INTERIM FINANCIAL STATEMENT – FIRST QUARTER ENDED 31 MARCH 2012**

**A COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERM FINANCIAL REPORTING AND BURSA LISTING REQUIREMENTS**

**1 Basis of Preparation**

The interim financial statements are unaudited and have been prepared in compliance with Malaysian Financial Reporting Standard (MFRS) 134 -*Interim Financial Reporting*, issued by the Malaysian Accounting Standards Board (“MASB”) and Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2012. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2012.

**2 Significant accounting policies**

These condensed consolidated interim financial statements have been prepared in accordance with the same accounting policies applied in the 2012 financial statements except for the adoption of the new and revised FRSs, IC Interpretations and Amendments that are applicable to the Group for the financial period beginning 1 January 2013. The adoption of these FRSs, interpretations and amendments does not have any material impact on the financial statements of the Group.

MASB, in furtherance with its objective of converging the accounting framework for entities other than private entities in Malaysia with International Financial Reporting Standard (IFRS), announced on 19 November 2011 the issuance of Malaysian Financial Reporting Standards (MFRSs). Entities other than private entities shall apply the MFRSs framework for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141, Agriculture and/or IC Interpretation 15, Agreements for the Construction of Real Estate. An entity subject to the application of MFRS 141 and/or IC Interpretation 15 may continue to apply FRSs as its financial reporting framework for annual reporting period beginning on or after 1 January 2012. On 30 June 2012, MASB announced its decision to allow entity subject to the application of MFRS 141 and/or IC Interpretation 15 to defer the adoption of the MFRS framework to annual period beginning on or after 1 January 2014. As such, the Group plans to adopt the MFRS framework for annual periods beginning on or after 1 January 2014.

**3 Auditors’ Report on Preceding Annual Financial Statements**

The auditors’ report on the financial statements for the year ended 31 December 2012 was not subjected to any qualification.

**4 Seasonal or cyclical factors**

The Group’s operations were not subject to any seasonal or cyclical factors.

**5 Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no exceptional items and unusual events affecting the assets, liabilities, equity, net income and cash flow of the Group for the current quarter and financial year-to-date.

**6 Changes in estimates**

There were no changes in the estimates of amounts, which give a material effect in the current quarter or financial year-to-date.

**7 Debt and equity securities**

There was no issuance or repayment of debts and equity securities, share buy-back, shares cancellation, shares held as treasury shares and resale of treasury shares for the current quarter and financial year-to-date.

**8 Dividends paid**

There was no dividend paid/declared by the Company for the current quarter ended 31 March 2013 (2012: Nil.).

**CME GROUP BERHAD***(Company No. 52235-K)  
(Incorporated in Malaysia)***9 Segmental reporting**

31.03.2013	Invest. Holding RM '000	Contract Engineering RM '000	Trading RM '000	Others RM '000	Elimination RM '000	Consolidated RM '000
<b>Revenue</b>						
External sales	2,282	2,880	1,210	-	-	6,372
Inter-segment sales	-	852	-	-	(852)	-
Total revenue	<u>2,282</u>	<u>3,732</u>	<u>1,210</u>	<u>-</u>	<u>(852)</u>	<u>6,372</u>
<b>Results</b>						
Segment results	<u>238</u>	<u>141</u>	<u>154</u>	<u>-</u>	<u>-</u>	<u>533</u>
Finance costs						(105)
<b>Profit before tax</b>						<b>428</b>
Income tax expense						(124)
<b>Profit for the period</b>						<b>304</b>
<b>Other information</b>						
Capital additions	-	5	3	-	-	8
Depreciation	1	41	68	-	-	110
<b>Consolidated Balance Sheet</b>						
<b>Assets</b>						
Segment assets	77,073	46,255	16,221	4,871	(84,986)	59,434
Other investment	891	-	-	-	-	891
<b>Consolidated total assets</b>						<b>60,325</b>
<b>Liabilities</b>						
Segment Liabilities	38,796	27,089	26,312	4,418	(77,500)	19,115
<b>31.03.2012</b>						
<b>Revenue</b>						
External sales	475	3,263	1,809	-	-	5,547
Inter-segment sales	-	2,960	-	-	(2,960)	-
Total revenue	<u>475</u>	<u>6,223</u>	<u>1,809</u>	<u>-</u>	<u>(2,960)</u>	<u>5,547</u>
<b>Results</b>						
Segment results	<u>(56)</u>	<u>327</u>	<u>119</u>	<u>-</u>		<u>390</u>
Investment revenue						
Finance costs						(121)
<b>Profit before tax</b>						<b>269</b>
Income tax expenses						(75)
<b>Profit for the period</b>						<b>194</b>
<b>Other information</b>						
<b>31.12.2012</b>						
Capital additions	-	223	50	-	-	273
Depreciation	-	176	274	11	-	461



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31.03.2012	Invest. Holding RM '000	Contract Engineering RM '000	Trading RM '000	Others RM '000	Elimination RM '000	Consolidated RM '000
<b>Assets</b>						
Segment assets	72,435	48,348	15,637	4,906	(88,102)	53,224
Other investments	891	-	-	-	-	891
<b>Consolidated total assets</b>						<b>54,115</b>
<b>Liabilities</b>						
Segment liabilities	33,982	29,150	25,876	4,818	(80,617)	<b>13,209</b>

As the Group is principally operating within Malaysia, geographical segment has not been presented.

## 10 Valuation of property, plant and equipment

The Group did not carry out any valuations on its property, plant and equipment for the interim financial period under review. The valuations of the property, plant and equipment have been brought forward from the preceding annual financial statements.

## 11 Material Subsequent Events

There were no material events subsequent to 31 March 2013 that have not been reflected in the interim financial report.

## 12 Changes in Composition of the Group

There were no major changes in the composition of the Group including business combination, acquisition or disposal of subsidiaries and restructuring or discontinuing of operations during the quarter under review.

## 13 Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets for the financial quarter under review.

## 14 Capital Commitments

There were no capital commitments for the financial quarter under review.

**B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BERHAD MAIN MARKET LISTING REQUIREMENTS**

**1 Review of Group performance**

For the first quarter ended 31 March 2013, the Group recorded consolidated revenue of approximately RM6.4 million. The cost of sales for the quarter under review amounted to approximately RM4.6 million.

The consolidated revenue for the current quarter under review has increased by 14.9%, from RM5.5 million in the preceding year corresponding quarter to RM6.4 million. The main drivers of the increase in revenue were from the Property Investment division (“PI”), which saw a growth of RM1.8 million or 380.4%. The Board and the management has made a series of strategic moves in recent months to diversify and explore other viable business ventures, is already reaping the benefits of those moves with record sales and earnings for the first quarter under review. The increased was however, offset by the decline in revenue from the remaining two business segments, namely the Specialised Mobility Vehicles (“SMV”) and Fire Suppression and Prevention (“FSP”) division, which saw a decrease of RM383,000 or 11.7% and RM599,000 or 33.1%, respectively.

Cost of sales increased in tandem with the increased in revenue, by RM582,000 or 14.5%, and this resulted in a marginal improvement on gross profit margin from 27.7% to 27.9%.

**2 Material change in profit before taxation for the quarter compared with the immediate preceding quarter**

The comparison of the Group’s revenue and profit before taxation for the current quarter and preceding quarter is as follows:

	31.03.13 <u>RM’000</u>	31.12.12 <u>RM’000</u>	← Variance → <u>RM’000</u>	→ <u>%</u>
Revenue	6,372	2,978	3,394	>100
Profit/(loss) before taxation	428	(437)	865	>100

For the current quarter ended 31 March 2013, the Group recorded revenue of RM6.4 million, representing a significant increase of >100% in revenue compared to the preceding quarter ended 31 December 2012. The increase was primarily due to the strategic moves undertaken by the board and management to rent a 23-storey office building block located off Jalan Ampang and subletting it.

The Group recorded a profit before taxation of RM428,000 for the current quarter as compared to a loss before taxation of RM437,000 in the preceding quarter, mainly due to other financial assets and obsolete inventory written off during the last preceding quarter.

**3 Commentary on Prospects for 2013**

The Directors remain positive of the Group’s prospects for the remaining quarters of 2013 as the Group has on-going contracts exceeding RM15.0 million to last at least until 2014. SMV division will continue to focus on expanding its market share by tapping into potential new markets with our new product range to enhance its sales and profitability. The PI Division, which has delivered a solid performance in the first quarter of 2013, is set to chart a steady growth and as for our FSP Division, the management will continue to improve on its products and services coupled with the drive to secure new distributionship to improve overall sales performance of the Group in years to come.

While the Directors are optimistic of the future prospects of the Group, 2013 would pose a great challenge amid the unsettled global economic climate. The Directors will continue to exercise due care in order to preserve and enhance shareholders’ values. Meanwhile, the Board and the management will continue to access all business opportunities with prudence and leverage on its core strengths and competencies built over the years, to improve the profitability of the Group.

**4 Profit forecast**

No profit forecast was made or issued during the current financial quarter under review.

**5 Income tax expense/(credit)**

The Tax figures consist of the following :-	<b>Current Quarter</b> <i>RM ‘000</i>	<b>Current Year to Date</b> <i>RM ‘000</i>
Current year provision	(124)	(124)
Deferred taxation	-	-
<b>Total</b>	<b>(124)</b>	<b>(124)</b>





# CME GROUP BERHAD

(Company No. 52235-K)  
(Incorporated in Malaysia)

## 6 Corporate Proposals

### - Proposed Private Placement

On behalf of the Company, Public Investment Bank Berhad (“PIVB”) had on 15 December 2011 announced that the Company proposes to undertake a private placement of up to 40,110,000 new ordinary shares of RM0.10 each in the Company, representing up to ten percent (10%) of the issued and paid-up share capital of the Company. Bursa Malaysia Securities Berhad (“Bursa Malaysia”) had approved the application on 19 January 2012.

On 15 May 2012, the Company issued 4,000,000 Placement Shares of RM0.10 each. The 4,000,000 Placement Shares, being the first tranche of the Private Placement, represents approximately one percent (1%) of the issued and paid-up share capital of the Company before the new allotment. The Private Placement is implemented on a staggered basis.

As announced by PIVB on 16 January 2013, Bursa Malaysia has, vide its letter dated 15 January 2013, granted CME a further extension of time of five (5) months and one (1) week until 27 June 2013 or until the next Annual General Meeting, whichever is earlier, to complete the implementation of the Proposed Private Placement.

## 7 Group borrowings and debt securities

	<b>As at 31/03/2013</b>
	<b>Secured</b>
	<i>RM'000</i>
<b>Amount payable within one year</b>	
Bank borrowings	4,689
Finance leases	108
	<u>4,797</u>
<b>Amount payable after one year</b>	
Bank borrowings	1,223
Finance leases	450
	<u>1,673</u>
<b>Total borrowings</b>	<u><u>6,470</u></u>

## 8 Material litigation

There were no material litigations against the Group or taken by the Group at the date of issuance of this Interim Financial Report.

## 9 Dividend

No dividend had been declared for the financial period ended 31 March 2013.

## 10 Earnings Per Share (“EPS”)

### (a) Basic Earnings Per Share

Basic earnings per share for the period under review is calculated by dividing the net profit attributable to the shareholders of RM254,000 (31.03.2011 : RM141,000) by the weighted average number of ordinary shares outstanding as at 31 March 2013 of 405,100,000 (31.03.2012 : 401,100,000). [Refer to page 1]

### (b) Diluted Earnings Per Share

Not Applicable.

**11 Realised And Unrealized Profits/Losses Disclosure**

On 25 March 2010, Bursa Malaysia issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realized and unrealized profits and losses.

On 20 December 2010, Bursa Malaysia further issued guidance on the disclosure and the prescribed format of disclosure.

The breakdown of retained earnings/(accumulated losses) of the Group as of 31 March 2013 into realized and unrealised profits or losses, pursuant to the directive, is as follows:

	<b>As at 31/03/2013</b>	<b>As at 31/12/2012</b>
	<i>RM'000</i>	<i>RM'000</i>
Total retained earnings/(accumulated losses) of the Group:-		
- Realised	209	(68)
- Unrealised	(118)	(95)
Total group retained earnings/(accumulated losses) as per consolidated accounts	91	(163)

The determination of realised and unrealised profits or losses is based on Guidance of Special Matter No. 1 “Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements” as issued by the Malaysian Institute of Accountants on December 20, 2010. A charge or a credit to the profit or loss of a legal entity is deemed realised when it is resulted from the consumption of resource of all types and form, regardless of whether it is consumed in the ordinary course of business or otherwise. A resource may be consumed through sale or use. Where a credit or a charge to the profit or loss upon initial recognition or subsequent measurement of an asset or a liability is not attributed to consumption of resource, such credit or charge should not be deemed as realised until the consumption of resource could be demonstrated.

This supplementary information have been made solely for complying with the disclosure requirements as stipulated in the directives of Bursa Malaysia Securities Berhad and is not made for any other purposes.

**12 Profit before tax**

	<b>As at 31/03/2013</b>	<b>As at 31/12/2012</b>
	<i>RM'000</i>	<i>RM'000</i>
This is arrived at after charging/ (crediting):-		
Audit fee	-	68
Impairment loss recognised on trade receivables	-	87
Depreciation on property, plant and equipment	110	461
Finance costs	105	767
Inventory written off	-	641
Interest income	(6)	(29)
Gain on disposal of investment properties	(150)	(245)
Other financial assets written off	-	175
Provision for warranty and free services	-	146
Provision for doubtful debt no longer required	-	(52)

Other disclosure items pursuant to Note 16 of the Appendix 9B of the Main Market Listing requirements are not applicable.

**BY ORDER OF THE BOARD**  
**CME GROUP BERHAD**

**MISS TAN RUEY SHYAN**  
**COMPANY SECRETARY**

**Shah Alam, Selangor Darul Ehsan**  
**30 May 2013**