

CEPATWAWASAN GROUP BERHAD
(Company No. 536499-K)

Condensed Consolidated Income Statement for the period ended 30 June 2009

	Individual quarter		Cumulative quarter	
	3 months ended 30.06.2009 RM'000 (Unaudited)	3 months ended 30.06.2008 RM'000 (Unaudited)	6 months ended 30.06.2009 RM'000 (Unaudited)	6 months ended 30.06.2008 RM'000 (Unaudited)
Revenue	41,633	72,123	74,273	132,421
Cost of sales	(31,538)	(54,099)	(58,009)	(99,171)
Gross profit	10,095	18,024	16,264	33,250
Other income	250	281	510	5,993
Administrative expenses	(1,293)	(1,093)	(2,312)	(2,178)
Selling and marketing expenses	(863)	(807)	(1,774)	(1,461)
Finance costs	(351)	(359)	(781)	(689)
Profit before tax	7,838	16,046	11,907	34,915
Income tax expense	(2,089)	(3,086)	(3,134)	(6,635)
Profit for the period	5,749	12,960	8,773	28,280
Attributable to:				
Equity holders of the parent	5,492	12,284	8,419	27,026
Minority interests	257	676	354	1,254
	5,749	12,960	8,773	28,280
Earnings per share attributable to equity holders of the parent:				
Basic, for profit for the period (sen)	2.55	5.70	3.91	12.54

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial report.

CEPATWAWASAN GROUP BERHAD
(Company No. 536499-K)

Condensed Consolidated Balance Sheet as at 30 June 2009

	As at end of period ended 30.06.2009 RM'000 (Unaudited)	As at preceding period ended 31.12.2008 RM'000 (Audited)
ASSETS		
Non-current Assets		
Property, plant and equipment	62,280	62,032
Investment properties	20,279	20,279
Prepaid land lease payments	63,744	64,146
Biological assets	150,607	150,374
Intangible assets	92,088	92,088
Deferred tax assets	1,269	749
	<u>390,267</u>	<u>389,668</u>
Current assets		
Inventories	9,702	13,796
Trade and other receivables	12,323	10,576
Tax refundable	1,797	2,205
Short term investments	1,497	1,092
Deposits placed with licensed banks	42,265	23,672
Cash and bank balances	1,732	4,876
	<u>69,316</u>	<u>56,217</u>
TOTAL ASSETS	<u>459,583</u>	<u>445,885</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	215,457	215,457
Retained profits	123,608	118,421
	<u>339,065</u>	<u>333,878</u>
Minority interests	15,600	15,631
Total equity	<u>354,665</u>	<u>349,509</u>
Non-current liabilities		
Lease rental payable	267	267
Borrowings	20,473	28,264
Deferred tax liabilities	45,943	45,805
	<u>66,683</u>	<u>74,336</u>
Current liabilities		
Borrowings	22,901	8,654
Trade and other payables	14,161	12,414
Provision for taxation	1,173	972
	<u>38,235</u>	<u>22,040</u>
Total liabilities	<u>104,918</u>	<u>96,376</u>
TOTAL EQUITY AND LIABILITIES	<u>459,583</u>	<u>445,885</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.57	1.55

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial report.

CEPATWAWASAN GROUP BERHAD
(Company No. 536499-K)

Condensed Consolidated Cash Flow Statement for the period ended 30 June 2009

	6 months ended 30.06.2009 RM'000 (Unaudited)	6 months ended 30.06.2008 RM'000 (Unaudited)
Net cash generated from operating activities	16,346	9,700
Net cash used in investing activities	(2,355)	(4,285)
Net cash from/ (used in) financing activities	1,863	(23,568)
Net increase/ (decrease) in cash and cash equivalents	<u>15,854</u>	<u>(18,153)</u>
Cash and cash equivalents at beginning of financial period	29,640	42,058
Cash and cash equivalents at end of financial period	<u>45,494</u>	<u>23,905</u>

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

	As at 30.06.2009 RM'000	As at 30.06.2008 RM'000
Short term investments	1,497	-
Deposits placed with licensed banks	42,265	2,449
Cash and bank balances	<u>1,732</u>	<u>21,456</u>
	<u>45,494</u>	<u>23,905</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial report.

CEPATWAWASAN GROUP BERHAD
(Company No. 536499-K)

Condensed Consolidated Statement of Changes in Equity for the period ended 30 June 2009

	Attributable to Equity Holders of the parent			Minority Interests	Total Equity
	Distributable				
	Share Capital	Retained Profits	Total		
RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2008	215,457	83,861	299,318	13,877	313,195
Profit for the period	-	27,026	27,026	1,254	28,280
Dividend	-	(3,189)	(3,189)	-	(3,189)
At 30 June 2008	215,457	107,698	323,155	15,131	338,286
At 1 January 2009	215,457	118,421	333,878	15,631	349,509
Profit for the period	-	8,419	8,419	354	8,773
Acquisition of subsidiary	-	-	-	15	15
Dividend paid to Minority Interest	-	-	-	(400)	(400)
Dividend	-	(3,232)	(3,232)	-	(3,232)
At 30 June 2009	215,457	123,608	339,065	15,600	354,665

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial report.

Information required by BMSB Listing Requirements

1. Review of performance

For this second quarter under review, the Group recorded a revenue of RM41.63 million, a significant decrease of RM30.49 million as compared to the preceding year corresponding quarter due to lower CPO and PK prices and a 15% decrease in CPO sales volume.

The Group reported a profit before tax of RM7.84 million for the second quarter ended 30 June 2009, a decrease of 51% from the preceding year corresponding quarter mainly due to lower CPO and PK prices and a decrease in FFB yield of 10% because of biological tree stress factor and heavy rains six to eight months ago that have made pollination difficult.

2. Comment on material change in profit before tax against immediate preceding quarter

Profit before tax in the current quarter is higher at RM7.84 million as compared to RM4.07 million in the immediate preceding quarter due to higher extraction rates because of seasonal factors and a 34% CPO price improvement.

3. Commentary on prospects

Barring any unforeseen circumstances, the Board is confident that the Group's prospects remain bright in view of the recent increase in CPO and PK prices to around RM2,500 and RM1,100 per metric tonne respectively.

4. Profit forecast or profit guarantee

Not applicable as there was no profit forecast or guarantee published.

5. Income tax expense

	Individual quarter		Cumulative quarter	
	3 months ended 30.06.2009	3 months ended 30.06.2008	6 months ended 30.06.2009	6 months ended 30.06.2008
	RM'000	RM'000	RM'000	RM'000
Current tax	2,365	4,873	3,845	8,094
Deferred tax	(276)	(1,787)	(711)	(1,459)
Total income tax expense	2,089	3,086	3,134	6,635

The effective tax rate for the current quarter was in line with the statutory tax rate as reported. Income tax is calculated at statutory tax rate of 25% (31 December 2008: 26%) on the estimated assessable profit for the period.

6. Sale of unquoted investments and properties

There were no sales of unquoted investments and properties during the reporting quarter.

7. Quoted securities

There were no purchases and disposals of quoted securities for the current quarter under review.

8. Corporate proposals

There was no corporate proposal for the current quarter under review.

9. Borrowings

	As at 30.06.2009 RM'000	As at 31.12.2008 RM'000
Secured		
Short term borrowings	22,901	8,654
Long term borrowings	20,473	28,264
	<hr/> 43,374	<hr/> 36,918

10. Off balance sheet financial instruments

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

11. Changes in material litigation

Kuala Lumpur High Court Civil Suit No. D3-22-1168-2004

Cepatwawasan Group Berhad and Prolific Yield Sdn Bhd v Tengku Dato' Kamal Ibni Sultan Sir Abu Bakar and 17 others for the recovery of RM16 million wrongfully and fraudulently paid out by the former directors who were removed on 6 August 2004.

- The hearing of the 1st to 4th Defendant's appeal to the Court of Appeal against the Order dated 24 June 2005 for Attachment Before Judgment came up on 22 June 2009. The Company noted that the solicitors for the Appellant amended the Draft Order dated 24 June 2005 and removed several Affidavits referred to by the Company at the hearing before the High Court. The Company was not agreeable to the same as the Affidavits were also not inserted into the Appellants' Record of Appeal filed at or about 2005 and the Company would not be able to defend the appeal effectively without them. As such, the Company's solicitor sought an adjournment of the appeal to enable the parties to go before the High Court Registrar to settle the terms of the Draft Order with a view to incorporating the Affidavits into the Order and Record of Appeal. The Court of Appeal agreed with the request and adjourned the appeal to a date to be fixed. The appointment to resolve the terms of the High Court Order was argued on 22 July 2009 and came up on 12 August 2009. The Registrar was of the view that the 12 Affidavits used for the Mareva application should not be in the Draft Order for the Attachment Before Judgement in Encl. 115 and hence they cannot be referred to at the hearing of the 1st to 4th Defendant's appeal to the Court of Appeal.

- The Case Management of this matter is scheduled for 26 August 2009 pending resolution of the terms of the Draft Order dated 24 June 2005. Fresh Case Management directions will be given after resolution of the terms of the Order; and
- On 28 July 2009, the Registrar had granted the 7th Defendant the taxed cost of RM9,000.00 for getting up and RM1,094.50 for costs out of the total sum of RM17,353.50 claimed by her and the Company may review the costs before the same registrar within 14 days from 28 July 2009 if the Company is not satisfied against the decision. The Company has decided not to review the costs before the Registrar.

12. Dividend payable

The final dividend of 1.5% declared on 27 April 2009, on 215,456,915 ordinary shares amounting to RM2,154,569 in respect of the financial year ended 31 December 2008 was paid on 20 May 2009 (2008: 2%).

The total dividend paid in 2009 is 1.5%.

13. Earnings per share

(a) Basic

Basic earnings per share amounts are calculated by dividing the Group's profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial period.

	Individual quarter		Cumulative quarter	
	3 months ended 30.06.2009	3 months ended 30.06.2008	6 months ended 30.06.2009	6 months ended 30.06.2008
	RM'000	RM'000	RM'000	RM'000
Profit attributable to ordinary equity holders of the parent	5,492	12,284	8,419	27,026
Weighted average number of Ordinary shares in issue ('000)	215,457	215,457	215,457	215,457
Basic earnings per share (sen) for: Profit for the period	2.55	5.70	3.91	12.54

(b) Diluted

The Group has no potential ordinary shares in issue as at balance sheet and therefore, diluted earnings per share has not been presented.

14. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 21 August 2009.