

**CEPATWAWASAN GROUP BERHAD**

(Company No. 536499-K)

**Condensed consolidated statement of comprehensive income  
For the three-month period ended 31 March 2012**

	Current quarter		Cumulative quarter	
	3 months ended 31.03.2012 RM'000 (Unaudited)	3 months ended 31.03.2011 RM'000 (Unaudited)	3 months ended 31.03.2012 RM'000 (Unaudited)	3 months ended 31.03.2011 RM'000 (Unaudited)
Revenue	61,031	60,506	61,031	60,506
Cost of sales	(49,868)	(47,966)	(49,868)	(47,966)
<b>Gross profit</b>	<b>11,163</b>	<b>12,540</b>	<b>11,163</b>	<b>12,540</b>
Other income	208	524	208	524
Distribution expenses	(1,240)	(765)	(1,240)	(765)
Administrative expenses	(1,596)	(1,318)	(1,596)	(1,318)
<b>Operating profits</b>	<b>8,535</b>	<b>10,981</b>	<b>8,535</b>	<b>10,981</b>
Finance income	247	179	247	179
Finance costs	(158)	(132)	(158)	(132)
<b>Net finance costs</b>	<b>89</b>	<b>47</b>	<b>89</b>	<b>47</b>
<b>Profit before tax</b>	<b>8,624</b>	<b>11,028</b>	<b>8,624</b>	<b>11,028</b>
Income tax expense	(1,977)	(2,473)	(1,977)	(2,473)
<b>Profit/total comprehensive income for the period</b>	<b>6,647</b>	<b>8,555</b>	<b>6,647</b>	<b>8,555</b>
<b>Profit attributable to:</b>				
Owners of the parent	6,400	8,152	6,400	8,152
Non-controlling interests	247	403	247	403
<b>Profit/total comprehensive income for the period</b>	<b>6,647</b>	<b>8,555</b>	<b>6,647</b>	<b>8,555</b>
<b>Earnings per share (EPS) attributable to owners of the parent (sen per share)</b>				
Basic EPS	2.07	2.60	2.07	2.60

The above condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

**CEPATWAWASAN GROUP BERHAD**  
(Company No. 536499-K)

**Condensed consolidated statement of financial position as at 31 March 2012**

	<b>31.03.2012</b>	<b>31.12.2011</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>ASSETS</b>		
Property, plant and equipment	175,479	164,896
Biological assets	152,114	151,876
Investment properties	20,279	20,279
Intangible assets	92,088	92,088
Land use rights	2,099	2,106
Deferred tax assets	2,414	2,191
Other receivables	6,955	8,697
<b>Total non-current assets</b>	<b>451,428</b>	<b>442,133</b>
Inventories	12,433	18,606
Trade and other receivables	14,426	16,559
Tax recoverable	1,016	99
Short term investments	12,280	11,168
Deposits placed with licensed banks	47,588	26,008
Cash and bank balances	9,715	7,226
<b>Total current assets</b>	<b>97,458</b>	<b>79,666</b>
<b>TOTAL ASSETS</b>	<b>548,886</b>	<b>521,799</b>
<b>EQUITY</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	318,446	215,457
Treasury shares	(11,096)	(11,096)
Retained earnings	90,207	186,796
<b>Total equity attributable to owners of the parent</b>	<b>397,557</b>	<b>391,157</b>
<b>Non-controlling interests</b>	<b>18,585</b>	<b>18,338</b>
<b>Total equity</b>	<b>416,142</b>	<b>409,495</b>
<b>LIABILITIES</b>		
Lease rental payable	267	267
Borrowings	46,666	38,849
Deferred tax liabilities	45,800	45,880
<b>Total non-current liabilities</b>	<b>92,733</b>	<b>84,996</b>
Borrowings	19,679	3,081
Trade and other payables	19,792	22,199
Income tax payables	540	2,028
<b>Total current liabilities</b>	<b>40,011</b>	<b>27,308</b>
<b>Total liabilities</b>	<b>132,744</b>	<b>112,304</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>548,886</b>	<b>521,799</b>
<b>Net assets per share attributable to owners of the parent (RM)</b>	<b>1.29</b>	<b>1.90</b>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

**CEPATWAWASAN GROUP BERHAD**

(Company No. 536499-K)

**Condensed consolidated statement of cash flows for the three-month period ended 31 March 2012**

	<b>3 months ended 31.03.2012 RM'000 (Unaudited)</b>	<b>3 months ended 31.03.2011 RM'000 (Unaudited)</b>
<b>Operating activities</b>		
Profit before taxation	8,624	11,028
Adjustments for:		
Depreciation and amortisation	1,469	1,613
Finance costs	158	132
Equipment written off	1	-
Gain on disposal of equipment	-	(15)
Interest income	(247)	(173)
<b>Operating profit before working capital changes</b>	<b>10,005</b>	<b>12,585</b>
Decrease/(Increase) in inventories	6,213	(365)
Decrease/(Increase) in receivables	3,874	(1,985)
Decrease in payables	(2,407)	(3,967)
<b>Cash generated from operations</b>	<b>17,685</b>	<b>6,268</b>
Interest paid	(158)	(132)
Income taxes paid	(4,685)	(4,026)
Tax refunded	-	74
Interest received	247	173
<b>Net cash generated from operating activities</b>	<b>13,089</b>	<b>2,357</b>
<b>Investing activities</b>		
Proceeds from disposal of property, plant and equipment	-	346
Purchase of property, plant and equipment	(10,691)	(6,395)
Additions to biological assets	(238)	(63)
<b>Net cash used in investing activities</b>	<b>(10,929)</b>	<b>(6,112)</b>
<b>Financing activities</b>		
Purchase of treasury shares	-	(4,775)
Drawdown of term loans	7,869	-
Drawdown of revolving credits	16,200	-
Repayment of term loans	(610)	(605)
Repayment of obligations under finance leases	(438)	(297)
<b>Net cash generated from / (used in) financing activities</b>	<b>23,021</b>	<b>(5,677)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>25,181</b>	<b>(9,432)</b>
<b>Cash and cash equivalents at beginning of financial period</b>	<b>44,402</b>	<b>43,489</b>
<b>Cash and cash equivalents at end of financial period</b>	<b>69,583</b>	<b>34,057</b>
<b>Cash and cash equivalents at the end of the financial period comprise the following:</b>		
	<b>As at 31.03.2012 RM'000</b>	<b>As at 31.03.2011 RM'000</b>
Short term investments	12,280	6,593
Deposits placed with licensed banks	47,588	23,098
Cash and bank balances	9,715	4,366
	<b>69,583</b>	<b>34,057</b>

The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

**CEPATWAWASAN GROUP BERHAD**  
(Company No. 536499-K)

**Condensed consolidated statement of changes in equity for the three-month period ended 31 March 2012**

	← Attributable to owners of the parent →					Non-controlling Interests	Total Equity
	← Non-distributable →		Distributable		Total		
	Share Capital	Treasury Shares	Retained Earnings	Total			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
At 1 January 2011	215,457	(4,109)	151,149	362,497	16,425	378,922	
Profit/total comprehensive income for the period	-	-	8,152	8,152	403	8,555	
Purchase of treasury shares	-	(4,775)	-	(4,775)	-	(4,775)	
At 31 March 2011	215,457	(8,884)	159,301	365,874	16,828	382,702	
At 1 January 2012	215,457	(11,096)	186,796	391,157	18,338	409,495	
Profit/total comprehensive income for the period	-	-	6,400	6,400	247	6,647	
Bonus Issue	102,989	-	(102,989)	-	-	-	
At 31 March 2012	318,446	(11,096)	90,207	397,557	18,585	416,142	

The above condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

**CEPATWAWASAN GROUP BERHAD**  
(Company No. 536499-K)

**Notes to the condensed consolidated interim financial statements**

1. Basis of preparation

These condensed consolidated interim financial statements for the period ended 31 March 2012, have been prepared in accordance with FRS 134 “Interim Financial Reporting” and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and it should be read in conjunction with the audited financial statements of the Group as at and for the year ended 31 December 2011.

The accounting policies used in the preparation of interim financial statements are consistent with those previously adopted in the audited financial statements of the Group for the year ended 31 December 2011. 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 2011.

2. Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 December 2011, except for the adoption of the following:

Effective for financial periods beginning on or after 1 July 2011:

- IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments
- Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement

Effective for financial periods beginning on or after 1 January 2012:

- Amendments to FRS 1: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
- Amendments to FRS 7: Disclosures – Transfers of Financial Assets
- Amendments to FRS 112: Deferred Tax: Recovery of Underlying Assets

The adoption of the above revised FRSs, IC Interpretation and Amendments do not have any significant financial impact on the Group.

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called ‘Transitioning Entities’).

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013.

2. Changes in accounting policies (Contd.)

The Group falls within the scope definition of Transitioning Entities and have opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2013. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2013.

3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements of the Group for the year ended 31 December 2011 was not qualified.

4. Segment information

The Group has two reportable segments, as described below, which are the Group's strategies business units. The strategic business units offer different products and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group's reportable segments:

- a. Plantation - Cultivation of oil palm
- b. Oil Mill - Milling and sales of oil palm products

**Information about reportable segments**

	<b>Results for the 3 months ended 31 March</b>					
	<b>Plantation</b>		<b>Oil Mill</b>		<b>Total</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>External revenue</b>	4,819	8,375	55,559	51,815	60,378	60,190
<b>Inter-segment revenue</b>	13,763	11,636	-	-	13,763	11,636
<b>Segment profit /(loss)</b>	7,740	12,556	913	(1,247)	8,653	11,309
<b>Segment assets</b>	281,076	273,831	81,042	45,212	362,118	319,043
<b>Segment liabilities</b>	8,055	6,298	13,033	15,249	21,088	21,547
<b>Segment profit is reconciled to consolidated profit before tax as follows:</b>					<b>2012</b>	<b>2011</b>
					<b>RM'000</b>	<b>RM'000</b>
<b>Segment profit</b>					8,653	11,309
<b>Other non-reportable segments</b>					438	89
<b>Elimination of inter-segment profits</b>					(163)	(130)
<b>Unallocated corporate expenses</b>					(304)	(240)
<b>Consolidated profit before tax</b>					<b>8,624</b>	<b>11,028</b>

5. Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

6. Changes in estimates

There was no estimation of amount used in the preceding reporting quarter having a material impact in the current reporting quarter.

7. Comments about seasonal or cyclical factors

In line with the trend of Fresh Fruit Bunches (FFB) production in the oil palm industry, the Group expects 'low' crop in the beginning of the year and 'high' crop towards the second half of the year.

8. Dividend paid

There were no dividends paid during the financial year-to-date.

9. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities except as disclosed below:

During the current quarter, the Company issued 102,989,295 Bonus Shares to the shareholders of the Company on the basis of one (1) Bonus Share for every two (2) existing CGB Shares under its Proposed Bonus Issue Exercise.

10. Changes in composition of the Group

There were no changes in the composition of the Group during the current quarter ended 31 March 2012.

11. Capital commitments

The amount of capital commitments not provided for in the unaudited interim financial statements as at 31 March 2012 is as follows:

	<b>RM'000</b>
Approved and contracted for	65,704
Approved but not contracted for	9,816
	<u>75,520</u>

12. Changes in contingent liabilities and contingent assets

There were no changes in other contingent liabilities or contingent assets since the last annual statement of financial position as at 31 December 2011.

13. Subsequent event

There were no material subsequent events to the end of the current quarter.



**CEPATWAWASAN GROUP BERHAD**  
(Company No. 536499-K)

**Information required by Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

1. Review of performance

**Current Quarter vs. Previous Year Corresponding Quarter**

For this quarter under review, the Group recorded a revenue of RM 61.03 million, which is an increase of RM 0.53 million as compared to the preceding year corresponding quarter due to higher CPO and PK sales volume by 33% and 15% respectively despite lower CPO and PK prices by 15% and 35% respectively.

The Group reported a profit before tax of RM 8.62 million for this quarter under review, which is a decrease of 22% from the preceding year corresponding quarter due to lower CPO and PK prices by 15% and 35% respectively despite a 15% increase in FFB production.

Performance of the respective operating business segments for this quarter under review as compared to the previous corresponding quarter is analysed as follows:

- 1) Plantation – The decrease in profit before tax by RM 4.82 million (38%) to RM 7.74 million was due to lower FFB price by 20% despite a 15% increase in FFB production.
- 2) Oil Mill – The increase in profit before tax by RM 2.16 million (22%) to RM 0.91 million was due to higher CPO extraction rate and lower operating cost as a result of 16% increase in CPO production.

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

Profit before tax in this quarter under review is lower at RM 8.62 million as compared to RM 13.57 million in the immediate preceding quarter due to a 26% decrease in FFB production and lower CPO extraction rate because of seasonal factor and adverse weather.

3. Commentary on prospects

Barring any unforeseen circumstances, the Board is confident that the Group's prospects will remain bright in view of the recent increase in CPO and PK prices to around RM 3,500 and RM 2,100 per metric tonne respectively.

4. Profit forecast or profit guarantee

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

5. Profit for the period

	<b>Current quarter</b>		<b>Cumulative quarter</b>	
	<b>3 months ended</b>	<b>3 months ended</b>	<b>3 months ended</b>	<b>3 months ended</b>
	<b>31.03.2012</b>	<b>31.03.2011</b>	<b>31.03.2012</b>	<b>31.03.2011</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit for the period is arrived at after crediting / (charging):				
Depreciation and amortisation	1,469	1,613	1,469	1,613
Equipment written off	1	-	1	-
Gain on disposal of equipment	-	(15)	-	(15)
Loss / (Gain) on foreign exchange	8	(278)	8	(278)

Save as disclosed above, the other items as required under Appendix 9B, Part A(16) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

6. Income tax expense

	<b>Current quarter</b>		<b>Cumulative quarter</b>	
	<b>3 months ended</b>	<b>3 months ended</b>	<b>3 months ended</b>	<b>3 months ended</b>
	<b>31.03.2012</b>	<b>31.03.2011</b>	<b>31.03.2012</b>	<b>31.03.2011</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Current tax	2,280	2,857	2,280	2,857
Deferred tax	(303)	(384)	(303)	(384)
Total income tax expense	1,977	2,473	1,977	2,473

The Group's effective tax rate for the current quarter and the cumulative quarter ended 31 March 2012 was lower than the statutory tax rate of 25% principally due to certain provisions in previous year were allowed to deduct in this quarter.

7. Corporate proposals

On 18 January 2012, the Proposed Bonus Issue of the Company was completed by issuance of 102,989,295 Bonus Shares to the shareholders of the Company on the basis of one (1) Bonus Share for every two (2) existing CGB Shares.

8. Borrowings

	<b>As at 31.03.2012 RM'000</b>	<b>As at 31.12.2011 RM'000</b>
<b>Short term borrowings - Secured</b>		
Revolving credit	16,200	-
Obligation under finance leases	1,037	674
Term loans	2,442	2,407
	<u>19,679</u>	<u>3,081</u>
<b>Long term borrowings - Secured</b>		
Obligation under finance leases	1,614	1,021
Term loans	45,052	37,828
	<u>46,666</u>	<u>38,849</u>
 Total borrowings	 <u>66,345</u>	 <u>41,930</u>

The Group's total borrowings included an amount of RM 32.8 million (31.12.2011: 25.0 million) that was obtained under the Green Technology Financing Scheme.

9. Disclosure of derivatives

The Group did not enter into any derivative contract and accordingly there were no outstanding derivatives (including financial instruments designated as hedging instruments) as at 31 March 2012.

10. Retained Earnings

	<b>As at 31.03.2012 RM'000</b>	<b>As at 31.12.2011 RM'000 (Audited)</b>
Realised retained earnings	152,025	248,258
Unrealised retained earnings	(12,011)	(12,121)
	<u>140,014</u>	<u>236,137</u>
Consolidation adjustments	(49,807)	(49,341)
Total retained earnings	<u>90,207</u>	<u>186,796</u>

11. Dividend payable

No interim dividend has been declared for the financial period ended 31 March 2012 (31 March 2011: Nil).

## 12. Earnings per share

### (a) Basic

Basic earnings per share amounts are calculated by dividing the Group's profit for the period attributable to owners of the Company by the weighted average number of ordinary shares (2011 – on the enlarged share capital after the bonus issue of 102,989,295 ordinary shares of RM 1 each) in issue during the financial period excluding treasury shares held by the Company.

	<b>Current quarter</b>		<b>Cumulative quarter</b>	
	<b>3 months ended 31.03.2012</b>	<b>3 months ended 31.03.2011</b>	<b>3 months ended 31.03.2012</b>	<b>3 months ended 31.03.2011</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit attributable to owners of the parent	6,400	8,152	6,400	8,152
Weighted average number of Ordinary shares in issue ('000)	308,968	313,966	308,968	313,966
Basic earnings per share (sen) for: Profit for the period	2.07	2.60	2.07	2.60

### (b) Diluted

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

## 13. 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 25 April 2012.