CEPATWAWASAN GROUP BERHAD
(Company No. 536499-K)

Condensed consolidated statement of comprehensive income
For the six-month period ended 30 June 2013

	Current quarter		Cumulative quarter	
	3 months ended 30.06.2013 (Unaudited) RM'000	3 months ended 30.06.2012 (Unaudited) RM'000	6 months ended 30.06.2013 (Unaudited) RM'000	6 months ended 30.06.2012 (Unaudited) RM'000
Revenue	48,609	53,703	94,806	114,734
Cost of sales	(42,197)	(43,378)	(80,126)	(93,246)
Gross profit	6,412	10,325	14,680	21,488
Other operating income	329	551	694	759
Administrative expenses	(1,666)	(1,652)	(3,859)	(3,248)
Other operating expenses	(1,237)	(1,401)	(2,609)	(2,641)
Operating profits	3,838	7,823	8,906	16,358
Finance income	169	264	331	511
Finance costs	(102)	(155)	(184)	(313)
Net finance costs	67	109	147	198
Profit before tax	3,905	7,932	9,053	16,556
Income tax expense	(1,056)	(2,106)	(2,256)	(4,083)
Profit for the period	2,849	5,826	6,797	12,473
Other comprehensive income				
Exchange differences on translation of foreign operations	41	64	26	64
Other comprehensive income for the period, net of tax	41	64	26	64
Total comprehensive income for the period, net of tax	2,890	5,890	6,823	12,537
Profit for the period attributable to:				
Owners of the parent	2,847	5,282	6,668	11,682
Non-controlling interests	2	544	129	791
	2,849	5,826	6,797	12,473
Total comprehensive income for the period, net of tax attributable to:				
Owners of the parent	2,888	5,346	6,694	11,746
Non-controlling interests	2	544	129	791
	2,890	5,890	6,823	12,537
Earnings per share (EPS) attributable to owners of the parent (sen per share)				
Basic EPS	0.92	1.71	2.16	3.78

These condensed consolidated statement of comprehensive income should be read in conjuction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to these interim financial statements.

CEPATWAWASAN GROUP BERHAD
(Company No. 536499-K)

Condensed consolidated statement of financial position as at 30 June 2013

	30.06.2013 (Unaudited) RM'000	31.12.2012 (Audited) RM'000
ASSETS		
Property, plant and equipment	249,763	232,223
Biological assets	152,636	152,460
Investment properties	20,279	20,279
Intangible assets	92,088	92,088
Land use rights	2,065	2,078
Deferred tax assets	2,851	2,443
Other receivables	5,312	5,222
Total non-current assets	524,994	506,793
Inventories	15,011	20,467
Trade and other receivables	14,463	14,481
Tax recoverable	4,519	2,855
Short term investments	154	12,942
Deposits placed with licensed banks	27,029	15,886
Cash and bank balances	6,113	6,476
Total current assets	67,289	73,107
TOTAL ASSETS	592,283	579,900
EQUITY		
Equity attributable to owners of the parent		
Share capital	318,446	318,446
Treasury shares	(11,096)	(11,096)
Retained earnings	99,157	95,579
Foreign currency translation reserve	88	62
Total equity attributable to owners of the parent	406,595	402,991
Non-controlling interests	17,621	18,692
Total equity	424,216	421,683
LIABILITIES		
Lease rental payable	267	267
Borrowings	74,339	75,026
Deferred tax liabilities	45,992	46,139
Total non-current liabilities	120,598	121,432
Borrowings	20,331	13,462
Trade and other payables	26,467	22,832
Income tax payables	671	491
Total current liabilities	47,469	36,785
Total liabilities	168,067	158,217
TOTAL EQUITY AND LIABILITIES	592,283	579,900
Net assets per share attributable to owner of the parent (RM)	1.32	1.30

These condensed consolidated statement of financial position should be read in conjuction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to these interim financial statements.

CEPATWAWASAN GROUP BERHAD

(Company No. 536499-K)

Condensed consolidated statement of cash flows for the period ended 30 June 2013

	6 months ended 30.06.2013 (Unaudited) RM'000	6 months ended 30.06.2012 (Unaudited) RM'000
Operating activities		
Profit before tax	9,053	16,556
Adjustments for:		
Bad debts written off	255	-
Depreciation and amortisation	2,751	2,974
Equipment written off	-	1
Finance costs	184	313
Gain on disposal of plant and equipment	(11)	(223)
Interest income	(330)	(519)
Operating profit before working capital changes	11,902	19,102
Decrease in inventories	5,534	6,092
(Increase)/Decrease in receivables	(327)	5,865
Increase in payables	3,635	552
Cash generated from operations	20,744	31,611
Interest paid	(184)	(313)
Income taxes paid	(4,402)	(8,067)
Tax refunded	106	9
Interest received	330	519
Net cash generated from operating activities	16,594	23,759
Investing activities		
Proceeds from disposal of property, plant and equipment	137	239
Purchase of property, plant and equipment	(19,759)	(33,843)
Additions to biological assets	(176)	(432)
Net cash used in investing activities	(19,798)	(34,036)
Financing activities		
Dividend paid	(3,090)	(4,634)
Dividend paid to non-controlling interests	(1,200)	(1,200)
Drawdown of term loans	1,491	19,254
Drawdown of revolving credits	6,000	32,400
Repayment of term loans	(1,394)	(1,222)
Payment of revolving credits	-	(16,200)
Repayment of obligations under finance leases	(637)	(507)
Effect on exchange rate changes on cash and cash equivalent	26	-
Net cash generated from financing activities	1,196	27,891
Net (decrease) / increase in cash and cash equivalents	(2,008)	17,614
Cash and cash equivalents at beginning of financial period	35,304	44,402
Cash and cash equivalents at end of financial period	33,296	62,016

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

	As at 30.06.2013 RM'000	As at 30.06.2012 RM'000
Short term investments	154	10,938
Deposits placed with licensed banks	27,029	43,023
Cash and bank balances	6,113	8,055
	33,296	62,016

These condensed consolidated statement of cash flows should be read in conjuction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to these interim financial statements.

CEPATWAWASAN GROUP BERHAD
(Company No. 536499-K)

Condensed consolidated statement of changes in equity for the period ended 30 June 2013

	← Attributable to owners of the parent →						
			← Non-distributable →			Distributable	
	Equity, total	Equity attributable to owners of the parent, total	Share capital	Treasury shares	Foreign currency translation reserve	Retained earnings	Non-controlling interests
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2012	409,495	391,157	215,457	(11,096)	-	186,796	18,338
Total comprehensive income	12,537	11,746	-	-	64	11,682	791
Bonus Issue	-	-	102,989	-	-	(102,989)	-
Dividend paid to non-controlling interests	(1,200)	-	-	-	-	-	(1,200)
Dividend	(4,634)	(4,634)	-	-	-	(4,634)	-
At 30 June 2012	416,198	398,269	318,446	(11,096)	64	90,855	17,929
At 1 January 2013	421,683	402,991	318,446	(11,096)	62	95,579	18,692
Total comprehensive income	6,823	6,694	-	-	26	6,668	129
Dividend paid to non-controlling interests	(1,200)	-	-	-	-	-	(1,200)
Dividend	(3,090)	(3,090)	-	-	-	(3,090)	-
At 30 June 2013	424,216	406,595	318,446	(11,096)	88	99,157	17,621

The above condensed consolidated statement of changes in equity should be read in conjuction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to these 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 30 June 2013, have been prepared in accordance with Financial Reporting Standard ("FRS") 134 "Interim Financial Reporting" and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2012.

   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 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

   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 2012, except for the adoption of the following new/revised FRSs and amendments to FRSs:

   Effective for financial periods beginning on or after 1 July 2012:
   Amendments to FRS 101: Presentation of Items of Other Comprehensive Income

   Effective for financial periods beginning on or after 1 January 2013:
   FRS 10 : Consolidated Financial Statements
   FRS 11 : Joint Arrangements
   FRS 12 : Disclosure of Interests in Other Entities
   FRS 13 : Fair Value Measurement
   FRS 119 : Employee Benefits
   FRS 127 : Separate Financial Statements
   FRS 128 : Investment in Associates and Joint Ventures
   IC Interpretation 20 : Stripping Costs in the Production Phase of a Surface Mine
   Amendments to FRS 1: Government Loans
   Amendments to FRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities
   Amendments to FRS 10, FRS 11 and FRS 12: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities - Transition Guidance
   Improvements to FRSs (2012)
   Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities

   Effective for financial periods beginning on or after 1 January 2014:
   Amendments to FRS 10, FRS 12 and FRS 127: Investment Entities

   Effective for financial periods beginning on or after 1 January 2015:
   FRS 9: Financial Instruments

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

2. Changes in accounting policies (Contd.)

   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 2014.

   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 2014. 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 2014.

3. Auditors' report on preceding annual financial statements

   The auditors' report on the financial statements of the Group for the year ended 31 December 2012 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

	Results for the 3 months ended 30 June					
	Plantation		**Oil Mill**		**Total**	
	2013 RM'000	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**
External revenue	4,272	4,782	43,552	47,752	47,824	52,534
Inter-segment revenue	8,597	13,688	-	-	8,597	13,688
Segment profit	1,871	7,403	1,798	136	3,669	7,539

4. Segment information (Contd.)

Segment profit is reconciled to consolidated profit before tax as follows:	**2013 RM'000**	**2012 RM'000**
Segment profit	3,669	7,539
Other non-reportable segments	470	744
Elimination of inter-segment profits	(66)	(162)
Unallocated corporate expenses	(168)	(189)
Consolidated profit before tax	3,905	7,932

	Results for the 6 months ended 30 June					
	Plantation		**Oil Mill**		**Total**	
	2013 RM'000	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**
External revenue	7,770	9,601	85,700	103,311	93,470	112,912
Inter-segment revenue	18,951	27,451	-	-	18,951	27,451
Segment profit	5,139	15,143	3,556	1,049	8,695	16,192
Segment assets	341,055	338,530	84,528	108,302	425,583	446,832
Segment liabilities	6,503	10,006	38,557	40,571	45,060	50,577

Segment profit is reconciled to consolidated profit before tax as follows:	**2013 RM'000**	**2012 RM'000**
Segment profit	8,695	16,192
Other non-reportable segments	774	1,182
Elimination of inter-segment profits	(145)	(325)
Unallocated corporate expenses	(271)	(493)
Consolidated profit before tax	9,053	16,556

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

The final tax exempt (single tier) dividend of 1% declared on 30 April 2013, on 318,446,210 ordinary shares (excluding 9,478,600 treasury shares) amounting to RM 3,089,676 in respect of the financial year ended 31 December 2012 was paid on 23 May 2013.

9. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial period under review.

During the financial period ended 30 June 2013, the Company repurchased 100 of its issued ordinary shares from the open market at an average price of RM 0.895 per share. The total consideration paid for the purchase including transaction costs was RM 131. The repurchase transaction was financed by internally generated funds. The repurchased share are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965. None of the treasury shares has been resold or distributed as share dividends during the financial period ended 30 June 2013.

10. Changes in composition of the Group

There were no changes in the composition of the Group during the current quarter ended 30 June 2013.

11. Capital commitments

The amount of capital commitments not provided for in the unaudited interim financial statements as at 30 June 2013 is as follows:

	RM'000
Approved and contracted for	20,296
Approved but not contracted for	10,390
	30,686

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 2012.

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 48.61 million, which is a decrease of RM 5.09 million as compared to the preceding year corresponding quarter due to lower CPO and PK prices by 32% and 37% respectively despite higher CPO and PK sales volume by 34% and 35% respectively.

The Group reported a profit before tax of RM 3.91 million for this quarter under review, which is a decrease of 51% from the preceding year corresponding quarter due to lower CPO and PK prices by 32% and 37% respectively despite a 6% 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 5.53 million (75%) to RM 1.87 million was due to a 34% decrease in FFB price despite a 6% increase in FFB production.

2) Oil Mill – The increase in profit before tax by RM 1.66 million (1,222%) to RM 1.80 million was due to higher CPO and PK sales volume by 34% and 35% respectively, higher extraction rate and lower operating cost as a result of 16% increase in CPO production.

Current Year-to date vs. Previous Year-to-date

For this financial period under review, the Group recorded a revenue of RM 94.81 million, which is a decrease of RM 19.93 million as compared to the previous financial period due to lower CPO and PK prices by 31% and 39% respectively despite higher CPO and PK sales volume by 22% and 23% respectively.

The Group reported a profit before tax of RM 9.05 million for this financial period under review, which is a decrease of 45% from the previous financial period due to lower CPO and PK prices by 31% and 39% respectively despite a 10% increase in FFB production.

Performance of the respective operating business segments for the period ended 30 June 2013 as compared to the previous period is analysed as follows:

1) Plantation – The decrease in profit before tax by RM 10.00 million (66%) to RM 5.14 million was due to a 35% decrease in FFB price despite a 10% increase in FFB production.

2) Oil Mill – The increase in profit before tax by RM 2.51 million (239%) to RM 3.56 million was due to higher CPO and PK sales volume by 22% and 23% respectively, higher extraction rate and lower operating cost as a result of 18% 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 3.91 million as compared to RM 5.15 million in the immediate preceding quarter due to a 11% decrease in FFB production.

3. Commentary on prospects

   Barring any unforeseen circumstances, the Board is confident that the Group's prospects are still bright in view that CPO and PK prices have recently stabilised to around RM 2,250 and RM 1,250 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

	Current quarter		**Cumulative quarter**	
	3 months ended 30.06.2013 RM'000	**3 months ended 30.06.2012 RM'000**	**6 months ended 30.06.2013 RM'000**	**6 months ended 30.06.2012 RM'000**
Profit for the period is arrived at after crediting/(charging):				
Depreciation and amortisation	1,378	1,505	2,751	2,974
Bad debts written off	5	-	255	-
Equipment written off	-	-	-	1
Gain on disposal of equipment	(11)	(223)	(11)	(223)
Net (gain)/loss on foreign exchange	(173)	56	(98)	64

   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

	Current quarter		**Cumulative quarter**	
	3 months ended 30.06.2013 RM'000	**3 months ended 30.06.2012 RM'000**	**6 months ended 30.06.2013 RM'000**	**6 months ended 30.06.2012 RM'000**
Current tax	1,274	1,968	2,812	4,248
Deferred tax	(218)	138	(556)	(165)
Total income tax expense	1,056	2,106	2,256	4,083

   The Group's effective tax rate for the current quarter was higher than the statutory rate of 25% principally due to certain expenses were disallowed for tax purposes.

   The Group's effective tax rate for the cumulative quarter ended 30 June 2013 was lower than the statutory tax rate of 25% principally due to certain provisions in previous year were allowed to deduct in this cumulative quarter.

7. Corporate proposals

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

8. Borrowings

	As at 30.06.2013 (Unaudited) RM'000	As at 31.12.2012 (Audited) RM'000
Short term borrowings - Secured		
Obligation under finance leases	1,268	1,062
Revolving credit	16,000	10,000
Term loans	3,063	2,400
	20,331	13,462
Long term borrowings - Secured		
Obligation under finance leases	1,006	1,127
Term loans	73,333	73,899
	74,339	75,026
Total borrowings	94,670	88,488

The Group's total borrowings included an amount of RM 65 million (31.12.2012: RM 63.5 million) that was obtained under the Green Technology Financing Scheme for the renewable power plant.

9. Disclosure of derivatives

The Group did not enter into any derivative contact and accordingly there were no outstanding derivatives (including financial instruments designated as hedging instruments) as at 30 June 2013.

10. Breakdown of realised and unrealised profits or losses

The breakdown of the retained profits of the Group as at 30 June 2013 and 31 December 2012 into realised and unrealised profits is presented in accordance with the directives issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and 20 December 2010, 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.

	As at 30.06.2013 (Unaudited) RM'000	As at 31.12.2012 (Audited) RM'000
Realised retained earnings	161,995	159,756
Unrealised retained earnings	(11,851)	(12,405)
	150,144	147,351
Less: consolidation adjustments	(50,987)	(51,772)
Total group retained earnings	99,157	95,579

11. Dividend payable

The final tax exempt (single tier) dividend of 1% declared on 30 April 2013, on 318,446,210 ordinary shares (excluding 9,478,600 treasury shares) amounting to RM 3,089,676 in respect of the financial year ended 31 December 2012 was paid on 23 May 2013.

The total dividend paid in 2013 is 1% (2012:1.5%).

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 in issue during the financial period excluding treasury shares held by the Company.

	Current quarter		**Cumulative quarter**	
	3 months ended 30.06.2013	**3 months ended 30.06.2012**	**6 months ended 30.06.2013**	**6 months ended 30.06.2012**
Profit for the period attributable to owners of the parent used in computation of earnings per share (RM'000)	2,847	5,282	6,668	11,682
Weighted average number of ordinary shares in issue ('000)	308,968	308,968	308,968	308,968
Basic earnings per share (sen per share)	0.92	1.71	2.16	3.78

(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

These condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 24 July 2013.