

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

**Condensed consolidated statement of comprehensive income**  
**For the nine-month period ended 30 September 2014**

	Current quarter		Cumulative quarter	
	3 months ended 30.09.2014 (Unaudited) RM'000	3 months ended 30.09.2013 (Unaudited) RM'000	9 months ended 30.09.2014 (Unaudited) RM'000	9 months ended 30.09.2013 (Unaudited) RM'000
Revenue	51,609	54,464	164,517	149,270
Cost of sales	(45,788)	(46,250)	(135,131)	(126,376)
<b>Gross profit</b>	<b>5,821</b>	<b>8,214</b>	<b>29,386</b>	<b>22,894</b>
Other operating income	319	766	703	1,460
Administrative expenses	(1,786)	(1,466)	(5,422)	(5,325)
Other operating expenses	(1,459)	(1,464)	(4,368)	(4,073)
<b>Operating profits</b>	<b>2,895</b>	<b>6,050</b>	<b>20,299</b>	<b>14,956</b>
Finance income	121	162	397	493
Finance costs	(145)	(209)	(566)	(393)
<b>Net finance costs</b>	<b>(24)</b>	<b>(47)</b>	<b>(169)</b>	<b>100</b>
<b>Profit before tax</b>	<b>2,871</b>	<b>6,003</b>	<b>20,130</b>	<b>15,056</b>
Income tax expense	(689)	(1,743)	(4,926)	(3,999)
<b>Profit for the period</b>	<b>2,182</b>	<b>4,260</b>	<b>15,204</b>	<b>11,057</b>
<b>Other comprehensive income</b>				
Exchange differences on translation of foreign operations	1	109	(1)	135
<b>Other comprehensive income for the period, net of tax</b>	<b>1</b>	<b>109</b>	<b>(1)</b>	<b>135</b>
<b>Total comprehensive income for the period, net of tax</b>	<b>2,183</b>	<b>4,369</b>	<b>15,203</b>	<b>11,192</b>
<b>Profit for the period attributable to:</b>				
Owners of the parent	2,266	4,197	15,411	10,865
Non-controlling interests	(84)	63	(207)	192
	<b>2,182</b>	<b>4,260</b>	<b>15,204</b>	<b>11,057</b>
<b>Total comprehensive income for the period, net of tax attributable to:</b>				
Owners of the parent	2,267	4,306	15,410	11,000
Non-controlling interests	(84)	63	(207)	192
	<b>2,183</b>	<b>4,369</b>	<b>15,203</b>	<b>11,192</b>
<b>Earnings per share (EPS) attributable to owners of the parent (sen per share)</b>				
Basic EPS	0.73	1.36	4.99	3.52

These condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2013 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 September 2014**

	<b>30.09.2014</b>	<b>31.12.2013</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
Property, plant and equipment	282,708	265,637
Biological assets	156,558	154,171
Investment properties	41,600	41,600
Intangible assets	92,088	92,088
Land use rights	2,029	2,050
Deferred tax assets	3,820	3,186
Other receivables	6,835	6,036
<b>Total non-current assets</b>	<b>585,638</b>	<b>564,768</b>
Inventories	23,671	16,816
Trade and other receivables	14,497	17,323
Tax recoverable	2,669	1,501
Short term investments	11,006	10,443
Deposits placed with licensed banks	28,697	14,277
Cash and bank balances	13,681	10,054
<b>Total current assets</b>	<b>94,221</b>	<b>70,414</b>
<b>TOTAL ASSETS</b>	<b>679,859</b>	<b>635,182</b>
<b>EQUITY</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	318,446	318,446
Treasury shares	(11,097)	(11,096)
Retained earnings	139,932	131,427
Foreign currency translation reserve	(1)	-
<b>Total equity attributable to owners of the parent</b>	<b>447,280</b>	<b>438,777</b>
Non-controlling interests	17,706	18,061
<b>Total equity</b>	<b>464,986</b>	<b>456,838</b>
<b>LIABILITIES</b>		
Lease rental payable	267	267
Borrowings	62,810	69,788
Deferred tax liabilities	46,559	46,179
<b>Total non-current liabilities</b>	<b>109,636</b>	<b>116,234</b>
Borrowings	75,579	32,000
Trade and other payables	27,908	29,588
Income tax payables	1,750	522
<b>Total current liabilities</b>	<b>105,237</b>	<b>62,110</b>
<b>Total liabilities</b>	<b>214,873</b>	<b>178,344</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>679,859</b>	<b>635,182</b>
<b>Net assets per share attributable to owner of the parent (RM)</b>	<b>1.45</b>	<b>1.42</b>

These condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2013 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 September 2014**

	9 months ended 30.09.2014 (Unaudited) RM'000	9 months ended 30.09.2013 (Unaudited) RM'000
<b>Operating activities</b>		
Profit before tax	20,130	15,056
Adjustments for:		
Bad debts written off	-	257
Depreciation and amortisation	6,524	4,872
Finance costs	566	393
Gain on disposal of plant and equipment	-	(11)
Interest income	(397)	(489)
Plant and equipment scrapped	17	-
Net loss on foreign exchange - unrealised	21	-
<b>Operating profit before working capital changes</b>	<b>26,861</b>	<b>20,078</b>
(Increase)/Decrease in inventories	(6,776)	5,388
Decrease/(Increase) in receivables	2,030	(2,467)
(Decrease)/Increase in payables	(1,683)	7,101
<b>Cash generated from operations</b>	<b>20,432</b>	<b>30,100</b>
Interest paid	(566)	(393)
Income taxes paid	(5,252)	(5,529)
Tax refunded	134	825
Interest received	397	489
<b>Net cash flows generated from operating activities</b>	<b>15,145</b>	<b>25,492</b>
<b>Investing activities</b>		
Proceeds from disposal of property, plant and equipment	-	138
Purchase of property, plant and equipment	(23,304)	(29,808)
Additions to biological assets	(2,387)	(786)
Acquisition of non-controlling interests	(75)	-
<b>Net cash flows used in investing activities</b>	<b>(25,766)</b>	<b>(30,456)</b>
<b>Financing activities</b>		
Dividend paid	(6,179)	(3,090)
Dividend paid to non-controlling interests	(800)	(1,200)
Drawdown of term loans	-	1,493
Drawdown of revolving credits	40,500	8,700
Repayment of term loans	(3,313)	(1,918)
Repayment of obligations under finance leases	(957)	(956)
<b>Net cash flows generated from financing activities</b>	<b>29,251</b>	<b>3,029</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>18,630</b>	<b>(1,935)</b>
<b>Net foreign exchange difference</b>	<b>(20)</b>	<b>135</b>
<b>Cash and cash equivalents at beginning of financial period</b>	<b>34,774</b>	<b>35,304</b>
<b>Cash and cash equivalents at end of financial period</b>	<b>53,384</b>	<b>33,504</b>
<b>Cash and cash equivalents at the end of the financial period comprise the following:</b>		
	As at 30.09.2014 (Unaudited) RM'000	As at 30.09.2013 (Unaudited) RM'000
Short term investments	11,006	9,800
Deposits placed with licensed banks	28,697	16,865
Cash and bank balances	13,681	6,839
	<b>53,384</b>	<b>33,504</b>

These condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2013 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 September 2014**

	← 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 2013	421,683	402,991	318,446	(11,096)	62	95,579	18,692
Total comprehensive income	11,192	11,000	-	-	135	10,865	192
Dividend paid to non-controlling interests	(1,200)	-	-	-	-	-	(1,200)
Dividend	(3,090)	(3,090)	-	-	-	(3,090)	-
<b>At 30 September 2013</b>	<b>428,585</b>	<b>410,901</b>	<b>318,446</b>	<b>(11,096)</b>	<b>197</b>	<b>103,354</b>	<b>17,684</b>
At 1 January 2014	456,838	438,777	318,446	(11,096)	-	131,427	18,061
Total comprehensive income	15,203	15,410	-	-	(1)	15,411	(207)
Acquisition of non-controlling interests	(75)	(727)	-	-	-	(727)	652
Purchase of treasury shares	(1)	(1)	-	(1)	-	-	-
Dividend paid to non-controlling interests	(800)	-	-	-	-	-	(800)
Dividend	(6,179)	(6,179)	-	-	-	(6,179)	-
<b>At 30 September 2014</b>	<b>464,986</b>	<b>447,280</b>	<b>318,446</b>	<b>(11,097)</b>	<b>(1)</b>	<b>139,932</b>	<b>17,706</b>

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 2013 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 September 2014, 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 2013.

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 2013. 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 2013.

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 2013, except for the adoption of the following new/revised FRSs and amendments to FRSs:

Effective for financial periods beginning on or after 1 January 2014:

- Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 10, FRS 12 and FRS 127: Investment Entities
- Amendments to FRS 136: Recoverable Amount Disclosures for Non-Financial Assets
- Amendments to FRS 139: Novation of Derivatives and Continuation of Hedge Accounting
- IC Interpretation 21 Levies

Effective for financial periods beginning on or after 1 July 2014:

- Amendments to FRS 119: Defined Benefit Plans: Employee Contributions
- Annual Improvements to FRSs 2010 – 2012 Cycle
- Annual Improvements to FRSs 2011 – 2013 Cycle

Effective for financial periods beginning on or after, to be announced:

- 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.

**Malaysian Financial Reporting Standards (MFRS Framework)**

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’).

## 2. Changes in accounting policies (Contd.)

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 2017.

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 2017. 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 earnings.

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 2017.

## 3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements of the Group for the year ended 31 December 2013 was not qualified.

## 4. Segment information

The Group has three reportable segments, as described below, which are the Group's strategic 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
- c. Power Plant - Power generation

### Information about reportable segments

	Results for the 3 months ended 30 September							
	Plantation		Oil Mill		Power Plant		Total	
	2014	2013	2014	2013	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	3,191	2,804	47,878	50,811	-	-	51,069	53,615
Inter-segment revenue	13,067	12,440	-	-	544	259	13,611	12,699
Segment profit/(loss)	4,751	4,849	(1,072)	1,354	(943)	(522)	2,736	5,681

4. Segment information (Contd.)

	<b>3 months ended 30.09.2014 (Unaudited) RM'000</b>	<b>3 months ended 30.09.2013 (Unaudited) RM'000</b>
<b>Segment profit is reconciled to consolidated profit before tax as follows:</b>		
Segment profit	2,736	5,681
Other non-reportable segments	387	524
Elimination of inter-segment profits	(35)	(186)
Unallocated corporate expenses	(217)	(16)
Consolidated profit before tax	<u>2,871</u>	<u>6,003</u>

	<b>Results for the 9 months ended 30 September</b>							
	<b>Plantation</b>		<b>Oil Mill</b>		<b>Power Plant</b>		<b>Total</b>	
	<b>2014 RM'000</b>	<b>2013 RM'000</b>	<b>2014 RM'000</b>	<b>2013 RM'000</b>	<b>2014 RM'000</b>	<b>2013 RM'000</b>	<b>2014 RM'000</b>	<b>2013 RM'000</b>
<b>External revenue</b>	10,205	10,573	152,018	136,511	-	-	162,223	147,084
<b>Inter-segment revenue</b>	44,032	31,391	-	-	876	259	44,908	31,650
<b>Segment profit/(loss)</b>	22,670	9,988	81	4,910	(3,433)	(717)	19,318	14,181
<b>Segment assets</b>	346,206	343,402	92,731	84,136	132,332	114,815	570,269	542,353
<b>Segment liabilities</b>	7,953	6,424	36,971	39,772	81,219	78,641	126,143	124,837

	<b>9 months ended 30.09.2014 (Unaudited) RM'000</b>	<b>9 months ended 30.09.2013 (Unaudited) RM'000</b>
<b>Segment profit is reconciled to consolidated profit before tax as follows:</b>		
Segment profit	19,318	14,181
Other non-reportable segments	1,262	1,298
Elimination of inter-segment profits	(163)	(331)
Unallocated corporate expenses	(287)	(92)
Consolidated profit before tax	<u>20,130</u>	<u>15,056</u>

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 2% declared on 30 April 2014, on 308,967,410 ordinary shares (excluding 9,478,800 treasury shares) amounting to RM 6,179,348 in respect of the financial year ended 31 December 2013 was paid on 21 May 2014.

No interim dividend has been paid during the current quarter ended 30 September 2014.

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 September 2014, the Company repurchased 100 of its issued ordinary shares from the open market at an average price of RM 1.05 per share. The total consideration paid for the purchase including transaction costs was RM 146. 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 September 2014.

10. Changes in composition of the Group

On 15 August 2014, Cash Nexus (M) Sdn. Bhd., a wholly-owned subsidiary of the Group, acquired 75,000 ordinary shares of RM 1.00 each in Mistral Engineering Sdn. Bhd., representing its remaining 30% of the equity interest for a total consideration of RM 75,000, resulting in the latter becoming a wholly-owned subsidiary of the Group.

11. Capital commitments

The amount of capital commitments not provided for in the unaudited interim financial statements as at 30 September 2014 is as follows:

	<b>RM'000</b>
Approved and contracted for	8,018
Approved but not contracted for	<u>7,518</u>
	<u>15,536</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 2013.



### 13. Subsequent events

On 10 October 2014, the Group announced that Cash Nexus (M) Sdn. Bhd. ("CNSB"), a wholly-owned subsidiary company of the Group, proposes to undertake a reverse take-over ("RTO") of Timah Resources Limited ("TRL"), a public limited company listed on the National Stock Exchange of Australia, by way of the following:-

- i) The disposal by CNSB of 100% of the equity interest in Mistral Engineering Sdn. Bhd. to TRL for a total consideration of AUD 8,550,000 (equivalent to RM 24,800,985) to be fully satisfied by the issuance of 85,500,000 TRL Shares at an issue price of AUD 0.10 per Consideration Share ("Proposed Disposal"); and
- ii) The subscription by CNSB and/ or its nominee(s) of 10,000,000 TRL Shares for a total cash consideration of AUD 2,000,000 (equivalent to RM5,801,400) or AUD 0.20 per Subscription Share in conjunction with the transfer listing exercise to be undertaken by TRL.

Simultaneous with the execution of the conditional share sale agreement for the Proposed Disposal on 10 October 2014, CNSB had entered into a call option agreement with Timah Pasir Sdn Bhd ("TPSB" or the "Grantor"), being a substantial shareholder of TRL, for CNSB to have the option to acquire 9,500,000 TRL Shares from TPSB on a pre-consolidation basis and at any time within one (1) year from the date of the call option agreement for a total cash consideration of up to AUD 950,000 (equivalent to RM 2,755,665).

**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 51.61 million, which is a decrease of RM 2.86 million as compared to the preceding year corresponding quarter due to lower CPO prices by 11% despite higher CPO and PK sales volume by 3% and 11% respectively.

The Group reported a profit before tax of RM 2.87 million for this quarter under review, which is a decrease of 52% from the preceding year corresponding quarter due to lower CPO prices by 11% and lower margin as a result of stiff competition on sourcing the fresh fruit bunches despite higher CPO and PK sales volume by 3% and 11% respectively and a 9% 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:

- i) Plantation – The decrease in profit before tax by RM 0.10 million (2%) from RM 4.85 million to RM 4.75 million was due to a 2% decrease in FFB price despite a 9% increase in FFB production.
- ii) Oil Mill – The decrease in profit before tax by RM 2.43 million (179%) from a profit before tax of RM 1.36 million to a loss before tax of RM 1.07 million was due to lower margin as a result of stiff competition on sourcing the fresh fruit bunches despite higher CPO and PK sales volume by 3% and 11% respectively.
- iii) Power Plant – The increase in loss before tax by RM 0.42 million (81%) from RM 0.52 million to RM 0.94 million was due to higher operating cost incurred as a result of the commencement of the operation.

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

For this financial period under review, the Group recorded a revenue of RM 164.52 million, which is an increase of RM 15.25 million as compared to the previous financial period due to higher CPO and PK prices by 6% and 45% respectively and higher PK sales by 13%.

The Group reported a profit before tax of RM 20.13 million for this financial period under review, which is an increase of 34% from the previous financial period due to higher CPO and PK prices by 6% and 45% respectively, higher PK sales by 13% and a 10% increase in FFB production.

Performance of the respective operating business segments for the period ended 30 September 2014 as compared to the previous period is analysed as follows:

- i) Plantation – The increase in profit before tax by RM 12.68 million (127%) from RM 9.99 million to RM 22.67 million was due to a 17% increase in FFB prices and a 10% increase in FFB production.

1. Review of performance (Contd.)

- ii) Oil Mill – The decrease in profit before tax by RM 4.83 million (98%) from RM 4.91 million to RM 0.08 million was due to lower margin as a result of stiff competition on sourcing the fresh fruit bunches despite a 11% increase in CPO production.
- iii) Power Plant – The increase in loss before tax by RM 2.71 million (378%) from RM 0.72 million to RM 3.43 million was due to higher operating cost incurred as a result of the commencement of the operation.

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 2.87 million as compared to RM 10.29 million in the immediate preceding quarter due to lower CPO and PK prices by 19% and 32% respectively and lower CPO extraction rate.

3. Commentary on prospects

Barring any unforeseen circumstances, the Board is confident that the Group's prospects remain bright in view that CPO and PK prices have recently stabilised to around RM 2,200 and RM 1,300 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 30.09.2014 (Unaudited) RM'000	3 months ended 30.09.2013 (Unaudited) RM'000	9 months ended 30.09.2014 (Unaudited) RM'000	9 months ended 30.09.2013 (Unaudited) RM'000
Profit for the period is arrived at after crediting/ (charging):				
Bad debts written off	-	2	-	257
Depreciation and amortisation	2,349	2,121	6,524	4,872
Gain on disposal of equipment	-	-	-	(11)
Plant and equipment scrapped	-	-	17	-
Net loss/(gain) on foreign exchange - realised	174	(223)	265	(321)
Net loss on foreign exchange - unrealised	(2)	-	21	-

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 30.09.2014 (Unaudited) RM'000	3 months ended 30.09.2013 (Unaudited) RM'000	9 months ended 30.09.2014 (Unaudited) RM'000	9 months ended 30.09.2013 (Unaudited) RM'000
Income tax				
- Current provision	1,077	1,868	5,458	4,679
- Overprovision of tax in prior years	(286)	-	(280)	-
	<u>791</u>	<u>1,868</u>	<u>5,178</u>	<u>4,679</u>
Deferred tax				
- Relating to origination and reversal of temporary differences	(189)	(125)	(336)	(680)
- Underprovision of tax in prior years	87	-	84	-
	<u>(102)</u>	<u>(125)</u>	<u>(252)</u>	<u>(680)</u>
Total income tax expense	<u>689</u>	<u>1,743</u>	<u>4,926</u>	<u>3,999</u>

The Group's effective tax rate for the current quarter and cumulative quarter ended 30 September 2014 was higher than the statutory tax rate of 25% principally due to certain expenses were disallowed for tax purposes.

7. Corporate proposals

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

8. Borrowings

	As at 30.09.2014 (Unaudited) RM'000	As at 31.12.2013 (Audited) RM'000
<b>Short term borrowings - Secured</b>		
Obligation under finance leases	829	1,194
Revolving credit	65,000	24,500
Term loans	9,750	6,306
	<u>75,579</u>	<u>32,000</u>
<b>Long term borrowings - Secured</b>		
Obligation under finance leases	664	885
Term loans	62,146	68,903
	<u>62,810</u>	<u>69,788</u>
Total borrowings	<u>138,389</u>	<u>101,788</u>

The Group's total borrowings included an amount of RM 63.12 million (31.12.2013: RM 64.86 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 September 2014.

## 10. Breakdown of realised and unrealised profits or losses

The breakdown of the retained profits of the Group as at 30 September 2014 and 31 December 2013 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.

	<b>As at 30.09.2014 (Unaudited) RM'000</b>	<b>As at 31.12.2013 (Audited) RM'000</b>
Realised retained earnings	181,938	173,254
Unrealised retained earnings	8,377	8,255
	<hr/>	<hr/>
	190,315	181,509
Less: consolidation adjustments	(50,383)	(50,082)
Total group retained earnings	<hr/> <u>139,932</u>	<hr/> <u>131,427</u>

## 11. Dividend payable

No interim dividend has been declared during the current quarter ended 30 September 2014.

The total dividend paid in 2014 is 2% (2013:1%).

## 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.

12. Earnings per share (Contd.)

	Current quarter		Cumulative quarter	
	3 months	3 months	9 months	9 months
	ended	ended	ended	ended
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit for the period attributable to owners of the parent used in computation of earnings per share (RM'000)	2,266	4,197	15,411	10,865
Weighted average number of ordinary shares in issue ('000)	308,967	308,968	308,967	308,968
Basic earnings per share (sen per share)	0.73	1.36	4.99	3.52

(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 29 October 2014.