CEPATWAWASAN GROUP BERHAD
(Company No. 536499-K)

Condensed consolidated statement of comprehensive income
For the 12-months year ended 31 December 2017

	Current quarter		Cumulative quarter	
	3 months ended 31.12.2017 (Unaudited) RM'000	**3 months ended 31.12.2016 (Unaudited) RM'000**	**12 months ended 31.12.2017 (Unaudited) RM'000**	**12 months ended 31.12.2016 (Audited) RM'000**
Revenue	78,936	85,428	274,140	254,668
Cost of sales	(68,055)	(71,859)	(224,776)	(211,567)
Gross profit	10,881	13,569	49,364	43,101
Other operating income	261	369	1,977	831
Administrative expenses	(3,398)	(3,077)	(9,056)	(9,043)
Other operating expenses	(1,409)	(1,203)	(4,397)	(4,266)
Operating profit	6,335	9,658	37,888	30,623
Finance income	2,102	1,830	8,360	7,266
Finance costs	(1,538)	(1,845)	(5,809)	(7,167)
Net finance income	564	(15)	2,551	99
Profit before tax	6,899	9,643	40,439	30,722
Income tax expense	(1,326)	(2,996)	(9,349)	(8,233)
Profit net of tax	5,573	6,647	31,090	22,489
Other comprehensive income				
Item that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	(266)	124	(161)	127
Other comprehensive income for the period, net of tax	(266)	124	(161)	3
Total comprehensive income for the period	5,307	6,771	30,929	22,616
Profit attributable to:				
Owners of the parent	4,795	6,083	27,636	21,145
Non-controlling interests	778	564	3,454	1,344
	5,573	6,647	31,090	22,489
Total comprehensive income attributable to:				
Owners of the parent	4,632	6,142	27,529	21,209
Non-controlling interests	675	629	3,400	1,407
	5,307	6,771	30,929	22,616
Earnings per share (EPS) attributable to owners of the parent (sen per share)				
Basic EPS	1.55	1.97	8.94	6.84

These condensed consolidated statement of comprehensive income should be read in conjuction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to these interim finanial statements.

CEPATWAWASAN GROUP BERHAD
(Company No. 536499-K)

Condensed consolidated statement of financial position as at 31 December 2017

	31.12.2017 (Unaudited) RM'000	31.12.2016 (Audited) RM'000
ASSETS		
Property, plant and equipment	172,707	173,209
Biological assets	162,533	161,296
Investment properties	43,340	42,700
Intangible assets	92,088	92,088
Land use rights	1,938	1,966
Deferred tax assets	2,887	3,204
Trade and other receivables	145,895	149,502
Total non-current assets	621,388	623,965
Inventories	24,758	24,403
Trade and other receivables	24,147	22,272
Tax recoverable	1,187	1,411
Short term investments	17,057	13,098
Deposits placed with licensed banks	9,308	10,556
Cash and bank balances	12,053	10,965
Total current assets	88,510	82,705
TOTAL ASSETS	709,898	706,670
EQUITY		
Equity attributable to owners of the parent		
Share capital	318,446	318,446
Treasury shares	(11,097)	(11,097)
Retained earnings	191,211	168,209
Other reserve	(1,943)	(1,943)
Foreign currency translation reserve	107	214
Total equity attributable to owners of the parent	496,724	473,829
Non-controlling interests	20,229	18,429
Total equity	516,953	492,258
LIABILITIES		
Lease rental payable	267	267
Borrowings	51,944	66,315
Deferred tax liabilities	51,620	50,293
Total non-current liabilities	103,831	116,875
Borrowings	58,421	63,804
Trade and other payables	29,071	31,828
Income tax payables	1,622	1,905
Total current liabilities	89,114	97,537
Total liabilities	192,945	214,412
TOTAL EQUITY AND LIABILITIES	709,898	706,670
Net assets per share attributable to owner of the parent (RM)	1.61	1.53

These condensed consolidated statement of financial position should be read in conjuction with the audited financial statements for the year ended 31 December 2016 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 year ended 31 December 2017

	12 months ended 31.12.2017 (Unaudited) RM'000	12 months ended 31.12.2016 (Audited) RM'000
Operating activities		
Profit before tax	40,439	30,722
Adjustments for:		
Bad debts written off	-	20
Depreciation and amortisation	7,646	7,318
Finance costs	5,809	7,167
Finance income	(8,360)	(7,266)
Gain on fair value adjustment of leasehold properties	(608)	-
Plant and equipment scrapped	-	14
Net (gain)/loss on disposal of property, plant and equipment	(105)	25
Net gain on foreign exchange - unrealised	(49)	(45)
Operating profit before working capital changes	44,772	37,955
(Increase)/decrease in inventories	(354)	5,019
Decrease/(Increase) in receivables	9,304	(15,540)
(Decrease)/Increase in payables	(2,743)	8,621
Cash generated from operations	50,979	36,055
Interest paid	(5,810)	(7,167)
Income taxes paid	(7,795)	(4,746)
Tax refunded	-	130
Interest received	794	716
Net cash flows generated from operating activities	38,168	24,988
Investing activities		
Proceeds from disposal of property, plant and equipment	2,336	43
Purchase of property, plant and equipment	(9,198)	(6,187)
Additions to biological assets	(1,236)	(2,205)
Net investment in short term money market funds	(3,961)	(2,013)
Acquisition of non-controlling interests	-	(1)
Net cash flows used in investing activities	(12,059)	(10,363)
Financing activities		
Dividend paid	(4,634)	(4,634)
Dividend paid to non-controlling interests	(1,600)	(800)
Cost of Capital raising		3
Drawdown of term loans	1,500	7,000
Drawdown of revolving credits	23,800	3,000
Placement of fixed deposit	-	(16)
Repayment of revolving credits	(30,500)	(13,270)
Repayment of term loans	(14,088)	(8,500)
Repayment of obligations under finance leases	(614)	(880)
Net cash flows used in financing activities	(26,136)	(18,097)
Net decrease in cash and cash equivalents	(27)	(3,472)
Net foreign exchange difference	(133)	181
Cash and cash equivalents at beginning of financial year	21,521	24,812
Cash and cash equivalents at end of financial year	21,361	21,521

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

	As at 31.12.2016 (Audited) RM'000	As at 31.12.2016 (Audited) RM'000
Deposits placed with licensed banks	9,308	10,556
Cash and bank balances	12,053	10,965
	21,361	21,521

These condensed consolidated statement of cash flows should be read in conjuction with the audited financial statements for the year ended 31 December 2016 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 year ended 31 December 2017

	Attributable to owners of the parent							
			Non-distributable				Distributable	
	Equity, total	Equity attributable to owners of the parent, total	Share capital	Treasury shares	Other reserve	Foreign currency translation reserve	Retained earnings	Non-controlling interests
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2016	475,074	457,251	318,446	(11,097)	(1,946)	150	151,698	17,823
Total comprehensive income	22,616	21,209	-	-	-	64	21,145	1,407
Acquisition of non-controlling interests	(1)	-	-	-	-	-	-	(1)
Cost of capital Raising	3	3	-	-	3	-	-	-
Dividend paid to non-controlling interests	(800)	-	-	-	-	-	-	(800)
Dividend	(4,634)	(4,634)	-	-	-	-	(4,634)	-
At 31 December 2016	492,258	473,829	318,446	(11,097)	(1,943)	214	168,209	18,429
At 1 January 2017	492,258	473,829	318,446	(11,097)	(1,943)	214	168,209	18,429
Total comprehensive income	30,929	27,529	-	-	-	(107)	27,636	3,400
Dividend paid to non-controlling interests	(1,600)	-	-	-	-	-	-	(1,600)
Dividend	(4,634)	(4,634)	-	-	-	-	(4,634)	-
At 31 December 2017	516,953	496,724	318,446	(11,097)	(1,943)	107	191,211	20,229

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 2016 and the accompanying explanatory notes attached to these interim financial statements.

1. Basis of preparation

   These condensed consolidated interim financial statements for the year ended 31 December 2017, 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 2016.

   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 2016. 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 2016.

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 2016, except for the adoption of the following new/revised FRSs and amendments to FRSs:

   Effective for annual periods beginning on or after 1 January 2017:
   Amendments to FRS 107: Disclosure Initiatives
   Amendments to FRS 112: Recognition of Deferred Tax Assets for Unrealized Losses
   Amendments to FRS 12: Disclosure of Interests in Other Entities (Annual Improvements to FRSs 2014 – 2016 Cycle)

   Effective for annual periods beginning on or after 1 January 2018:
   FRS9 : Financial Instruments

   The adoption of the above new/revised FRSs 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. Significant accounting policies (Contd.)

Transitioning Entities are allowed to defer adoption of the new MFRS Framework and continue to use the existing Financial Reporting Standards framework until the MFRS Framework is mandated by the MASB. According to an announcement made by the MASB on 8 September 2015, all Transitioning Entities shall adopt the MFRS framework and prepare their first MFRS financial statements for annual periods beginning on or after 1 January 2018.

The Group falls within the definition of Transitioning Entities and 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 2018. 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 2018.

3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements of the Group for the year ended 31 December 2016 was not qualified.

4. Segment information

The Group has three 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
c. Power Plant - Power generation and sales of biomass by-products

Information about reportable segments

	Results for the 3 months ended 31 December							
	Plantation		**Oil Mill**		**Power Plant**		**Total**	
	2017 RM'000	**2016 RM'000**	**2017 RM'000**	**2016 RM'000**	**2017 RM'000**	**2016 RM'000**	**2017 RM'000**	**2016 RM'000**
External revenue	7,400	5,822	65,230	56,322	6,103	22,971	78,733	85,115
Inter-segment revenue	11,969	14,599	-	-	-	250	11,969	14,849
Segment profit	6,140	9,182	1,293	(506)	(901)	1,525	6,532	10,201

4. Segment information (Contd.)

Segment profit is reconciled to consolidated profit before tax as follows:	**3 months ended 31.12.2017 (Unaudited) RM'000**	**3 months ended 31.12.2016 (Unaudited) RM'000**
Segment profit	6,532	10,201
Other non-reportable segments	(320)	560
Elimination of inter-segment profits	(8)	(70)
Unallocated corporate expenses	695	(1,047)
Consolidated profit before tax	6,899	9,644

Results for the 12 months ended 31 December

	Plantation		**Oil Mill**		**Power Plant**		**Total**	
	2017 RM'000	**2016 RM'000**	**2017 RM'000**	**2016 RM'000**	**2017 RM'000**	**2016 RM'000**	**2017 RM'000**	**2016 RM'000**
External revenue	27,311	18,552	219,937	195,508	26,070	39,389	273,318	253,449
Inter-segment revenue	46,003	48,280	-	-	-	1,685	46,003	49,965
Segment profit	32,492	27,471	3,611	489	5,103	4,505	41,206	32,465
Segment assets	370,848	361,580	77,938	86,013	179,715	177,627	628,501	625,220
Segment liabilities	8,310	7,458	30,507	33,056	55,120	66,897	93,937	107,411

Segment profit is reconciled to consolidated profit before tax as follows:	**12 months ended 31.12.2017 (Unaudited) RM'000**	**12 months ended 31.12.2016 (Audited) RM'000**
Segment profit	41,206	32,465
Other non-reportable segments	(502)	121
Elimination of inter-segment profits	(90)	(71)
Unallocated corporate expenses	(175)	(1,793)
Consolidated profit before tax	40,439	30,722

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 year 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 was no dividend paid during the current quarter.

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.

10. Changes in composition of the Group

There were no changes in the composition of the Group during the quarter ended 31 December 2017 other than the strike off of Richester Pte. Ltd. ("RPL") with effect from 4 December 2017 following an application made to the Register of Companies of Singapore.

11. Capital commitments

The amount of capital commitments not provided for in the unaudited interim financial statements as at 31 December 2017 is as follows:

	RM'000
Approved and contracted for	9,324
Approved but not contracted for	5,068
	14,392

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 2016.

13. Subsequent events

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

   The performance of the Group is tabulated below:-

	Current Quarter		% +/-	Preceding Quarter	% +/-	Cumulative Quarter		% +/-
Financial Performances :-	2017 **RM'000**	2016 **RM'000**		3Q 2017 **RM'000**		2017 **RM'000**	2016 **RM'000**	
Revenue	78,936	85,428	-8%	65,794	20%	274,140	254,668	8%
Operating Profit	6,335	9,658	-34%	9,375	-32%	37,888	30,623	24%
Profit before tax	6,899	9,643	-28%	10,005	-31%	40,439	30,722	32%
Profit after tax	5,573	6,647	-16%	7,610	-27%	31,090	22,489	38%
Profit attributable to Owners of the parent	4,795	6,083	-21%	6,940	-31%	27,636	21,145	31%
Operational Statistics :-								
Own FFB Production (mt)	37,105	33,169	12%	34,790	7%	133,336	124,390	7%
CPO Production (mt)	20,532	15,612	32%	16,105	27%	65,997	59,161	12%
PK Production (mt)	4,950	3,860	28%	3,779	31%	15,831	14,334	10%
CPO sales (mt)	20,381	16,110	27%	16,434	24%	66,059	61,925	7%
PK sales (mt)	4,829	3,911	23%	4,035	20%	15,711	14,415	9%
CPO Price per mt (RM)	2,600	2,817	-8%	2,622	-1%	2,741	2,578	6%
PK Price per mt (RM)	2,532	2,799	-10%	2,139	18%	2,474	2,490	-1%
Mill OER (%)	20.06	20.22	-1%	19.94	1%	19.74	20.00	-1%
Electricity Export(MWh)	21,448	13,844	55%	16,486	30%	75,622	58,280	29%

   * Less than 1%

Current Quarter vs. Previous Year Corresponding Quarter

For this quarter under review, the Group recorded a revenue of RM 78.94 million as compare to a revenue of RM85.4 in preceding year corresponding quarter, a decrease of RM 6.49 despite an increase in sales of CPO, PK and FFB due mainly to a decrease in Construction Income of RM15.73 million arising from the IC Interpretation 12 Service Concession Agreements for the Power Plant segment and also a once-off downward adjustment of RM2.51 million in Power Plant sale caused by a change in the estimate used for Power sales recognition under IC Interpretation 12 Service Concession Agreements for the Biomass Plant. The decrease was however mitigated by an increase in power export to SESB by 55%, resulted in only a net decrease of RM0.96 million in Power sales.

Sales of CPO, PK, and FFB in current quarter increased by RM10.48 million due mainly to increase in Sale volume of CPO, PK and FFB by 27%, 23% and 49% respectively.

The Group profit before tax decreased by RM2.74 million from a profit before tax of RM9.64 million in the preceding year corresponding quarter to RM6.90 million for this quarter under review mainly due to decrease in :-

i) Average Selling price of CPO and PK by 8% and 10% respectively.
ii) Contribution from Power Plant segment due to a once-off downward adjustment of RM2.51 million in Power Plant sale caused by a change in the estimate used for Power sales recognition under IC Interpretation 12 Service Concession Agreements for the Biomass Plant, the effect was however mitigated by an increase in power export to SESB by 55% despite higher schedule maintenance cost during the quarter under review.

The above decreases were however mitigated by improved performance from Oil Mill caused by increased in productivity due to higher FFB intake.

Performance of the respective operating business segments for this quarter under review as compared to the preceding year corresponding quarter is analyzed as follows:

i) Plantation – The decrease in profit before tax by RM3.04 million (33%) from profit before tax of RM9.18 million to a profit before tax of RM6.14 million was mainly due to decrease in FFB price by 15%.

ii) Oil Mill – The increase in profit before tax by RM1.80 million (>100%) from loss before tax of RM0.51 million to a profit before tax of RM1.29 million was mainly due to increased in productivity due to higher FFB intake. FFB processed by the mill increased by 25,124 MT or 33% in the current quarter under review.

iii) Power Plant – The decrease in profit before tax by RM2.42 million (>100%) from profit before tax of RM1.52 million to a loss before taxation of RM0.90 million was mainly due to a once-off downward adjustment of RM2.51 million caused by a change in the estimate used for Power sales recognition under IC Interpretation 12 Service Concession Agreements for the Biomass Plant coupled with a higher schedule maintenance cost during the quarter under review. The 12MW Biomass Power Plant generated and exported 16,760 MWh (2016: 13,844 MWh) whereas the 3.8MW Biogas Power Plant generated and exported 4,687 MWh (2016: Nil) for the current quarter to SESB.

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

For this financial year under review, the Group recorded revenue of RM274.14 million and a profit before tax of RM40.44 million as compare to a revenue of RM254.67 million and profit before tax of RM30.72 million in the preceding year corresponding quarter. The increase in revenue and profit before tax is mainly due to an increase in:-

i) Average selling price of CPO and FFB by 6% and 5% respectively.
ii) Sales volume of CPO, PK and FFB by 7%, 9% and 41% respectively.
iii) FFB Production by 7%.
iv) Milling margin and FFB process; and
v) Export of electricity by 29% and higher EFB oil selling price by 36%.

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

i) Plantation – The increase in profit before tax by RM5.02 million (18%) from profit before tax of RM27.47 million to a profit before tax of RM32.49 million was mainly due to higher FFB selling price by 2% and increase in FFB production by 7%.

ii) Oil Mill – The increase in profit before tax by RM3.12 million (>100%) from profit before tax of RM0.49 million to a profit before tax of RM3.61 million was mainly due to higher milling margin and increased in productivity due to higher FFB intake.

iii) Power Plant – The increase in profit before tax by RM0.60 million (13%) from profit before taxation of RM4.51 million to a profit before taxation of RM5.10 million despite a once-off downward adjustment of RM2.51 million caused by a change in the estimate used for Power sales recognition under IC Interpretation 12 Service Concession Agreements for the Biomass Plant was mainly due to increase in of exporting electricity by 29% and higher EFB oil selling price by 36%. The 12MW Biomass Power Plant generated and exported 60,288 MWh (2016: 58,280 MWh) whereas the 3.8MW Biogas Power Plant generated and exported 15,333 MWh (2016: Nil MWh) for this current year to SESB.

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

The Group recorded a profit before tax of RM6.90 million in the quarter under review as compared to a profit before tax RM10.00 million in the immediate preceding quarter. A decrease of RM3.10 million due mainly a once-off downward adjustment of RM2.51 million caused by a change in the estimate used for Power sales recognition under IC Interpretation 12 Service Concession Agreements for the Biomass Plant despite an increase in of exporting electricity by 30% coupled with an increase in the administrative expenses by 81% .

2. Commentary on prospects

For the coming year, the Group is positive on crop production as the effects of El-Nino have tapered off. However CPO prices will likely be under pressure with the expected higher Palm Oil Production in 2018 and the strengthening of Malaysian Ringgit against US Dollar. Notwithstanding the foregoing, the Group is cautiously optimistic of achieving satisfactory results for the coming financial year ending 31 December 2018.

3. Profit forecast or profit guarantee

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

4. Profit for the period/year

	Current quarter		Cumulative quarter	
	3 months ended 31.12.2017 (Unaudited) RM'000	**3 months ended 31.12.2016 (Unaudited) RM'000**	**12 months ended 31.12.2017 (Unaudited) RM'000**	**12 months ended 31.12.2016 (Audited) RM'000**
Profit for the period/year is arrived at after charging / (crediting):				
Depreciation and amortization	2,047	2,134	7,646	7,318
Plant and equipment scrapped	-	(25)	-	14
Bad debts recover	-	(43)	-	(43)
Bad debts written off	-	20	-	20
(Gain)/Loss on disposal of plant and equipment	564	110	(105)	25
Net (Gain)/loss on foreign exchange - realised	-	117	-	49
Net (gain)/loss on foreign exchange - unrealised	23	8	(49)	(45)
Gain on Fair value adjustment on Leasehold properties	(608)	-	(608)	-

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.

5. Income tax expense

	Current quarter		Cumulative quarter	
	3 months ended 31.12.2017 (Unaudited) RM'000	**3 months ended 31.12.2016 (Unaudited) RM'000**	**12 months ended 31.12.2017 (Unaudited) RM'000**	**12 months ended 31.12.2016 (Audited) RM'000**
Income tax				
- Current provision	1,436	1,701	7,472	5,767
- Under provision of tax in prior years	22	33	265	33
	1,458	1,734	7,737	5,800
Deferred tax				
- Relating to origination and reversal of temporary differences	298	664	2,486	2,049
- Under provision of tax in prior years	(430)	598	(874)	384
	(132)	1,262	1,612	2,433
Total income tax expense	1,326	2,996	9,349	8,233

The Group's effective tax rate for the current quarter was higher than the statutory tax rate of 24% principally due to certain expenses which are not deductible for tax purpose.

6. Corporate proposals

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

7. Borrowings

	As at 31.12.2017 (Unaudited) RM'000	As at 31.12.2016 (Audited) RM'000
Short term borrowings - Secured		
Obligation under finance leases	371	717
Revolving credit	42,300	49,000
Term loans	15,750	14,087
	58,421	63,804
Long term borrowings – Secured		
Obligation under finance leases	194	313
Term loans	51,750	66,002
	51,944	66,315
Total borrowings	110,365	130,119

The Group's total borrowings included an amount of RM 40.11 million (31.12.2016: RM45.91 million) that was obtained under the Green Technology Financing Scheme for the renewable power plant.

8. Trade Receivables and other receivables

	As at 31.12.2017 (Unaudited) RM'000	As at 31.12.2016 (Audited) RM'000
Current		
Third parties	13,156	11,829
Amount due from customer on service concession	5,667	5,509
Less : Allowance for impairment	(343)	(343)
	18,480	16,995
Other receivables, net	5,181	4,791
Other assets, net	486	486
	24,147	22,272
Non Current		
Amount due from customer on service concession	145,895	149,502
Ageing analysis of Current trade receivables :-		
Neither past due nor impaired	18,255	16,975
31 to 60 days	35	20
61 to 90 days	31	-
More than 91 days	502	343
	18,823	17,338
Less : Allowance for impairment	(343)	(343)
	18,480	16,995

Trade receivables are non-interest bearing and generally on 7 to 30 days terms.

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 31 December 2017.

10. Material litigation

A) Suara Baru Sdn Bhd. ("SBSB") vs. Borhill Estates Sdn Bhd ("BESB") (Suit No. SDK-22NCvC-39/11-2014)

SBSB, a wholly-owned subsidiary held through Syarikat Melabau Sdn. Bhd., another wholly-owned subsidiary of Cepatwawasan Group Berhad ("Company") had commenced legal proceedings against BESB in the Sessions Court at Sandakan vide Suit No. SDK-A 52-63/7-2013 ("Suit") on 19 July 2013 to claim for the sum of RM 115,169.66, being the amount due and owing by BESB to SBSB in respect of block stones and crusher run A stones ("Stones") supplied by SBSB to BESB. In defending the Suit, BESB contends, among others, that the Stones supplied by SBSB did not fit the description of stones ordered by BESB, were not of merchantable quality, and were not fit for the purpose they were ordered for. BESB has also filed a counterclaim against SBSB, among others, a sum of RM 5,612,850.00 in respect of BESB's purported loss of profit allegedly caused by SBSB's alleged breach. The Suit was subsequently transferred to the High Court of Sabah and Sarawak at Sandakan on 13 October 2014 and registered as Suit No. SDK-22NCvC-39/11-2014. Both parties were unable to resolve the dispute through mediation on 19 October 2015. The trial commenced from 1 August 2016 to 5 August 2016 and was adjourned to 7 November 2016 to 8 November 2016.

The Trial was concluded on 8 December 2016 and closing submission has been made on 3 February 2017 followed by a submission in reply on 20 February 2017. The Suit was fixed for ruling on 24 April 2017.

On 2 May 2017, the High Court in Sabah and Sarawak at Sandakan had allowed SBSB's claim against BESE and dismissed BESB's counterclaim against SBSB with costs of RM100,000 to SBSB subject to allocatur fee of 4% of the costs. BESB had on 26 May 2017 filed an appeal to the Court of Appeal against the said decision. The hearing has been fixed on 18 July 2018.

The Board of Directors of the Company is of the view that the Suit will have no immediate material financial and operational impact on the Company and Group as the Company expects that pursuant to the facts of the case, the documents presently available and advice of its solicitors, the Company will be able to advance a cogent defence to BESB's counterclaim.

10. Material litigation (cont'd)

B) Yuh @ Abdul Salleh Bin Pompulu ("AYU") Vs Suwaya Bte Buang ("SUWAYA"), Suara Baru Sdn Bhd ("SBSB")and Cepatwawasan Group Berhad ("the Company")

The Company and SBSB (a wholly-owned subsidiary held through Syarikat Melabau Sdn. Bhd., another wholly-owned subsidiary of the Company) have been served with a Writ of Summons issued by the High Court in Sabah and Sarawak at Sandakan vide Suit No. SDK-22NCvC-12/6-2016 (HC) on 14.06.2016. SBSB is the sub-lessee of 33 lots of land ("the Lands") totalling approximately 337.949 acres situated in Sungai Sekong in the District of Sandakan, Sabah. The Lands had been leased from SUWAYA to SBSB for a term of 99 years. The lease commenced in the year 1997 and will expires in the year 2096.The lands had been transferred to SUWAYA by their previous 33 owners, including AYU. AYU, on his behalf and the other 32 previous owners, allege that the transfer of the land to SUWAYA was through forged documents and therefore the said transfer is null and void. AYU further alleges that as the transfer to SUWAYA is null and void, therefore the sublease by the 1st SUWAYA to SBSB is likewise null and void. AYU therefore seeks an order of the High Court to set aside the said transfer to the SUWAYA and also the sub-lease to SBSB.

SBSB and the Company had filed their Defence ("Defence") in the High Court in Sabah and Sarawak at Sandakan on 11 July 2016 and followed by an application in the High Court in Sabah and Sarawak at Sandakan on 26th August 2016 to strike out the Suit on the ground that the Suit is frivolous or vexatious or is otherwise an abuse of the process of the Court.

The striking out application came up for hearing on 26th September 2016 where the Court directed the parties to file their respective written submissions and the Court will give its decision on the said application on 24th November 2016. On 1 December 2016, the application to strike out was dismissed by the High Court in Sabah and Sarawak at Sandakan ("Sandakan High Court") with costs, on the ground that it was not a proper case to be disposed of by way of affidavit evidence and the Suit is fixed for trial on 17 April 2017 to 21 April 2017 before the Sandakan High Court.

On 28 December 2016, the Company and SB filed an appeal to the Court of Appeal against the decision of the High Court. The said appeal was heard and dismissed by the Court of Appeal with no order as to costs on 17th November 2017.

SB and the Company have on 12 December 2017 filed a motion for leave to appeal to the Federal Court against the decision of the Court of Appeal.

In the interim, SB and the Company has instructed its solicitors to apply for a stay of proceedings in the High Court in Sabah and Sarawak at Sandakan pending the disposal of the motion for leave to appeal to the Federal Court.

The Board of Directors of the Company is of the view that the Suit will have no immediate material financial and operational impact on the Company and Group as the Company expects that pursuant to the facts of the case, the documents presently available and the advice of its solicitors, the Company has a good defence against the Plaintiff's claim.

11. Dividend payable

The Board of Directors of the Company approved a single tier dividend of 2.0 sen per share payable on 22 May 2018.

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/year excluding treasury shares held by the Company.

	Current quarter		**Cumulative quarter**	
	3 months ended 31.12.2017 (Unaudited)	**3 months ended 31.12.2016 (Unaudited)**	**12 months ended 31.12.2017 (Unaudited)**	**12 months ended 31.12.2016 (Audited)**
Profit for the period attributable to owners of the parent used in computation of earnings per share (RM'000)	4,795	6,083	27,636	21,145
Weighted average number of ordinary shares in issue ('000)	308,967	308,967	308,967	308,967
Basic earnings per share (sen per share)	1.55	1.97	8.94	6.84

(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 authorized for issue by the Board of Directors in accordance with a resolution of the directors on 26 February 2018.