



# CME GROUP BERHAD

(Company No. 52235-K)  
(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the financial period ended 30 September 2010

(The figures have not been audited)

	Current Quarter 30 Sep 2010 RM '000	Preceding Financial Year End 2009 RM '000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	7,640	7,812
Investment properties	42,130	42,130
Investment in subsidiary companies		
Other investments	175	175
Deferred tax assets	165	165
<b>TOTAL NON-CURRENT ASSETS</b>	<b>50,110</b>	<b>50,282</b>
<b>CURRENT ASSETS</b>		
Inventories	2,389	1,640
Amount due from contract customers	12,185	1,333
Trade receivables	5,478	4,711
Other receivables, deposits and prepaid expenses	1,659	897
Amount owing by subsidiary companies		
Fixed deposits with licensed banks	3,688	2,182
Cash and bank balances	809	1,867
<b>TOTAL CURRENT ASSETS</b>	<b>26,208</b>	<b>12,630</b>
<b>TOTAL ASSETS</b>	<b>76,318</b>	<b>62,912</b>
<b>EQUITY AND LIABILITIES</b>		
<b>CAPITAL AND RESERVES</b>		
Issued capital	40,110	40,110
Retained earnings / Accumulated loss	14	-534
<b>Equity attributable to equity holders of the Company</b>	<b>40,124</b>	<b>39,576</b>
Minority interest		
<b>TOTAL EQUITY</b>	<b>40,124</b>	<b>39,576</b>
<b>NON-CURRENT LIABILITIES</b>		
Hire-purchase payables - non-current portion	212	261
Long-term loan - non current portion	1,667	2,175
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>1,879</b>	<b>2,436</b>
<b>CURRENT LIABILITIES</b>		
Amount due to contract customers	8,118	4,488
Trade payables	3,262	4,656
Other payables and accrued expenses	7,045	3,162
Amount owing to subsidiary companies		
Hire-purchase payables - current portion	116	122
Bank borrowings	15,532	8,380
Tax liabilities	242	92
<b>TOTAL CURRENT LIABILITIES</b>	<b>34,315</b>	<b>20,900</b>
<b>TOTAL LIABILITIES</b>	<b>36,194</b>	<b>23,336</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>76,318</b>	<b>62,912</b>
<b>Net Tangible Assets / (liabilities) Per RM0.10 Share</b>	<b>0.100</b>	<b>0.099</b>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statement for the year ended 31 December 2009)

**CME GROUP BERHAD***(Company No. 52235-K)  
(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME****For the financial period ended 30 September 2010***(The figures have not been audited)*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter	Preceding Year Corresponding Quarter	Current Year	Preceding Year Corresponding Period
	30/9/2010 (RM '000)	30/9/2009 (RM '000)	30/9/2010 (RM '000)	30/9/2009 (RM '000)
Revenue	<b>9,077</b>	2,131	<b>18,600</b>	8,300
Cost of Sales	<b>-7,049</b>	-1,297	<b>-14,794</b>	-5,120
<b>Gross Profit</b>	<b>2,028</b>	834	<b>3,806</b>	3,180
Investment Revenue				
Other Gains and Losses	<b>27</b>	14	<b>616</b>	214
Administrative Expenses	<b>-1,020</b>	-1,151	<b>-2,850</b>	-2,944
Other Expenses	<b>-154</b>	-209	<b>-567</b>	-638
Finance Costs	<b>-70</b>	-138	<b>-271</b>	-345
<b>Profit/(Loss) before Tax</b>	<b>811</b>	-650	<b>734</b>	-533
Income Tax Expenses :-				
Current	<b>-186</b>		<b>-186</b>	
Over / (Under) Provision				
	<b>-186</b>		<b>-186</b>	
<b>Profit/(Loss) for the Year</b>	<b>625</b>	-650	<b>548</b>	-533
<b>Attributable to :-</b>				
Equity holders of the Parent	<b>625</b>	-650	<b>548</b>	-533
Minority Interest				
	<b>625</b>	-650	<b>548</b>	-533
Basic Earnings/(Loss) per Ordinary Share of RM0.10 sen	<b>0.016</b>	-0.016	<b>0.014</b>	-0.013
Diluted Earnings/(Loss) per Ordinary Share of RM0.10 sen				

*(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statement for the year ended 31 December 2009)*

**CME GROUP BERHAD***(Company No. 52235-K)  
(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the financial period ended 30 September 2010

*(The figures have not been audited)*

	<b>Issued capital</b>	<b>Retained earnings/ (Accumulated loss)</b>	<b>Minority interest</b>	<b>Total equity</b>
	<i>RM'000</i>	<i>RM'000</i>	<i>RM'000</i>	<i>RM'000</i>
<b>Balance as of 1.1.2009</b>	40,110	-534		39,576
Profit / (Loss) for the year				
<b>Balance as of 31.12.2009</b>	40,110	-534		39,576
<b>Balance as of 1.1.2010</b>	40,110	-534		39,576
Profit / (Loss) for the year		548		548
<b>Balance as of 30.9.2010</b>	40,110	14		40,124

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statement for the year ended 31 December 2009)***CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

For the financial period ended 30 September 2010

*(The figures have not been audited)*

	<b>Current Year Quarter 2010 <i>RM'000</i></b>	<b>Preceding Year 2009 <i>RM'000</i></b>
<b>CASH FLOWS FROM/(USED IN)</b>		
<b>OPERATING ACTIVITIES</b>		
Profit / (Loss) for the year	548	-14
Adjustments for:		
Income tax expense recognised in income statements	186	-184
Impairment loss on investment in a subsidiary company		
Interest expense	271	433
Depreciation of property, plant and equipment	266	384
Allowance for doubtful receivables :-		
- trade		25
- non-trade		-10
Net foreign exchange gain	-12	-21
Amount owing to contract customers written off		
Inventories written off		
Interest income	-105	-67
Provision of further costs no longer required	-384	-478
(Gain) / Loss on disposal of property, plant and equipment		
Gain on disposal of subsidiary company		-1
Allowance for foreseeable losses no longer required		
<b>Operating Profit / (Loss) Before Working Capital Changes</b>	<b>770</b>	<b>67</b>
(Increase)/Decrease in:		
Inventories	-749	64
Amount due from contract customers	-10,582	1,022
Trade receivables	-767	-1,711
Other receivables, deposits and prepaid expenses	-762	-103
Amount owing by subsidiary companies		

**CME GROUP BERHAD***(Company No. 52235-K)  
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Increase/(Decrease) in:		
Amount due to contract customers	3,630	3,410
Trade payables	-1,394	2,970
Other payables, accrued expenses and provisions	4,162	-5,192
Amount owing to subsidiary companies		
	<hr/>	<hr/>
Cash (Used In) / From Operations	-5,692	527
Income tax refunded		
Income tax paid	-111	-223
	<hr/>	<hr/>
Net Cash Used In Operating Activities	-5,803	304
	<hr/>	<hr/>
<b>CASH FLOWS FROM/(USED IN)</b>		
<b>INVESTING ACTIVITIES</b>		
Withdrawal of sinking fund	2,182	
Interest received	105	67
Withdrawal / (placement) of fixed deposit		-2,097
Acquisition of investment properties		
Purchase of property, plant and equipment	-95	-125
Proceeds from disposal of property, plant and equipment		
Amount deposited into sinking funds	-3,688	
	<hr/>	<hr/>
Net Cash (Used In) / From Investing Activities	-1,496	-2,155
	<hr/>	<hr/>
<b>CASH FLOWS FROM/(USED IN)</b>		
<b>FINANCING ACTIVITIES</b>		
Drawdown of bank borrowings	12,856	1,512
Repayment of bank borrowings	-5,212	-1,662
Interest expense paid	-271	-433
Repayment of term loan	-423	-317
Repayment of hire-purchase payables	-116	-177
Drawdown of term loan		
Proceeds from bank borrowings		
Additions of hire-purchase payables		
	<hr/>	<hr/>
Net Cash From/(Used In) Financing Activities	6,834	-1,077
	<hr/>	<hr/>
<b>NET (DECREASE)/INCREASE IN</b>		
<b>CASH AND CASH EQUIVALENTS</b>	-465	-2,928
<b>CASH AND CASH EQUIVALENTS</b>		
<b>AT BEGINNING OF YEAR</b>	-2,957	-29
	<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS</b>		
<b>AT END OF YEAR</b>	-3,422	-2,957
	<hr/>	<hr/>
<b>Cash and Cash Equivalents are as follows :-</b>		
Fixed deposits with licensed institutions	3,688	2,182
Cash and bank balances	809	1,867
Bank overdrafts	-4,231	-4,824
	<hr/>	<hr/>
	266	-775
Less : - Fixed deposits pledged	-3,688	-2,182
Amount deposited into sinking fund trust account		
	<hr/>	<hr/>
	-3,422	-2,957
	<hr/>	<hr/>

*(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statement for the year ended 31 December 2009)*

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT****A1 Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad (“BMSB”) Listing Requirements. The unaudited interim financial statement should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2009.

The accounting policies, methods of computation and basis of consolidation applied and adopted in these unaudited condensed interim financial statements are consistent with those used in the preparation of the audited financial statement for year ended 31 December 2009.

**A2 Declaration of Audit Qualification**

The audited financial report of the preceding year was not subjected to any qualification.

**A3 Seasonal or cyclical factors**

The design and manufacturing of fire, rescue and specialist vehicles have over the years shown a cyclical character whereby the major part of the invoicing and deliveries typically take place towards the very end of the financial year.

**A4 Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no exceptional items and unusual events affecting the assets, liabilities, equity, net income and cash flow in the interim financial report under review.

**A5 Changes in estimates**

There were no changes in the estimates of amounts, which give a material effect in the current interim report.

**A6 Debt and equity securities**

There was no issuance or repayment of debts and equity securities, share buy back, shares cancellation, shares held as treasury shares in the interim financial report under review.

**A7 Dividends paid**

There was no dividend paid/declared in the current quarter ended 30 September 2010 (2009 : Nil.).

**A8 Segment reporting**

2010	Invest. Holding RM ‘000	Contract Engineering RM ‘000	Trading RM ‘000	Others RM ‘000	Elimination RM ‘000	Consolidated RM ‘000
<b>REVENUE</b>						
External Sales	1,496	13,592	3,512			18,600
Inter-segment Sales		11,701			-11,701	
Dividend						
<b>Total Revenue</b>	<b>1,496</b>	<b>25,293</b>	<b>3,512</b>			<b>18,600</b>
<b>RESULTS</b>						
Segment results	95	832	78			1,005
<b>Investment Revenue/Other Income</b>						
Finance costs		-243	-28			-271
<b>Profit / (Loss) before tax</b>						<b>734</b>

**CME GROUP BERHAD***(Company No. 52235-K)  
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Income Tax Expense						<b>-186</b>
Profit / (Loss) after tax						<b>548</b>
<b>OTHER INFORMATION</b>						
Capital addition	7	67	21			95
Investment properties						
Depreciation	11	125	130			266
<b>Consolidated Balance Sheet</b>						
<b>ASSETS</b>						
Segment Assets	77,903	62,446	17,261	3,530	-84,997	76,143
Other Investment	175					175
					<b>Total consolidated assets</b>	<b>76,318</b>
<b>Liabilities</b>						
<b>Segment Liabilities</b>						
	40,641	43,014	27,698	2,334	-77,793	36,194
					<b>Total consolidated liabilities</b>	<b>36,194</b>
2009	Invest. Holding RM '000	Contract Engineering RM '000	Trading RM '000	Others RM '000	Elimination RM '000	Consolidated RM '000
REVENUE						
External Sales	800	6,719	781			8,300
Inter-segment Sales		1,957			-1,957	
Dividend						
Total Revenue	800	8,676	781		-1,957	8,300
RESULTS						
Segment results	23	604	-815			-188
Investment Revenue/other						
Finance costs		-308	-37			-345
Profit / (Loss ) before tax						-533
Income Tax Expense						
Profit / (Loss) after tax						-533
<b>OTHER INFORMATION</b>						
Capital addition		253	30			283
Investment properties						
Depreciation		99	178			277
<b>Consolidated Balance Sheet</b>						
<b>ASSETS</b>						
Segment Assets	78,115	58,851	15,220	2,148	-94,959	59,375
Other Investment	175					175
					<b>Total</b>	

					consolidated assets	59,550
Liabilities	40,075	39,635	26,671	1,413	-87,301	20,493
Segment Liabilities						
					Total consolidated liabilities	20,493

**A8 Valuation of property, plant and equipment**

The Group did not carry out any valuations on its property, plant and equipment for the interim financial period under review. The valuations of the property, plant and equipment have been brought forward from the preceding annual financial statement.

**A9 Material Subsequent Events**

There were no material events subsequent to 30 September 2010 that have not been reflected in the interim financial report.

**A10 Changes in Composition of the Group**

There were no major changes in the composition of the Group including business combination, acquisition or disposal of subsidiaries and restructuring or discontinuing of operations.

**A11 Contingent Liabilities or Contingent Assets**

There were no contingent liabilities or contingent assets for the financial quarter under review.

**A12 Capital Commitments**

There were no capital commitments for the financial quarter under review.

**B1 Review of Group performance**

The group recorded a profit after tax of RM548,000/- (2009 – a loss of RM533,000/-) from a total revenue of RM18.600 million. The positive results were achieved by an increased of approximately 124% in total revenue as compared to the corresponding period in 2009 and a marginally reduction in the operating and administrative expenses.

**B2 Material change in quarterly results compared with the immediate preceding quarter**

The current quarter posted a total revenue of RM9.077 million as compared to RM2.131 million in the preceding year corresponding quarter. With the increase in revenue and a slight reduction in operating expenses, the Group achieved a profit of RM625,000/- (year 2009 – loss of RM650,000/-) for the financial quarter under review.

**B3 Prospect for the Current Financial Year**

2010 has been a difficult year for specialist and fire fighting vehicle manufacturing companies. They were no major tenders being called by relevant authorities. However, despite such a difficult year, CME has managed to secure a total book order of approximately RM29.0 million for delivery between 2010 and 2011. Further with the increase in demand for the environmental friendly total flooding & fire suppression systems, the Board is confident that the Group would end the year with favourable results.

With the improvement in performance, the Board and management will continue to explore for new methods and materials for manufacturing of fire fighting and specialist vehicles as well as new products to supplement the Group's revenue.



# CME GROUP BERHAD

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## B4 Profit forecast

No profit forecast was made or issued during the current financial quarter under review.

## B5 Income tax expense

The Tax figures consist of the following :-	Current Quarter RM '000	Current Year to Date RM '000
Current year provision	186	186
Over/(Under) provision in prior year	-	-
Deferred taxation	-	-
<b>Total</b>	<b>186</b>	<b>186</b>

## B6 Profit/Loss on Sale of Unquoted Investments and/or Properties

There were no sales of unquoted investments and/or properties for the current financial quarter under review.

## B7 Quoted Securities / Other Investment

Total purchases and disposals of quoted securities for the current financial quarter under review were as follows :-

A	Summary of Dealings in Quoted Securities / Other Investment	Current Quarter RM '000	Current Year to Date RM '000
<b>I</b>	Total Purchases (Cost)		-
<b>ii</b>	Total Disposal (Cost)	-	-
<b>iii</b>	Total Gain / (Loss) on Disposal	-	-
<b>iiii</b>	Total Provision for Diminution in Value of Investment	-	-
<b>iv</b>	Total Unrealised Gain on appreciation in Value of Investment	-	-
B	Investments in Quoted Securities / Other Investment	Current Quarter RM '000	Preceding Quarter RM '000
<b>I</b>	Total Investment at Cost	175	175
<b>ii</b>	Total Carrying Value	175	175
<b>iii</b>	Current Market Value	175	175

## B8 Corporate Proposals

There was no corporate exercise/proposal announce at the date of this announcement.

## B9 Group borrowings and debt securities

Bank Borrowing (Secured)	RM '000 17,199
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## B10 Financial Instrument

The Group did not have any financial instrument as at the date of issuance of this Interim Financial Report.

## B11 Material litigation

There were no material litigations against the Group or taken by the Group at the date of issuance of this Interim Financial Report.

## B12 Dividend proposed

No dividend had been proposed for the financial period ended 30 September 2010.





# CME GROUP BERHAD

(Company No. 52235-K)  
(Incorporated in Malaysia)

## B13 Earnings Per Share (“EPS”)

	<b>Current quarter 30/9/2010</b>	<b>Current year-to-date 30/9/2010</b>
Net Profit / (Loss) for the period (RM ‘000)	625	548
Weighted average number of ordinary shares in issued ('000)	401,100	401,100
Basic earnings per share of RM0.10 sen	0.016	0.014

**BY ORDER OF THE BOARD**