

**CME GROUP BERHAD**

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

(The figures have not been audited)

	Unaudited At 31/12/2013 RM '000	Audited At 31/12/2012 RM '000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	7,132	7,522
Investment properties	44,050	39,230
Other financial assets	492	891
Deferred tax assets	60	11
TOTAL NON-CURRENT ASSETS	51,734	47,654
CURRENT ASSETS		
Inventories	1,050	1,566
Amount due from contract customers	1,042	1,582
Trade receivables and other receivables	14,931	2,212
Fixed deposits with licensed banks	-	215
Tax recoverable	279	400
Cash and bank balances	347	486
TOTAL CURRENT ASSETS	17,649	6,461
TOTAL ASSETS	69,383	54,115
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES		
Issued capital	44,110	40,510
Reserves	437	243
Equity attributable to equity holders of the Company	44,547	40,753
Non-controlling interests	194	153
TOTAL EQUITY	44,741	40,906
NON-CURRENT LIABILITIES		
Hire-purchase payables	320	400
Long-term loan	3,115	1,010
TOTAL NON-CURRENT LIABILITIES	3,435	1,410
CURRENT LIABILITIES		
Amount due to contract customers	-	-
Trade payables and other payables	14,146	4,089
Hire-purchase payables	77	108
Bank borrowings	6,813	7,465
Tax liabilities	171	137
TOTAL CURRENT LIABILITIES	21,207	11,799
TOTAL LIABILITIES	24,642	13,209
TOTAL EQUITY AND LIABILITIES	69,383	54,115
Net Tangible Assets Per RM0.10 Share	0.101	0.101

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statement for the year ended 31 December 2012 and the explanatory notes attached to the interim financial report.)

**CME GROUP BERHAD***(Company No. 52235-K)
(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE CURRENT QUARTER AND CUMULATIVE 12-MONTH PERIOD ENDED 31 DECEMBER 2013***(The figures have not been audited)*

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current year quarter 31/12/2013 (RM '000)	Preceding year corresponding quarter 31/12/2012 (RM '000)	Current year-to-date 31/12/2013 (RM '000)	Preceding year corresponding period 31/12/2012 (RM '000)
Revenue	9,036	2,978	30,040	22,871
Cost of sales	(7,849)	(1,945)	(24,139)	(16,752)
Gross profit	1,187	1,033	5,901	6,119
Investment revenue	-	(40)	-	-
Other gains	154	851	334	1,094
Administrative expenses	(482)	(848)	(3,863)	(4,194)
Other expenses	(298)	(1,034)	(883)	(1,873)
Finance costs	(262)	(387)	(569)	(767)
(Loss)/ Profit before tax	299	(425)	920	379
Income tax expense	(112)	(78)	(287)	(301)
(Loss)/ Profit for the period/year	187	(503)	633	78
Other comprehensive income	(398)	(13)	(398)	(13)
Total comprehensive income for the period/ year	(211)	(516)	235	65
(Loss)/ Profit for the period attributable to:-				
Owners of the company	147	(527)	592	20
Non-controlling interests	40	24	41	58
	187	(503)	633	78
Total comprehensive income attributable to:-				
Owners of the company	(251)	(540)	194	7
Non-controlling interests	40	24	41	58
	(211)	(516)	235	65
Earnings per share (sen)				
- Basic	0.033	(0.130)	0.134	0.005
- Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Profit Or Loss And Other Comprehensive Income should be read in conjunction with the Annual Audited Financial Statement for the year ended 31 December 2012 and the explanatory notes attached to the interim financial report.)

**CME GROUP BERHAD***(Company No. 52235-K)
(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2013***(The figures have not been audited)*

	Issued capital	Retained earnings/ (Accumulated losses)	Non-distributable reserves–Fair value reserve	Equity attributable to equity holders of the Company	Non-controlling Interests	Total equity
	<i>RM'000</i>	<i>RM'000</i>	<i>RM'000</i>	<i>RM'000</i>	<i>RM'000</i>	<i>RM'000</i>
Balance as at 1 January 2012	40,110	(183)	419	40,346	95	40,441
Total comprehensive income for the year	-	20	(13)	7	58	65
Issuance of ordinary shares in subsidiary company	400	-	-	400	-	400
Balance as at 31 December 2012	40,510	(163)	406	40,753	153	40,906
Total comprehensive income for the year	-	592	(398)	194	41	235
Issuance of ordinary shares	3,600	-	-	3,600	-	3,600
Balance as at 31 December 2013	44,110	429	8	44,547	194	44,741

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statement for the year ended 31 December 2012 and the explanatory notes attached to the interim financial report.)***CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE 12-MONTH PERIOD ENDED 31 DECEMBER 2013***(The figures have not been audited)*

	Current year-to-date	Preceding year corresponding year-to-date
	31/12/2013	31/12/2012
	<i>RM'000</i>	<i>RM'000</i>
CASH FLOWS USED IN OPERATING ACTIVITIES		
Profit for the year	633	78
Adjustments for:		
Depreciation of property, plant and equipment	411	461
Finance costs	569	767
Gain on disposal of investment properties	(150)	(245)
Impairment loss recognized on trade receivables	10	87
Impairment loss recognized on trade receivables no longer required	(7)	(52)
Income tax expense recognised in profit or loss	287	301
Interest income	(6)	(29)
Inventories written off	-	641
Other investment written off	-	175
Provision for warranty and free services	164	146
Operating profit before working capital changes	1,911	2,330

Changes in working capital:		
Net changes in current assets	(11,666)	1,185
Net changes in current liabilities	9,892	(5,581)
Cash from/(used in) operations	137	(2,066)
Tax refund	-	-
Income tax paid	(181)	(218)
Net cash from/ (used in) operating activities	(44)	(2,284)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Withdrawal/ (placement) of fixed deposit	215	944
Interest income received	6	29
Proceed from disposal of investment properties	1,330	2,605
Purchase of investment properties	(6,000)	-
Purchase of property, plant and equipment	(20)	(273)
Net cash (used in)/from investing activities	(4,469)	3,305
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment)/ proceeds from of bank borrowings	1,653	(897)
Interest expense paid	(569)	(767)
Proceed from issuance of issued capital	3,600	400
Repayment of hire purchase payables	(111)	(150)
Net cash from financing activities	4,573	(1,414)
NET CHANGE IN CASH AND CASH EQUIVALENTS	60	(393)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	(4,020)	(3,627)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	(3,960)	(4,020)
Cash and Cash Equivalents are as follows:-		
Fixed deposits with licensed banks	-	215
Cash and bank balances	347	486
Bank overdrafts	(4,307)	(4,506)
	(3,960)	(3,805)
Less: - Fixed deposits pledged	-	(215)
	(3,960)	(4,020)

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Statement for the year ended 31 December 2012 and the explanatory notes attached to the interim financial report.)

NOTES TO THE INTERIM FINANCIAL STATEMENT – FOURTH QUARTER ENDED 31 DECEMBER 2013

A COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERM FINANCIAL REPORTING AND BURSA LISTING REQUIREMENTS

1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in compliance with Malaysian Financial Reporting Standard (MFRS) 134 -*Interim Financial Reporting*, issued by the Malaysian Accounting Standards Board (“MASB”) and Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with 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

These condensed consolidated interim financial statements have been prepared in accordance with the same accounting policies applied in the 2012 financial statements except for the adoption of the new and revised FRSS, IC Interpretations and Amendments that are applicable to the Group for the financial period beginning 1 January 2013. The adoption of these FRSS, interpretations and amendments does not have any material impact on the financial statements of the Group.

MASB, in furtherance with its objective of converging the accounting framework for entities other than private entities in Malaysia with International Financial Reporting Standard (IFRS), announced on 19 November 2011 the issuance of Malaysian Financial Reporting Standards (MFRSs). Entities other than private entities shall apply the MFRSs framework for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141, Agriculture and/or IC Interpretation 15, Agreements for the Construction of Real Estate. An entity subject to the application of MFRS 141 and/or IC Interpretation 15 may continue to apply FRSS as its financial reporting framework for annual reporting period beginning on or after 1 January 2012. On 30 SEPTEMBER 2012, MASB announced its decision to allow entity subject to the application of MFRS 141 and/or IC Interpretation 15 to defer the adoption of the MFRS framework to annual period beginning on or after 1 January 2014. As such, the Group plans to adopt the MFRS framework for annual periods beginning on or after 1 January 2014.

3 Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements for the year ended 31 December 2012 was not subjected to any qualification.

4 Seasonal or cyclical factors

The Group’s operations were not subject to any seasonal or cyclical factors.

5 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 of the Group for the current quarter and financial year-to-date.

6 Changes in estimates

There were no changes in the estimates of amounts, which give a material effect in the current quarter or financial year-to-date.

7 Debt and equity securities

Save and except for the issuance of 36,000,000 new ordinary share of RM 0.10 each pursuant to the Private Placement, there was no issuance or repayment of debts and equity securities, share buy-back, shares cancellation, shares held as treasury shares and resale of treasury shares for the current financial year-to-date.

8 Dividends paid

There was no dividend paid/declared by the Company for the current quarter ended 31 December 2013 (2012: Nil.).

**CME GROUP BERHAD***(Company No. 52235-K)
(Incorporated in Malaysia)***9 Segmental reporting**

31.12.2013	Invest. Holding RM '000	Contract Engineering RM '000	Trading RM '000	Others RM '000	Elimination RM '000	Consolidated RM '000
Revenue						
External sales	13,034	12,562	4,444	-	-	30,040
Inter-segment sales	-	6,822	-	-	(6,822)	-
Total revenue	13,034	19,384	4,444	-	(6,822)	30,040
Results						
Segment results	501	763	225	-	-	1,489
Finance costs						(569)
Profit before tax						920
Income tax expense						(287)
Profit for the year						633
Other information						
Capital additions	4	9	7	-	-	20
Depreciation	6	135	270	-	-	411
Consolidated Balance Sheet						
Assets						
Segment assets	84,176	48,297	14,295	4,169	(82,046)	68,891
Other investment	492	-	-	-	-	492
Consolidated total assets						69,383
Liabilities						
Segment Liabilities	41,953	28,844	24,345	4,061	(74,561)	24,642
31.12.2012						
Revenue						
External sales	2,005	17,670	3,196	-	-	22,871
Inter-segment sales	-	7,327	1,817	-	(9,144)	-
Total revenue	2,005	24,997	5,013	-	(9,144)	22,871
Results						
Segment results	25	574	251	5	291	1,146
Finance costs						(767)
Profit before tax						379
Income tax expenses						(301)
Profit for the period						78
Other information						
31.12.2012						
Capital additions	-	223	50	-	-	273
Depreciation	-	176	274	11	-	461

31.12.2012	Invest. Holding RM '000	Contract Engineering RM '000	Trading RM '000	Others RM '000	Elimination RM '000	Consolidated RM '000
Assets						
Segment assets	72,435	48,348	15,637	4,906	(88,102)	53,224
Other investments	891	-	-	-	-	891
Consolidated total assets						54,115
Liabilities						
Segment liabilities	33,982	29,150	25,876	4,818	(80,617)	13,209

As the Group is principally operating within Malaysia, geographical segment has not been presented.

10 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 statements.

11 Material Subsequent Events

Save and except for the company had incorporated a wholly-owned subsidiary in Western Australia, under the name of CME Properties (Australia) Pty Ltd, with 10 fully paid ordinary share issued for AUD 1.00 each, there were no material events subsequent to 31 December 2013 that have not been reflected in the interim financial statements.

12 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 during the quarter under review.

13 Contingent Liabilities or Contingent Assets

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

14 Capital Commitments

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

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BERHAD MAIN MARKET LISTING REQUIREMENTS

1 Review of Group performance

The Group recorded higher revenue of RM 9.0 million in the fourth quarter ended December 31, 2013, an increase of RM6.1 million or >100% over the corresponding preceding quarter of 2012. Profit before tax for the quarter under review improved to RM299,000 from loss before tax of RM 425,000 for the corresponding preceding quarter of 2012 .

The Group's revenue for the full financial year ended 31 December, 2013 rose 31% year-on-year to RM 30.0 million from RM22.9 million while profit before tax rose to RM920,000 from RM379,000, an increase of 143% over the corresponding preceding year of 2012, mainly due to the higher revenue achieved during the 4th quarter coupled with the decreased in operating expenses.

The Property Investment division ("PI") continues to contribute positively to the Group in terms of revenue and profit. The revenue from the PI division grew from RM2.0 million to RM13.0 million, an increase of RM11.0 million during the financial year ended 31 December 2013. The increased was however, offset by the decline in revenue from the Specialised Mobility Vehicles ("SMV") division and Fire Suppression and Prevention ("FSP") division, which saw a total decrease of RM3.9 million or 18.7%. The decrease in the revenue for both divisions were mainly due to lesser projects were secured during the period, coupled with the timing of revenue recognition for on-going projects during the period.

2 Material change in profit before taxation for the quarter compared with the immediate preceding quarter

The comparison of the Group's revenue and profit before taxation for the current quarter and preceding quarter is as follows:

	31.12.13 <u>RM'000</u>	30.09.13 <u>RM'000</u>	← Variance → <u>RM'000</u>	→ %
Revenue	9,036	8,915	121	1.4%
(Loss)/ Profit before taxation	299	122	177	>100%

For the current quarter ended 31 December 2013, the Group recorded revenue of RM9.0 million, an increase of 1.4% compared to the preceding quarter ended 30 September 2013.

The Group recorded a profit before taxation of RM299,000 for the current quarter as compared to a profit before taxation of RM122,000 in the preceding quarter, due to higher revenue achieved couple with the lower operating expenses.

3 Commentary on Prospects for 2014

In view of the uncertainties in the global economy coupled with intense competition in domestic market, the Directors expect market conditions in year 2014 to remain challenging.

The SMV division will continue to focus on expanding its market share by tapping into potential new markets with our new product range to enhance its sales and profitability. As for our FSP Division, the management will continue to improve on its products and services coupled with the drive to secure new distributionship to improve overall sales performance of the Group in years to come.

Meanwhile, the Board and the management will continue to explore other viable, synergistic and profitable business ventures to improve the Group's performance.

4 Profit forecast

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

5 Income tax expense/(credit)

The Tax figures consist of the following :-	Current Quarter RM '000	Current Year to Date RM '000
Current year provision	(112)	(287)
Deferred taxation	-	-
Total	(112)	(287)

6 Corporate Proposals

- Proposed Private Placement

On behalf of the Company, Public Investment Bank Berhad (“PIVB”) had on 24 June 2013 announced that the Private Placement has been completed on 24 June 2013 following the listing of and quotation for 36,000,000 Placement Shares, being the second (2nd) and final tranche of the Private Placement, on the Main Market of Bursa Malaysia Securities Berhad on the same day.

7 Group borrowings and debt securities

	As at 31/12/2013 Secured RM'000
Amount payable within one year	
Bank borrowings	6,813
Finance leases	77
	<u>6,890</u>
Amount payable after one year	
Bank borrowings	3,115
Finance leases	320
	<u>3,435</u>
Total borrowings	<u>10,325</u>

8 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.

9 Dividend

No dividend had been declared for the financial period ended 31 December 2013.

10 Earnings Per Share (“EPS”)

(a) Basic Earnings Per Share

Basic earnings per share for the period under review is calculated by dividing the net profit attributable to the shareholders of RM592,000 (31.12.2012 : RM20,000) by the weighted average number of ordinary shares outstanding as at 31 December 2013 of 441,100,000 (31.12.2012 : 403,267,000).

(b) Diluted Earnings Per Share

Not Applicable.

11 Realised And Unrealized Profits/Losses Disclosure

On 25 March 2010, Bursa Malaysia issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realized and unrealized profits and losses.

On 20 December 2010, Bursa Malaysia further issued guidance on the disclosure and the prescribed format of disclosure.

The breakdown of retained earnings/(accumulated losses) of the Group as of 31 December 2013 into realized and unrealized profits or losses, pursuant to the directive, is as follows:

	As at 31/12/2013	As at 31/12/2012
	<i>RM'000</i>	<i>RM'000</i>
Total retained earnings/(accumulated losses) of the Group:-		
- Realised	686	(68)
- Unrealised	(257)	(95)
Total group retained earnings/(accumulated losses) as per consolidated accounts	429	(163)

The determination of realised and unrealised profits or losses is based on Guidance of Special Matter No. 1 “Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements” as issued by the Malaysian Institute of Accountants on December 20, 2010. A charge or a credit to the profit or loss of a legal entity is deemed realised when it is resulted from the consumption of resource of all types and form, regardless of whether it is consumed in the ordinary course of business or otherwise. A resource may be consumed through sale or use. Where a credit or a charge to the profit or loss upon initial recognition or subsequent measurement of an asset or a liability is not attributed to consumption of resource, such credit or charge should not be deemed as realised until the consumption of resource could be demonstrated.

This supplementary information have been made solely for complying with the disclosure requirements as stipulated in the directives of Bursa Malaysia Securities Berhad and is not made for any other purposes.

12 Profit before tax

	As at 31/12/2013	As at 31/12/2012
	<i>RM'000</i>	<i>RM'000</i>
This is arrived at after charging/ (crediting):-		
Audit fee	68	68
Impairment loss recognised on trade receivables	10	87
Depreciation on property, plant and equipment	411	461
Finance costs	569	767
Inventory written off	-	641
Interest income	(6)	(29)
Gain on disposal of investment properties	(150)	(245)
Other financial assets written off	-	175
Provision for warranty and free services	164	146
Provision for doubtful debt no longer required	(7)	(52)

Other disclosure items pursuant to Note 16 of the Appendix 9B of the Main Market Listing requirements are not applicable.

BY ORDER OF THE BOARD
CME GROUP BERHAD

MISS LIM BEE HONG
EXECUTIVE DIRECTOR

Shah Alam, Selangor Darul Ehsan
28 February 2014