

**Century Bond Bhd.**

(Company No. 228669-V)  
(Incorporated in Malaysia)

**Interim Financial Report  
31 December 2011**

# Century Bond Bhd.

(Company No. 228669-V)

(Incorporated in Malaysia)

## Condensed consolidated statement of financial position at 31 December 2011 - unaudited

	Note	31.12.2011 RM'000	31.03.2011 RM'000
<b>Assets</b>			
Property, plant and equipment		40,499	39,202
Prepaid lease payments		4,209	4,402
Investment in quoted shares		7	7
Goodwill		326	326
<b>Total non-current assets</b>		<u>45,041</u>	<u>43,937</u>
Inventories		34,863	24,172
Trade and other receivables		45,704	43,021
Tax recoverable		1,038	279
Cash and bank balances		44,630	57,271
<b>Total current assets</b>		<u>126,235</u>	<u>124,743</u>
<b>Total assets</b>		<u><u>171,276</u></u>	<u><u>168,680</u></u>
<b>Equity</b>			
Share capital		60,000	60,000
Reserves		74,336	67,355
<b>Total equity attributable to owners of the Company</b>		134,336	127,355
<b>Minority interest</b>		4,273	3,732
<b>Total equity</b>		<u>138,609</u>	<u>131,087</u>
<b>Liabilities</b>			
Loans and borrowings	21	494	757
Deferred tax liabilities		4,407	4,516
<b>Total non-current liabilities</b>		<u>4,901</u>	<u>5,273</u>
Trade and other payables		16,842	15,205
Loans and borrowings	21	8,597	13,829
Taxation		2,327	3,286
<b>Total current liabilities</b>		<u>27,766</u>	<u>32,320</u>
<b>Total liabilities</b>		<u>32,667</u>	<u>37,593</u>
<b>Total equity and liabilities</b>		<u><u>171,276</u></u>	<u><u>168,680</u></u>

The notes on pages 6 to 13 are an integral part of these condensed consolidated interim financial statements.

## Century Bond Bhd.

(Company No. 228669-V)

(Incorporated in Malaysia)

### Condensed consolidated income statement for the period ended 31 December 2011 - unaudited

	Note	Individual 3 months ended 31 December		Cumulative 9 months ended 31 December	
		2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
<b>Revenue</b>		46,737	44,536	137,383	126,123
Cost of sales		(38,894)	(36,286)	(113,214)	(103,274)
<b>Gross profit</b>		7,843	8,250	24,169	22,849
Other income		635	46	2,299	1,558
Distribution expenses		(2,041)	(1,748)	(5,774)	(5,180)
Administrative expenses		(1,614)	(1,519)	(4,849)	(4,665)
Other expenses		--	(42)	--	(223)
<b>Profit from operating activities</b>		4,823	4,987	15,845	14,339
Finance costs		(134)	(138)	(429)	(465)
<b>Profit before tax</b>		4,689	4,849	15,416	13,874
Tax expense	19	(1,344)	(1,560)	(4,040)	(2,937)
<b>Profit for the period</b>		<u>3,345</u>	<u>3,289</u>	<u>11,376</u>	<u>10,937</u>
<b>Attributable to:</b>					
Owners of the Company		3,170	3,258	10,835	10,580
Minority interest		175	31	541	357
<b>Profit for the period</b>		<u>3,345</u>	<u>3,289</u>	<u>11,376</u>	<u>10,937</u>
Basic and diluted earnings per ordinary share (sen)	23	<u>2.64</u>	<u>2.72</u>	<u>9.03</u>	<u>8.82</u>

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## Century Bond Bhd.

(Company No. 228669-V)

(Incorporated in Malaysia)

### Condensed consolidated statement of comprehensive income for the period ended 31 December 2011 - unaudited

	Individual 3 months ended 31 December		Cumulative 9 months ended 31 December	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
<b>Profit for the period</b>	3,345	3,289	11,376	10,937
Currency translation differences arising from consolidation	(32)	171	(254)	88
<b>Total comprehensive income</b>	<u>3,313</u>	<u>3,460</u>	<u>11,122</u>	<u>11,025</u>
<b>Attributable to:</b>				
Owners of the Company	3,138	3,429	10,581	10,668
Minority interest	175	31	541	357
	<u>3,313</u>	<u>3,460</u>	<u>11,122</u>	<u>11,025</u>

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## Century Bond Bhd.

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### Condensed consolidated statement of changes in equity for the period ended 31 December 2011 – unaudited

	← Non-distributable →			Distributable			Total equity RM'000
	Share capital RM'000	Revaluation reserve RM'000	Exchange fluctuation reserves RM'000	Retained earnings RM'000	Total RM'000	Minority interest RM'000	
<i>At 1 April 2011</i>	60,000	1,867	1,602	63,886	127,355	3,732	131,087
Total comprehensive income for the period	--	--	(254)	10,835	10,581	541	11,122
Dividends to shareholders	--	--	--	(3,600)	(3,600)	--	(3,600)
<i>At 31 December 2011</i>	<u>60,000</u>	<u>1,867</u>	<u>1,348</u>	<u>71,121</u>	<u>134,336</u>	<u>4,273</u>	<u>138,609</u>
<i>At 1 April 2010</i>	60,000	1,867	1,610	51,051	114,528	3,438	117,966
Total comprehensive income for the period	--	--	88	10,580	10,668	357	11,025
Gain on deemed disposal from additional shares issued	--	--	--	307	307	(307)	--
Share capital contributed by minority shareholder of a subsidiary	--	--	--	--	--	80	80
Dividends to shareholders	--	--	--	(2,400)	(2,400)	--	(2,400)
Dividends to minority shareholder	--	--	--	--	--	(225)	(225)
<i>At 31 December 2010</i>	<u>60,000</u>	<u>1,867</u>	<u>1,698</u>	<u>59,538</u>	<u>123,103</u>	<u>3,343</u>	<u>126,446</u>

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# Century Bond Bhd.

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## Condensed consolidated statement of cash flows for the period ended 31 December 2011 - unaudited

	9 months ended 31 December	
	2011 RM'000	2010 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	15,416	13,874
Adjustments for non-cash flow:		
Non-cash items	4,082	4,211
Non-operating items	409	311
<b>Operating profit before changes in working capital</b>	19,907	18,396
Net change in current assets	(13,374)	1,619
Net change in current liabilities	1,383	3,143
Net tax paid	(5,867)	(5,100)
<b>Net cash generated from operating activities</b>	2,049	18,058
<b>Cash flows from investing activities</b>		
Other investments activities/ <b>Net cash used in investing activities</b>	(5,026)	(5,458)
<b>Cash flows used in financing activities</b>		
Dividend paid to shareholders	(3,600)	(2,400)
Dividend paid to minority shareholder	--	(225)
Payment for bank borrowings	(5,126)	(9,884)
<b>Net cash used in financing activities</b>	(8,726)	(12,509)
<b>Net (decrease)/increase in cash and cash equivalents</b>	(11,703)	91
<b>Cash and cash equivalents at beginning of period</b>	56,046	58,444
<b>Cash and cash equivalents at end of period</b>	44,343	58,535
Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:		
Cash and bank balances	19,046	26,993
Deposits with licensed banks	25,584	33,081
Bank overdrafts	(287)	(1,511)
	44,343	58,563
Fixed deposit pledged	--	(28)
	44,343	58,535

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# Century Bond Bhd.

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## Notes to the condensed consolidated interim financial statements

Century Bond Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of the Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements of the Group as at and for the nine months period ended 31 December 2011 comprise the Company and its subsidiaries (together referred to as the Group).

The consolidated financial statements of the Group as at and for the year ended 31 March 2011 are available upon request from the Company's registered office at:

Suite 5.11 & 5.12, 5<sup>th</sup> floor,  
Menara TJB,  
No. 9, Jalan Syed Mohd Mufti,  
80000 Johor Bahru,  
Johor, Malaysia.

These condensed consolidated interim financial statements were approved by the Board of Directors on 27 February 2012.

### 1. Basis of preparation

These condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and FRS 134, *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 March 2011.

### 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 as at and for the year ended 31 March 2011.

Following the announcement made by the Malaysian Accounting Standards Board on 19 November 2011, the Group's financial statements for the financial year ending 31 March 2013 will be prepared in accordance with International Financial Reporting Standards Framework. The change of the financial reporting framework is not expected to have any significant impact on the financial position and performance of the Group.

### 3. Comments about seasonal or cyclical factors

The Group businesses are affected by seasonal or cyclical factors in that it normally experiences better sales in the first and second quarters of the financial year.

### 4. Unusual items affecting the assets, liabilities, equity, net income or cash flows

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the current quarter.

### 5. Material changes in estimates

There were no material changes in estimates for the current quarter.

### 6. Capital and reserves

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter.

### 7. Dividend

A final tax exempt dividend of 6% (or 3 sen per share) in respect of the financial year ended 31 March 2011 amounting to RM3.6 million was paid during the current quarter.

The Board of Directors has approved and declared an interim dividend as follows:

	<b>31 December 2011 RM'000</b>	<b>31 December 2010 RM'000</b>
Interim dividend for financial year	31 March 2012	31 March 2011
Amount per share (tax-exempt)	1.5 sen	-
Approved and declared on	27 February 2012	-
Entitlement to dividends based on		
Record of Depositors as at	9 April 2012	-
Date payable	30 April 2012	-



## 8. Segment information

### (a) By Business Segments:

	Revenue 9 months ended 31 December		Profit before tax 9 months ended 31 December	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Paper packaging	132,160	118,253	11,750	10,536
Plastic packaging	22,611	20,365	2,550	1,311
Contract manufacturing and packing	18,010	16,936	1,229	2,318
Investment and property holding	758	1,328	316	174
	<u>173,539</u>	<u>156,882</u>	<u>15,845</u>	<u>14,339</u>
Inter-segment elimination	<u>(36,156)</u>	<u>(30,759)</u>	<u>--</u>	<u>--</u>
	137,383	126,123	15,845	14,339
Finance costs	--	--	(429)	(465)
	<u><u>137,383</u></u>	<u><u>126,123</u></u>	<u><u>15,416</u></u>	<u><u>13,874</u></u>

### (b) By geographical locations:

	Revenue 9 months ended 31 December	
	2011 RM'000	2010 RM'000
Malaysia	102,247	97,874
Indonesia and others	<u>35,136</u>	<u>28,249</u>
	<u><u>137,383</u></u>	<u><u>126,123</u></u>

## 9. Profit for the period

	3 months ended 31 December		Cumulative 9 months ended 31 December	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
<b>Profit for the period is arrived at after charging/ (crediting):</b>				
Depreciation & amortisation	1,350	1,382	4,083	4,211
Net foreign exchange loss/ (gain)	(224)	71	(788)	(259)
Interest income	(207)	(76)	(650)	(423)

## 10. Material events subsequent to period end

There were no material events subsequent to the end of the period reported that have not been reflected in this quarterly report.

## 11. Changes in composition of the Group

Prompt Plus Limited, a wholly owned subsidiary was struck off from the British Virgin Islands Register with effect from 1 November 2011.

## 12. Contingent assets and contingent liabilities

The Group did not have any contingent liabilities and contingent assets since the last annual balance sheet date.

## 13. Capital Commitments

	<b>31 December 2011 RM'000</b>	<b>31 December 2010 RM'000</b>
<i>Property, plant and equipment</i> Contracted but not provided for	<u>63</u>	<u>1,140</u>

## 14. Significant related party transactions

	<b>9 months ended 31 December 2011 RM'000</b>	<b>2010 RM'000</b>
Directors' remuneration	<u>1,211</u>	<u>1,198</u>
<i>Rental paid/payable to certain Directors</i>	<u>55</u>	<u>55</u>
<i>Companies in which the spouse of an Executive Director/major shareholder of CBB has substantial financial interest</i>		
Purchases of printing block	<u>458</u>	<u>419</u>
<i>Company in which a corporate shareholder of a subsidiary has substantial financial interest</i>		
Sale of paper bags	<u>17,407</u>	<u>15,339</u>
Rental paid/payable	<u>54</u>	<u>54</u>
<i>Company in which persons connected to Directors/major shareholders of CBB has substantial financial interest</i>		
Transport and forwarding charges paid/payable	<u>488</u>	<u>361</u>

## Notes pursuant to Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A.

### 15. Review of performance

The Group's revenue for the current quarter is reported at RM46.737 million, which is RM2.201 million higher compared to RM44.536 million registered in the corresponding quarter of last financial year. Gross profit is reported at RM7.843 million in current quarter representing a decrease of RM0.407 million compared to the corresponding quarter in last financial year of RM8.250 million mainly due to higher cost of raw materials for paper packaging segment in the current quarter.

The performance of each business segment is as follows:

#### (a) Paper packaging

The revenue for the current quarter increased to RM38.438 million in the current quarter as compared to RM36.326 million reported in the corresponding quarter of last financial year due to higher sales volume achieved during the current quarter.

#### (b) Plastic Packaging

The revenue recorded in the current quarter decreased to RM3.677 million as compared to RM4.331 million reported in the corresponding quarter of last financial year due to lower sales volume during the current quarter.

#### (c) Contract manufacturing and packing

The revenue for the current quarter increased to RM4.622 million as compared to RM3.879 million recorded in corresponding quarter of last financial year due to higher sales volume achieved during the current quarter.

#### (d) Investment and property holding

The Group's investment and property holding activities comprises of properties which are rented to subsidiaries and management services which are provided to subsidiaries. All revenue received for both current and corresponding quarter of last financial year is eliminated from the report.

### 16. Variation of results against preceding quarter

The Group's revenue for the current quarter is RM46.737 million, an increase of RM1.759 million from preceding quarter of RM44.978 million. This is mainly due to the higher revenue of RM38.438 million as compared to RM36.729 million achieved in paper packaging segment in the current quarter.

The Group's current quarter profit before tax of RM4.689 million is RM0.171 million lower compared to the profit before tax of RM4.860 million registered in the preceding quarter. The decrease of profit before tax is mainly due to higher cost of raw materials for paper packaging segment in the current quarter and amongst others operating costs.

## 17. Prospects

The Group's core attention and focus will be in the paper packaging division which is the key driver of growth. Other avenues and opportunities will continue to be explored and identified.

The Group anticipates that its business for the current financial year will remain challenging. Although the operating conditions and environment had stabilised and improved, the recent financial turmoil in the world financial markets has resulted in growing uncertainties going forward. The Group will closely monitor and take appropriate measures to insulate and adapt to the ever changing operating conditions.

The Group is optimistic that based on the measures and concerted efforts undertaken by the management and employees at all levels, the Group will strive to remain profitable in the current financial year.

## 18. Profit forecast

Not applicable.

## 19. Tax expense

	3 months ended 31 December		Cumulative 9 months ended 31 December	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Current tax				
- Current year	993	1,287	3,969	3,634
- Under/(Over) provision in prior quarter	0	374	179	(253)
	993	1,661	4,148	3,381
Deferred tax (assets) / liabilities	351	(101)	(108)	(444)
	<u>1,344</u>	<u>1,560</u>	<u>4,040</u>	<u>2,937</u>

## 20. Status of corporate proposal announced

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

## 21. Loans and borrowings

The loans and borrowings of the Group denominated in Ringgit Malaysia are as follows:

	<b>31 December 2011 RM'000</b>	<b>31 March 2011 RM'000</b>
<b>Non-current</b>		
- Secured	494	757
<b>Current</b>		
- Secured	539	655
- Unsecured	8,058	13,174
	<u>8,597</u>	<u>13,829</u>
Total borrowings	<u><u>9,091</u></u>	<u><u>14,586</u></u>

## 22. Changes in material litigation

There was no pending material litigation as at 24 February 2012, being a date not earlier than 7 days from the date of the quarterly report.

## 23. Earnings per ordinary share

### *Basic and diluted earnings per ordinary share*

Basic earnings per ordinary share are calculated by dividing the profit after tax for the period by the weighted average number of ordinary shares in issue during the period.

	<b>3 months ended 31 December 2011</b>	<b>9 months ended 31 December 2011</b>
Profit for the period (RM'000)	3,345	11,376
Less: Amount attributable to minority interest (RM'000)	(175)	(541)
Profit for the period attributable to owners of the Company (RM'000)	<u>3,170</u>	<u>10,835</u>
Weighted average number of ordinary shares in issue ('000)	<u>120,000</u>	<u>120,000</u>
Basic earnings per share (sen)	<u><u>2.64</u></u>	<u><u>9.03</u></u>

There are no dilutive earnings per share during the period.

## 24. Realised and unrealised profit/losses disclosure

The retained profits as at 31 December 2011 and 30 September 2011 is analysed as follows:-

	<b>31 December 2011 RM'000</b>	<b>30 September 2011 RM'000</b>
Total retained profits/(accumulated losses) of the Company and the subsidiaries:		
- Realised	82,392	83,026
- Unrealised	<u>(3,565)</u>	<u>(3,769)</u>
	78,827	79,257
Less: Consolidated adjustments	<u>(7,706)</u>	<u>(7,706)</u>
	<u><u>71,121</u></u>	<u><u>71,551</u></u>

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

The auditor expressed an unqualified opinion on the Company's statutory financial Statements for the year ended 31 March 2011 in their report dated 19 July 2011.