

**Century Bond Bhd.**  
(Company No. 228669-V)  
(Incorporated in Malaysia)

**Interim Financial Report**  
**31 March 2013**

# Century Bond Bhd.

(Company No. 228669-V)

(Incorporated in Malaysia)

## Condensed consolidated statement of financial position at 31 March 2013 - unaudited

	Note	31.03.2013 RM'000	31.03.2012 RM'000
<b>Assets</b>			
Property, plant and equipment		40,459	39,366
Prepaid lease payments		4,023	4,118
Deferred tax assets		65	47
<b>Total non-current assets</b>		<u>44,547</u>	<u>43,531</u>
Inventories		25,469	29,379
Trade and other receivables		48,080	48,123
Tax recoverable		903	939
Cash and bank balances		76,942	50,772
Assets held for sale		468	328
<b>Total current assets</b>		<u>151,862</u>	<u>129,541</u>
<b>Total assets</b>		<u><u>196,409</u></u>	<u><u>173,072</u></u>
<b>Equity</b>			
Share capital		60,000	60,000
Reserves		90,978	76,371
<b>Total equity attributable to owners of the Company</b>		150,978	136,371
<b>Minority interest</b>		<u>5,687</u>	<u>4,508</u>
<b>Total equity</b>		<u>156,665</u>	<u>140,879</u>
<b>Liabilities</b>			
Loans and borrowings	22	254	451
Deferred tax liabilities		4,439	4,337
<b>Total non-current liabilities</b>		<u>4,693</u>	<u>4,788</u>
Trade and other payables		26,778	16,317
Loans and borrowings	22	4,346	7,463
Dividend payable		2,025	1,800
Taxation		1,902	1,825
<b>Total current liabilities</b>		<u>35,051</u>	<u>27,405</u>
<b>Total liabilities</b>		<u>39,744</u>	<u>32,193</u>
<b>Total equity and liabilities</b>		<u><u>196,409</u></u>	<u><u>173,072</u></u>

The notes on pages 6 to 14 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 March 2013 - unaudited

	Note	Individual 3 months ended 31 March		Cumulative 12 months ended 31 March	
		2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
<b>Revenue</b>		44,955	44,226	186,896	181,609
Cost of sales		(34,172)	(34,882)	(147,559)	(148,097)
<b>Gross profit</b>		10,783	9,344	39,337	33,512
Other income		782	506	4,084	2,804
Distribution expenses		(1,722)	(1,758)	(8,637)	(7,531)
Administrative expenses		(1,726)	(1,716)	(7,062)	(6,565)
Other expenses		(634)	(577)	(634)	(577)
<b>Profit from operating activities</b>		7,483	5,799	27,088	21,643
Finance costs		(38)	(69)	(244)	(497)
<b>Profit before tax</b>		7,445	5,730	26,844	21,146
Tax expense	20	(1,202)	(1,529)	(6,265)	(5,569)
<b>Profit for the period</b>		6,243	4,201	20,579	15,577
<b>Attributable to:</b>					
Owners of the Company		5,844	3,966	19,175	14,801
Minority interest		399	235	1,404	776
<b>Profit for the period</b>		6,243	4,201	20,579	15,577
Basic and diluted earnings per ordinary share (sen)	24	4.87	3.31	15.98	12.33

The notes on pages 6 to 14 are an integral part of these condensed consolidated interim financial statements.

## Century Bond Bhd.

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

### Condensed consolidated statement of comprehensive income for the period ended 31 March 2013 - unaudited

	Individual 3 months ended 31 March		Cumulative 12 months ended 31 March	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
<b>Profit for the period</b>	6,243	4,201	20,579	15,577
Currency translation differences arising from consolidation	(42)	(131)	232	(385)
<b>Total comprehensive income</b>	<u>6,201</u>	<u>4,070</u>	<u>20,811</u>	<u>15,192</u>
<b>Attributable to:</b>				
Owners of the Company	5,802	3,835	19,407	14,416
Minority interest	399	235	1,404	776
	<u>6,201</u>	<u>4,070</u>	<u>20,811</u>	<u>15,192</u>

The notes on pages 6 to 14 are an integral part of these condensed consolidated interim financial statements.

## Century Bond Bhd.

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### Condensed consolidated statement of changes in equity for the period ended 31 March 2013 – unaudited

	← <i>Non-distributable</i> →		<i>Distributable</i>		Minority interest RM'000	Total equity RM'000
	Share capital RM'000	Exchange fluctuation reserves RM'000	Retained earnings RM'000	Total RM'000		
<i>At 1 April 2012</i>	60,000	(385)	76,756	136,371	4,508	140,879
Total comprehensive income for the period	--	232	19,175	19,407	1,404	20,811
Dividends to shareholders	--	--	(4,800)	(4,800)	--	(4,800)
Dividends to minority shareholder	--	--	--	--	(225)	(225)
<i>At 31 March 2013</i>	<u>60,000</u>	<u>(153)</u>	<u>91,131</u>	<u>150,978</u>	<u>5,687</u>	<u>156,665</u>
<i>At 1 April 2011</i>	60,000	--	67,355	127,355	3,732	131,087
Total comprehensive income for the period	--	(385)	14,801	14,416	776	15,192
Dividends to shareholders	--	--	(5,400)	(5,400)	--	(5,400)
<i>At 31 March 2012</i>	<u>60,000</u>	<u>(385)</u>	<u>76,756</u>	<u>136,371</u>	<u>4,508</u>	<u>140,879</u>

The notes on pages 6 to 14 are an integral part of these condensed consolidated interim financial statements.

# Century Bond Bhd.

(Company No. 228669-V)

(Incorporated in Malaysia)

## Condensed consolidated statement of cash flows for the period ended 31 March 2013 - unaudited

	12 months ended 31 March	
	2013 RM'000	2012 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	26,844	21,146
Adjustments for non-cash flow:		
Non-cash items	4,617	6,111
Non-operating items	(1,945)	(716)
<b>Operating profit before changes in working capital</b>	29,516	26,541
Net change in current assets	4,808	(11,010)
Net change in current liabilities	11,615	1,004
Net tax paid	(6,066)	(8,414)
<b>Net cash generated from operating activities</b>	39,873	8,121
<b>Cash flows from investing activities</b>		
Other investments activities/		
<b>Net cash used in investing activities</b>	(5,581)	(4,322)
<b>Cash flows used in financing activities</b>		
Dividend paid to shareholders	(4,800)	(3,600)
Payment for bank borrowings	(3,312)	(5,647)
<b>Net cash used in financing activities</b>	(8,112)	(9,247)
<b>Net increase/(decrease) in cash and cash equivalents</b>	26,180	(5,448)
<b>Net change of foreign currency</b>	(7)	(26)
<b>Cash and cash equivalents at beginning of period</b>	50,572	56,046
<b>Cash and cash equivalents at end of period</b>	76,745	50,572
Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:		
Cash and bank balances	34,403	25,546
Deposits with licensed banks	42,539	25,226
Bank overdrafts	(197)	(200)
	76,745	50,572

The notes on pages 6 to 14 are an integral part of these condensed consolidated interim financial statements.

# Century Bond Bhd.

(Company No. 228669-V)

(Incorporated in Malaysia)

## 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 financial year ended 31 March 2013 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 2012 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 30 May 2013.

### 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 MFRS 134, *Interim Financial Reporting* in Malaysia and with IAS 34, *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 2012.

These are the Group's condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS framework annual financial statements and MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards* has been applied. An explanation of how the transition to MFRSs has affected the reported financial position is provided in note 15.

## **2. Significant accounting policies**

Except as described below, 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 2012.

### **(a) Property, plant and equipment**

Under FRSs, the Group measured its land and buildings at valuation. The last valuation was carried out on 31 March 2008.

Upon transition to MFRSs, the Group elected to apply the optional exemption to use previous revaluation as deemed cost under MFRSs. The revaluation reserve of RM1,866,759 at 1 April 2011, 31 March 2012 and 1 April 2012 was reclassified to retained earnings.

## **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 second and third 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**

There was no dividend paid during the current quarter.



Company No. 228669-V
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## 8. Segment information

### (a) By Business Segments:

	Revenue 12 months ended 31 March		Profit before tax 12 months ended 31 March	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Paper packaging	177,432	174,450	22,833	16,606
Plastic packaging	24,782	30,436	1,580	3,155
Contract manufacturing and packing	26,032	24,615	2,237	1,673
Investment and property holding	2,435	2,810	730	528
Others	3,316	632	(292)	(319)
	<u>233,997</u>	<u>232,943</u>	<u>27,088</u>	<u>21,643</u>
Inter-segment elimination	<u>(47,101)</u>	<u>(51,334)</u>	<u>--</u>	<u>--</u>
	186,896	181,609	27,088	21,643
Finance costs	<u>--</u>	<u>--</u>	<u>(244)</u>	<u>(497)</u>
	<u><u>186,896</u></u>	<u><u>181,609</u></u>	<u><u>26,844</u></u>	<u><u>21,146</u></u>

### (b) By geographical locations:

	Revenue 12 months ended 31 March	
	2013 RM'000	2012 RM'000
Malaysia	126,945	132,336
Indonesia and others	<u>59,951</u>	<u>49,273</u>
	<u><u>186,896</u></u>	<u><u>181,609</u></u>

## 9. Profit before tax

	3 months ended 31 March		Cumulative 12 months ended 31 March	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
<b>Profit for the period is arrived at after charging/ (crediting):</b>				
Depreciation & amortisation	1,441	948	5,254	5,030
Net foreign exchange loss/ (gain)	88	472	(924)	(316)
Interest income	(270)	(264)	(963)	(914)
Impairment of plant and Equipment	461	--	461	--

## 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

Multiview Enterprises Sdn Bhd, a wholly owned subsidiary of the Company, had on 6 March 2013 disposed of its entire equity interest in Cenfresh Sdn Bhd. The effect of the disposal is not significant to the financial statements.

## 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

	31 March 2013 RM'000	31 March 2012 RM'000
<i>Property, plant and equipment</i>		
Contracted but not provided for	865	3,099

## 14. Significant related party transactions

	12 months ended 31 March	
	2013 RM'000	2012 RM'000
Directors' remuneration	2,250	2,018
<i>Rental paid/payable to certain Directors</i>	109	74
<i>Companies in which the spouse of an Executive Director/major shareholder of CBB has substantial financial interest</i>		
Purchases of printing block	211	620
<i>Company in which a corporate shareholder of a subsidiary has substantial financial interest</i>		
Sale of paper bags	26,955	22,843
Rental paid/payable	72	72
<i>Company in which persons connected to Directors/major shareholders of CBB has substantial financial interest</i>		
Transport and forwarding charges paid/payable	533	592

## 15. Explanation of transition to MFRSs

In preparing its opening MFRS statement of financial position, the Group has adjusted amount reported previously in financial statements prepared in accordance with previous FRSs as follows:

	<b>FRSs</b>	<b>Effect of transition to MFRSs</b>	<b>MFRSs</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>Reconciliation as at 1 April 2011</u></b>			
Share capital	60,000	--	60,000
Revaluation reserve	1,867	(1,867)	--
Translation reserve	1,602	(1,602)	--
Retained earning	63,886	3,469	67,355
Total equity attributable to owners of the Company	<u>127,355</u>	<u>--</u>	<u>127,355</u>

### **Reconciliation as at 31 March 2012**

Share capital	60,000	--	60,000
Revaluation reserve	1,867	(1,867)	--
Translation reserve	1,217	(1,602)	(385)
Retained earning	73,287	3,469	76,756
Total equity attributable to owners of the Company	<u>136,371</u>	<u>--</u>	<u>136,371</u>

### **Reconciliation as at 1 April 2012**

Share capital	60,000	--	60,000
Revaluation reserve	1,867	(1,867)	--
Translation reserve	1,217	(1,602)	(385)
Retained earning	73,287	3,469	76,756
Total equity attributable to owners of the Company	<u>136,371</u>	<u>--</u>	<u>136,371</u>

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

### 16. Review of performance

The Group's revenue for the current quarter is reported at RM44.955 million, which is RM0.729 million higher compared to RM44.226 million registered in the corresponding quarter of last financial year. Gross profit is reported at RM10.783 million in current quarter representing an increase of RM1.439 million compared to the corresponding quarter in last financial year of RM9.344 million mainly due to lower cost of raw materials in the current quarter.

The performance of each business segment is as follows:

#### (a) Paper packaging

The revenue for the current quarter increased to RM36.852 million in the current quarter as compared to RM36.142 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 RM2.624 million as compared to RM3.892 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 RM4.648 million as compared to RM3.561 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.

#### (e) Others

The revenue for the current quarter increased to RM0.831 million as compared to RM0.631 million recorded in corresponding quarter of last financial year due to higher sales volume achieved during the current quarter.

### 17. Variation of results against preceding quarter

The Group's revenue for the current quarter is RM44.955 million, a decrease of RM3.392 million from preceding quarter of RM48.347 million. This is mainly due to the lower revenue of RM36.852 million in paper packaging segment in the current quarter as compared to RM40.501 million achieved in the preceding quarter.

The Group's current quarter profit before tax of RM7.445 million is RM0.381 million higher compared to the profit before tax of RM7.064 million registered in the preceding quarter mainly due to lower cost of raw materials in current quarter and amongst other operating costs.

## 18. 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 next financial year will remain challenging. Local business confidence and sentiment remains weak and uncertain affected by local events. 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 next financial year.

## 19. Profit forecast

Not applicable.

## 20. Tax expense

	3 months ended 31 March		Cumulative 12 months ended 31 March	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Current tax				
- Current year	1,648	1,593	6,254	5,562
- Under provision in prior quarter	(47)	55	187	234
	1,601	1,648	6,441	5,796
Deferred tax liabilities / (assets)	(399)	(119)	(176)	(227)
	<u>1,202</u>	<u>1,529</u>	<u>6,265</u>	<u>5,569</u>

## 21. Status of corporate proposal announced

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

Company No. 228669-V
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## 22. Loans and borrowings

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

	<b>31 March 2013 RM'000</b>	<b>31 March 2012 RM'000</b>
<b>Non-current</b>		
- Secured	254	451
<b>Current</b>		
- Secured	205	430
- Unsecured	4,141	7,033
	<u>4,346</u>	<u>7,463</u>
Total borrowings	<u><u>4,600</u></u>	<u><u>7,914</u></u>

## 23. Changes in material litigation

There was no pending material litigation as at 27 May 2013, being a date not earlier than 7 days from the date of the quarterly report.

## 24. Dividends

(a) Details of the proposed final dividend recommended by the Board of Directors is as follows:

	31 March 2013	31 March 2012
Final dividend for financial year ended		
Amount per share (tax exempt)	2.0 sen	2.5 sen
Amount per share (less 25% tax)	1.0 sen	--
Entitlement to dividends based on		
Record of Depositors as at	to be fixed	8 October 2012
Date payable/paid	to be fixed	22 October 2012

(b) Total dividend for the current financial year is 3.0 sen per ordinary share less 25% tax and tax exempt dividend of 2.0 sen per ordinary share. (Financial year ended 31 March 2012: Tax exempt dividend of 4.0 sen per ordinary share)

(c) The proposed final dividend of 1.0 sen less 25% tax and tax exempt dividend of 2.0 sen per ordinary share in respect of financial year ended 31 March 2013 are subject to shareholders' approval at the forthcoming 21<sup>st</sup> Annual General Meeting.

Company No. 228669-V
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## 25. 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 March 2013</b>	<b>12 months ended 31 March 2013</b>
Profit for the period (RM'000)	6,243	20,579
Less: Amount attributable to minority interest (RM'000)	<u>(399)</u>	<u>(1,404)</u>
Profit for the period attributable to owners of the Company (RM'000)	<u>5,844</u>	<u>19,175</u>
Weighted average number of ordinary shares in issue	<u>120,000</u>	<u>120,000</u>
Basic earnings per share (sen)	<u><u>4.87</u></u>	<u><u>15.98</u></u>

There are no dilutive earnings per share during the period.

## 26. Realised and unrealised profit/losses disclosure

The retained profits as at 31 March 2013 and 31 March 2012 is analysed as follows:-

	<b>31 March 2013 RM'000</b>	<b>31 March 2012 RM'000</b>
Total retained profits/(accumulated losses) of the Company and the subsidiaries:		
- Realised	107,420	89,623
- Unrealised	<u>(3,450)</u>	<u>(4,012)</u>
	103,970	85,611
Less: Consolidated adjustments	<u>(12,839)</u>	<u>(8,855)</u>
	<u><u>91,131</u></u>	<u><u>76,756</u></u>

## 27. 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 2012 in their report dated 19 July 2012.