

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

**Interim Financial Report**  
**30 June 2013**

# Century Bond Bhd.

(Company No. 228669-V)

(Incorporated in Malaysia)

## Condensed consolidated statement of financial position at 30 June 2013 - unaudited

	Note	30.06.2013 RM'000	31.03.2013 RM'000
<b>Assets</b>			
Property, plant and equipment		39,812	40,460
Prepaid lease payments		3,999	4,022
Deferred tax assets		89	77
<b>Total non-current assets</b>		<u>43,900</u>	<u>44,559</u>
Inventories		30,509	25,469
Trade and other receivables		49,690	48,019
Tax recoverable		1,027	1,258
Cash and bank balances		76,039	76,865
Assets held for sale		468	468
<b>Total current assets</b>		<u>157,733</u>	<u>152,079</u>
<b>Total assets</b>		<u><u>201,633</u></u>	<u><u>196,638</u></u>
<b>Equity</b>			
Share capital		60,000	60,000
Reserves		96,151	90,955
<b>Total equity attributable to owners of the Company</b>		156,151	150,955
<b>Minority interest</b>		<u>6,038</u>	<u>5,687</u>
<b>Total equity</b>		<u>162,189</u>	<u>156,642</u>
<b>Liabilities</b>			
Loans and borrowings	21	228	272
Deferred tax liabilities		4,169	4,439
<b>Total non-current liabilities</b>		<u>4,397</u>	<u>4,711</u>
Trade and other payables		26,915	26,843
Loans and borrowings	21	4,963	4,327
Dividend payable		225	2,025
Taxation		2,944	2,090
<b>Total current liabilities</b>		<u>35,047</u>	<u>35,285</u>
<b>Total liabilities</b>		<u>39,444</u>	<u>39,996</u>
<b>Total equity and liabilities</b>		<u><u>201,633</u></u>	<u><u>196,638</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 30 June 2013 - unaudited

	Note	Individual 3 months ended 30 June		Cumulative 3 months ended 30 June	
		2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
<b>Revenue</b>		48,370	47,187	48,370	47,187
Cost of sales		<u>(38,171)</u>	<u>(38,447)</u>	<u>(38,171)</u>	<u>(38,447)</u>
<b>Gross profit</b>		10,199	8,740	10,199	8,740
Other income		585	1,436	585	1,436
Distribution expenses		(1,698)	(2,266)	(1,698)	(2,266)
Administrative expenses		<u>(1,988)</u>	<u>(1,666)</u>	<u>(1,988)</u>	<u>(1,666)</u>
<b>Profit from operating activities</b>		7,098	6,244	7,098	6,244
Finance costs		<u>(32)</u>	<u>(72)</u>	<u>(32)</u>	<u>(72)</u>
<b>Profit before tax</b>		7,066	6,172	7,066	6,172
Tax expense	19	<u>(1,745)</u>	<u>(1,419)</u>	<u>(1,745)</u>	<u>(1,419)</u>
<b>Profit for the period</b>		<u>5,321</u>	<u>4,753</u>	<u>5,321</u>	<u>4,753</u>
<b>Attributable to:</b>					
Owners of the Company		4,970	4,411	4,970	4,411
Minority interest		<u>351</u>	<u>342</u>	<u>351</u>	<u>342</u>
<b>Profit for the period</b>		<u>5,321</u>	<u>4,753</u>	<u>5,321</u>	<u>4,753</u>
Basic and diluted earnings per ordinary share (sen)	23	<u>4.14</u>	<u>3.68</u>	<u>4.14</u>	<u>3.68</u>

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## Century Bond Bhd.

(Company No. 228669-V)  
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### Condensed consolidated statement of comprehensive income for the period ended 30 June 2013 - unaudited

	Individual 3 months ended 30 June		Cumulative 3 months ended 30 June	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
<b>Profit for the period</b>	5,321	4,753	5,321	4,753
Currency translation differences arising from consolidation	226	411	226	411
<b>Total comprehensive income</b>	<u>5,547</u>	<u>5,164</u>	<u>5,547</u>	<u>5,164</u>
<b>Attributable to:</b>				
Owners of the Company	5,196	4,822	5,196	4,822
Minority interest	351	342	351	342
	<u>5,547</u>	<u>5,164</u>	<u>5,547</u>	<u>5,164</u>

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## Century Bond Bhd.

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### Condensed consolidated statement of changes in equity for the period ended 30 June 2013 – unaudited

	← Attributable to owners of the Company →			Total RM'000	Minority interest RM'000	Total equity RM'000
	<i>Non-distributable</i> Share capital RM'000	<i>Translation</i> reserves RM'000	<i>Distributable</i> Retained earnings RM'000			
<i>At 1 April 2013</i>	60,000	(153)	91,108	150,955	5,687	156,642
Total comprehensive income for the period	--	226	4,970	5,196	351	5,547
<i>At 30 June 2013</i>	<u>60,000</u>	<u>73</u>	<u>96,078</u>	<u>156,151</u>	<u>6,038</u>	<u>162,189</u>
<i>At 1 April 2012</i>	60,000	(385)	76,756	136,371	4,508	140,879
Total comprehensive income for the period	--	411	4,411	4,822	342	5,164
<i>At 30 June 2012</i>	<u>60,000</u>	<u>26</u>	<u>81,167</u>	<u>141,193</u>	<u>4,850</u>	<u>146,043</u>

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# Century Bond Bhd.

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(Incorporated in Malaysia)

## Condensed consolidated statement of cash flows for the period ended 30 June 2013 - unaudited

	3 months ended 30 June	
	2013 RM'000	2012 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	7,066	6,172
Adjustments for non-cash flow:		
Non-cash items	1,325	1,292
Non-operating items	(433)	(1,128)
<b>Operating profit before changes in working capital</b>	7,958	6,336
Net change in current assets	(6,741)	(2,657)
Net change in current liabilities	471	557
Net tax paid	(941)	(1,492)
<b>Net cash generated from operating activities</b>	747	2,744
<b>Cash flows from investing activities</b>		
Other investments activities/		
<b>Net cash used in investing activities</b>	(365)	13
<b>Cash flows used in financing activities</b>		
Dividends paid to shareholders	(1,800)	--
Proceed from/(Payment for) bank borrowings	789	2,438
<b>Net cash used in financing activities</b>	(1,011)	2,438
<b>Net increase/(decrease) in cash and cash equivalents</b>	(629)	5,195
<b>Cash and cash equivalents at beginning of period</b>	76,668	50,572
<b>Cash and cash equivalents at end of period</b>	76,039	55,767
Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:		
Cash and bank balances	37,608	26,024
Deposits with licensed banks	38,431	30,007
Bank overdrafts	--	(264)
	76,039	55,767

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

# **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 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 2013 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 28 August 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 2013.

### **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 2013.

### **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.

Company No. 228669-V
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## 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 first interim dividend of 2 sen per share less 25% tax in respect of financial year ended 31 March 2013 amounting to RM1.8 million was paid during the current quarter.

## 8. Segment information

### (a) By Business Segments:

	Revenue 3 months ended 30 June		Profit before tax 3 months ended 30 June	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Paper packaging	42,543	44,335	6,122	5,344
Plastic packaging	5,626	6,822	444	356
Contract manufacturing and packing	6,136	5,943	363	445
Investment and property holding	223	253	194	137
Others	547	846	(25)	(38)
	<u>55,075</u>	<u>58,199</u>	<u>7,098</u>	<u>6,244</u>
Inter-segment elimination	<u>(6,705)</u>	<u>(11,012)</u>	<u>--</u>	<u>--</u>
	<u>48,370</u>	<u>47,187</u>	<u>7,098</u>	<u>6,244</u>
Finance costs	<u>--</u>	<u>--</u>	<u>(32)</u>	<u>(72)</u>
	<u><u>48,370</u></u>	<u><u>47,187</u></u>	<u><u>7,066</u></u>	<u><u>6,172</u></u>

### (b) By geographical locations:

	Revenue 3 months ended 30 June	
	2013 RM'000	2012 RM'000
Malaysia	35,368	32,542
Indonesia and others	13,002	14,645
	<u>48,370</u>	<u>47,187</u>



Company No. 228669-V
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## 9. Profit before tax

	3 months ended 30 June		Cumulative 3 months ended 30 June	
	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	1,324	1,292	1,324	1,292
Net foreign exchange loss/ (gain)	(180)	(1,015)	(180)	(1,015)
Interest income	(277)	(184)	(277)	(184)

## 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

There were no changes in the composition of the Group during the current quarter.

## 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

	30 June 2013 RM'000	30 June 2012 RM'000
<i>Property, plant and equipment</i>		
Contracted but not provided for	83	5,269

Company No. 228669-V
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## 14. Significant related party transactions

	3 months ended 30 June	
	2013 RM'000	2012 RM'000
Directors' remuneration	602	478
<i>Rental paid/payable to certain Directors</i>	27	27
<i>Companies in which the spouse of an Executive Director/major shareholder of CBB has substantial financial interest</i>		
Purchases of printing block	31	32
<i>Company in which a corporate shareholder of a subsidiary has substantial financial interest</i>		
Sale of paper bags	6,981	6,929
Rental paid/payable	18	18
<i>Companies in which close family members of certain Directors of the Company have substantial financial interest</i>		
Purchase of finished good	87	65
Sales of finished good	69	13
Services rendered	142	138

## 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 RM48.370 million, which is RM1.183 million higher compared to RM47.187 million registered in the corresponding quarter of last financial year. Gross profit is reported at RM10.199 million in current quarter representing an increase of RM1.459 million compared to the corresponding quarter in last financial year of RM8.740 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 RM41.233 million in the current quarter as compared to RM38.863 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 RM2.895 million as compared to RM3.655 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 decreased to RM3.695 million as compared to RM3.823 million recorded in corresponding quarter of last financial year due to lower 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 decreased to RM0.547 million as compared to RM0.846 million recorded in corresponding quarter of last financial year due to lower sales volume achieved during the current quarter.

### 16. Variation of results against preceding quarter

The Group's revenue for the current quarter is RM48.370 million, an increase of RM3.415 million from preceding quarter of RM44.955 million. This is mainly due to the higher revenue of RM41.233 million in paper packaging segment in the current quarter as compared to RM36.852 million achieved in the preceding quarter.

The Group's current quarter profit before tax of RM7.066 million is RM0.379 million lower compared to the profit before tax of RM7.445 million registered in the preceding quarter mainly due to higher cost of raw materials in current quarter.

## 17. Prospects

The Group's core attention and focus will be maintained in the paper packaging division which is the key driver of growth. While other avenues and opportunities will continue to be explored and identified, the Group is mindful that in the prevailing market conditions, caution will be exercised.

The Group anticipates that its business for the current financial year will be even more challenging. Local business confidence and sentiment continue to remain 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.

While the Group is optimistic and will continue to strive to remain profitable in the current financial year owing to the observations above, caution and prudence will be exercised.

## 18. Profit forecast

Not applicable.

## 19. Tax expense

	3 months ended 30 June		Cumulative 3 months ended 30 June	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Current tax	2,046	1,365	2,046	1,365
Deferred tax liabilities / (assets)	(301)	54	(301)	54
	<u>1,745</u>	<u>1,419</u>	<u>1,745</u>	<u>1,419</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>30 June 2013 RM'000</b>	<b>31 March 2013 RM'000</b>
<b>Non-current</b>		
- Secured	228	272
<b>Current</b>		
- Secured	180	180
- Unsecured	4,783	4,147
	<u>4,963</u>	<u>4,327</u>
Total borrowings	<u><u>5,191</u></u>	<u><u>4,599</u></u>

## 22. Changes in material litigation

There was no pending material litigation as at 24 August 2013, 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 30 June 2013</b>
Profit for the period (RM'000)	5,321
Less: Amount attributable to minority interest (RM'000)	<u>(351)</u>
Profit for the period attributable to owners of the Company (RM'000)	<u>4,970</u>
Weighted average number of ordinary shares in issue ('000)	<u>120,000</u>
Basic earnings per share (sen)	<u><u>4.14</u></u>

There are no dilutive earnings per share during the period.

Company No. 228669-V
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## 24. Realised and unrealised profit/losses disclosure

The retained profits as at 30 June 2013 and 31 March 2013 is analysed as follows:-

	<b>30 June 2013 RM'000</b>	<b>31 March 2013 RM'000</b>
Total retained profits/(accumulated losses) of the Company and the subsidiaries:		
- Realised	112,946	106,032
- Unrealised	(3,903)	(2,085)
	<u>109,043</u>	<u>103,947</u>
Less: Consolidated adjustments	(12,965)	(12,839)
	<u><u>96,078</u></u>	<u><u>91,108</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 2013 in their report dated 17 July 2013.