

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

**Interim Financial Report**  
**31 December 2013**

# Century Bond Bhd.

(Company No. 228669-V)

(Incorporated in Malaysia)

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

	Note	31.12.2013 RM'000	31.03.2013 RM'000
<b>Assets</b>			
Property, plant and equipment		38,297	40,460
Prepaid lease payments		3,951	4,022
Deferred tax assets		159	77
<b>Total non-current assets</b>		<u>42,407</u>	<u>44,559</u>
Inventories		30,306	25,469
Trade and other receivables		52,119	48,019
Tax recoverable		937	1,258
Cash and bank balances		80,962	76,865
Assets held for sale		--	468
<b>Total current assets</b>		<u>164,324</u>	<u>152,079</u>
<b>Total assets</b>		<u><u>206,731</u></u>	<u><u>196,638</u></u>
<b>Equity</b>			
Share capital		60,000	60,000
Reserves		102,962	90,955
<b>Total equity attributable to owners of the Company</b>		162,962	150,955
<b>Minority interest</b>		<u>6,626</u>	<u>5,687</u>
<b>Total equity</b>		<u>169,588</u>	<u>156,642</u>
<b>Liabilities</b>			
Loans and borrowings	22	140	272
Deferred tax liabilities		4,329	4,439
<b>Total non-current liabilities</b>		<u>4,469</u>	<u>4,711</u>
Trade and other payables		26,759	26,843
Loans and borrowings	22	3,469	4,327
Dividend payable		--	2,025
Taxation		2,446	2,090
<b>Total current liabilities</b>		<u>32,674</u>	<u>35,285</u>
<b>Total liabilities</b>		<u>37,143</u>	<u>39,996</u>
<b>Total equity and liabilities</b>		<u><u>206,731</u></u>	<u><u>196,638</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 December 2013 - unaudited

	Note	Individual 3 months ended 31 December		Cumulative 9 months ended 31 December	
		2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
<b>Revenue</b>		43,247	48,347	129,598	141,941
Cost of sales		(34,010)	(38,189)	(100,625)	(113,387)
<b>Gross profit</b>		9,237	10,158	28,973	28,554
Other income		505	1,187	2,659	3,302
Distribution expenses		(1,802)	(2,469)	(5,170)	(6,915)
Administrative expenses		(1,729)	(1,751)	(5,762)	(5,336)
Other expenses		(78)	--	(78)	--
<b>Profit from operating activities</b>		6,133	7,125	20,622	19,605
Finance costs		(21)	(61)	(110)	(206)
<b>Profit before tax</b>		6,112	7,064	20,512	19,399
Tax expense	20	(1,605)	(2,002)	(5,331)	(5,063)
<b>Profit for the period</b>		4,507	5,062	15,181	14,336
<b>Attributable to:</b>					
Owners of the Company		4,215	4,771	14,242	13,331
Minority interest		292	291	939	1,005
<b>Profit for the period</b>		4,507	5,062	15,181	14,336
Basic and diluted earnings per ordinary share (sen)	24	3.51	3.98	11.87	11.11

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 December 2013 - unaudited

	Individual 3 months ended 31 December		Cumulative 9 months ended 31 December	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
<b>Profit for the period</b>	4,507	5,062	15,181	14,336
Currency translation differences arising from consolidation	97	2	1,065	274
<b>Total comprehensive income</b>	<u>4,604</u>	<u>5,064</u>	<u>16,246</u>	<u>14,610</u>
<b>Attributable to:</b>				
Owners of the Company	4,312	4,773	15,307	13,605
Minority interest	292	291	939	1,005
	<u>4,604</u>	<u>5,064</u>	<u>16,246</u>	<u>14,610</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 changes in equity for the period ended 31 December 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	Translation 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	--	1,065	14,242	15,307	939	16,246
Dividend to shareholders	--	--	(3,300)	(3,300)	--	(3,300)
<i>At 31 December 2013</i>	<u>60,000</u>	<u>912</u>	<u>102,050</u>	<u>162,962</u>	<u>6,626</u>	<u>169,588</u>
<i>At 1 April 2012</i>	60,000	(385)	76,756	136,371	4,508	140,879
Total comprehensive income for the period	--	274	13,331	13,605	1,005	14,610
Dividends to shareholders	--	--	(3,000)	(3,000)	--	(3,000)
<i>At 31 December 2012</i>	<u>60,000</u>	<u>(111)</u>	<u>87,087</u>	<u>146,976</u>	<u>5,513</u>	<u>152,489</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 December 2013 - unaudited

	9 months ended 31 December	
	2013 RM'000	2012 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	20,512	19,399
Adjustments for non-cash flow:		
Non-cash items	4,052	3,813
Non-operating items	(2,150)	(1,473)
<b>Operating profit before changes in working capital</b>	22,414	21,739
Net change in current assets	(9,020)	3,146
Net change in current liabilities	2,273	7,612
Net tax paid	(4,846)	(4,818)
<b>Net cash generated from operating activities</b>	10,821	27,679
<b>Cash flows from investing activities</b>		
Other investments activities/		
<b>Net cash used in investing activities</b>	(409)	(4,901)
<b>Cash flows used in financing activities</b>		
Dividends paid to shareholders	(5,100)	(3,000)
Dividends paid to minority shareholder	(225)	--
Proceed from/(payment for) bank borrowings	(793)	623
<b>Net cash used in financing activities</b>	(6,118)	(2,377)
<b>Net increase in cash and cash equivalents</b>	4,294	20,401
<b>Cash and cash equivalents at beginning of period</b>	76,668	50,572
<b>Cash and cash equivalents at end of period</b>	80,962	70,973
Cash and cash equivalents included in the cash flow statement comprise the following consolidated statement of financial position amounts:		
Cash and bank balances	37,751	32,962
Deposits with licensed banks	43,211	38,011
	80,962	70,973

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 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 26 February 2014.

### **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.

## 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 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 amounting RM3.3 million was paid during the current quarter.

## 8. Segment information

### (a) By Business Segments:

	Revenue		Profit before tax	
	9 months ended 31 December		9 months ended 31 December	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Paper packaging	123,848	137,192	18,429	16,701
Plastic packaging	18,825	21,498	870	1,623
Contract manufacturing and packing	14,121	15,217	1,050	1,057
Investment and property holding	668	758	587	461
Others	1,616	2,482	(314)	(237)
	<u>159,078</u>	<u>177,147</u>	<u>20,622</u>	<u>19,605</u>
Inter-segment elimination	<u>(29,480)</u>	<u>(35,206)</u>	<u>--</u>	<u>--</u>
	129,598	141,941	20,622	19,605
Finance costs	<u>--</u>	<u>--</u>	<u>(110)</u>	<u>(206)</u>
	<u><u>129,598</u></u>	<u><u>141,941</u></u>	<u><u>20,512</u></u>	<u><u>19,399</u></u>



Company No. 228669-V
----------------------

## 8. Segment information (continue)

### (b) By geographical locations:

	Revenue	
	9 months ended	
	31 December	
	2013	2012
	RM'000	RM'000
Malaysia	92,864	96,071
Indonesia and others	36,734	45,870
	<u>129,598</u>	<u>141,941</u>

## 9. Profit before tax

	3 months ended		Cumulative	
	31 December		9 months ended	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
<b>Profit for the period is arrived at after charging/ (crediting):</b>				
Depreciation & amortisation	1,373	1,253	4,079	3,813
Net foreign exchange loss/ (gain)	(250)	(60)	(1,309)	(1,012)
Interest income	(287)	(288)	(858)	(693)

## 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

	31 December 2013	31 December 2012
	RM'000	RM'000
<i>Property, plant and equipment</i>		
Contracted but not provided for	<u>492</u>	<u>15</u>

## 14. Significant related party transactions

	9 months ended 31 December	
	2013 RM'000	2012 RM'000
Directors' remuneration	1,810	1,403
<i>Rental paid/payable to certain Directors</i>	82	82
<i>Companies in which the spouse of an Executive Director/major shareholder of CBB has substantial financial interest</i>		
Purchases of printing block	120	165
<i>Company in which a corporate shareholder of a subsidiary has substantial financial interest</i>		
Sale of paper bags	19,402	20,536
Rental paid/payable	54	54
<i>Companies in which close family members of certain Directors of the Company have substantial financial interest</i>		
Purchase of finished good	163	--
Sales of finished good	149	--
Services rendered	400	423

## 15. Restated business segment results

The Group has revised certain segment information previously reported in current quarter for better accuracy and consistency. The revised figures are presented as follows:

Revised figures for 9 months ended 31 December 2012	Revenue previously reported RM'000	Regrouping RM'000	As restated RM'000
Paper packaging	135,253	1,939	137,192
Plastic packaging	19,532	1,966	21,498
Contract manufacturing and packaging	19,122	(3,905)	15,217
Investment and property holding	758		758
Others	2,482		2,482
	177,147		177,147
Inter-segment elimination	(35,206)		(35,206)
	141,941		141,941

Company No. 228669-V
----------------------

## 15. Restated business segment results (continue)

<b>Revised figures for 9 months ended 31 December 2012</b>	<b>Profit before tax previously reported RM'000</b>	<b>Regrouping RM'000</b>	<b>As restated RM'000</b>
Paper packaging	15,972	729	16,701
Plastic packaging	1,365	258	1,623
Contract manufacturing and packaging	2,044	(987)	1,057
Investment and property holding	461		461
Others	(237)		(237)
	<u>19,605</u>		<u>19,605</u>
Finance cost	(206)		(206)
	<u>19,399</u>		<u>19,399</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 RM43.247 million, which is RM5.100 million lower compared to RM48.347 million registered in the corresponding quarter of last financial year. Gross profit is reported at RM9.237 million in current quarter representing a decrease of RM0.921 million compared to the corresponding quarter in last financial year of RM10.158 million mainly due to lower sales volume achieved in the current quarter.

The performance of each business segment is as follows:

#### (a) Paper packaging

The revenue for the current quarter decreased to RM36.670 million in the current quarter as compared to RM40.762 million reported in the corresponding quarter of last financial year mainly due to lower sales volume achieved during the current quarter.

#### (b) Plastic Packaging

The revenue recorded in the current quarter decreased to RM3.227 million as compared to RM3.769 million reported in the corresponding quarter of last financial year mainly due to lower sales volume during the current quarter.

#### (c) Contract manufacturing and packing

The revenue for the current quarter increased to RM2.809 million as compared to RM2.804 million recorded in corresponding quarter of last financial year mainly 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 decreased to RM0.541 million as compared to RM1.012 million recorded in corresponding quarter of last financial year due to lower sales volume achieved during the current quarter.

### 17. Variation of results against preceding quarter

The Group's revenue for the current quarter is RM43.247 million, an increase of RM1.837 million from preceding quarter of RM41.410 million. This is mainly due to the higher revenue of RM36.670 million in paper packaging segment in the current quarter as compared to RM33.806 million achieved in the preceding quarter.

The Group's current quarter profit before tax of RM6.112 million is RM1.222 million lower compared to the profit before tax of RM7.334 million registered in the preceding quarter mainly due to higher cost of raw materials and lower unrealised gain on foreign exchange in current quarter.

## 18. 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's business for remaining quarter of the financial year will remain difficult and 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, caution and prudence will be exercised.

## 19. Profit forecast

Not applicable.

## 20. Tax expense

	3 months ended 31 December		Cumulative 9 months ended 31 December	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Current tax				
- Current year	1,508	1,924	5,374	4,606
- Under provision in prior Quarter	68	--	148	234
	1,576	1,924	5,522	4,840
Deferred tax liabilities / (assets)	29	78	(191)	223
	<u>1,605</u>	<u>2,002</u>	<u>5,331</u>	<u>5,063</u>

## 21. Status of corporate proposal announced

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

## 22. Loans and borrowings

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

	<b>31 December 2013 RM'000</b>	<b>31 March 2013 RM'000</b>
<b>Non-current</b>		
- Secured	140	272
<b>Current</b>		
- Secured	180	180
- Unsecured	3,289	4,147
	<u>3,469</u>	<u>4,327</u>
Total borrowings	<u><u>3,609</u></u>	<u><u>4,599</u></u>

## 23. Changes in material litigation

There was no pending material litigation as at 24 February 2014, being a date not earlier than 7 days from the date of the quarterly report.

## 24. 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 2013</b>	<b>9 months ended 31 December 2013</b>
Profit for the period (RM'000)	4,507	15,181
Less: Amount attributable to minority interest (RM'000)	(292)	(939)
Profit for the period attributable to owners of the Company (RM'000)	<u>4,215</u>	<u>14,242</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>3.51</u></u>	<u><u>11.87</u></u>

There are no dilutive earnings per share during the period.

Company No. 228669-V
----------------------

## 25. Realised and unrealised profit/losses disclosure

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

	<b>31 December 2013 RM'000</b>	<b>31 March 2013 RM'000</b>
Total retained profits/(accumulated losses) of the Company and the subsidiaries:		
- Realised	118,480	106,032
- Unrealised	(2,877)	(2,085)
	<u>115,603</u>	<u>103,947</u>
Less: Consolidated adjustments	(13,553)	(12,839)
	<u><u>102,050</u></u>	<u><u>91,108</u></u>

## 26. 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.