

Press Release

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PERANGSANG SELANGOR BUYS MAJORITY STAKE IN MATURED, MARKET LEADER WITH STABLE REVENUE GENERATING CAPABILITIES

KUALA LUMPUR, 11 AUGUST 2016 – Kumpulan Perangsang Selangor Berhad (“Perangsang Selangor” or the “Company”), and its wholly owned subsidiary, Perangsang Packaging Sdn. Bhd., has entered into a Share Sale Agreement (“SSB”) with CB Equities Sdn. Bhd and its affiliates for the proposed acquisition of up to a 71.44% stake in Century Bond Berhad (“Century Bond”), which is currently a major player in the industrial packaging and contract-manufacturing sector in Southeast-Asia. The proposed acquisition is to be completed for a total of RM150.03 million with an additional Mandatory General Offer (“MGO”) attached.

Chief Executive Officer of Perangsang Selangor, Ahmad Fariz Hassan (“Fariz”) shared, “We are extremely pleased to mark our 3rd proposed acquisition of the year by welcoming Century Bond into the Perangsang Selangor group. Currently Century Bond supplies its cement bag products to all the biggest players in the cement industry domestically, commanding a 60% share of the market according to a recent research report by Public Investment Bank Berhad. As the market leader in cement packaging in Malaysia as well as having a presence in Thailand, Indonesia and Singapore it is an exciting addition to our portfolio of new businesses.”

Century Bond has a proven track record of revenue generation, despite challenging market conditions, which has firmly established their reputation for quality in the industry. The company’s paper bag products currently lead its top-line growth, however over the years, capital expenditure has been invested to produce flexible plastic packaging products as well as corrugated carton boxes. Consequently, Century Bond has achieved a financial track record of sustained profits, achieving a consistent net audited profit of approximately RM 15 million each year during the same period, resulting in double digit Earnings Before Interest, Tax, Depreciation and Amortisation (“EBITDA”) margins of around 15%

Fariz further added, “This new proposed acquisition satisfies the stringent investment criteria under the new strategic direction that the Company unveiled earlier this year. Century Bond has shown steady financial performance with healthy margins as well as cash reserves and thus has the ability to pay out dividends. In addition, its position as market leader coupled with further growth potential regionally, integrates seamlessly with our investment strategy moving forward.”

“Perangsang Selangor is committed to carefully considering any new investment we make, mindful of mitigating any risks effectively at every step of the process. This is attested to by the Company recently being named Risk Manager of the Year for 2016, by the Malaysian Association of Insurance & Risk Management (“MARIM”). Effective risk management must be intrinsic to every level in an organisation to sustain stable returns, thus looking ahead, we will continue to ensure responsible value creation for our shareholders in all our investments,” Fariz shared in closing.

ABOUT KUMPULAN PERANGSANG SELANGOR BERHAD

Incorporated in August 1975, **Kumpulan Perangsang Selangor Berhad** (“**Perangsang Selangor**” or the “**Company**”) is a public limited liability company and is currently listed on the Main Market of Bursa Malaysia Securities Berhad. The Company has a varied investment portfolio with assets involved in Infrastructure & Utilities, Oil & Gas, Telecommunications as well as Franchise Licensing. Perangsang Selangor is committed towards making significant contributions to human capital, intellectual, and sustainable developments, whilst strengthening its core businesses to optimise returns for its shareholders.

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For more information, please contact:

Mardiana Mat Ripin

Tel : +603 6201 4110 / +6018 900 2635

E-mail : mardiana@esente.com.my
