



## KIAN JOO CAN FACTORY BERHAD

(Incorporated in Malaysia)

(Co. Reg. No. 3186-P)

### Condensed Consolidated Statement of Comprehensive Income for the second quarter ended 30 June 2011

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2011 RM'000 Unaudited	Preceding Year Corresponding Quarter 30.06.2010 RM'000 Unaudited	Current Year To Date 30.06.2011 RM'000 Unaudited	Preceding Year Corresponding Period 30.06.2010 RM'000 Unaudited
<b>Continuing Operations</b>				
Revenue	261,864	237,130	517,170	453,870
Cost of sales	(211,093)	(192,749)	(414,577)	(368,716)
Gross profit	50,771	44,381	102,593	85,154
Other income	4,851	1,918	8,045	4,470
Operating expenses	(15,487)	(14,332)	(30,538)	(29,448)
Finance costs	(1,187)	(909)	(2,349)	(1,940)
Share of profit/(loss) of associate (net of tax)	125	486	(122)	486
Profit Before Taxation	39,073	31,544	77,629	58,722
Taxation	(7,138)	(5,628)	(14,358)	(11,096)
<b>Profit for the period</b>	<b>31,935</b>	<b>25,916</b>	<b>63,271</b>	<b>47,626</b>
<b>Other comprehensive loss, net of tax</b>				
Foreign currency translation differences for foreign operations	(135)	(57)	(11,847)	(7,700)
<b>Other comprehensive loss for the period, net of tax</b>	<b>(135)</b>	<b>(57)</b>	<b>(11,847)</b>	<b>(7,700)</b>
<b>Total comprehensive income for the period</b>	<b>31,800</b>	<b>25,859</b>	<b>51,424</b>	<b>39,926</b>
Profit attributable to:				
Owners of the company	30,601	25,341	61,298	47,226
Non-controlling interest	1,334	575	1,973	400
<b>Profit for the period</b>	<b>31,935</b>	<b>25,916</b>	<b>63,271</b>	<b>47,626</b>
Total comprehensive income attributable to:				
Owners of the company	30,346	25,332	52,699	41,776
Non-controlling interest	1,454	527	(1,275)	(1,850)
<b>Total comprehensive income for the period</b>	<b>31,800</b>	<b>25,859</b>	<b>51,424</b>	<b>39,926</b>
Earnings per share attributable to owners of the company:				
Basic (sen)				
Continuing operations	6.89	5.71	13.80	10.63
Discontinued operation	-	-	-	-
	<b>6.89</b>	<b>5.71</b>	<b>13.80</b>	<b>10.63</b>
Diluted (sen)				
Continuing operations	-	-	-	-
Discontinued operation	-	-	-	-
	-	-	-	-

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements



## KIAN JOO CAN FACTORY BERHAD

(Incorporated in Malaysia)

(Co. Reg. No. 3186-P)

### Condensed Consolidated Statement of Financial Position As at 30 June 2011

	<b>As at 30.06.2011 RM'000 Unaudited</b>	<b>As at 31.12.2010 RM'000 Audited</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant & equipment	583,770	568,694
Land use rights	6,618	7,752
Investment properties	23,265	23,519
Intangible assets	439	266
Other investment	90	90
Investments in associated company	24,284	24,406
Deferred tax assets	2,367	3,522
	<u>640,833</u>	<u>628,249</u>
<b>Current Assets</b>		
Inventories	263,403	230,669
Derivative financial instrument	154	-
Trade and other receivables	234,204	245,223
Cash and bank balances	62,969	92,087
	<u>560,730</u>	<u>567,979</u>
	<u>1,201,563</u>	<u>1,196,228</u>
<b>TOTAL ASSETS</b>		
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to owners of the company		
Share capital	111,042	111,042
Share premium	744	744
Other reserves	80,315	88,914
Retained earnings	699,451	671,466
	<u>891,552</u>	<u>872,166</u>
<b>Non-Controlling Interest</b>	<u>59,663</u>	<u>62,361</u>
<b>Total Equity</b>	<u>951,215</u>	<u>934,527</u>
<b>Non-Current Liabilities</b>		
Retirement benefit obligation	24,164	22,876
Borrowings	32,350	10,725
Deferred Tax Liabilities	19,273	19,391
	<u>75,787</u>	<u>52,992</u>
<b>Current Liabilities</b>		
Retirement benefit obligation	678	1,725
Provision for solid waste disposal	169	151
Borrowings	85,891	103,707
Trade and other payables	83,321	98,790
Derivative financial instrument	-	8
Taxation	4,502	4,328
	<u>174,561</u>	<u>208,709</u>
<b>Total Liabilities</b>	<u>250,348</u>	<u>261,701</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,201,563</u>	<u>1,196,228</u>
Net assets per share attributable to owners of the Company (RM)	2.01	1.96

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements



## KIAN JOO CAN FACTORY BERHAD

(Incorporated in Malaysia)

(Co. Reg. No. 3186-P)

### Condensed Consolidated Statement of Changes in Equity For the second quarter ended 30 June 2011

	Attributable to Owners of the Company						Total Equity RM'000
	Non-distributable			Distributable		Non-Controlling Interest RM'000	
	Share Capital RM'000	Share Premium RM'000	Other Reserve RM'000	Retained Earnings RM'000	Total RM'000		
<b>At 1 January 2010</b>	111,042	744	106,199	600,527	818,512	65,843	884,355
Profit for the period	-	-	-	47,226	47,226	400	47,626
Currency translation differences	-	-	(5,450)	-	(5,450)	(2,250)	(7,700)
Total comprehensive income for the period	-	-	(5,450)	47,226	41,776	(1,850)	39,926
Dividends	-	-	-	(8,328)	(8,328)	-	(8,328)
Dividend payable to non-controlling interest	-	-	-	-	-	(1,423)	(1,423)
<b>At 30 June 2010</b>	111,042	744	100,749	639,425	851,960	62,570	914,530
<b>At 1 January 2011</b>	111,042	744	88,914	671,466	872,166	62,361	934,527
Profit for the period	-	-	-	61,298	61,298	1,973	63,271
Currency translation differences	-	-	(8,599)	-	(8,599)	(3,248)	(11,847)
Total comprehensive income for the period	-	-	(8,599)	61,298	52,699	(1,275)	51,424
Dividends	-	-	-	(33,313)	(33,313)	-	(33,313)
Dividend payable to non-controlling interest	-	-	-	-	-	(1,423)	(1,423)
<b>At 30 June 2011</b>	111,042	744	80,315	699,451	891,552	59,663	951,215

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements



## KIAN JOO CAN FACTORY BERHAD

(Incorporated in Malaysia)

(Co. Reg. No. 3186-P)

### Condensed Consolidated Statement of Cash Flows For the second quarter ended 30 June 2011

	<b>30.06.2011</b>	<b>30.06.2010</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>Unaudited</b>	<b>Unaudited</b>
Net cash generated from operating activities	40,218	87,949
Net cash used in investing activities	(41,584)	(17,321)
Net cash used in financing activities	(24,823)	(49,257)
<b>Net (decrease)/increase in Cash and Cash Equivalents</b>	<b>(26,189)</b>	<b>21,371</b>
Effect of Exchange Rate Changes	(1,368)	(726)
Cash and Cash Equivalents at 1 January	90,526	64,520
*Cash and Cash Equivalents at 30 June	<u>62,969</u>	<u>85,165</u>
*Cash and Cash Equivalents at 30 June comprised the following:		
Cash and bank balances	38,068	41,194
Short term deposits	24,901	43,971
	<u>62,969</u>	<u>85,165</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements

## 1 Basis of Preparation

The Interim Financial Statements are unaudited and have been prepared in accordance with the requirements of FRS 134: "Interim Financial Reporting" and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

These explanatory notes attached to the interim financial statements provide an explanation of the events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2010.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2010.

## 2 Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2010, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations with effect from 1 January 2011.

### **FRSs, Amendments to FRSs and IC Interpretations Adopted by the Group on 1 January 2011**

FRS 1	: First-time Adoption of Financial Reporting Standards
FRS 3	: Business Combinations (Revised)
Amendments to FRS 1	: Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	: Additional Exemptions for First-time Adopters
Amendments to FRS 5	: Non-Current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	: Improving Disclosures about Financial Instruments
Amendments to FRS 127	: Consolidated and Separate Financial Statements
Amendments to FRS 132	: Financial Instruments: Presentation
Amendments to FRS 138	: Intangible Assets
Improvement to FRSs (2010)	
IC Interpretation 4	: Determining whether an Arrangement Contains a Lease
IC Interpretation 16	: Hedges of a net investment in a Foreign Operation
IC Interpretation 17	: Distributions of Non-cash Assets to Owners
IC Interpretation 18	: Transfers of Assets from Customers
Amendments to IC Interpretation 9	: Reassessment of Embedded Derivatives

IC Interpretation 12 Service Concession Agreements will also be effective for annual periods beginning on or after 1 July 2010. This IC Interpretation is, however, not applicable to the Group.

Adoption of the above new FRSs, Amendments to FRSs and Interpretations are expected to have no significant changes in the accounting policies and presentation of the financial statements of the Group, other than for the application of FRS 7, which will affect the 2011 annual financial statements.

## 2 Significant Accounting Policies (cont'd)

### FRSs, IC Interpretations and Amendments to IC Interpretation issued but not yet effective

At the date of authorisation of these interim financial statements, the following FRSs, Amendments to FRSs and Interpretations were issued but not yet effective and have not been applied by the Group:

FRSs, IC Interpretation and Amendments to IC Interpretation		Effective for annual periods beginning on or after
FRS 124	: Related Party Disclosures	1 January 2012
IC Interpretation 19	: Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Amendments to IC Interpretation 14	: Prepayments of a Minimum Funding Requirement	1 July 2011

IC Interpretation 15 Agreements for the Construction of Real Estate will also be effective for annual periods beginning on or after 1 January 2012. This IC Interpretation is, however, not applicable to the Group.

## 3 Qualification of Audit Report of the Preceding Annual Financial Statements

There was no qualification on audit report of the preceding annual financial statements.

## 4 Seasonal or Cyclical Factors

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

## 5 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no other unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

## 6 Changes in Estimates

There were no changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years that have a material effect on the financial year-to-date results.

## 7 Issuance, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuance, cancellation, repurchases, resale and repayments of debt and equity securities for the current financial period.

## 8 Dividends Paid

A final tax exempt (single-tier) dividend of 10% and a special tax exempt (single-tier) dividend of 20% on 444,167,786 ordinary shares in respect of the financial year ended 31 December 2010, amounting to RM33.3 million was paid on 26 May 2011.

## 9 Segmental Reporting

Segmental results for the period ended 30 June 2011 are as follows: -

	<b>Cans Division</b>	<b>Cartons Division</b>	<b>Contract Packing</b>	<b>Others</b>	<b>Total</b>	<b>Elimination</b>	<b>Consolidated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>REVENUE</b>							
External sales	366,422	114,427	36,265	56	517,170	-	517,170
Inter-segmental sales	112,520	2,277	-	-	114,797	(114,797)	-
<b>Total revenue</b>	<b>478,942</b>	<b>116,704</b>	<b>36,265</b>	<b>56</b>	<b>631,967</b>	<b>(114,797)</b>	<b>517,170</b>
<b>RESULTS</b>							
Segment results	64,288	7,065	823	(121)	72,055	-	72,055
Other income	9,335	399	395	129	10,258	(2,213)	8,045
	73,623	7,464	1,218	8	82,313	(2,213)	80,100
Finance costs	(3,206)	(801)	(555)	-	(4,562)	2,213	(2,349)
Share of gain of Associated Co	-	-	-	(122)	(122)	-	(122)
<b>Profit before taxation</b>	<b>70,417</b>	<b>6,663</b>	<b>663</b>	<b>(114)</b>	<b>77,629</b>	<b>-</b>	<b>77,629</b>
Taxation							(14,358)
Non-controlling interest							(1,973)
							<b>61,298</b>

	<b>Cans Division</b>	<b>Cartons Division</b>	<b>Contract Packing</b>	<b>Others</b>	<b>Total</b>	<b>Elimination</b>	<b>Consolidated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS AND LIABILITIES</b>							
Segment assets	1,080,789	177,882	50,335	9,151	1,318,157	(120,302)	1,197,855
Unallocated corporate assets	3,085	359	96	168	3,708	-	3,708
<b>Consolidated total assets</b>							<b>1,201,563</b>
Segment liabilities	(164,387)	(59,695)	(2,443)	(48)	(226,573)	-	(226,573)
Unallocated corporate liabilities	(15,068)	(6,484)	-	(1,850)	(23,402)	(373)	(23,775)
<b>Consolidated total liabilities</b>							<b>(250,348)</b>
<b>OTHER INFORMATION</b>							
Capital Expenditure	42,144	3,354	1,072	-	46,570	-	46,570
Depreciation and amortisation	18,042	2,865	2,234	21	23,162	-	23,162
Non-cash expenses other than depreciation	1,903	714	334	-	2,951	-	2,951

## 10 Valuation of Property, Plant and Equipment

There were no changes to the valuation of property, plant and equipment from the previous annual financial statements.

## 11 Material Events Subsequent to the End of the Interim Period

There were no significant events subsequent to the end of the period under review to the date of this announcement that are not disclosed in the quarterly financial statements.

## 12 Changes in the Composition of the Group

On 26 July 2011, Box-Pak (Malaysia) Berhad, a 54.83% owned subsidiary of the Group, announced the incorporation of a wholly owned new subsidiary known as Box-Pak (Hanoi) Co. Ltd., wholly owned by Box-Pak (Vietnam) Co. Ltd., with the charter capital at USD3 million. The principal activities of Box-Pak (Hanoi) Co. Ltd. are that of manufacturing, distribution of paper boxes, cartons, general paper and board printing.

There were no changes in the composition of the Group during the period under review, save as disclosed above.

## 13 Changes in Contingent Liabilities or Contingent Assets

There were no material changes in contingent liabilities or contingent assets since the last annual balance sheet date.

## 14 Capital Commitments

The amount of capital commitments as at 30 June 2011 is as follows:-

	<b>RM'000</b>
Approved and contracted for	38,453

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## 15 Related Party Transactions

	<b>Financial Period to date 30.06.2011 RM'000</b>
Sales to associated company	63

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Apart from the above, the Group has also entered into the following related party transactions : -

		<b>Financial Period to date 30.06.2011 RM'000</b>
(a) Nature of transaction	Identity of related party	
Sales of trading inventories	(i) Hercules Sdn. Bhd.	267
by a subsidiary company	(ii) Hercules Vietnam Co Ltd	184

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KIAN JOO CAN FACTORY BERHAD (3186-P)

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA  
MALAYSIA SECURITIES BERHAD**

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## **15 Related Party Transactions (cont'd)**

The parties are deemed related to the Group by virtue of common directorship held by See Leong Chye @ Sze Leong Chye in these parties and a subsidiary company.

The above transactions were entered into in the normal course of business on terms that the directors consider comparable to transactions entered into with third parties.

## **16 Review of Performance of the Company and its Principal Subsidiaries**

### ***2nd Quarter 2011 versus 2nd Quarter 2010***

The Group's revenue of RM261.9 million for 2nd Quarter 2011 outperformed the preceding year's corresponding quarter revenue of RM237.1 million by 10%. The Group's profit before tax was higher by 24% in 2nd Quarter 2011 at RM39.1 million, compared to RM31.5 million in the preceding year's corresponding quarter. This improvement in 2nd Quarter 2011 results was mainly attributable to an overall improvement of revenue from all divisions, which in turn contributed to an improvement in manufacturing and operating efficiencies.

### ***Financial Period Ended 30 June 2011 versus Financial Period Ended 30 June 2010***

For the financial period ended 30 June 2011, the Group recorded a revenue of RM517.2 million, an increase of 14% from RM453.9 million in the preceding financial period. Profit before tax increased by 32% from RM58.7 million in the financial period ended 30 June 2010 to RM77.6 million in the current financial year.

The improvement in profit before taxation in the current financial year was mainly due to a growth in overall sales, which resulted in better manufacturing efficiency in the cans, corrugated cartons and contract packing divisions.

## **17 Comparison with Preceding Quarter's Results**

The Group's revenue for the current quarter under review increased by RM6.6 million or 3% to RM261.9 million, from RM255.3 million in the preceding quarter ended 31 March 2011. However, the Group's profit before tax only increased marginally at RM39.1 million compared to RM38.6 million in the preceding quarter.

## **18 Current Year Prospects**

The Board expects the Group's performance for the year 2011 to be better than last year barring any unforeseen circumstances.

## **19 Variance from Forecast Profit and Profit Guarantee**

No profit forecast or guarantee was issued by the Group.

**KIAN JOO CAN FACTORY BERHAD (3186-P)**  
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA**  
**MALAYSIA SECURITIES BERHAD**

## 20 Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2011 RM'000	Preceding Year Corresponding Quarter 30.06.2010 RM'000	Current Year To Date 30.06.2011 RM'000	Preceding Year Corresponding Quarter 30.06.2010 RM'000
Group				
Income Tax				
- current year	(6,645)	(5,109)	(13,284)	(10,038)
- over/(under) provision in prior year	-	59	-	(53)
Deferred taxation	(493)	(578)	(1,074)	(1,005)
	(7,138)	(5,628)	(14,358)	(11,096)

The effective tax rate for the financial period under review is lower than the statutory tax rate due to utilisation of capital allowances and tax losses and tax exempt income from subsidiary companies.

## 21 Retained Earnings

	As at 30.06.2011 RM'000	As at 31.12.2010 RM'000
Total retained earnings of Group:		
- Realised	608,730	581,080
- Unrealised	2,315	785
Total share of retained earnings from associated company:		
- Realised	14,321	14,406
- Unrealised	-	-
	625,366	596,271
Less: Consolidated adjustments	74,085	75,195
Total Group retained earnings as per Consolidated Accounts	699,451	671,466

## 22 Profits on Sale of Unquoted Investments and /or Properties

There were no profits on sale of investment and/or properties during the financial period under review.



**KIAN JOO CAN FACTORY BERHAD (3186-P)**  
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA**  
**MALAYSIA SECURITIES BERHAD**

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### 23 Purchase or Disposal of Quoted Securities

- (a) There were no purchase or disposal of quoted securities for the financial period under review.
- (b) Investment in quoted shares as at 30 June 2011:

	<b>At Cost</b>	<b>At Book Value</b>	<b>At Market Value</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Quoted shares -	19,155	-	43,770

### 24 Status of Corporate Proposals

On 25 February 2011, the Company has via its adviser, HwangDBS Investment Bank Berhad ("HwangDBS"), announced that it proposed to implement the following:

- (i) a bonus issue of 222,083,893 new ordinary shares of RM0.25 each in the Company ("KJCF Shares") ("Bonus Shares"), to be credited as fully paid up, on the basis of one (1) Bonus Share for every two (2) KJCF Shares held ("Proposed Bonus Issue"); and
- (ii) a renounceable rights issue of 166,562,919 five (5)-year warrants 2011/2016 ("Warrants") on the basis of one (1) Warrant for every four (4) KJCF Shares held after the Proposed Bonus Issue at an issue price of RM0.01 per Warrant ("Proposed Rights Issue").

On 11 April 2011, HwangDBS, on behalf of the Board of Directors of the Company, made the following applications:

- (i) additional listing application for the Bonus Shares in respect of the Proposed Bonus Issue to Bursa Malaysia Securities Berhad ("Bursa Securities");
- (ii) initial listing application for the listing of the Warrants in respect of the Proposed Rights Issue and the additional listing application for the listing of additional KJCF Shares to be issued pursuant to the exercise of the Warrants to Bursa Securities; and
- (iii) application to Bank Negara Malaysia ("BNM") in respect of the Proposed Rights Issue pursuant to the Exchange Control Regulations.

BNM has, via its letter dated 18 April 2011, approved the Company's application for the issuance of Warrants to non-resident shareholders of the Company pursuant to the Proposed Rights Issue. The approval from BNM is not subject to any condition.

On 18 May 2011, the Company announced that Bursa Securities has requested for a court confirmation that:

- (i) the orders by the Court of Appeal dated 25 August 2010 and the Federal Court dated 21 February 2011 ("Orders"), in relation to a litigation involving Can-One International Sdn Bhd ("CISB"), Kian Joo Holdings Sdn Bhd (in liquidation) and others, do not bind the Company; and
- (ii) the Company is allowed to proceed with the Proposed Bonus Issue and Proposed Rights Issue.

## 24 Status of Corporate Proposals (cont'd)

On 20 May 2011, the Company was served with a Statement of Claim and Writ of Summons by CISB to, among other things:

- (i) claim that the Proposed Bonus Issue and Proposed Rights Issue are allegedly in breach of the Orders;
- (ii) claim that the Proposed Bonus Issue and Proposed Rights Issue are allegedly null and void; and
- (iii) seek an injunction to restrain the Company from proceeding with the Proposed Bonus Issue and Proposed Rights Issue.

At the hearing of the case on 4 July 2011, the Kuala Lumpur High Court dismissed CISB's injunction with costs, while the Company's application to strike out the suit by CISB has been allowed with costs.

On 8 July 2011, the Company was served with Notices of Appeal by CISB to the Court of Appeal against the decisions of the Kuala Lumpur High Court given on 4 July 2011.

On 3 August 2011, the Company filed Notices of Motion in the above appeals for orders that:

- (i) CISB's appeals be struck out;
- (ii) costs of the motions be paid by CISB; and
- (iii) such other order or relief as the Court deems fit.

Hearing for the Notices of Motion, which was fixed on 10 August 2011 before the Court of Appeal, has been adjourned to the week commencing 22 August 2011. The Registry of the Court of Appeal will notify the new hearing date in due course.

As at the date of authorisation for issue of this report, the applications to Bursa Securities are still pending approval.

Save as disclosed above, there are no other corporate proposals announced but not completed as at the reporting date.

## 25 Group Borrowings and Debt Securities

Total Group borrowings as at 30 June 2011 are as follows:-

	<b>RM'000</b>
Current	85,891
Non-current	32,350
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	118,241

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**KIAN JOO CAN FACTORY BERHAD (3186-P)**  
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## 25 Group Borrowings and Debt Securities (cont'd)

The detail of borrowings which are denominated in Vietnam Dong are as follows: -

	<b>VND'000,000</b>
Current	70,432
Non-current	95,172
	<hr/>
	165,604

(NOTE: VND 6,817 = RM1)

All the Group's borrowings are unsecured.

## 26 Financial Instruments

Details of the outstanding derivative financial instruments as at 30 June 2011 are as follows:-

Type of derivative	Notional amount RM'000	Fair value RM'000	Fair value net gain/(loss) RM'000
Commodity derivative contracts			
- less than 1 year	4,452	4,606	154

Commodity derivative contracts were entered into by the Group to hedge against aluminium price movements for purchase of aluminium contracted by the Group.

Fair values of the above derivative contracts are determined using market rates at the end of reporting period. The subsequent cumulative change in fair values of the firm commitments attributable to the hedged risk is recognised as an asset or liability with the corresponding gain or loss recognised in profit or loss.

The above commodity derivative contracts are subject to credit risk arising from possibility of default of the counterparty in meeting its contractual obligations where the Group has a gain in the contract. This risk, however, is minimal as the financial instruments were executed only with credit-worthy financial institutions in Malaysia that are governed by appropriate policies and procedures.

There were no other off balance sheet financial instruments as at the reporting date other than as disclosed.

## 27 Material Litigation

There was no pending litigation against the Group for the financial period under review, save as disclosed in Note 24.



**KIAN JOO CAN FACTORY BERHAD (3186-P)**  
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA**  
**MALAYSIA SECURITIES BERHAD**

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## 28 Dividend

For the financial period under review, the Board of Directors is pleased to declare a 10% interim tax exempt (single-tier) dividend per ordinary share, amounting to RM11.1 million (2010 interim tax exempt (single-tier) dividend of 10%: RM11.1 million) and a 15% special tax exempt (single-tier) dividend per ordinary share, amounting to RM16.7 million (2010 special dividend of 15% tax exempt (single-tier) dividend: RM16.7 million). The interim dividend will be paid on 21 September 2011 to shareholders whose names appear in the Record of Depositors on 6 September 2011.

A Depositor shall qualify for entitlement to the dividend only in respect of:

- (a) Shares transferred to the Depositor's securities account before 4:00pm on 6 September 2011 in respect of the transfer; and
- (b) Shares bought on Bursa Malaysia Securities Berhad ("Bursa Securities") on a cum entitlement basis according to the Rules of Bursa Securities.

## 29 Earnings Per Share

	<b>Current Quarter 30.06.2011</b>	<b>Financial Year to Date 30.06.2011</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit attributable to owners of the company	30,602	61,299
Weighted average number of ordinary shares	444,167,786	444,167,786
<b>Basic earnings per share (sen)</b>	<b>6.89</b>	<b>13.80</b>

## 30 Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 16 August 2011.

BY ORDER OF THE BOARD,  
Chia Kwok Why  
Secretary  
Batu Caves, Selangor Darul Ehsan  
16 August 2011