

EXPLANATORY NOTES TO QUARTERLY FINANCIAL STATEMENTS  
FIRST QUARTER ENDED 31 MARCH 2012

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

**1. Basis of preparation**

The Group has adopted the Malaysian Financial Reporting Standard (MFRS) framework for the financial year ending 31 December 2012 and these quarterly financial statements are the first set of MFRS compliant interim financial statements. Hence MFRS 1: First-Adoption of Malaysian Financial Reporting Standards (MFRS 1) has been applied.

The date of transition into MFRS framework is 1 January 2011. At the transition date, the Group reviewed its accounting policies and revised those, if any, that do not comply with the MFRS framework. The Group also considered the transitional opportunities under MFRS 1. The impact of this revision is discussed in Note A2.

The Group has not adopted any new/revised MFRSs that has been issued as at the date of authorisation but is not yet effective for the financial year ending 31 December 2012.

Other than those stated in Note A2 and Note A3, these interim financial statements have been prepared in accordance with the same accounting policies adopted in the financial statements for the financial year ended 31 December 2011.

The interim financial statements are unaudited and have been prepared in compliance with the requirements of MFRS 134 – Interim Financial Reporting and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

These interim financial statements include only condensed financial statements and should be read in conjunction with the annual financial statements for the financial year ended 31 December 2011, as this interim financial report focuses on the effects of transactions, events and circumstances that have occurred since the annual financial statements.

The preparation of interim financial statements in conformity with MFRS 134 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the financial position and performance of the Group for the financial period ended 31 March 2012.

**2. Changes in accounting policies**

*Property, plant and equipment*

Under the previous accounting framework, all properties plants and equipment were stated at cost or valuation, as the case may be less accumulated depreciation and impairment loss. The Group revalues its properties comprising lands and buildings every 5 years and at shorter intervals whenever the fair value of the revalued assets is expected to differ materially from their carrying value.

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2. **Changes in accounting policies – Cont'd**

*Property, plant and equipment – Cont'd*

Surpluses arising from revaluation are dealt with in the revaluation reserve account. Any deficit arising is offset against the revaluation reserve to the extent of a previous increase for the same property. In all other cases, a decrease in carrying amount is recognised in profit or loss.

Upon transition into MFRS, the Group has elected to measure all its properties, plants and equipment using the cost model under MFRS 116 *Property, Plant and Equipment*. At date of transition, the Group updated the valuation of its properties comprising lands and buildings and regard the fair value at 1 January 2011 as deemed cost at the date of transition.

The cumulative surpluses arising from revaluation of properties, net of tax were transferred to retained earnings on 1 January 2011 in accordance with the transitional provisions under MFRS 1.

The reconciliations of the affected financial statements captions reported in accordance with the previous FRS framework and the MFRS framework at the date of transition and the comparative period are provided below:

A. *At 1 January 2011 (date of transition)*

Dr/(Cr)	<b>Plant and machinery RM'000</b>	<b>Deferred taxation RM'000</b>	<b>Capital reserve RM'000</b>	<b>Retained profit RM'000</b>
As reported previously under FRS	195,040	(18,494)	(4,918)	(100,312)
Impact of adopting MFRS	5,884	(87)	4,918	(10,715)
As reported under MFRS	<u>200,924</u>	<u>(18,581)</u>	<u>-</u>	<u>(111,027)</u>

B. *At 31 December 2011*

Dr/(Cr)	<b>Plant and machinery RM'000</b>	<b>Deferred taxation RM'000</b>	<b>Capital reserve RM'000</b>	<b>Retained profit RM'000</b>
As reported previously under FRS	249,261	(23,053)	(4,918)	(128,153)
Impact of adopting MFRS	5,884	(87)	4,918	(10,715)
As reported under MFRS	<u>255,145</u>	<u>(23,140)</u>	<u>-</u>	<u>(138,868)</u>

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3. **New accounting policy**

The Group adopted the following accounting policy during the financial period:

Investment in associates

The Group regards as associates, entities (including unincorporated entities), in which the Group has significant influence, but not control, over the financial and operating policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method less any impairment losses, unless it is classified as held for sale or distribution. The cost of investment includes transaction cost.

The consolidated financial statements include the Group's share of profit or loss and other comprehensive income of the associates, after adjustments if any, to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

Where the Group's share of losses (if any) exceeds its interest in an associate, the carrying amount of that interest including any long-term investment is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

4. **Auditors' report**

The auditors' report dated 17 April 2012 on the financial statements for the financial year ended 31 December 2011 was not subject to any qualification.

5. **Seasonal or cyclical factors**

The operations of the Group are not subject to seasonal or cyclical fluctuations except that certain products are subject to seasonal demand where higher sales will be recorded a few months before major festive seasons such as Ramadan and Chinese New Year and lower in the first quarter of every financial year.

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**6. Significant transactions**

During the quarter, the Group completed the acquisition of 146,131,500 shares of RM0.25 each in Kian Joo Can Factory Berhad (“KJCFB”) at RM1.65 per share for a total purchase consideration of RM241,116,975, representing 32.9% equity interest in KJCFB (“the Acquisition”). Consequently, KJCFB and its subsidiaries became associates of the Group.

Upon completion of the Acquisition:

- a) the Group commenced to equity account for the results of KJCFB;
- b) a term loan was drawn down to finance the Acquisition;
- c) cost incidental to the Acquisition and term loan were capitalised as part of investment cost or expensed as the case may be.

Except for the financial impact arising from the completion of the Acquisition, there were no items affecting assets, liabilities, equity, net income or cashflows that were unusual because of their nature, size or incidence.

**7. Investment in associates**

	<b>At 31/03/2012</b>	<b>At 31/12/2011</b>
	<b>RM'000</b>	<b>RM'000</b>
Share of net assets in associates	<u>328,989</u>	<u>-</u>
Market value	<u>295,186</u>	<u>-</u>

**8. Changes in estimates**

There were no major changes in estimates of amounts which may have a material effect on the current quarter under review.

**9. Issue and repayment of debt and equity securities**

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial period.

**10. Dividends**

No interim dividend has been proposed for the quarter under review.

The Directors proposed a first and final tax exempt dividend of 6% (or 3 sen per share) for the financial year ended 31 December 2011, subject to the approval by shareholders in the forthcoming Annual General Meeting.

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**11. Segment information**

The Group organises its activities principally into three reportable business segments:

- a) Manufacture of tin cans and plastic jerry cans (General Cans)
- b) Manufacture of food products (Food Products)
- c) International trading

Segment revenue and results for the financial period ended 31 March 2012 are as follows:

	Quarter ended 31/03/2012			
	General cans RM'000	Food products RM'000	International trading RM'000	Total RM'000
<i>Revenue</i>				
External customers	63,009	87,643	31,009	181,661
Inter segment	22,008	29,510	5,762	57,280
	<u>85,017</u>	<u>117,153</u>	<u>36,771</u>	<u>238,941</u>
Segment results	7,795	5,421	1,552	14,768
Unallocated income/(expenses)				(2,474)
Operating profit				<u>12,294</u>
Interest income				81
Financial expenses				(5,563)
Share of profit after tax of associates				87,751
Consolidated profit before taxation				<u>94,563</u>
Segment assets	323,069	206,331	8,068	537,468
Investment in associates				328,989
Unallocated assets				13,950
Total assets				<u>880,407</u>
Segment liabilities	179,502	106,355	6,495	292,352
Unallocated liabilities				266,050
Total liabilities				<u>558,402</u>
Capital expenditure	<u>8,623</u>	<u>5,200</u>	-	<u>13,823</u>

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11. **Segment information – Cont'd**

	Quarter ended 31/03/2011			Total RM'000
	General cans RM'000	Food products RM'000	International trading RM'000	
<i>Revenue</i>				
External customers	50,685	80,330	-	131,015
Inter segment	17,444	-	-	17,444
	<u>68,129</u>	<u>80,330</u>	<u>-</u>	<u>148,459</u>
Segment results	4,680	2,394	-	7,074
Unallocated income/(expenses)				(209)
Operating profit				<u>6,865</u>
Interest income				24
Financial expenses				(1,810)
Share of profit after tax of associates				-
Consolidated profit before taxation				<u>5,079</u>
Segment assets	312,131	141,173	-	453,304
Unallocated assets				31,099
Total assets				<u>484,403</u>
Segment liabilities	177,289	83,454	-	260,743
Unallocated liabilities				18,757
Total liabilities				<u>279,500</u>
Capital expenditure	<u>2,411</u>	<u>1,250</u>	<u>-</u>	<u>3,661</u>

12. **Valuation of property, plant and equipment**

Upon the adoption of the MFRS framework, the Group regards the fair value of its lands and buildings at 1 January 2011 as deemed cost. The Group has updated the valuation of lands and buildings to reflect the fair value at 1 January 2011. The financial impact of the valuation exercise has been incorporated in the Statement of Financial Position as at 1 January 2011. Please refer to Note A2.

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**13. Material subsequent events**

As at 25 May 2012 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report), there were no material events subsequent to the balance sheet date which may have an impact on the consolidated financial statements of the Group.

**14. Changes in Group composition**

During the quarter under review, the Group completed the acquisition of 146,131,500 shares of RM0.25 each in KJCFB at RM1.65 per share for a purchase consideration of RM241,116,975, representing 32.9% equity interest in KJCFB. Consequently, KJCFB and its subsidiaries became associates of the Group.

There were no other changes in the Group composition during the quarter ended 31 March 2012.

**15. Changes in contingent liabilities or contingent assets**

There were no contingent liabilities or assets for the Group as at 31 March 2012.

As at 25 May 2012, (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) no material contingent assets or liabilities have arisen since the end of the financial period.

**16. Authorisation for issue**

This interim financial report was authorized for issue by the Board of Directors ("Board") in accordance with a resolution of Directors passed at the Board Meeting held on 29 May 2012.

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PART B: REQUIREMENTS OF MAIN MARKET LISTING REQUIREMENTS OF BURSA  
MALAYSIA SECURITIES BERHAD

1. **Review of performance**

The Group's revenue increased from RM131.0 million in the previous year corresponding quarter to RM181.7 million in the quarter under review. The pre-tax and post-tax profit have also improved from RM5.1 million and RM4.3 million respectively in the previous year corresponding quarter to RM94.6 million and RM92.1 million respectively in the quarter under review.

General can division

Revenue from general can division increased from RM68.1 million in the previous year corresponding quarter to RM85.0 million in the quarter under review.

Revenue improved by 24.8% due to improvement in internal demand (driven by increase in production capacity in the food division), sales contribution from the operating unit in Indonesia and increase in demand from existing customers.

The increase in revenue has contributed to better profit for the general can division.

Food division

Revenue from food division increase from RM80.3 million in the previous year corresponding quarter to RM117.2 million in the quarter under review.

Revenue improved by 46.0% due to increase in demand from existing customers and new customers, following the expansion in its production capacity.

The increase in revenue and operating efficiencies have contributed to the improved profit margin for food products.

International trading division

Revenue from international trading division which was established in December 2011 amounted to RM36.8 million.

This division contributed pre-tax profit of RM1.6 million to the Group during the quarter under review.



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1. **Review of performance – cont'd**

Investment in associates

Following the completion of the Acquisition (Notes A6 & A14), the Group has equity accounted for the results of the associates.

In addition, the following expenses have been recognised during the quarter:

	<b>RM'000</b>
<i>Included in finance expenses</i>	
Additional interest expense	(1,924)
One-off bank charges	(1,593)
<i>Included in admin &amp; general expenses</i>	
One-off legal and professional fees	(2,183)
Total expenses in relation to the Acquisition	<u><u>(5,700)</u></u>

2. **Variation of results against immediate preceding quarter**

	<b>Current Quarter RM'000</b>	<b>Preceding Quarter RM'000 (restated)</b>
Revenue	<u>181,661</u>	<u>167,298</u>
Profit before taxation	<u>94,563</u>	<u>16,980</u>
Profit after taxation	<u>92,120</u>	<u>13,195</u>

The Group's revenue has increased from RM167.3 million in the preceding quarter to RM181.7 million in the quarter under review. The pre-tax and post-tax profit have increased from RM17.0 million and RM13.2 million in the preceding quarter to RM94.6 million and RM92.1 million in the quarter under review.

The performances of the various segments are as follows:

General can division

Revenue from general can division decreased from RM90.0 million in the preceding quarter to RM85.0 million in the current quarter. Demand for general can products is usually weaker in the first quarter.

Food division

Revenue from food division increased from RM100.5 million in the preceding quarter to RM117.2 million in the current quarter. The increase is attributable to increase in production capacity and demand from its existing and new customers.

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2. **Variation of results against immediate preceding quarter – cont'd**

International trading division

International division which was established in December 2011 started to contribute additional profit in the quarter under review.

Investment in associates

Investment in associates which was completed during the quarter under review has started to contribute additional profit in the quarter under review.

3. **Current year prospects**

For the financial year ending 31 December 2012, the Group expects all its operating divisions to continue strengthening their performance. The Group also anticipates the newly established international trading division, subsidiary in Indonesia and its investment in associates to yield positive results.

The Group does not expect the minimum wages requirement as announced by the Malaysian government to have any significant impact on the Group's financial results.

Barring any unfavourable movements in foreign currency exchange rates, interest rates and cost of key raw materials, the Directors anticipate the results of the Group for the financial year ending 31 December 2012 to be better.

4. **Profit forecast/profit guarantee**

The Group did not publish any profit forecast or provide any profit guarantee for the financial year ending 31 December 2012.

5. **Tax expense**

The effective tax rate of the Group is lower than the enacted statutory tax rate due to the availability of reinvestment allowance to certain subsidiaries and share of results from associates which has been accounted for net of tax.

6. **Status of corporate proposal announced**

There were no corporate proposals announced which have not been completed as at 25 May 2012 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

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7. **Group borrowings and debts securities**

Group borrowings are as follows:

	<b>At 31/03/2012</b>	<b>At 31/12/2011</b>
	<b>RM'000</b>	<b>RM'000</b>
		(restated)
Short term borrowings - secured		
Finance leases	1,916	2,194
Term loans	5,840	6,095
Bankers acceptances	-	31,087
Foreign currencies trade loans in USD	70,129	31,101
Bank overdraft	-	374
	<b>77,885</b>	<b>70,851</b>
Short term borrowings - unsecured		
Term loans	12,265	11,195
Bankers acceptances	2,898	-
Foreign currencies trade loans in USD	43,723	63,144
Revolving credits	9,000	19,000
	<b>67,886</b>	<b>93,339</b>
<b>Total short term borrowings</b>	<b><u>145,771</u></b>	<b><u>164,190</u></b>
Long term borrowings - secured		
Finance leases	2,040	2,302
Term loans	284,852	39,539
	<b>286,892</b>	<b>41,841</b>
Long term borrowings - unsecured		
Term loans	36,558	41,416
<b>Total long term borrowings</b>	<b><u>323,450</u></b>	<b><u>83,257</u></b>

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**8. Retained profit**

The breakdown of retained earnings of the Group is as follows:

	<b>At 31/03/2012</b>	<b>At 31/12/2011</b>
	<b>RM'000</b>	<b>RM'000</b>
		(restated)
Total retained earnings of the Company and its subsidiaries		
- Realised	211,742	206,674
- Unrealised	(14,107)	(13,408)
	197,635	193,266
Total share of retained earnings in associates		
- Realised	4,930	-
- Unrealised	82,821	-
Consolidation adjustments	(55,184)	(54,398)
Total retained earnings of the Group	230,202	138,868

**9. Profit before taxation**

The profit before taxation is stated after charging/(crediting):

	<b>Current</b>	<b>Preceding year</b>	<b>Current year</b>	<b>Preceding</b>
	<b>Quarter ended</b>	<b>corresponding</b>	<b>to date ended</b>	<b>year to date</b>
	<b>31/03/2012</b>	<b>quarter ended</b>	<b>31/03/2012</b>	<b>ended</b>
	RM'000	31/03/2011	RM'000	31/03/2011
	RM'000	RM'000	RM'000	RM'000
Interest income	(81)	(24)	(81)	(24)
(Gain)/loss on derivative financial instruments	(1,060)	(45)	(1,060)	(45)
(Gain)/loss on foreign exchange	(2,216)	(1,372)	(2,216)	(1,372)
Rental income	(198)	(297)	(198)	(297)
Miscellaneous income	(91)	(2)	(91)	(2)
(Gain)/Loss on disposal of investment	-	(10)	-	(10)
(Gain)/Loss on disposal of plant & equipment	(23)	186	(23)	186
Total other (income)/expenses	(3,669)	(1,564)	(3,669)	(1,564)
Depreciation and amortisation	3,823	3,014	3,482	3,014
Interest expense	3,690	1,586	3,690	1,586

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**10. Changes in material litigation**

Save as disclosed below, the Group was not involved in any material litigation as at 25 May 2012 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

- a) On 23 March 2009, Can-One International Sdn Bhd (“CISB”) together with 4 other defendants were served a Writ of Summons and a Statement of Claims pertaining to the Acquisition.

The Plaintiffs are claiming:

- i) Against the other 4 defendants and CISB damages amounting to RM55,000,000 for alleged fraud and interest at rate of 8% per annum on the said sum, cost of action on a full indemnity basis and such further or any other reliefs as the Court may deemed fit and proper to grant,
- ii) An interim order restraining the defendants and each of them whether by themselves, their directors, their servants, or agents or otherwise howsoever from proceeding with the implementation of the Acquisition until the final hearing and disposal of the action,
- iii) A declaration that the award of the bid in the public tender exercise to CISB for the Acquisition is illegal, null and void.

The Board of Directors had referred the matter to its solicitors. Upon obtaining legal advice, the Directors are of the opinion that the suit against CISB is unlikely to succeed.

CISB had applied to the High Court to set aside and/or strike out the Plaintiffs’ Writ and Statement of Claim. The case is fixed for mention on 30 May 2012.

- b) In May 2011, CISB served a Writ of Summons and a Statement of Claim on KJCFB and 4 other defendants to claim the following:
- i) a declaration that the proposed bonus issue of 222,083,893 new ordinary shares of RM0.25 each in KJCFB (“Bonus Shares”) to be credited as fully paid-up on the basis of one Bonus Share for every two shares in KJCFB (“KJCFB Shares”) held (“Proposed Bonus Issue”) and the proposed renounceable rights issue of 166,562,919 five-year warrants 2011/2016 on the basis of one warrant for every four KJCFB Shares held after the Proposed Bonus Issue at an issue price of RM0.01 per warrant (“Proposed Renounceable Rights Issue”) by KJCFB are in breach of the rights and interests of CISB under the Shares Sale Agreement dated 23 March 2009 and in breach of the Order of the Court of Appeal dated 25 August 2010 and the Order of the Federal Court dated 21 February 2011;
  - ii) a declaration that the other 4 defendants, as the shareholders or contributories of Kian Joo Holdings Sdn Bhd – In Liquidation (“KJHSB”) and as directors of KJCFB, are in breach of the Order of the Court of Appeal dated 25 August 2010 and the Order of the Federal Court dated 21 February 2011;

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**10. Changes in material litigation (cont'd)**

- iii) a declaration that the defendants by their respective acts and involvement in the Proposed Bonus Issue and the Proposed Renounceable Rights Issue are in contempt of the Court of Appeal and the Federal Court;
- iv) a declaration that the Proposed Bonus Issue and the Proposed Renounceable Rights Issue and all shares issued in pursuance thereof are null and void;
- v) an injunction that the defendants be restrained whether by themselves, their servants, agents or otherwise howsoever until such further Order from convening any directors' meetings or any ordinary or extraordinary general meetings of KJCFB for purposes of approving or for any purposes incidental to the Proposed Bonus Issue and the Proposed Renounceable Rights Issue by KJCFB;
- vi) an injunction that the defendants be restrained whether by themselves, their servants, agents or otherwise howsoever until such further Order from acting, implementing or continuing to act on or implement the Proposed Bonus Issue and the Proposed Renounceable Rights Issue by KJCFB or on any of the resolutions passed at any directors' meetings and general meetings of KJCFB or on any approval of the regulatory authorities, incidental to the Proposed Bonus Issue and the Proposed Renounceable Rights Issue;
- vii) an injunction that the defendants be restrained whether by themselves, their servants, agents or otherwise howsoever until such further Order from taking, continuing and directing any steps or actions to be taken with a view to passing, effecting or enforcing any decisions or resolutions, whether incidental to the Proposed Bonus Issue and the Proposed Renounceable Rights Issue or any other corporate exercise, including declaring any benefits or dividends or causing any dispositions, which may have the effect of diluting the share capital or assets of KJCFB and/or affect or prejudice the rights and interests of CISB under the Shares Sale Agreement dated 23 March 2009 ("SSA") and/or the said shares thereunder;
- viii) an inquiry into the damages suffered by CISB by reason of the defendants' breach of the rights and interests of CISB under the SSA;
- ix) such further and/or other requisite accounts, inquiries, directions or reliefs as may be appropriate to safeguard the rights and interests of CISB under the SSA; and
- x) costs.

On 4 July 2011, the High Court dismissed CISB's application for the said injunction.

On 8 July 2011, CISB filed the Notices of Appeal to the Court of Appeal against the decisions of the High Court.

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**10. Changes in material litigation (cont'd)**

The Court of Appeal had on 8 November 2011:-

- i) allowed CISB's Appeal against the decision of the High Court given on 4 July 2011 in striking out CISB's suit ("CISB's Appeal"); and
- ii) dismissed CISB's Appeal against the decision of the High Court given on 4 July 2011 in refusing CISB's application for an injunction restraining the implementation of the Proposed Bonus Issue and the Proposed Renounceable Rights Issue pending the hearing of the suit of CISB.

Following CISB's Appeal, the High Court has adjourned the case for further mention on 4 June 2012.

CISB has applied for leave to appeal to the Federal Court against the Court of Appeal's decision in dismissing CISB's Appeal on the injunction. The Federal Court has fixed the said matter for case management on 20 June 2012.

- c) The Federal Court on 5 January 2012, allowed the appeals of the Liquidators of KJHSB, including the Liquidator's Appeals to proceed with the completion of the sale of 146,131,500 KJCFB shares held by KJHSB to CISB at a total consideration of RM241,116,975 ("FC Judgement"). CISB had on 25 January 2012 completed the acquisition of the said KJCFB shares.

CISB received two (2) Notice of Motions and the Affidavits in Support filed by Dato' See Teow Chuan and 13 others on 14 February 2012 ("First Applicants") followed by another two (2) Notice of Motions and Affidavits in Support filed by See Tiau Kee and 10 others on 24 February 2012 ("Second Applicants").

They have applied for the following orders:

- i) the Grounds of FC Judgement and the consequent Orders of the Federal Court dated 5 January 2012 be reviewed and set aside pursuant to Rule 137 of the Rules of the Federal Court, 1995 and/or the inherent jurisdiction of the Federal Court;
- ii) the said Appeals be re-heard by the Federal Court consisting of nine (9) Judges of the Federal Court other than those who heard and decided upon the said Appeals on 5 January 2012;
- iii) The Liquidators of KJHSB, Ooi Woon Chee and Ng Kim Tuck be restrained from distributing the said proceeds of RM241,116,975 from the sale of the 146,131,500 shares of KJCFB to CISB and the said proceeds be retained in a monthly fixed deposit account in a local bank pending the hearing and final disposal of this Application and in the event, the reliefs in paragraphs (i) and (ii) above are granted by the Federal Court, until the said Appeals are re-heard and finally disposed of by the Federal Court;

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**10. Changes in material litigation (cont'd)**

- iv) CISB be restrained from selling and/or in any way disposing of the whole or any part of the 146,131,500 of KJCFB shares purchased from KJHSB pending the hearing and final disposal of this Application and in the event the reliefs in paragraphs (i) and (ii) above are granted by the Federal Court, until the said Appeals are re-heard and finally disposed of by the Federal Court;
- v) CISB be restrained from exercising any of its rights attached to or arising from the purchase of the 146,131,500 of KJCFB shares by CISB from KJHSB pending the hearing and final disposal of this Application and in the event, the reliefs in paragraphs (i) and (ii) above are granted by the Federal Court, until the said Appeals are re-heard and finally disposed of by the Federal Court;
- vi) costs of this Application be costs in the cause; and
- vii) any other or further reliefs that the Federal Court deems fit and proper to grant in the circumstances

(collectively "Review Applications")

The Federal Court on 3 April 2012 granted the Liquidators leave to issue committal proceedings against the First Applicants/Second Applicants and their solicitors for contempt of the Federal Court, whilst the hearing on the Review Applications has yet to be fixed by the Federal Court.

**11. Capital commitment**

As at 31 March 2012, the Group has the following capital commitment:

Approved and contracted for	<b>RM'000</b> 10,315
	<u>          </u>

**12. Dividends**

No interim dividend has been proposed for the quarter under review.

The Directors proposed a first and final tax exempt dividend of 6% (or 3 sen) per share for the financial year ended 31 December 2011, subject to the approval by shareholders in the forthcoming Annual General Meeting.



**CAN-ONE BERHAD**  
(Company No. 638899-K)

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13. **Earnings per share**

The basic earnings per share are computed as follows:

	<b>Current Quarter ended 31/03/2012</b>	<b>Preceding year corresponding quarter ended 31/03/2011 (Restated)</b>	<b>Current year to date ended 31/03/2012</b>	<b>Preceding year to date ended 31/03/2011 (Restated)</b>
Net profit attributable to shareholders of the Company (RM'000)	91,334	4,290	91,334	4,290
Weighted average number of shares in issue ('000)	152,400	152,400	152,400	152,400
Earnings per share (Sen)	<u>59.93</u>	<u>2.81</u>	<u>59.93</u>	<u>2.81</u>

There were no dilutive potential ordinary shares as at the end of the financial period.

Dated : 29 May 2012  
Petaling Jaya