

## BOX-PAK (MALAYSIA) BERHAD

(Company No.: 21338-W)

(Incorporated in Malaysia)

### CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE QUARTER ENDED 30 SEPTEMBER 2008

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30.09.2008 ( RM'000 )	30.09.2007 ( RM'000 )	30.09.2008 ( RM'000 )	30.09.2007 ( RM'000 )
Revenue	43,550	29,603	117,343	84,181
Cost of Sales	(37,313)	(26,268)	(102,165)	(74,998)
Gross Profit	<u>6,237</u>	<u>3,335</u>	<u>15,178</u>	<u>9,183</u>
Other Operating Income	150	152	456	215
Operating Expenses	(3,081)	(2,062)	(7,713)	(5,710)
Finance Costs	(612)	(339)	(1,518)	(1,040)
Profit before Taxation	<u>2,694</u>	<u>1,086</u>	<u>6,403</u>	<u>2,648</u>
Taxation	(13)	(79)	(101)	(132)
Profit for the period	<u><u>2,681</u></u>	<u><u>1,007</u></u>	<u><u>6,302</u></u>	<u><u>2,516</u></u>
Attributable to :				
Equity holders of the parent	2,681	1,007	6,302	2,516
Earnings per Share				
Basic ( Sen )	4.47	1.68	10.50	4.19

( The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements. )

# BOX-PAK (MALAYSIA) BERHAD

(Company No.: 21338-W)

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2008

	AS AT CURRENT QUARTER ENDED 30/09/2008 RM'000	AS AT PRECEDING YEAR END 31/12/2007 RM'000
Non-current assets		
Property, plant and equipment	49,662	34,351
Investment Properties	3,093	3,218
Prepaid land lease payments	12,772	12,883
Intangible assets	96	162
	<u>65,623</u>	<u>50,614</u>
Current Assets		
Inventories	23,605	14,315
Trade and other receivables	39,107	31,236
Amount due from related company	155	501
Cash and Cash Equivalents	2,546	11,181
	<u>65,413</u>	<u>57,233</u>
Total Assets	<u>131,036</u>	<u>107,847</u>
Equity and Liabilities		
Equity attributable to equity holders of the parent		
Share Capital	60,023	60,023
Reserves	10,611	6,492
Total Equity	<u>70,634</u>	<u>66,515</u>
Non-current liabilities		
Retirement benefit obligations	276	1,021
Borrowings	21,034	6,641
Deferred tax liabilities	1,142	1,196
	<u>22,452</u>	<u>8,858</u>
Current Liabilities		
Trade and other payables	23,776	18,537
Retirement benefit obligations	0	1,367
Provisions for liabilities	105	136
Borrowings	9,427	11,445
Amount due to holding company	4,642	989
	<u>37,950</u>	<u>32,474</u>
Total Liabilities	60,402	41,332
Total Equity and Liabilities	<u>131,036</u>	<u>107,847</u>
Net Assets per share (RM)	1.18	1.11

**( The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements. )**

# BOX-PAK (MALAYSIA) BERHAD

(Company No.: 21338-W)

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR QUARTER ENDED 30 SEPTEMBER 2008

	-----Attributable to Equity Holders of the Parent-----					
	Share Capital <u>( RM'000 )</u>	Non distributable Reserves			Distributable Reserves	
		Share Premium <u>( RM'000 )</u>	Revaluaton Reserve <u>( RM'000 )</u>	Exchange Reserve <u>( RM'000 )</u>	Retained Profits <u>( RM'000 )</u>	Total <u>( RM'000 )</u>
At 1 January 2008	60,023	24	2,471	(1,541)	5,538	66,515
Profit for the year	-	-	-	-	6,302	6,302
Transfer from Deferred Tax	-	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-	-
Dividends	-	-	-	-	(2,611)	(2,611)
Currency translation differences	-	-	-	428	-	428
At 30 September 2008	<u>60,023</u>	<u>24</u>	<u>2,471</u>	<u>(1,113)</u>	<u>9,229</u>	<u>70,634</u>

	-----Attributable to Equity Holders of the Parent-----					
	Share Capital <u>( RM'000 )</u>	Non distributable Reserves			Distributable Reserves	
		Share Premium <u>( RM'000 )</u>	Revaluation Reserve <u>( RM'000 )</u>	Exchange Reserve <u>( RM'000 )</u>	Retained Profits <u>( RM'000 )</u>	Total <u>( RM'000 )</u>
At 1 January 2007	60,023	24	2,471	(556)	1,196	63,158
Profit for the year	-	-	-	-	2,516	2,516
Transfer from Deferred Tax	-	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Currency translation differences	-	-	-	(221)	-	(221)
At 30 September 2007	<u>60,023</u>	<u>24</u>	<u>2,471</u>	<u>(777)</u>	<u>3,712</u>	<u>65,453</u>

( The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements. )

# BOX-PAK (MALAYSIA) BERHAD

(Company No.: 21338-W)

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED 30 SEPTEMBER 2008

	9 Months ended 30.09.08 ( RM'000 )	9 Months ended 30.09.07 ( RM'000 )
Net Cash (used in) / generated from operating activities	(5,649)	840
Net Cash used in investing activities	(17,102)	(992)
Net Cash generated / (used in) financing activities	13,964	(2,292)
Net decrease in cash and cash equivalents	<u>(8,787)</u>	<u>(2,444)</u>
Effects of Exchange Rate Changes	152	17
Cash and Cash Equivalents at 1 January	11,181	9,628
Cash and Cash Equivalents at 30 September	<u>2,546</u>	<u>7,201</u>
Cash and cash equivalents at 30 September comprise the following :-		
Cash and bank balances	2,515	3,476
Short term deposits	31	3,725
	<u>2,546</u>	<u>7,201</u>

**( The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements. )**

**Explanatory Notes Pursuant to FRS 134**

**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 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 2007.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2007 except for the adoption of the following revised Financial Reporting Standards ("FRS") effective for the financial period beginning on 1 January 2008.

FRS 107	Cash Flow Statements
FRS 112	Income Taxes
FRS 118	Revenue
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets
Amendment to FRS 121	The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation
IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities

The adoption of the above FRSs does not have any significant financial impact to the Group.

**2 Declaration of audit qualification**

The financial statements for the year ended 31 December 2007 were not qualified.

**3 Seasonal or Cyclical Factors of Operations**

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

**4 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows.**

There are no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

**5 Changes in Estimates**

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

**6 Issuance, cancellation, repurchase, resale and repayment of debts and equity securities**

There were no issuances, cancellation, repurchases, resale and repayment of debts and equity securities for the current financial period under review.

**7 Dividends paid**

Dividend paid on 18th July 2008 were declared on 30th May 2008, in respect of the year ended 31 December 2007 being final dividend of 2.5% less 26% of taxation (2.5 sen per share) amounting to RM1,110,435 and tax exempt dividend of 2.5% ( 2.5 sen per share ) amounting to RM1,500,587.

**8 Segmental reporting**

The Group operations are mainly in Malaysia and Vietnam

	Malaysia RM'000	Vietnam RM'000	Elimination RM'000	Consolidated RM'000
Revenue and Expenses				
Revenue				
External Sales	47,126	70,217		117,343
Result				
Segment results	816	7,105		7,921
Finance Costs				(1,518)
Taxation				(101)
Profit for the period to date				<u>6,302</u>

Assets and Liabilities				
Segment assets	59,342	74,361	(3,455)	130,248
Unallocated corporate assets				788
Consolidated total assets				<u>131,036</u>
Segment liabilities	(16,907)	(13,218)	1,326	(28,799)
Unallocated corporate liabilities				(31,603)
Consolidated total liabilities				<u>(60,402)</u>
Other Information				
Capital Expenditure	202	16,721		16,923
Depreciation	1,180	1,203		2,383
Non-cash expenses other than depreciation	358	283		641

#### 9 Valuation of property, plant and equipment

There were no amendments in the valuation of property, plant and equipment brought forward from the previous annual financial statements.

#### 10 Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the interim period reported that have not been reflected in the financial statements.

#### 11 Changes in the composition of the Group

There were no changes in the composition of the Group during the period under review.

#### 12 Capital Commitments

The amount of capital commitments as at 30 September 2008 is as follows;

	Financial Year to date 30.09.08 <u>RM'000</u>
Approved and contracted for	1,262

#### 13 Changes in the contingent liabilities or contingent assets

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

#### 14 Related Party Transactions

	Financial Year to date 30.09.08 <u>RM'000</u>
Sales to holding company	37
Sales to related companies	2,617
Rental paid to holding company	45

The related companies and their relationship with the Group are as follows : -

Related companies	Relationship
Federal Metal Printing Factory Sdn Bhd	Subsidiary of the holding company
Kian Joo Canpack Sdn Bhd	Subsidiary of the holding company
Kian Joo Canpack (Nilai) Sdn Bhd	Subsidiary of the holding company
Kian Joo Packaging Sdn Bhd	Subsidiary of the holding company
KJ Can (Johore) Sdn Bhd	Subsidiary of the holding company
KJ Can (Selangor) Sdn Bhd	Subsidiary of the holding company
KJM Aluminium Can Sdn Bhd	Subsidiary of the holding company
KJ Can (Vietnam) Co. Ltd.	Subsidiary of the holding company

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

During the financial period ended 30 September 2008, the Group entered into the following related party transactions :-

(i) <u>Nature of transaction</u>	<u>Identity of related party</u>	Financial
		Period to date 30.09.08 RM'000
Sales of trading inventories	Kian Joo-Visypak Sdn Bhd	276

The party is an associate of the holding company. The party is also deemed related to the Group by virtue of common directorship held by Y.A.M. Tunku Dato' Seri Nadzaruddin Ibni Tuanku Ja'afar, Dato' Anthony See Teow Guan, Dato' See Teow Chuan and See Teow Koon in KJV and the Group.

(ii) <u>Nature of transaction</u>	<u>Identity of related party</u>	Financial
		Period to date 30.09.08 RM'000
Sales of trading inventories	Hercules Sdn Bhd	233
	Hercules Vietnam Co Ltd	142
	Metal Closure and Seals Sdn Bhd	53

The parties are deemed related to the Group by virtue of common directorship held by See Leong Chye @ Sze Leong Chye in Hercules Sdn Bhd, Hercules Vietnam Co Ltd, Metal Closure and Seals Sdn Bhd and the Group

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

## 15 Review of Performance

For the financial period ended 30 September 2008, the Group improved its revenue to RM117.343 million as compared to RM84,181million recorded in the corresponding preceding period. Profit before tax was also higher by RM3.755 million at RM6.403 million compared to RM2.648 million recorded in the preceding period. The improved profit before tax was mainly attributable to higher revenue and contribution from Vietnam operations.

## 16 Comparison with immediate preceding quarter.

For the quarter ended 30 September 2008, the Group revenue improved to RM43.550 million as compared to RM38.187 million registered in the immediate preceding quarter. The Group also registered a higher profit before taxation of RM0.973 million to RM2.694mil as compared to RM1.721 million in the preceding quarter. The improved profit before tax was mainly attributable to higher revenue and contribution from Vietnam operations.

## 17 Current Year Prospects

The Board is confident that the Group's performance for Year 2008 is expected to be satisfactory.

## 18 Variance from Forecast Profit and Profit Guarantee

This is not applicable to the Group.

## 19 Taxation

	Current Quarter RM'000	Year to date RM'000
Income Tax		
- Current	(26)	(155)
- Over/(Under) provision in prior year	-	-
Deferred Taxation		
- Current	13	54
- Over/(Under) provision in prior year	-	-
	<u>(13)</u>	<u>(101)</u>

The effective tax rate for the financial period under review is lower than statutory tax rate due to certain expenses allowed for deduction purposes.

## 20 Profit on sale of unquoted investments and properties

There were no disposal of investments/properties during the financial period under review.

## 21 Purchase or disposal of Quoted Securities

There were no purchases and disposals of quoted securities during the financial period under review.

## 22 Status of Corporate Proposals

There were no corporate proposal announced for the financial period under review.

### 23 Group borrowings and Debt Securities

Total Group borrowings as at 30 September 2008 are as follows:-

	RM' 000
Current	9,427
Non-Current	<u>21,034</u>
	<u>30,461</u>

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

	VND '000 000
Current	45,049
Non-Current	<u>100,520</u>
	<u>145,569</u>

( NOTE - VND4,779 = RM 1)

All the Group borrowings are unsecured

### 24 Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk as at the date of this report.

### 25 Changes in Material Litigation

There was no material litigation as at the date of this report.

### 26 Dividends

The Board of Directors do not recommend the payment of dividend for the financial period under review.

### 27 Earnings per share

The computation of earnings per share is as follows :-

	Current Quarter <u>30.09.08</u>	Financial year to date <u>30.09.08</u>
<b><u>Basic earnings per share</u></b>		
Issued ordinary shares at beginning of period	60,023,490	60,023,490
Basic earnings per share ( sen )	4.47	10.50

### 28 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 13th November 2008.

By Order of the Board  
Box-Pak (Malaysia) Berhad

Chia Kwok Why  
Company Secretary

Batu Caves, Selangor.  
13th November 2008