

# BOX-PAK (MALAYSIA) BERHAD

(Company No.: 21338-W)

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2010

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.03.2010 ( RM'000 )	Preceding Year Corresponding Quarter 31.03.2009 ( RM'000 )	Current Year To Date 31.03.2010 ( RM'000 )	Preceding Year Corresponding Period 31.03.2009 ( RM'000 )
Revenue	39,081	32,529	39,081	32,529
Cost of Sales	(34,851)	(27,427)	(34,851)	(27,427)
Gross Profit	4,230	5,102	4,230	5,102
Other Income	152	230	152	230
Operating Expenses	(3,543)	(2,213)	(3,543)	(2,213)
Finance Costs	(268)	(629)	(268)	(629)
Profit before Taxation	571	2,490	571	2,490
Taxation	(275)	(171)	(275)	(171)
<b>Profit for the Period</b>	<b>296</b>	<b>2,319</b>	<b>296</b>	<b>2,319</b>
<b>Other Comprehensive Income, Net of Tax</b>				
Foreign Currency Translation Differences for Foreign Operations	(1,805)	989	(1,805)	989
<b>Total Comprehensive (Loss)/Income for the Period</b>	<b>(1,509)</b>	<b>3,308</b>	<b>(1,509)</b>	<b>3,308</b>
<b>Profit Attributable to :</b>				
Equity holders of the parent	296	2,319	296	2,319
<b>Total Comprehensive (Loss)/Income Attributable to :</b>				
Equity holders of the parent	(1,509)	3,308	(1,509)	3,308
<b>Earnings per Share</b>				
Basic ( Sen )	0.49	3.86	0.49	3.86

( The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2009 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 FINANCIAL POSITION AS AT 31 MARCH 2010

	AS AT CURRENT QUARTER ENDED 31.03.2010 RM'000	AS AT PRECEDING YEAR END 31.12.2009 RM'000
Non-current Assets		
Property, plant and equipment	85,245	82,630
Investment properties	6,784	6,841
Prepaid land lease payments	3,989	4,347
Intangible assets	13	19
Other investment	90	90
	<u>96,121</u>	<u>93,927</u>
Current Assets		
Inventories	23,740	20,516
Trade and other receivables	39,785	39,834
Amount due from related company	585	109
Cash and cash equivalents	7,716	4,938
	<u>71,826</u>	<u>65,397</u>
Total Assets	<u>167,947</u>	<u>159,324</u>
Equity and Liabilities		
Equity attributable to equity holders of the parent		
Share capital	60,023	60,023
Reserves	43,611	45,120
Total Equity	<u>103,634</u>	<u>105,143</u>
Non-current liabilities		
Retirement benefit obligations	543	499
Borrowings	13,433	9,845
Deferred tax liabilities	6,540	6,588
	<u>20,516</u>	<u>16,932</u>
Current Liabilities		
Trade and other payables	30,830	22,285
Provisions for liabilities	88	77
Borrowings	8,956	12,700
Amount due to holding company	3,923	2,187
	<u>43,797</u>	<u>37,249</u>
Total Liabilities	64,313	54,181
Total Equity and Liabilities	<u>167,947</u>	<u>159,324</u>
Net Assets per Share (RM)	1.73	1.75

( The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2009 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 31 MARCH 2010

	-----Attributable to Equity Holders of the Parent-----					Total (RM'000)
	Share Capital (RM'000)	Non distributable Reserves			Distributable Reserves	
		Share Premium (RM'000)	Revaluaton Reserve (RM'000)	Exchange Reserve (RM'000)	Retained Profits (RM'000)	
At 1 January 2010	60,023	24	28,424	(3,328)	20,000	105,143
Profit for the year	-	-	-	-	296	296
Other comprehensive loss	-	-	-	(1,805)	-	(1,805)
Total comprehensive income/(loss)	-	-	-	(1,805)	296	(1,509)
Issue of Share Capital	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
At 31 March 2010	60,023	24	28,424	(5,133)	20,296	103,634

	-----Attributable to Equity Holders of the Parent-----					Total (RM'000)
	Share Capital (RM'000)	Non distributable Reserves			Distributable Reserves	
		Share Premium (RM'000)	Revaluation Reserve (RM'000)	Exchange Reserve (RM'000)	Retained Profits (RM'000)	
At 1 January 2009	60,023	24	2,497	(1,690)	9,833	70,687
Profit for the year	-	-	-	-	2,319	2,319
Other comprehensive income	-	-	-	989	-	989
Total comprehensive income	-	-	-	989	2,319	3,308
Issue of Share Capital	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
At 31 March 2009	60,023	24	2,497	(701)	12,152	73,995

**( The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements. )**

## BOX-PAK (MALAYSIA) BERHAD

(Company No.: 21338-W)

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### **CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW** **FOR THE QUARTER ENDED 31 MARCH 2010**

	<b>3 Months ended 31.03.2010 ( RM'000 )</b>	<b>3 Months ended 31.03.2009 ( RM'000 )</b>
Net Cash generated from operating activities	6,105	9,661
Net Cash used in investing activities	(6,537)	(744)
Net Cash generated from / (used in) financing activities	2,950	(1,123)
Net increase in cash and cash equivalents	<u>2,518</u>	<u>7,794</u>
Effects of Exchange Rate Changes	261	(261)
Cash and Cash Equivalents at 1 January	4,937	2,958
Cash and Cash Equivalents at 31 March	<u>7,716</u>	<u>10,491</u>
 Cash and cash equivalents at 31 March comprise the following :-		
Cash and bank balances	7,683	6,254
Short term deposits	<u>33</u>	<u>4,237</u>
	<u>7,716</u>	<u>10,491</u>

**( The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements. )**

**BOX-PAK (MALAYSIA) BERHAD (21338-W)**  
UNAUDITED RESULTS  
FOR THE QUARTER ENDED 31 MARCH 2010

**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 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 2009.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2009.

**2 Significant Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2009, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations with effect from 1 January 2010.

**FRSs, Amendments to FRSs and Interpretations Adopted by the Group on 1 January 2010**

FRS 8	: Operating Segments
FRS 7	: Financial Instruments: Disclosures
FRS 101	: Presentation of Financial Statements (revised)
FRS 123	: Borrowing Costs
FRS 139	: Financial Instruments: Recognition and Measurement
Amendments to FRS 1	: First-time Adoption of Financial Reporting Standards
Amendments to FRS 7	: Financial Instruments: Disclosures
Amendments to FRS 127	: Consolidated and Separate Financial Statements
Amendments to FRS 132	: Financial Instruments: Presentation
Amendments to FRS 139	: Financial Instruments: Recognition and Measurement
IC Interpretation 9	: Reassessment of Embedded Derivatives
IC Interpretation 10	: Interim Financial Reporting and Impairment

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 upon their initial application, other than for the application of FRS 8, FRS 101 and FRS 139.

**(a) FRS 8: Operating Segments**

FRS 8 requires segment information to be presented on a similar basis to that used for internal reporting purposes. As a result, the Group's segmental reporting had been presented based on the internal reporting to the chief operating decision maker, who makes decisions on the allocation of resources and assess the performance of the reportable segments. This standard does not have any impact on the financial position and results of the Group.

**(b) FRS 101: Presentation of Financial Statements**

FRS 101 separates owner and non-owner changes in equity. Therefore, the current consolidated statement of changes in equity only includes details of transactions with owners. All non-owner changes in equity are presented as a single line labeled as total comprehensive income. Comparative information, with exception of the requirements under FRS 139, had been re-presented to conform with the revised standard. This standard does not have any impact on the financial position and results of the Group.

## (b) FRS 101: Presentation of Financial Statements - Cont'd

The effects on the comparatives to the Group on adoption of FRS 101 are as follows:

For the period ended 31 March 2009	Income statement as previously reported RM '000	Effects of adopting FRS 101 RM '000	Statement of comprehensive income as restated RM '000
Profit for the period	2,319	-	2,319
Other comprehensive income	-	989	989
Total comprehensive income			<u>3,308</u>
Total comprehensive income attributable to:			
Owners of the parent			<u>3,308</u>
Total comprehensive income			<u>3,308</u>

## (c) FRS 139: Financial Instruments - Recognition and Measurement

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial instruments. Financial instruments are recorded initially at fair value. Subsequent measurement of the financial instruments at the balance sheet date reflects the designation of the financial instruments. The Group determines the classification at initial recognition and for the purpose of the first adoption of the standard as at transitional date on 1 January 2010.

In accordance with the transitional provisions of this standard, the required changes are applied prospectively and the comparative information are not restated. This standard does not have any impact on the financial position and results of the Group.

### 3 Declaration of Audit Qualification

The financial statements for the year ended 31 December 2009 were not qualified.

### 4 Seasonal or Cyclical Factors

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

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

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

### 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 in the current financial period.

### 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

There were no dividends paid during the period under review.

## 9 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	15,101	23,980	-	39,081
Result				
Segment results	404	284	-	688
Other income	145	7	-	152
Finance costs				(268)
Profit before taxation				571
Taxation				(275)
Profit for the period to date				296
Assets and Liabilities				
Segment assets	68,548	98,568	(35)	167,081
Unallocated corporate assets				866
Consolidated total assets				167,947
Segment liabilities	(14,336)	(23,202)	4,034	(33,504)
Unallocated corporate liabilities				(30,809)
Consolidated total liabilities				(64,313)
Other Information				
Capital Expenditure	-	3,409	-	3,409
Depreciation	446	732	-	1,178
Non-cash expenses other than depreciation	390	689	-	1,079

## 10 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.

## 11 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.

## 12 Changes in the Composition of the Group

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

## 13 Capital Commitments

The amount of capital commitments as at 31 March 2010 is as follows;

	Financial Year to date 31.03.2010
	<u>RM'000</u>
Approved and contracted for	3,714

## 14 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.

## 15 Related Party Transactions

	Financial Year to date 31.03.2010 <hr/> RM'000
Sales to holding company	15
Sales to related companies	607
Rental paid to holding company	60

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

<b>Related companies</b>	<b>Relationship</b>
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 Aluminum 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 to those had the transactions been entered into with third parties.

During the financial period ended 31 March 2010, 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 31.03.2010 <hr/> RM'000
Sales of trading inventories	Kian Joo-Visypak Sdn Bhd(KJV)	45

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 Almarhum 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 31.03.2010 <hr/> RM'000
Sales of trading inventories	Hercules Sdn Bhd	145
	Hercules Vietnam Co Ltd	55
	Metal Closure and Seals Sdn Bhd	-

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.



## 16 Review of Performance

For the financial period ended 31 March 2010, the Group's revenue improved by 20% to RM39.1 million as compared to RM32.5 million recorded in the preceding corresponding period. The Group's profit before tax was lower by RM1.9 million at RM0.6 million compared to RM2.5 million recorded in the preceding corresponding period. The decrease in profit before tax was mainly attributable to the higher paper material cost and currency exchange losses incurred from the devaluation of the Vietnam Dong and strengthening of the Ringgit Malaysia.

## 17 Comparison with Immediate Preceding Quarter.

For the quarter ended 31 March 2010, the Group's revenue declined by 21% to RM39.1 million as compared to RM49.3 million registered in the immediate preceding quarter ended 31 December 2009. The Group registered lower profit before taxation of RM4.3 million to RM0.6 million as compared to RM4.9 million in the immediate preceding quarter. The decrease in profit before tax was mainly attributable to the higher paper material cost and currency exchange losses incurred from the devaluation of the Vietnam Dong and strengthening of the Ringgit Malaysia.

## 18 Current Year Prospects

The Board expects the performance of the Group for Year 2010 to remain satisfactory.

## 19 Variance from Forecast Profit and Profit Guarantee

This is not applicable to the Group.

## 20 Taxation

	Current Quarter RM'000	Year to date RM'000
Income Tax		
- Current	(323)	(323)
- Over/(Under) provision in prior year	-	-
Deferred Taxation		
- Current	48	48
- Over/(Under) provision in prior year	-	-
	<u>(275)</u>	<u>(275)</u>

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

## 21 Profit on Sale of Unquoted Investments and Properties

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

## 22 Purchase or Disposal of Quoted Securities

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

## 23 Status of Corporate Proposals

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

## 24 Group Borrowings and Debt Securities

Total Group borrowings as at 31 March 2010 are as follows:-

	RM' 000
Current	8,956
Non-Current	<u>13,433</u>
	<u>22,389</u>

## 24 Group Borrowings and Debt Securities (Cont'd)

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

	VND '000 000
Current	50,758
Non-Current	76,138
	<u>126,896</u>

( NOTE - VND5,668 = RM1)

All the Group borrowings are unsecured

## 25 Off Balance Sheet Financial Instruments

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

## 26 Changes in Material Litigation

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

## 27 Dividends

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

## 28 Earnings Per Share

The computation of earnings per share is as follows :-

	Current Quarter 31.03.2010	Financial year to date 31.03.2010
<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 )	0.49	0.49

## 29 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 19th May 2010.

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

Chia Kwok Why  
Company Secretary

Batu Caves, Selangor.  
19th May 2010