

BOX-PAK (MALAYSIA) BERHAD

(Company No.: 21338-W)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2011

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31.03.2011 (RM'000) Unaudited	31.03.2010 (RM'000) Unaudited	31.03.2011 (RM'000) Unaudited	31.03.2010 (RM'000) Unaudited
Revenue	55,441	39,081	55,441	39,081
Cost of Sales	(47,791)	(34,851)	(47,791)	(34,851)
Gross Profit	<u>7,650</u>	<u>4,230</u>	<u>7,650</u>	<u>4,230</u>
Other Income	224	152	224	152
Operating Expenses	(5,087)	(3,543)	(5,087)	(3,543)
Finance Costs	(401)	(268)	(401)	(268)
Profit before Taxation	<u>2,386</u>	<u>571</u>	<u>2,386</u>	<u>571</u>
Taxation	(404)	(275)	(404)	(275)
Profit for the Period	<u>1,982</u>	<u>296</u>	<u>1,982</u>	<u>296</u>
Other Comprehensive Income, Net of Tax				
Foreign Currency Translation Differences for Foreign Operations	<u>(4,238)</u>	<u>(1,805)</u>	<u>(4,238)</u>	<u>(1,805)</u>
Total Comprehensive Income for the Period	<u>(2,256)</u>	<u>(1,509)</u>	<u>(2,256)</u>	<u>(1,509)</u>
Profit Attributable to :				
Owners of the parent	1,982	296	1,982	296
Total Comprehensive Income Attributable to :				
Owners of the parent	(2,256)	(1,509)	(2,256)	(1,509)
Earnings per Share				
Basic (Sen)	3.30	0.49	3.30	0.49

(The Condensed Consolidated Statements 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.)

BOX-PAK (MALAYSIA) BERHAD

(Company No.: 21338-W)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2011

	AS AT CURRENT QUARTER ENDED 31.03.2011 RM'000 Unaudited	AS AT PRECEDING YEAR END 31.12.2010 RM'000 Audited
Non-current Assets		
Property, plant and equipment	87,761	90,907
Investment properties	6,557	6,614
Land use rights	3,219	3,615
Intangible assets	16	21
Other investment	90	90
	<u>97,643</u>	<u>101,247</u>
Current Assets		
Inventories	23,390	27,839
Trade and other receivables	49,102	49,033
Amount due from related company	999	481
Cash and cash equivalents	7,708	3,471
	<u>81,199</u>	<u>80,824</u>
Total Assets	<u>178,842</u>	<u>182,071</u>
Equity and Liabilities		
Equity attributable to owners of the parent:		
Share capital	60,023	60,023
Reserves	44,504	46,760
Total Equity	<u>104,527</u>	<u>106,783</u>
Non-current liabilities		
Retirement benefit obligations	606	562
Borrowings	12,417	10,725
Deferred tax liabilities	6,288	6,328
	<u>19,311</u>	<u>17,615</u>
Current Liabilities		
Trade and other payables	34,054	33,514
Retirement benefit obligations	113	113
Provisions for liabilities	63	92
Borrowings	14,455	18,086
Amount due to holding company	6,319	5,868
	<u>55,004</u>	<u>57,673</u>
Total Liabilities	74,315	75,288
Total Equity and Liabilities	<u>178,842</u>	<u>182,071</u>
Net Assets per Share (RM)	1.74	1.78

(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.)

BOX-PAK (MALAYSIA) BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR QUARTER ENDED 31 MARCH 2011

	-----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 2011	60,023	24	28,424	(8,882)	27,194	106,783
Profit for the period	-	-	-	-	1,982	1,982
Other comprehensive loss	-	-	-	(4,238)	-	(4,238)
Total comprehensive (loss)/income	-	-	-	(4,238)	1,982	(2,256)
Issue of Share Capital	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
At 31 March 2011	60,023	24	28,424	(13,120)	29,176	104,527

	-----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 2010	60,023	24	28,424	(3,328)	20,000	105,143
Profit for the period	-	-	-	-	296	296
Other comprehensive loss	-	-	-	(1,805)	-	(1,805)
Total comprehensive (loss)/income	-	-	-	(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

(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.)

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE QUARTER ENDED 31 MARCH 2011

	3 Months ended 31.03.2011 (RM'000) Unaudited	3 Months ended 31.03.2010 (RM'000) Unaudited
Net Cash generated from operating activities	5,919	6,105
Net Cash used in investing activities	(2,822)	(6,537)
Net Cash generated from financing activities	1,006	2,950
Net increase in cash and cash equivalents	<u>4,103</u>	<u>2,518</u>
Effects of Exchange Rate Changes	134	261
Cash and Cash Equivalents at 1 January	3,471	4,937
Cash and Cash Equivalents at 31 March	<u>7,708</u>	<u>7,716</u>
 Cash and cash equivalents at 31 March comprise the following :-		
Cash and bank balances	5,672	7,683
Short term deposits	<u>2,036</u>	<u>33</u>
	<u>7,708</u>	<u>7,716</u>

(The Condensed Consolidated Statement of Cash Flow 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.)

Part A : 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 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 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.

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.

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

3 Declaration of Audit Qualification

The financial statements for the year ended 31 December 2010 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

No dividends was paid during the current quarter 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	18,303	37,138	-	55,441
Result				
Segment results	613	1,950	-	2,563
Other income	175	49	-	224
Finance costs				(401)
Profit before taxation				2,386
Taxation				(404)
Profit for the period to date				1,982
Assets and Liabilities				
Segment assets	72,325	104,912	(35)	177,202
Unallocated corporate assets				1,640
Consolidated total assets				178,842
Segment liabilities	(19,584)	(25,719)	4,628	(40,675)
Unallocated corporate liabilities				(33,640)
Consolidated total liabilities				(74,315)
Other Information				
Capital Expenditure	607	2,247	-	2,854
Depreciation	514	920	-	1,434
Non-cash expenses other than depreciation	224	1,495	-	1,719

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 2011 is as follows;

	Financial period to date 31.03.2011 <hr/> RM'000
Approved and contracted for	4,420

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 31.03.2011 <hr/> RM'000
Sales to holding company	17
Sales to related companies	1,038
Rental paid to holding company	20

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 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 2011, the Group entered into the following related party transactions :-

15 Related Party Transactions (contd.)

<u>(i) Nature of transaction</u>	<u>Identity of related party</u>	Financial Period to date <u>31.03.2011</u> RM'000
Sales of trading inventories	Kian Joo-Visypak Sdn Bhd(KJV)	32

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.

<u>(ii) Nature of transaction</u>	<u>Identity of related party</u>	Financial Period to date <u>31.03.2011</u> RM'000
Sales of trading inventories	Hercules Sdn Bhd	109
	Hercules Vietnam Co Ltd	90
	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 first quarter 2011, the Group's revenue improved by 42% to RM55.4 million as compared to RM39.1 million recorded in the preceding year's corresponding quarter. The Group's profit before tax was higher by RM1.8 million to RM2.4 million as compared to RM0.6 million. The increase in profit before tax was mainly attributable to the higher revenue and improved production efficiency.

17 Comparison with Immediate Preceding Quarter.

For the quarter ended 31 March 2011, the Group's revenue decreased by 9% to RM55.4 million as compared to RM60.8 million registered in the immediate preceding quarter ended 31 December 2010. The Group registered lower profit before taxation of RM2.3 million to RM2.4 million as compared to RM4.7 million in the immediate preceding quarter. The decrease in profit before tax was mainly attributable to the lower revenue and currency exchange losses of RM1.6 million incurred from the devaluation of the Vietnam Dong.

18 Current Year Prospects

The Board expects the performance of the Group for Year 2011 to be 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	(444)	(444)
- Over/(Under) provision in prior year	-	-
Deferred Taxation		
- Current	40	40
- Over/(Under) provision in prior year	-	-
	<u>(404)</u>	<u>(404)</u>

The effective tax rate for the financial period under review is lower than statutory tax rate due to overseas subsidiaries are generally at a lower rate than the statutory tax rate in Malaysia.

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 2011 are as follows:-

	RM' 000
Current	14,455
Non-Current	12,417
	<u>26,872</u>

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

	VND '000 000
Current	98,897
Non-Current	84,950
	<u>183,847</u>

(NOTE - VND6,842 = RM1)

All the Group borrowings are unsecured.

Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad

25 Retained Earnings

	As at 31.03.2011 RM'000	As at 31.12.2010 RM'000
Total retained earnings of Group:		
Realised	27,116	25,057
Unrealised	44	-
	<u>27,160</u>	<u>25,057</u>
Less: Consolidation adjustment	2,016	2,103
Total Group retained earnings as per Consolidated Accounts	<u>29,176</u>	<u>27,160</u>

26 Off Balance Sheet Financial Instruments

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

27 Changes in Material Litigation

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

28 Dividends

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

29 Earnings Per Share

The computation of earnings per share is as follows :-

	Current Quarter <u>31.03.2011</u>	Financial year to date <u>31.03.2011</u>
<u>Basic earnings per share</u>		
Profit attributable to owners of the parent (RM'000)	1,982	1,982
Weighted average number of ordinary shares in issue	60,023,490	60,023,490
Basic earnings per share (sen)	3.30	3.30

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 19th May 2011.

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

Chia Kwok Why
Company Secretary

Batu Caves, Selangor.
19th May 2011