



GREEN OCEAN CORPORATION BERHAD

(Company No: 632267-P)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE FOURTH QUARTER ENDED 31 MARCH 2011

GREEN OCEAN CORPORATION BERHAD

(Company No: 632267-P)

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2011****CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 MARCH 2011**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2011 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2010 RM'000	CURRENT YEAR TO DATE 31/03/2011 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2010 RM'000
Revenue	54,603	19,698	150,813	87,962
Cost of sales	<u>(55,916)</u>	<u>(20,585)</u>	<u>(148,376)</u>	<u>(86,121)</u>
Gross profit	(1,313)	(887)	2,437	1,841
Other operating income	1,614	73	1,722	199
Depreciation and amortisation	(546)	(2,964)	(1,927)	(4,901)
Operating expenses	<u>(1,021)</u>	<u>(1,332)</u>	<u>(4,235)</u>	<u>(4,536)</u>
Operating profit/(loss)	(1,266)	(5,110)	(2,003)	(7,397)
Interest expense	(258)	(112)	(656)	(604)
Interest income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit/(Loss) before tax	(1,524)	(5,222)	(2,659)	(8,001)
Income tax expense	<u>-</u>	<u>817</u>	<u>-</u>	<u>796</u>
Profit/(Loss) for the period	(1,524)	(4,405)	(2,659)	(7,205)
Other comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive profit/ (loss) for the period	<u>(1,524)</u>	<u>(4,405)</u>	<u>(2,659)</u>	<u>(7,205)</u>
Profit/(Loss) for the period attributable to:				
Equity holders of the parent	<u>(1,524)</u>	<u>(4,405)</u>	<u>(2,659)</u>	<u>(7,205)</u>
Total comprehensive profit /(loss) for the period attributable to:				
Equity holders of the parent	<u>(1,524)</u>	<u>(4,405)</u>	<u>(2,659)</u>	<u>(7,205)</u>
Basic earnings/(loss) per share (sen)	<u>(0.90)</u>	<u>(2.60)</u>	<u>(1.57)</u>	<u>(4.25)</u>

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

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**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2011****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2011**

	UNAUDITED AS AT END OF CURRENT QUARTER 31/03/2011 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR 31/03/2010 RM'000
Non-current Assets		
Property, plant and equipment	16,573	18,303
Development expenditure	-	156
Goodwill	736	736
	<u>17,309</u>	<u>19,195</u>
Current Assets		
Inventories	4,783	1,813
Trade receivables	7,899	3,131
Other receivables and prepaid expenses	1,670	1,442
Short term investments	-	66
Cash and bank balances	1,420	2,064
	<u>15,772</u>	<u>8,516</u>
Total assets	<u>33,081</u>	<u>27,711</u>
Equity and Liabilities		
Issued capital	16,950	16,950
Share premium	1,359	1,359
Accumulated losses	(6,398)	(3,739)
Total equity	<u>11,911</u>	<u>14,570</u>
Non-current Liabilities		
Long term borrowings	3,799	-
Hire purchase creditors	276	376
Deferred taxation	139	139
	<u>4,214</u>	<u>515</u>
Current Liabilities		
Trade payables	10,217	3,773
Other payables and accrued expenses	2,234	2,971
Hire purchase creditors	98	97
Short term borrowings	4,407	5,785
	<u>16,956</u>	<u>12,626</u>
Total liabilities	<u>21,170</u>	<u>13,141</u>
Total equity and liabilities	<u>33,081</u>	<u>27,711</u>
Net assets per share attributable to ordinary equity holders of the parent (sen)	<u>7.03</u>	<u>8.60</u>

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**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2011****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2011**

	Issued and paid up capital RM'000	Non-distributable reserve - Share premium RM'000	Distributable reserve - Unappropriated profit RM'000	Total RM'000
Balance as at 1 April 2009	16,950	1,359	3,466	21,775
Total recognised income and expense for the year - loss for the year	<u>-</u>	<u>-</u>	<u>(7,205)</u>	<u>(7,205)</u>
Balance as at 31 March 2010	<u>16,950</u>	<u>1,359</u>	<u>(3,739)</u>	<u>14,570</u>
Balance as at 1 April 2010	16,950	1,359	(3,739)	14,570
Total recognised income and expense for the period - loss for the year	<u>-</u>	<u>-</u>	<u>(2,659)</u>	<u>(2,659)</u>
Balance as at 31 March 2011	<u>16,950</u>	<u>1,359</u>	<u>(6,398)</u>	<u>11,911</u>

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

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**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2011****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2011**

	CURRENT YEAR TO DATE 31/03/2011 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2010 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the year	(2,659)	(7,205)
Adjustments for:		
Amortisation of development expenditure	68	1,258
Impairment of development expenditure	87	2,203
Development expenditure written off	-	159
Depreciation of property, plant and equipment	1,771	1,440
Property, plant and equipment written off	15	4
Allowance for doubtful debts	-	833
Doubtful receivables recovered	34	-
Income tax expense	-	(796)
Inventories write down	116	-
Interest expense	(656)	(604)
Operating Profit Before Working Capital Changes	(1,224)	(2,708)
Changes In Working Capital:		
Net change in current assets	(8,103)	3,301
Net change in current liabilities	5,707	1,357
Cash (Used In)/From Operations	(3,620)	1,950
Net income tax refund/(paid)	2	19
Interest expense	656	604
Net Cash (Used In)/ From Operating Activities	(2,962)	2,573
CASH FLOW USED IN INVESTING ACTIVITIES		
(Placement)/Withdrawal of short-term investments	66	-
Purchase of property, plant and equipment	(56)	(3,865)
Net Cash From/(Used In) Investing Activities	10	(3,865)

(Forward)

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	CURRENT YEAR TO DATE 31/03/2011 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2010 RM'000
CASH FLOW FROM FINANCING ACTIVITIES		
Drawdown/(Repayment) of short-term borrowings	(2,778)	(1,010)
Drawdown/(Repayment) of long-term borrowings	5,199	-
Drawdown/(Repayment) of hire purchase creditors	(98)	(92)
Net Cash From/(Used In) Financing Activities	2,323	(1,102)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENT	(629)	(2,394)
CASH AND CASH EQUIVALENT AT BEGINNING OF YEAR	2,049	4,458
CASH AND CASH EQUIVALENT AT END OF YEAR	1,420	2,064

Cash and cash equivalent comprise of:

	CURRENT YEAR TO DATE 31/03/2011 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2010 RM'000
Cash on hand and at banks	1,420	2,064

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**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2011**

A EXPLANATORY NOTES PURSUANT TO FRS 134

A1 Basis of preparation

The interim financial statements are unaudited and had been prepared in accordance with the requirements of Financial Reporting Standards (“FRS”) 134 “Interim Financial Reporting” and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the ACE Market, and should be read in conjunction with the Group’s financial statements for the financial year ended 31 March 2010.

Ace Edible Oil Industries Sdn Bhd, a subsidiary involved in the production of premium cooking oil is in the advanced stage of negotiation to supply its entire production to a conglomerate. The carrying value of the production facility and the goodwill attributable to this subsidiary stood at RM7.2 million and RM736,000 respectively as at 31 March 2011.

The interim financial statements have been prepared on the basis that the negotiation will culminate to an agreement to supply the entire production. If the agreement does not materialize, the recoverable amount and hence the need for impairment for the production facility and the goodwill may need to be re-assessed.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2010 except for the adoption of the new/ revised FRS and IC Interpretations for financial year beginning 1 April 2010.

FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements (Revised)
FRS 123	Borrowing Costs (Revised)
FRS 132	Financial Instruments: Presentation (Revised)
FRS 139	Financial Instruments: Recognition and Measurement
Amendment to FRS 1	First-time Adoption of Financial Reporting Standards
Amendment to FRS 7	Financial Instruments: Disclosures
Amendment to FRS 8	Operating Segments
Amendment to FRS 107	Statement of Cash Flows
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendment to FRS 110	Events after the Reporting Period
Amendment to FRS 116	Property, Plant and Equipment
Amendment to FRS 123	Borrowing Costs
Amendment to FRS 132	Financial Instruments: Presentation
Amendment to FRS 134	Interim Financial Reporting
Amendment to FRS 136	Impairment of Assets
Amendment to FRS 138	Intangible Assets
IC Interpretation 10	Interim Financial Reporting and Impairment

The adoption of these standards and interpretations are not expected to have significant impact on the financial statements of the Group except for the following:-

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A1 Basis of preparation (contd)

FRS 101 Presentation of Financial Statements (Revised)

Prior to the adoption of the revised FRS 101, the components of the financial statements presented consist of a balance sheet, an income statement, a statement of changes in equity, a cash flow statement and notes to financial statements. With the adoption of the revised FRS 101, the components of the interim financial statements presented comprise statement of financial position, statement of comprehensive income, statement in changes in equity, statement of cash flows and notes to the financial statements. There is no impact on the financial position and results of the Group as this change in accounting policy affects only the presentation financial statements.

FRS 8 Operating Segments

FRS 8 required identification and reporting of operating segments based on internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Group presents its segment information based on its business segments, which is also the basis of presenting its monthly internal management reports. The basis of measurement of segment results, segment assets and segment liabilities are same as the basis of measurement for external reporting.

A2 Qualification of annual financial statements

The preceding year annual audited financial statements were not subject to any qualification.

A3 Seasonal or cyclical factors

The Group's interim operations were not subject to any significant seasonal or cyclical factors.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

During the quarter under review, there were no unusual items affecting assets, liabilities, equity, net income or cash flows, which are unusual by reason of their nature, size or incidence, except for the recognition of Government Grant amounted to RM1.61 million in the profit or loss during the quarter.

A5 Changes in estimates

There were no changes in the nature and estimates of amounts reported which have a material effect on the results for the quarter under review.

A6 Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities by the Company during the quarter under review.

A7 Dividends paid

There were no dividends paid during the quarter under review.

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**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2011****A8 Segment information**

The segment information for the financial year ended 31 March 2011 is as follows:

	Information Communication Technology RM'000	Bio Technology RM'000	Others RM'000	Consolidated RM'000
REVENUE				
External	2,426	148,387	-	150,813
Inter-segment	-	-	-	-
Total	<u>2,426</u>	<u>148,387</u>	<u>-</u>	<u>150,813</u>
RESULTS				
Segment results	(1,045)	(146)	(812)	(2,003)
Interest expense	-	(640)	(16)	(656)
Profit/(Loss) before tax	<u>(1,045)</u>	<u>(786)</u>	<u>(828)</u>	<u>(2,659)</u>
Income tax expense	-	-	-	-
Profit/(Loss) for the period	<u>(1,045)</u>	<u>(786)</u>	<u>(828)</u>	<u>(2,659)</u>
FINANCIAL POSITION				
Total assets	<u>876</u>	<u>31,426</u>	<u>779</u>	<u>33,081</u>
Total liabilities	<u>1,298</u>	<u>19,247</u>	<u>625</u>	<u>21,170</u>

A9 Valuation of property, plant and equipment

The Group did not revalue any of its property, plant and equipment during the quarter under review.

A10 Subsequent event

There were no material events subsequent to the end of the quarter under review that have not been reflected in the financial statements for the quarter under review.

A11 Contingent assets and contingent liabilities

There were no material contingent assets as at 31 March 2011.

As at 31 March 2011, the Company has issued corporate guarantee to a local licensed bank for term loan, trust receipt and other credit facilities totalling RM10,915,000 granted to the wholly owned subsidiary, Ace Edible Oil Industries Sdn Bhd. Accordingly the Company is contingently liable to the extent of credit facilities utilised by the said subsidiary.

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A12 Capital commitments

The Group has the following commitment relating to the purchase of property, plant and equipment:-

	CURRENT YEAR TO DATE 31/03/2011 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2010 RM'000
Approved and contracted for	<u>933</u>	<u>1,180</u>

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B ADDITIONAL INFORMATION REQUIRED BY APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE ACE MARKET

B1 Review of performance

The Group recorded revenue of RM54.60 million for the current quarter as compared to RM19.70 million in the preceding year corresponding quarter. The significant increase in Group revenue was due to hike in palm kernel prices and improved performance for the Bio-Technology segment. Loss before tax was RM1.52 million compared to RM4.41 million in the preceding year corresponding quarter due mainly to the net allowance for doubtful debts of RM0.85 million and impairment of development expenditure of RM2.20 million in the preceding year quarter. Current quarter results included the Government Grant of RM1.61 million.

Revenue of RM150.81 million for the year ended 31 March 2011 was higher by 72% compared to RM87.96 million in the preceding year mainly attributed to the general increase in palm kernel prices and improved performance for the Bio-Technology segment. The loss before tax of RM2.66 million was 63% lower compared to preceding year loss of RM7.21 million due mainly to the overall improvement in the revenue and gross margin of Bio-Technology segment, recognition of Government Grant of RM1.61 million and lower amortization of development expenditure in the ICT segment.

B2 Variation of results against preceding quarter

The Group recorded revenue of RM54.60 million for the current quarter as compared to RM45.05 million in the preceding quarter. The increase in the Group's revenue was mainly attributable to higher contribution from Bio-Technology segment.

Current quarter loss before tax of RM1.52 million was higher compared to the loss of RM79,000 in preceding quarter due mainly to the substantial increase in the raw material (palm kernel prices) which has led to lower gross margin from Bio-Technology segment. The loss for the current quarter has been negated by the recognition of Government Grant of RM1.61 million

B3 Prospects

The Directors remain cautious in the prospects in view of the prevailing uncertain global economic conditions and competitive situation in the local market, in which the Group businesses are operating. The Group will continue to exercise prudence in its management approach especially in the areas of cost management and credit control.

B4 Profit forecast / Profit guarantee

The Group did not issue any profit forecast or profit guarantee in any public documents.

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**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2011****B5 Taxation**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/2011	31/03/2010	31/03/2011	31/03/2010
	RM'000	RM'000	RM'000	RM'000
In respect of the current period:				
Estimated current tax (credit)/expense	-	7	-	1
Deferred taxation	-	810	-	795
	-	817	-	796

The effective tax rate for the financial period was higher than the statutory income tax rate in Malaysia due to losses of certain subsidiaries that were not available for set off against taxable profits of other subsidiaries and certain expenses which were not deductible for tax purposes.

B6 Sale of unquoted investments and properties

There were no disposals of unquoted investments and properties during the quarter under review and financial year-to-date.

B7 Quoted securities

There were no acquisitions or disposals of quoted securities during the quarter under review.

B8 Status of corporate proposals announced but not completed

On 5 January 2011, the Company announced that it proposed to implement a private placement of up to 16,950,000 new ordinary shares of RM0.10 each ("GOCB Share(s)" or "Share(s)") in GOCB ("Placement Share(s)"), representing not more than ten percent (10%) of the issued and paid-up share capital of the Company, to third party investors to be identified for the Group working capital requirements.

The Placement Shares will be issued based on a discount, if any, of not more than ten percent (10%) to the five (5)-days volume weighted average market price ("VWAP") of GOCB Shares immediately preceding the price-fixing date. In any case, the issue price of the Placement Shares will not be lower than the par value of GOCB Shares of RM0.10 each.

The Placement Shares shall, upon allotment and issue, rank pari passu in all respects with the existing Shares of the Company, save and except that the Placement Shares will not be entitled to any dividend, right, allotment and/or other distribution that may be declared, made or paid prior to the date of allotment of the said Placement Shares.

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B8 Status of corporate proposals announced but not completed (contd)

The Company has obtained the approval from Bursa Malaysia Securities Berhad (“Bursa Securities”) on 10 January 2011.

The Proposed Private Placement may be implemented in tranches within six months from the date of approval of Bursa Securities for the Proposed Private Placement or any extended period as may be approved by Bursa Securities.

B9 Status of utilisation of proceeds

There are no proceeds from public issue that was not fully utilised.

B10 Group's borrowings and debt securities

The Group’s borrowings and debts securities as at 31 March 2011 are as follows:

	Short Term RM'000	Long Term RM'000	Total RM'000
Trust receipts	3,007	-	3,007
Term loan	1,400	3,799	5,199
Hire purchase creditor	98	276	374
Total borrowings	<u>4,505</u>	<u>4,075</u>	<u>8,580</u>

As at 31 March 2011, the wholly owned subsidiary, Ace Edible Oil Industries Sdn Bhd has credit facilities of RM10.915 million. These facilities are secured by way of legal fixed charge over two pieces of freehold land and building, a specific debenture over plant and machinery located on the property, corporate guarantee by the Company and the Government of Malaysia/Syarikat Jaminan Pembiayaan Perniagaan Berhad’s guarantee under the Working Capital Guarantee Scheme, and the joint and several guarantees of certain directors. The hire purchase creditor is in respect of a lease financing for asset utilised by the Company, of which the portion of the borrowing due within one year have been classified as short term.

All the borrowings are denominated in Ringgit Malaysia.

B11 Derivative Financial instruments

With the adoption of Financial Reporting Standards (“FRS”) 139, financial derivatives are recognized on their respective contract dates. The Group has no transaction in the nature of financial derivative.

GREEN OCEAN CORPORATION BERHAD(Company No: 632267-P)
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FOR THE FOURTH QUARTER ENDED 31 MARCH 2011****B12 Breakdown of Realised and Unrealised Group Profits/(Losses)**

	AS AT END OF CURRENT QUARTER 31/03/2011 RM'000	AS AT PRECEDING FINANCIAL YEAR 31/03/2010 RM'000
Total retained profits/(accumulated losses)		
Realised profits/(losses)	(6,932)	(4,273)
Unrealised profits/(losses)	534	534
	<hr/>	<hr/>
	(6,398)	(3,739)
Less : Consolidated adjustments	-	-
Total Group retained profits/ (accumulated losses)	<hr/> (6,398)	<hr/> (3,739)

B13 Material litigation

The Group has no outstanding material litigation as at the date of this report.

B14 Dividends

The Directors have not recommended or declared any dividend for the quarter ended 31 March 2011.

B15 Earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2011	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2010	CURRENT YEAR TO DATE 31/03/2011	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2010
Profit/(Loss) for the period (RM'000)	(1,524)	(4,405)	(2,659)	(7,205)
Weighted average number of shares in issue ('000)	169,500	169,500	169,500	169,500
Basic earnings/(loss) per share (sen)	<hr/> (0.90)	<hr/> (2.60)	<hr/> (1.57)	<hr/> (4.25)

By Order of the Board

WONG KEO ROU (MAICSA 7021435)
Company Secretary
Kuala Lumpur
31 May 2011