

COCOALAND HOLDINGS BERHAD (Co. No. 516019-H)

(Incorporated in Malaysia)

Financial Year End : 31 December 2008
Quarter : First Quarter

Quarterly report on results for the 1st quarter ended 31 March 2008. These figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>Current Year Quarter 31.03.2008</u>	<u>Preceding Year Quarter 31.03.2007</u>	<u>Current Year To Date 31.03.2008</u>	<u>Preceding Year To Date 31.03.2007</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	31,589	32,367	31,589	32,367
Cost Of Sales	<u>(24,862)</u>	<u>(25,343)</u>	<u>(24,862)</u>	<u>(25,343)</u>
Gross Profit	6,727	7,024	6,727	7,024
Other Income	124	122	124	122
Distribution Costs	(2,263)	(1,397)	(2,263)	(1,397)
Administrative Expenses	(2,646)	(2,688)	(2,646)	(2,688)
Finance Costs	(40)	(32)	(40)	(32)
Share Of Profit/(Loss) Of Associates	<u>(22)</u>	<u>-</u>	<u>(22)</u>	<u>-</u>
Profit Before Tax	1,880	3,029	1,880	3,029
Income Tax Expenses	<u>(372)</u>	<u>(642)</u>	<u>(372)</u>	<u>(642)</u>
Profit For The Period	<u>1,508</u>	<u>2,387</u>	<u>1,508</u>	<u>2,387</u>
Attributable To:				
Equity Holders Of The Parent	1,508	2,387	1,508	2,387
Minority Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>1,508</u>	<u>2,387</u>	<u>1,508</u>	<u>2,387</u>
Earnings Per Share Attributable To Equity Holders Of The Parent				
: Basic Earnings Per Share (Sen)	1.26	1.99	1.26	1.99

Notes :

The Condensed Financial Statements should be read in conjunction with the accompanying explanatory notes attached to the financial statements.

COCOALAND HOLDINGS BERHAD (Co. No. 516019-H)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEET**AS AT 31 MARCH 2008**

(These figures have not been audited)

	As At End Of Current Quarter (Unaudited) 31.03.2008 RM'000	As At Preceding Financial Year (Audited) 31.12.2007 RM'000
ASSETS		
Non-Current Assets		
Property, Plant And Equipment	42,214	42,060
Prepaid Lease Payments	9,039	9,077
Investment	1	1
Investment In An Associated Company	4,271	2,500
	<u>55,525</u>	<u>53,638</u>
Current Assets		
Inventories	17,342	17,023
Trade Receivables	18,151	20,353
Tax Recoverable	1,660	1,252
Other Debtors, Deposit & Prepayment	1,982	1,162
Fixed Deposit With Licensed Bank	11,503	9,287
Cash & Bank Balances	2,976	3,896
	<u>53,614</u>	<u>52,973</u>
TOTAL ASSETS	<u>109,139</u>	<u>106,611</u>
EQUITY AND LIABILITIES		
Equity Attributable To Equity Holders Of The Parent		
Share Capital	60,000	60,000
Share Premium	194	194
Revenue Reserves	24,365	22,857
	84,559	83,051
Minority Interest	-	-
Total Equity	<u>84,559</u>	<u>83,051</u>
Non-Current Liabilities		
Hire Purchase Creditors	-	4
Term Loans	1,808	1,996
Deferred Taxation	3,223	3,223
	<u>5,031</u>	<u>5,223</u>
Current Liabilities		
Trade Payables	15,551	14,152
Other Creditors & Accruals	3,199	2,996
Hire Purchase Creditors	17	16
Term Loan	782	783
Bank Overdrafts	-	275
Taxation	-	115
	<u>19,549</u>	<u>18,337</u>
Total Liabilities	<u>24,580</u>	<u>23,560</u>
TOTAL EQUITY AND LIABILITIES	<u>109,139</u>	<u>106,611</u>
Net Assets (NA) Per Share (RM)	0.70	0.69

COCOALAND HOLDINGS BERHAD (Co. No. 516019-H)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium	Retained Profit	Total
	RM'000	RM'000	RM'000	RM'000
3 months ended 31 March 2007				
As at 1 January 2007	60,000	194	17,526	77,720
Net profit for the period	-	-	2,387	2,387
As at 31 March 2007	<u>60,000</u>	<u>194</u>	<u>19,913</u>	<u>80,107</u>
3 months ended 31 March 2008				
As at 1 January 2008	60,000	194	22,857	83,051
Net profit for the period	-	-	1,508	1,508
As at 31 March 2008	<u>60,000</u>	<u>194</u>	<u>24,365</u>	<u>84,559</u>

COCOALAND HOLDINGS BERHAD (Co. No. 516019-H)

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE 3 MONTHS ENDED 31 MARCH 2008
(These figures have not been audited)**

	Cumulative Current Year To Date 31.03.2008 RM'000	Cumulative Preceding Year To Date 31.03.2007 RM'000
Cash Flow From Operating Activities		
Profit Before Taxation	1,880	3,029
Adjustments for:-		
Share of (profit)/losses of associates	22	-
Allowance for doubtful debts	300	-
Depreciation of property, plant and equipment	1,115	1,119
Amortisation of prepaid lease payments	37	37
Gain on disposal of property, plant & equipment	(14)	-
Interest expense	40	31
Interest income	(74)	(75)
Operating profit before working capital changes	<u>3,306</u>	<u>4,141</u>
(Increase)/decrease in inventories	(319)	(19)
(Increase)/decrease in receivables	1,382	(67)
Increase/(decrease) in payables	<u>1,602</u>	<u>1,795</u>
Cash generated from operations	5,971	5,850
Interest received	74	75
Interest paid	(40)	(31)
Tax paid	<u>(993)</u>	<u>(435)</u>
Net Cash Provided By Operating Activities	<u>5,012</u>	<u>5,459</u>
Investment in associated company	(1,793)	-
Purchase of property, plant and equipment	(1,469)	(488)
Proceeds from disposal of property, plant and equipment	14	-
Prepayment of land lease	-	(114)
Net Cash Used In Investing Activities	<u>(3,248)</u>	<u>(602)</u>
Repayment of hire-purchase creditors	(4)	(77)
Repayment of term loans	(189)	(80)
Net Cash Used In Financing Activities	<u>(193)</u>	<u>(157)</u>
Net Change in Cash And Cash Equivalents	1,571	4,700
* Cash And Cash Equivalents At Beginning Of The Period	<u>12,908</u>	<u>12,681</u>
* Cash And Cash Equivalents At End Of The Period	<u>14,479</u>	<u>17,381</u>
* Cash & cash equivalents consists of:		
Fixed deposit with licensed banks	1,279	1,822
Short term deposits with licensed banks	10,224	12,050
Cash and bank balances	<u>2,976</u>	<u>3,509</u>
	<u>14,479</u>	<u>17,381</u>

**Part A: Explanatory Notes In Compliance With Financial Reporting Standard (“FRS”)
134: Interim Financial Reporting**

A1. Basis Of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements for year ended 31 December 2007. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the year ended 31 December 2007.

A2. Accounting Policies

The significant accounting policies and method of computation adopted by the Group in these interim financial statements are consistent with those adopted in the most recent audited financial statements of the Group.

A3. Qualification of Financial Statements

The audited report of the preceding annual financial statements was not subjected to any qualification.

A4. Seasonal or Cyclical Factors

The Group’s business operation results were not materially affected by any seasonal or cyclical factors.

A5. Nature and Amount of Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter under review.

A6. Nature and Amount of Changes in Estimates

There were no changes in the estimates of amounts reported that have a material effect in the current quarter.

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Quarterly Unaudited Results Of The Group For The 1st Quarter Ended 31 March 2008

A7. Dividend Paid

There was no dividend paid during the quarter under review.

A8. Debt and Equity Securities

There was no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the current financial quarter.

A9. Segmental Reporting

The Group operates principally in the business of manufacturing and trading of processed and preserved foods and other related foodstuffs. Accordingly, information by segment on the Group's operation is not presented.

The Group operates predominantly in Malaysia and accordingly, information by geographical location on the Group's operation is also not presented.

A10. Valuations of Property, Plant and Equipment

The property, plant and equipment except for freehold land are stated at cost/valuation less accumulated depreciation and impairment losses. There was no revaluation of property, plant and equipment for the current quarter and financial year to date.

The valuation of property, plant and equipment of the Group have been brought forward without amendment from the financial statements for the year ended 31 December 2007.

A11. Subsequent Material Events

Save as disclosed below, there have been no material events between the end of the quarter to the date of this announcement.

On 15 April, 2008, the Company acquired 2 ordinary shares of RM1.00 each in Greenhome Marketing Sdn Bhd ("GMSB"), a company incorporated in Malaysia, for a total consideration of RM2.00. The principal activities of GMSB will be that of marketing, trading and distributing of all kind of beverages and foodstuff.

On 5 May, 2008, a new wholly-owned subsidiary, Lot 100 Food Co. Ltd. ("L100") was incorporated in the People's Republic of China. The entire registered capital of L100 is RMB1,000,000. The intended principal activities of L100 are wholesaling, import and export of gummy products and other related products.

A12. Changes in the Composition of the Group

There were no material changes in the composition of the Group for the current financial quarter under review save for the following:-

The Company's wholly-owned subsidiary, Cocoland Industry Sdn. Bhd. ("CISB") has on 18 January, 2008, injected additional US\$550,000 into Coco (Fujian) Foods Company Limited ("JV Company"), which in total accumulate to US\$1,300,000, representing 26% of the total registered capital of the JV Company, in accordance with the terms and conditions of the Joint-venture Agreement ("JVA") and Supplementary Agreement ("SA") with its joint venture partner, Labixiaoxin Investments Company Limited ("LBXX Inv").

In accordance to the JVA and the SA, CISB will eventually hold US\$2.5 million (50%) of the registered capital of the JV Company whilst the remaining will be held by LBXX Inv.

A13. Contingent Liabilities or Contingent Assets

As at 23 May 2008 (being a date not earlier than 7 days from the date of issue of this report), there were no material contingent liabilities incurred by the Group, which upon becoming enforceable, may have a material impact on the financial position of the Group.

A14. Capital Commitments

The amount of capital commitments not provided for in the financial statements as at 31 March 2008 are as follows:-

	RM'000
1. Approved and contracted for the purchase of property, plant and equipment	3,623
2. Share of capital commitments of jointly controlled entity (i.e. US\$1,200,000 into Coco (Fujian) Foods Company Limited, China)	3,780

COCOALAND HOLDINGS BERHAD (Co. No. 516019-H)

Quarterly Unaudited Results Of The Group For The 1st Quarter Ended 31 March 2008

Part B: Additional Explanatory Notes In Compliance With Listing Requirements Of The Bursa Malaysia Securities Berhad

B1. Review of Performance

For the financial period under review, the Group recorded a revenue and profit before taxation of RM31.6 million and RM1.9 million and as compared to the corresponding period revenue of RM32.4 million and profit before taxation of RM3.0 million respectively.

The overall financial performance of the Group has declined due to the appreciation of Malaysian Ringgit against US Dollar and the increased in the prices of certain materials in the current year as compared to the preceding year.

B2. Comparison with Immediate Preceding Quarter's Results

	Current Year Quarter RM'000	Immediate Preceding Quarter RM'000	Difference %
Revenue	31,589	30,849	+2.4%
Profit before taxation	1,880	1,950	-3.6%

Revenue of the Group increased to RM31.6 million for the current quarter which represents 2.4% higher than that of RM30.8 million achieved in the immediate preceding quarter.

Despite the increased in revenue, the Group's profit before taxation decreased by 3.6% to RM1.9 million as compared to the result of the immediate preceding quarter mainly due to higher advertisement and promotional cost incurred.

B3. Commentary Prospects

The Group faces greater challenges ahead in view of the anticipated higher material cost and intense competition in domestic and overseas markets. Nevertheless, the Group will strive to ensure that it continues to achieve satisfactory result by implementing prudent measures and improving its operational efficiency. Plans have been undertaken to expand production capacity to meet expected increase in demand on existing and on new products to be launched. The Board anticipates the performance of the Group to remain profitable.

COCOALAND HOLDINGS BERHAD (Co. No. 516019-H)Quarterly Unaudited Results Of The Group For The 1st Quarter Ended 31 March 2008**B4. Profit Forecast Or Profit Guarantee**

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interest and forecast profit after tax and minority interest and for the shortfall in profit guarantee are not applicable.

B5. Taxation

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current Year Quarter</u>	<u>Preceding Year Quarter</u>	<u>Current Year To Date</u>	<u>Preceding Year To Date</u>
	31.03.2008	31.03.2007	31.03.2008	31.03.2007
	RM'000	RM'000	RM'000	RM'000
Income taxation:				
• Current period estimate	372	644	372	644
• Prior year	0	0	0	0
Deferred taxation :				
• Transferred to/(from) deferred taxation	0	(2)	0	(2)
	372	642	372	642

The effective tax rate of the Group for the period under review was lower than the statutory tax rate of 26% mainly due to the utilization of reinvestment allowances claimed on qualifying expenditure.

B6. Sale of Unquoted Investments and/or Properties

The Group has not disposed of any investments in any unquoted investments and/or properties during the current quarter and financial year-to-date.

B7. Quoted Securities

There was no purchase or disposal of quoted securities for the current financial period to date.

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B8. Status of Corporate Proposals

As at 23 May 2008 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report), the Group does not have any corporate proposal, which has been announced but not completed.

B9. Group Borrowings

The Group's borrowings (all denominated in Ringgit Malaysia) as at the end of the reporting quarter are as follows:-

	As At 31.03.08 RM'000	As At 31.03.07 RM'000
Short-term borrowings-secured :-		
- Hire purchase	17	64
- Term loan	782	880
- Bank overdraft	0	0
TOTAL SHORT TERM (A)	799	944
Long-term borrowing-secured :-		
- Hire purchase	0	16
- Term loan	1,808	2,434
TOTAL LONG TERM (B)	1,808	2,450
TOTAL (A) + (B)	2,607	3,394

B10. Off Balance Sheet Financial Instruments

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

B11. Material Litigation

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

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B12. Dividend Payable

No dividend has been declared in respect of the current quarter under review (2007: nil).

B13. Earnings per share

The earnings per share for the quarter and cumulative year to date are computed as follows:-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
	31.03.2008	31.03.2007	31.03.2008	31.03.2007
Profit for the period (RM'000)	1,508	2,387	1,508	2,387
Number of ordinary shares of RM0.50 each ('000)	120,000	120,000	120,000	120,000
Basic earnings per share (sen)	1.26	1.99	1.26	1.99
Diluted earnings per share (sen)*	N.A.	N.A.	N.A.	N.A.

* The Group has no potential ordinary shares in issue, therefore diluted earnings per share has not been presented.

By Order Of The Board

Liew Fook Meng
Executive Director
Dated: 26.05.2008