

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

(Incorporated in Malaysia)

Financial Year End : 31 December 2011
 Quarter : First Quarter

Quarterly report on results for the 1st quarter ended 31 March 2011. These figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.3.2011 RM'000	Preceding Year Quarter 31.3.2010 RM'000	Current Year To Date 31.3.2011 RM'000	Preceding Year To Date 31.3.2010 RM'000
Revenue	38,998	35,207	38,998	35,207
Cost Of Sales	(29,814)	(24,535)	(29,814)	(24,535)
Gross Profit	9,184	10,672	9,184	10,672
Other Income	536	185	536	185
Distribution Costs	(2,295)	(2,758)	(2,295)	(2,758)
Administrative Expenses	(3,379)	(2,772)	(3,379)	(2,772)
Finance Costs	(1)	(3)	(1)	(3)
Share Of Loss Of Associates	-	(302)	-	(302)
Profit Before Tax	4,045	5,022	4,045	5,022
Income Tax Expenses	(686)	(940)	(686)	(940)
Total Comprehensive Income	3,359	4,082	3,359	4,082
Attributable To:				
Equity Holders Of The Parent	3,359	4,082	3,359	4,082
Minority Interest	-	-	-	-
	<u>3,359</u>	<u>4,082</u>	<u>3,359</u>	<u>4,082</u>
Earnings Per Share Attributable To Equity Holders Of The Parent				
: Basic Earnings Per Share (Sen)	1.96	3.40	1.96	3.40

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 STATEMENT OF FINANCIAL POSITION
AS OF 31 MARCH 2011**

(These figures have not been audited)

	As At End Of Current Quarter (Unaudited) 31.3.2011	As At Preceding Financial Year (Audited) 31.12.2010
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, Plant And Equipment	80,351	78,165
Investment	1	1
	<u>80,352</u>	<u>78,166</u>
Current Assets		
Inventories	19,638	19,440
Trade Receivables	26,168	25,965
Tax Recoverable	1,797	2,063
Other Debtors, Deposit & Prepayment	7,420	5,584
Fixed Deposit With Licensed Bank	61,419	62,907
Cash & Bank Balances	6,353	8,241
	<u>122,795</u>	<u>124,200</u>
TOTAL ASSETS	<u><u>203,147</u></u>	<u><u>202,366</u></u>
EQUITY AND LIABILITIES		
Equity Attributable To Equity Holders Of The Parent		
Share Capital	85,800	85,800
Share Premium	44,355	44,355
Revenue Reserves	49,386	46,027
Exchange Translation Reserves	33	31
Total Equity	<u>179,574</u>	<u>176,213</u>
Non-Current Liabilities		
Deferred Taxation	77	77
	<u>77</u>	<u>77</u>
Current Liabilities		
Trade Payables	18,023	17,517
Other Creditors & Accruals	5,431	8,501
Hire Purchase Creditors	42	58
	<u>23,496</u>	<u>26,076</u>
Total Liabilities	<u>23,573</u>	<u>26,153</u>
TOTAL EQUITY AND LIABILITIES	<u><u>203,147</u></u>	<u><u>202,366</u></u>
Net Assets (NA) Per Share (RM)	1.05	1.03

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

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<---Non Distributable--->			<--Distributable-->	
	Share Capital	Share Premium	Exchange Translation Reserve	Retained Profit	Total
3 months ended 31 March 2010	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2010	60,000	194	32	40,933	101,159
Foreign currency translation differences			(3)	-	(3)
Net profit for the period	-	-	-	4,082	4,082
As at 31 March 2010	60,000	194	29	45,015	105,238
					-
3 months ended 31 March 2011	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2011	85,800	44,355	31	46,027	176,213
Foreign currency translation differences			2	-	2
Net profit for the period	-	-	-	3,359	3,359
As at 31 March 2011	85,800	44,355	33	49,386	179,574
					-
					-

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

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE 3 MONTHS ENDED 31 MARCH 2011**

(These figures have not been audited)

	Cumulative Current Year To Date 31.3.2011 RM'000	Cumulative Preceding Year To Date 31.3.2010 RM'000
Cash Flow From Operating Activities		
Profit Before Taxation	4,045	5,022
Adjustments for:-		
Share of losses of associates	-	302
Allowance for doubtful debts	150	-
Depreciation of property, plant and equipment	1,645	1,535
Gain on disposal of property, plant & equipment	(33)	(40)
Interest expense	1	3
Interest income	(427)	(23)
Operating profit before working capital changes	<u>5,381</u>	<u>6,799</u>
Increase in inventories	(198)	(1,119)
(Increase)/Decrease in receivables	(2,039)	9,497
(Decrease)/Increase in payables	(2,564)	3,494
Cash generated from operations	<u>580</u>	<u>18,671</u>
Interest received	427	23
Interest paid	(1)	(3)
Tax paid	(345)	(1,439)
Net Cash Provided By Operating Activities	<u>661</u>	<u>17,252</u>
Purchase of property, plant and equipment	(4,104)	(16,254)
Proceeds from disposal of property, plant and equipment	83	58
Net Cash Used In Investing Activities	<u>(4,021)</u>	<u>(16,196)</u>
Financing from hire-purchase creditors	180	180
Repayment of hire-purchase creditors	(196)	(195)
Repayment of term loans	-	(3)
Net Cash Used In Financing Activities	<u>(16)</u>	<u>(18)</u>
Net Change in Cash And Cash Equivalents	(3,376)	1,038
Cash And Cash Equivalents At Beginning Of The Period	71,148	14,821
Cash And Cash Equivalents At End Of The Period *	<u><u>67,772</u></u>	<u><u>15,859</u></u>
* Cash & cash equivalents consists of:		
Fixed deposit with licensed banks	55,246	464
Short term deposits with licensed banks	6,173	2,898
Cash and bank balances	6,353	12,497
	<u><u>67,772</u></u>	<u><u>15,859</u></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 2010. 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 2010.

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, except for the adoption of the following.

FRSs	Effective date
FRS 2(amendments), Share-based Payment	1.1.2011
FRS 3, Business Combinations (revised)	1.1.2011
FRS 5(amendments), Non-current Assets Held for Sales & Discontinued Operations	1.1.2011
FRS 138(amendments), Intangible Assets	1.1.2011

The adoptions of the above standards do not have any material impact on the 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.

COCOALAND HOLDINGS BERHAD (Co. No. 516019-H)Quarterly Unaudited Results Of The Group For The 1st Quarter Ended 31 March 2011

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.

A7. Dividend Paid

There was no dividend paid during the quarter under review.

A8. Debt and Equity Securities

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

A9. Segmental Reporting

Group – By Geographical

	Revenue	Profit/(Loss)	Assets
	RM'000	Before Taxation	Employed
		RM'000	RM'000
01.01.2011			
to			
31.03.2011			
Malaysia	62,957	4,616	202,472
China	566	121	675
	63,523	4,737	203,147
Elimination	(24,525)	(692)	-
Group	38,998	4,045	203,147

COCOALAND HOLDINGS BERHAD (Co. No. 516019-H)Quarterly Unaudited Results Of The Group For The 1st Quarter Ended 31 March 2011

	Revenue	Profit/(Loss)	Assets
	RM'000	Before Taxation	Employed
		RM'000	RM'000
01.01.2010			
to			
31.03.2010			
Malaysia	56,883	5,163	133,100
China	514	(250)	406
	57,397	4,913	133,506
Elimination	(22,190)	109	-
Group	35,207	5,022	133,506

The Group operates principally in the business of manufacturing and trading of processed and preserved foods, drinks and other related foodstuffs. Accordingly, information by segment on the Group's operation is 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 2010.

A11. Subsequent Material Events

There were no material events subsequent to the reporting period up to 20 May 2011 (latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) which have not been reflected in the financial statement for the quarter under review.

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

Quarterly Unaudited Results Of The Group For The 1st Quarter Ended 31 March 2011

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.

A13. Contingent Liabilities or Contingent Assets

There were no changes in other contingent liabilities or contingent assets since the last annual balance sheet as at 31 December 2010.

A14. Capital Commitments

The amount of capital commitments not provided for in the financial statements as at 31 March 2011 are as follows:-

	RM'000
1. Approved and contracted for the purchase of property, plant and equipment	9,965

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Quarterly Unaudited Results Of The Group For The 1st Quarter Ended 31 March 2011

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 RM39.0million and RM4.0 million and as compared to the corresponding period revenue of RM35.2 million and profit before taxation of RM5.0 million respectively.

The increase in sales from beverage products has contributed to the improvement in total turnover. However, profit before tax showed a reduction of 19.5% as compared with the preceding year's corresponding period mainly due to higher material cost incurred and decline to the profitability from the export business.

B2. Comparison with Immediate Preceding Quarter's Results

	Current Year Quarter RM'000	Immediate Preceding Quarter RM'000	Difference %
Revenue	38,998	38,445	+1.4%
Profit before taxation	4,045	1,582	+155.7%

Revenue of the Group increased to RM39.0 million for the current quarter which represents 1.4% higher than that of RM38.4 million achieved in the immediate preceding quarter.

The pre-tax profit of the current quarter has increased to RM4.0 million even though the turnover has remained consistent. This can be attributed to the increase in production efficiency and improvement in cost effectiveness.

B3. Commentary Prospects

Although the Group faces greater challenges ahead in view of the anticipated higher material prices, steps are being taken like increase the selling price to certain of our products and improvement in the utilization rate to our beverage production line, these will ensure that the Group will continue its growth for the financial ending 31 December 2011.

COCOALAND HOLDINGS BERHAD (Co. No. 516019-H)Quarterly Unaudited Results Of The Group For The 1st Quarter Ended 31 March 2011**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>
	31.3.2011 RM'000	31.3.2010 RM'000	31.3.2011 RM'000	31.3.2010 RM'000
Income taxation:				
• Current period estimate	686	812	686	812
• Prior year	0	5	0	5
Deferred taxation :				
• Transferred to/(from) deferred taxation	0	123	0	123
	686	940	686	940

The effect tax rate of the Group for the period under review was lower than the statutory rate of 25% 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 investment in any unquoted investment 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.

COCOALAND HOLDINGS BERHAD (Co. No. 516019-H)Quarterly Unaudited Results Of The Group For The 1st Quarter Ended 31 March 2011**B8. Status of Corporate Proposals**

(a) Status of Corporate Proposals :-

There were no corporate proposals announced but not completed as at 20 May 2011 which is not earlier than 7 days form the date of issue of this quarterly report.

(b) Status of Utilization of Proceeds :-

SUBSCRIPTION BY FRASER & NEAVE HOLDINGS BHD (“F&N”) OF 39,600,000 NEW ORDINARY SHARES OF RM0.50 EACH IN COCOALAND, REPRESENTING APPROXIMATELY 23.08% OF THE ENLARGED ISSUED AND PAID-UP SHARE CAPITAL OF COCOALAND, AT AN ISSUE PRICE OF RM1.38 PER SHARE

On 25 November 2010, the Company issued 39,600,000 new ordinary shares of RM0.50 each through a Private Placement at issue price of RM1.38 per share. The latest utilization of proceeds as of 31 March 2011 is as below:-

Purposes	Proposed Utilization (RM'000)	Actual Utilization (RM'000)	Transfer To Working Capital (RM'000)	Balance (RM'000)	Intended Timeframe for Utilisation after the share subscription
1) Acquisition of machinery	36,000	(4,450)	-	31,550	Within 12 months
2) Acquisition of property	10,000	(405)	Nil	9,595	Within 6 months
3) Working capital	8,538	(6,000)	12*	2,550	Within 6 months
4) Estimated expenses relating to the share subscription	110	(98)	(12)*	Nil	Upon completion
TOTAL	54,648	(10,953)	-	43,695	

* Any increase or decrease in the actual expenses related to the share subscription would be clawed back from or to the working capital

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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 31.3.11 RM'000	As At 31.3.10 RM'000
Short-term borrowings-secured :-		
- Hire purchase	42	60
- Term loan	0	15
TOTAL SHORT TERM (A)	42	75
Long-term borrowing-secured :-		
- Hire purchase	0	42
- Term loan	0	7
TOTAL LONG TERM (B)	0	49
TOTAL (A) + (B)	42	124

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.

B12. Financial Instruments

(a) Derivatives :-

The Group doesn't have any derivatives which need to be disclosed in this reporting period.

COCOALAND HOLDINGS BERHAD (Co. No. 516019-H)Quarterly Unaudited Results Of The Group For The 1st Quarter Ended 31 March 2011

- (b) Gains/(losses) Arising From Fair Value Changes Of Financial Liabilities :-
There was no gain/(loss) arising from fair value changes in financial liabilities in this reporting period.

B13. Dividend Payable

No interim dividend has been declared for the current quarter under review (31 March 2010: 2.5 sen per ordinary share less 25% income tax).

B14. Earnings per share

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

	<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>
	31.3.2011	31.3.2010	31.3.2011	31.3.2010
Profit for the period (RM'000)	3,359	4,082	3,359	4,082
Weighted average number of ordinary shares of RM0.50 each ('000)	171,600	120,000	171,600	120,000
Basic earnings per share (sen)	1.96	3.40	1.96	3.40
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.

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

Quarterly Unaudited Results Of The Group For The 1st Quarter Ended 31 March 2011

B15. Supplementary information on the breakdown of realised and unrealised profits or losses

The following analysis of realized and unrealized retained profits is prepared pursuant to Paragraph 2.06 and 2.23 of Bursa Malaysia Securities Berhad Listing Requirements and in accordance with the Guidance on Special Matter No.1 – Determination of Realised and Unrealised Profits or Losses as issued by the Malaysian Institute of Accountants. This disclosure is based on the format prescribed by Bursa Malaysia Securities Berhad.

	As at 31.03.2011 RM'000	As at 31.12 2010 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	80,614	79,015
- Unrealised	(77)	69
Less: Consolidation adjustments	(31,151)	(33,057)
Retained profit as per financial statement	49,386	46,027

By Order Of The Board

Liew Fook Meng
Executive Director
Dated: 23 May 2011