

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

(Incorporated in Malaysia)

Financial Year End : 31 December 2011
 Quarter : Third Quarter

Quarterly report on results for the 3rd quarter ended 30 September 2011. These figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>Current Year Quarter</u> <u>30.9.2011</u> <u>RM'000</u>	<u>Preceding Year Quarter</u> <u>30.9.2010</u> <u>RM'000</u>	<u>Current Year To Date</u> <u>30.9.2011</u> <u>RM'000</u>	<u>Preceding Year To Date</u> <u>30.9.2010</u> <u>RM'000</u>
Revenue	39,921	37,290	122,593	103,814
Cost Of Sales	<u>(31,457)</u>	<u>(30,333)</u>	<u>(94,753)</u>	<u>(77,257)</u>
Gross Profit	8,464	6,957	27,840	26,557
Other Income	506	199	1,729	582
Distribution Costs	(3,486)	(3,760)	(8,603)	(9,153)
Administrative Expenses	(2,558)	(3,288)	(9,141)	(10,957)
Finance Costs	-	(3)	(2)	(6)
Share Of Loss Of Associates	<u>-</u>	<u>-</u>	<u>-</u>	<u>(302)</u>
Profit Before Taxation	2,926	105	11,823	6,721
Income Tax Expenses	<u>(41)</u>	<u>332</u>	<u>(1,348)</u>	<u>(1,188)</u>
Total Comprehensive Income	<u>2,885</u>	<u>437</u>	<u>10,475</u>	<u>5,533</u>
Attributable To:				
Equity Holders Of The Parent	2,885	437	10,475	5,533
Minority Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>2,885</u>	<u>437</u>	<u>10,475</u>	<u>5,533</u>

Earnings Per Share Attributable To Equity Holders Of The Parent

: Basic Earnings Per Share (Sen) 1.68 0.34 6.10 4.30

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 30 SEPTEMBER 2011**

(These figures have not been audited)

	As At End Of Current Quarter (Unaudited) 30.9.2011 RM'000	As At Preceding Financial Year (Audited) 31.12.2010 RM'000
ASSETS		
Non-Current Assets		
Property, Plant And Equipment	97,886	78,165
Investment	1	1
	<u>97,887</u>	<u>78,166</u>
Current Assets		
Inventories	21,127	19,440
Trade Receivables	30,825	25,965
Tax Recoverable	2,425	2,063
Other Debtors, Deposit & Prepayment	6,721	5,584
Fixed Deposit With Licensed Bank	47,356	62,907
Cash & Bank Balances	2,437	8,241
	<u>110,891</u>	<u>124,200</u>
TOTAL ASSETS	<u><u>208,778</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	54,057	46,027
Exchange Translation Reserves	33	31
Total Equity	<u>184,245</u>	<u>176,213</u>
Non-Current Liabilities		
Deferred Taxation	400	77
	<u>400</u>	<u>77</u>
Current Liabilities		
Trade Payables	20,206	17,517
Other Creditors & Accruals	3,917	8,501
Hire Purchase Creditors	10	58
	<u>24,133</u>	<u>26,076</u>
Total Liabilities	<u>24,533</u>	<u>26,153</u>
TOTAL EQUITY AND LIABILITIES	<u><u>208,778</u></u>	<u><u>202,366</u></u>
Net Assets (NA) Per Share (RM)	1.07	1.03

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

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<---Non Distributable--->			<--Distributable-->	
	Share Capital	Share Premium	Exchange Translation Reserve	Retained Profit	Total
9 months ended 30 September 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			(4)	-	(4)
Net profit for the period	-	-	-	5,533	5,533
Cumulative movements during the periods					
Issue of Ordinary Shares	6,000	10,200		-	16,200
Interim dividend 5% less 25% income tax paid on 30 June 2010	-	-	-	(2,475)	(2,475)
As at 30 September 2010	66,000	10,394	28	43,991	120,413
					-
					-
9 months ended 30 September 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	-	-	-	10,475	10,475
Interim dividend of 3.8% less 25% income tax paid on 11 April 2011	-	-	-	(2,445)	(2,445)
As at 30 September 2011	85,800	44,355	33	54,057	184,245
					(0)
					-

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

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2011**

(These figures have not been audited)

	Cumulative Current Year To Date 30.9.2011 RM'000	Cumulative Preceding Year To Date 30.9.2010 RM'000
Cash Flow From Operating Activities		
Profit Before Taxation	11,823	6,721
Adjustments for:-		
Share of losses of associates	-	(302)
Allowance for doubtful debts no longer required	(1,155)	-
Allowance for doubtful debts	1,527	340
Depreciation of property, plant and equipment	5,657	5,155
Gain on disposal of property, plant & equipment	(163)	(66)
Loss on disposal of investment	-	1,529
Property, plant and equipment written off	206	57
Interest expense	4	7
Interest income	(1,211)	(85)
Operating profit before working capital changes	<u>16,688</u>	<u>13,356</u>
Increase in inventories	(1,687)	(6,330)
(Increase)/Decrease in receivables	(5,997)	5,364
Increase/(Decrease) in payables	(1,895)	3,442
Cash generated from operations	<u>7,109</u>	<u>15,832</u>
Interest received	1,211	85
Interest paid	(4)	(7)
Tax refunded	249	(23)
Tax paid	(1,688)	(4,559)
Dividends paid	(2,445)	(4,725)
Net Cash Provided By Operating Activities	<u>4,432</u>	<u>6,603</u>
Purchase of property, plant and equipment	(25,941)	(19,969)
Proceeds from disposal of property, plant and equipment	201	315
Proceeds from disposal of investment	-	1,265
Net Cash Used In Investing Activities	<u>(25,740)</u>	<u>(18,389)</u>
Proceeds from issue of shares	-	16,200
Repayment of hire-purchase creditors	(47)	(45)
Repayment of term loans	-	(26)
Net Cash (Used In)/Provided By Financing Activities	<u>(47)</u>	<u>16,129</u>
Net Change in Cash And Cash Equivalents	(21,355)	4,343
Cash And Cash Equivalents At Beginning Of The Period	71,148	14,821
Cash And Cash Equivalents At End Of The Period *	<u>49,793</u>	<u>19,164</u>
* Cash & cash equivalents consists of:		
Fixed deposit with licensed banks	41,063	7,428
Short term deposits with licensed banks	6,293	2,005
Cash and bank balances	2,437	9,731
	<u>49,793</u>	<u>19,164</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 3rd Quarter Ended 30 September 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	Assets
	RM'000	Before Taxation	Employed
	RM'000	RM'000	RM'000
01.01.2011			
to			
30.09.2011			
Malaysia	191,206	12,247	208,212
China	1,449	232	566
	192,655	12,479	208,778
Elimination	(70,062)	(656)	-
Group	122,593	11,823	208,778

COCOALAND HOLDINGS BERHAD (Co. No. 516019-H)Quarterly Unaudited Results Of The Group For The 3rd Quarter Ended 30 September 2011

	Revenue RM'000	Profit Before Taxation RM'000	Assets Employed RM'000
01.01.2010 to 30.09.2010			
Malaysia	171,907	9,751	147,362
China	881	(47)	404
	172,788	9,704	147,766
Elimination	(68,974)	(2,983)	-
Group	103,814	6,721	147,766

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 18 November 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.

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.

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

Quarterly Unaudited Results Of The Group For The 3rd Quarter Ended 30 September 2011

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 outstanding amount of capital commitments as at 30 September 2011 are as follows:-

	RM'000
1. Approved and contracted for the purchase of property, plant and equipment	24,410

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

B1. Review of Performance

In the financial period under review, the Group posted a 18% year-on-year revenue growth from RM103.8 million to RM122.6 million; this was mainly due to increased selling price and trading volume of our Fruit Gummy and Beverage production lines. However, during the year, the Malaysian Ringgit has also been steadily strengthening against the US dollar. Consequently the impact of increased selling price on revenue growth was partially negated by the stronger Malaysian Ringgit.

The Group achieved profit before taxation of RM11.8 million, an increase of RM5.1 million or 76% from the previous corresponding period. This improvement in profit was attributable to the increase in production efficiency during the current period.

B2. Comparison with Immediate Preceding Quarter's Results

	Current Year Quarter RM'000	Immediate Preceding Quarter RM'000	Difference %
Revenue	39,921	43,674	-8.6%
Profit before taxation	2,926	4,852	-39.7%

Revenue of the Group decreased to RM39.9 million for the current quarter which represents a 8.6% decrease from the RM43.7 million achieved in the immediate preceding quarter.

The pre-tax profit of the current quarter decreased by RM1.9 million or 39.7% to RM2.9 million. The decline was due to higher advertisement and promotion expense incurred and lower revenue generated during the quarter.

B3. Commentary On Prospects

Although the Group is still facing challenge of higher material prices, steps are being taken, such as increasing the selling price of certain products and improving the utilization rate to our beverage production lines.

COCOALAND HOLDINGS BERHAD (Co. No. 516019-H)Quarterly Unaudited Results Of The Group For The 3rd Quarter Ended 30 September 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. Income Tax

	<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>
	30.9.2011 RM'000	30.9.2010 RM'000	30.9.2011 RM'000	30.9.2010 RM'000
Income tax:				
• Current period estimate	(282)	(335)	999	834
• Prior year	-	425	26	430
Deferred taxation :				
• Transferred to deferred taxation	323	(422)	323	(76)
	<u>41</u>	<u>(332)</u>	<u>1,348</u>	<u>1,188</u>

The effective 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 3rd Quarter Ended 30 September 2011**B8. Status of Corporate Proposals**

(a) Status of Corporate Proposals :-

There were no corporate proposals announced but not completed as at 18 November 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 30 September 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	(8,818)	-	27,182	Within 12 months
2) Acquisition of property	10,000	(7,936)	(2,064)*	Nil	Within 6 months
3) Working capital	8,538	(10,614)	2,076*	Nil	Within 6 months
4) Estimated expenses relating to the share subscription	110	(98)	(12)*	Nil	Upon completion
TOTAL	54,648	(27,466)	-	27,182	

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

COCOALAND HOLDINGS BERHAD (Co. No. 516019-H)Quarterly Unaudited Results Of The Group For The 3rd Quarter Ended 30 September 2011**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 30.9.2011 RM'000	As At 30.9.2010 RM'000
Short-term borrowings-secured :-		
- Hire purchase	10	60
- Term loan	0	0
TOTAL SHORT TERM (A)	10	60
Long-term borrowing-secured :-		
- Hire purchase	0	13
- Term loan	0	0
TOTAL LONG TERM (B)	0	13
TOTAL (A) + (B)	10	73

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.

(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.

COCOALAND HOLDINGS BERHAD (Co. No. 516019-H)Quarterly Unaudited Results Of The Group For The 3rd Quarter Ended 30 September 2011**B13. Dividend Payable**

The Board of Directors has declared a first interim tax exempt (single-tier) dividend of 2.5 sen per ordinary share (30 September 2010: nil) on 171,600,000 ordinary shares, amounting to RM4,290,000 in respect of the financial year ending 31 December 2011, which will be paid on 30 December 2011. The entitlement date for the above-mentioned interim dividend is on 12 December 2011.

The total dividend of the current financial year is 2.5 sen per ordinary share.

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>
	30.9.2011	30.9.2010	30.9.2011	30.9.2010
Profit for the period (RM'000)	2,885	437	10,475	5,533
Weighted average number of ordinary shares of RM0.50 each ('000)	171,600	128,811	171,600	128,811
Basic earnings per share (sen)	1.68	0.34	6.1	4.30
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 3rd Quarter Ended 30 September 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 30.09.2011 RM'000	As at 31.12.2010 RM'000
<hr/>		
Total retained profits of the Company and its subsidiaries		
- Realised	85,572	79,015
- Unrealised	(400)	69
Less: Consolidation adjustments	(31,115)	(33,057)
<u>Retained profit as per financial statement</u>	<u>54,057</u>	<u>46,027</u>

By Order Of The Board

Liew Fook Meng
Executive Director
Dated: 22 November 2011