

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

(Incorporated in Malaysia)

Financial Year End : 31 December 2010
 Quarter : Fourth Quarter

Quarterly report on results for the 4th quarter ended 31 December 2010. 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>31.12.2010</u> <u>RM'000</u>	<u>Preceding Year Quarter</u> <u>31.12.2009</u> <u>RM'000</u>	<u>Current Year To Date</u> <u>31.12.2010</u> <u>RM'000</u>	<u>Preceding Year To Date</u> <u>31.12.2009</u> <u>RM'000</u>
Revenue	38,465	35,408	142,279	133,176
Cost Of Sales	<u>(32,300)</u>	<u>(24,592)</u>	<u>(112,868)</u>	<u>(89,946)</u>
Gross Profit	6,165	10,816	29,411	43,230
Other Income	358	426	940	1,052
Distribution Costs	(2,463)	(2,128)	(8,305)	(8,588)
Administrative Expenses	(2,775)	(2,541)	(13,731)	(9,556)
Finance Costs	(1)	(20)	(8)	(104)
Share Of Profit/(Loss) Of Associates	<u>-</u>	<u>(163)</u>	<u>(302)</u>	<u>(732)</u>
Profit Before Tax	1,284	6,390	8,005	25,302
Income Tax Expenses	<u>2,705</u>	<u>(1,197)</u>	<u>1,517</u>	<u>(5,609)</u>
Profit For The Period	<u>3,989</u>	<u>5,193</u>	<u>9,522</u>	<u>19,693</u>
Attributable To:				
Equity Holders Of The Parent	3,989	5,193	9,522	19,693
Minority Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>3,989</u>	<u>5,193</u>	<u>9,522</u>	<u>19,693</u>
Other Comprehensive Income After Tax:-				
Currency Translation Difference	(1)	3	(4)	(21)
Total Comprehensive Income For The Period	<u>3,988</u>	<u>5,196</u>	<u>9,518</u>	<u>19,672</u>
Earnings Per Share Attributable To Equity Holders Of The Parent				
: Basic Earnings Per Share (Sen)	3.00	4.33	7.17	16.41

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 DECEMBER 2010**

(These figures have not been audited)

	As At End Of Current Quarter (Unaudited) 31.12.2010 RM'000	As At Preceding Financial Year (Audited) 31.12.2009 RM'000
ASSETS		
Non-Current Assets		
Property, Plant And Equipment	78,169	59,430
Investment	1	1
Investment In An Associated Company	-	3,096
	<u>78,170</u>	<u>62,527</u>
Current Assets		
Inventories	19,435	17,535
Trade Receivables	25,965	21,574
Tax Recoverable	2,093	559
Other Debtors, Deposit & Prepayment	5,552	9,522
Fixed Deposit With Licensed Bank	62,905	5,996
Cash & Bank Balances	8,096	8,824
	<u>124,046</u>	<u>64,010</u>
TOTAL ASSETS	<u>202,216</u>	<u>126,537</u>
EQUITY AND LIABILITIES		
Equity Attributable To Equity Holders Of The Parent		
Share Capital	85,800	60,000
Share Premium	45,242	194
Revenue Reserves	45,730	40,933
Exchange Translation Reserves	28	32
Total Equity	<u>176,800</u>	<u>101,159</u>
Non-Current Liabilities		
Hire Purchase Creditors	-	58
Term Loans	-	11
Deferred Taxation	77	3,313
	<u>77</u>	<u>3,382</u>
Current Liabilities		
Trade Payables	17,514	13,606
Other Creditors & Accruals	7,767	6,968
Hire Purchase Creditors	58	60
Term Loan	-	15
Taxation	-	1,347
	<u>25,339</u>	<u>21,996</u>
Total Liabilities	<u>25,416</u>	<u>25,378</u>
TOTAL EQUITY AND LIABILITIES	<u>202,216</u>	<u>126,537</u>
Net Assets (NA) Per Share (RM)	1.03	0.84

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
12 months ended 31 December 2009	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2009	60,000	194	53	27,990	88,237
Foreign currency translation differences			(21)	-	(21)
Net profit for the period	-	-	-	19,693	19,693
Interim dividend of 5% less 25% income tax paid on 25 September 2009	-	-	-	(4,500)	(4,500)
Interim dividend of 5% less 25% income tax paid on 31 December 2009	-	-	-	(2,250)	(2,250)
As at 31 December 2009	60,000	194	32	40,933	101,159
					-
12 months ended 31 December 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)
Cumulative movements during the periods					
Issue of new ordinary shares	25,800	45,048		-	70,848
Net profit for the period	-	-	-	9,522	9,522
Interim dividend of 5% less 25% income tax paid on 6 April 2010	-	-	-	(2,250)	(2,250)
Interim dividend of 5% less 25% income tax paid on 30 June 2010	-	-	-	(2,475)	(2,475)
As at 31 December 2010	85,800	45,242	28	45,730	176,800

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE 12 MONTHS ENDED 31 DECEMBER 2010
(These figures have not been audited)**

	Cumulative Current Year To Date 31.12.2010 RM'000	Cumulative Preceding Year To Date 31.12.2009 RM'000
Cash Flow From Operating Activities		
Profit Before Taxation	8,005	25,302
Adjustments for:-		
Share of losses of associates	302	732
Allowance for doubtful debts no longer required	-	(424)
Allowance for doubtful debts	601	26
Depreciation of property, plant and equipment	7,068	5,071
Unrealised loss on foreign exchange	79	-
(Gain)/Loss on disposal of property, plant & equipment	(141)	1
Loss on disposal of investment	1,529	-
Property, plant and equipment written off	57	13
Exchange translation reserves	-	(51)
Interest expense	8	104
Interest income	(379)	(292)
Operating profit before working capital changes	<u>17,129</u>	<u>30,482</u>
(Increase)/Decrease in inventories	(1,900)	(2,916)
(Increase)/Decrease in receivables	(421)	(8,008)
(Decrease)/Increase in payables	3,852	1,227
Cash generated from operations	<u>18,660</u>	<u>20,785</u>
Interest received	379	292
Interest paid	(8)	(104)
Tax paid	(4,572)	(3,730)
Dividends paid	(4,725)	(6,750)
Net Cash Provided By Operating Activities	<u>9,734</u>	<u>10,493</u>
Purchase of property, plant and equipment	(26,107)	(10,215)
Proceeds from disposal of property, plant and equipment	388	473
Proceeds from disposal of investment	1,403	-
Net Cash Used In Investing Activities	<u>(24,316)</u>	<u>(9,742)</u>
Proceeds from issue of shares	70,848	-
Repayment of hire-purchase creditors	(60)	(61)
Repayment of term loans	(26)	(1,990)
Net Cash Used In Financing Activities	<u>70,762</u>	<u>(2,051)</u>
Net Change in Cash And Cash Equivalents	56,180	(1,300)
Cash And Cash Equivalents At Beginning Of The Period	14,821	16,121
Cash And Cash Equivalents At End Of The Period *	<u>71,001</u>	<u>14,821</u>
* Cash & cash equivalents consists of:		
Fixed deposit with licensed banks	59,249	464
Short term deposits with licensed banks	3,656	5,533
Cash and bank balances	8,096	8,824
	<u>71,001</u>	<u>14,821</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 2009. 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 2009.

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, Share-based Payment (revised)	1.1.2010
FRS 7, Financial Instruments: Disclosure	1.1.2010
FRS 8, Operating Segments	1.1.2010
FRS 101, Presentation of Financial Statement (revised)	1.1.2010
FRS 123, Borrowing Costs (revised)	1.1.2010
FRS 127, Consolidated and Separate Financial Statement (revised)	1.1.2010
FRS 132, Financial Instrument: Presentation (revised)	1.1.2010
FRS 139, Financial Instruments: Recognition and Measurement	1.1.2010

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 4th Quarter Ended 31 December 2010

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
01.01.2010			
to			
31.12.2010			
Malaysia	232,642	12,988	201,205
China	1,384	(1,819)	1,011
	234,026	11,169	202,216
Elimination	(91,747)	(3,164)	-
Group	142,279	8,005	202,216

COCOALAND HOLDINGS BERHAD (Co. No. 516019-H)Quarterly Unaudited Results Of The Group For The 4th Quarter Ended 31 December 2010

	Revenue	Profit/(Loss)	Assets
	RM'000	Before Taxation	Employed
		RM'000	RM'000
01.01.2009			
to			
31.12.2009			
Malaysia	232,633	41,213	123,038
China	905	(873)	3,499
	233,538	40,340	126,537
Elimination	(100,362)	(15,038)	-
Group	133,176	25,302	126,537

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 2009.

A11. Subsequent Material Events

There were no material events subsequent to the reporting period up to 16 February 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 4th Quarter Ended 31 December 2010

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 had on 22 December 2010 acquired the entire issued and paid-up share capital of CCL Food & Beverage Sdn. Bhd (“CFBSB”) comprising 2 ordinary shares of RM1.00 each at total cash consideration of RM2.00, making it a wholly owned subsidiary of the Company. CFBSB was incorporated under the Companies Act, 1965 on 15 November 2010 and it is currently dormant.

A13. Contingent Liabilities or Contingent Assets

As at 16 February 2011 (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 December 2010 are as follows:-

	RM'000
1. Approved and contracted for the purchase of property, plant and equipment	2,185

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Quarterly Unaudited Results Of The Group For The 4th Quarter Ended 31 December 2010

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 RM142.3 million and RM8.0 million and as compared to the corresponding period revenue of RM133.2 million and profit before taxation of RM25.3 million respectively.

Profit before tax showed a reduction of 68.4% as compared with the preceding year's same period mainly due to higher start up cost incurred for the new beverage production line, loss incurred from the disposal of investment in China and the strengthening of Ringgit Malaysia against United States Dollar.

B2. Comparison with Immediate Preceding Quarter's Results

	Current Year Quarter RM'000	Immediate Preceding Quarter RM'000	Difference %
Revenue	38,465	37,290	+3.1%
Profit before taxation	1,284	105	+1,122.9%

Revenue of the Group increased to RM38.4 million for the current quarter which represents 3.1% higher than that of RM37.3 million achieved in the immediate preceding quarter.

The pre-tax profit of the current quarter has increased to RM1.3 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

The Group faces greater challenges ahead in view of the anticipated higher material prices and intense competition in domestic and export markets. The first beverage production line has been fully installed and commissioned. The Board anticipates the performance of the Group to remain profitable for the financial year 2011.

COCOALAND HOLDINGS BERHAD (Co. No. 516019-H)Quarterly Unaudited Results Of The Group For The 4th Quarter Ended 31 December 2010**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>
	31.12.2010 RM'000	31.12.2009 RM'000	31.12.2010 RM'000	31.12.2009 RM'000
Income taxation:				
• Current period estimate	455	596	1,290	5,451
• Prior year	0	66	429	87
Deferred taxation :				
• Transferred to/(from) deferred taxation	(3,160)	535	(3,236)	71
	(2,705)	1,197	(1,517)	5,609

The income tax provision for the period is disproportionate to the statutory tax rate principally due to claims for reinvestment allowance and capital allowance.

B6. Sale of Unquoted Investments and/or Properties

On 6 June 2010, the Company's wholly owned subsidiary, Cocoaland Industry Sdn. Bhd. had disposed of its entire equity stake in Coco (Fujian) Foods Co. Ltd., which was involved in the business of manufacturing fruit gummy in China, for total cash consideration of US\$425,000.

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 4th Quarter Ended 31 December 2010**B8. Status of Corporate Proposals**

(a) Status of Corporate Proposals :-

There were no corporate proposals announced but not completed as at 16 February 2011 which is not earlier than 7 days form the date of issue of this quarterly report.

(b) Status of Utilization of Proceeds :-

PRIVATE PLACEMENT ON 8 APRIL 2010

The Company issued 12,000,000 new ordinary shares of RM0.50 each from the Private Placement at issue price of RM1.35 per share on 8 April 2010. The latest utilization of proceeds as of 31 December 2010 is as below:-

Purposes	Proposed Utilization	Actual Utilization	Balance
	RM'000	RM'000	RM'000
Working Capital	16,200	16,200	Nil

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 2011, 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 December 2010 is as below:-

Purposes	Proposed Utilization	Actual Utilization	Transfer To Working Capital	Balance	Intended Timeframe for Utilisation after the share subscription
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	
1) Acquisition of machinery	36,000	(4,450)	-	31,550	Within 12 months
2) Acquisition of property	10,000	Nil	Nil	10,000	Within 6 months
3) Working capital	8,538	Nil	12*	8,550	Within 6 months
4) Estimated expenses relating to the share subscription	110	(98)	(12)*	Nil	Upon completion
TOTAL	54,648	(4,548)	-	50,100	

* 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 4th Quarter Ended 31 December 2010

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 31.12.10 RM'000	As At 31.12.09 RM'000
Short-term borrowings-secured :-		
- Hire purchase	58	60
- Term loan	0	15
- Bank overdraft	0	0
TOTAL SHORT TERM (A)	58	75
Long-term borrowing-secured :-		
- Hire purchase	0	58
- Term loan	0	11
TOTAL LONG TERM (B)	0	69
TOTAL (A) + (B)	58	144

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 4th Quarter Ended 31 December 2010

- (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

2nd interim dividend of 1.9 sen per ordinary share less income tax has been proposed for the current quarter.

- (i) Amount per share : 1.9 sen less 25% income tax
(ii) Previous corresponding quarter : 2.5 sen per ordinary share
(iii) Entitlement date and payment date : To be advised

The total dividend of the current financial year: 4.4 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>
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Profit for the period (RM'000)	3,989	5,193	9,522	19,693
Weighted average number of ordinary shares of RM0.50 each ('000)	132,825	120,000	132,825	120,000
Basic earnings per share (sen)	3.00	4.33	7.17	16.41
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 4th Quarter Ended 31 December 2010

By Order Of The Board

Liew Fook Meng

Executive Director

Dated: 22 February 2011