

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

(Incorporated in Malaysia)

Financial Year End : 31 December 2016

Quarter : Fourth Quarter

Quarterly report on results for the 4th quarter ended 31 December 2016. These figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Current Year Quarter 31.12.2016 RM'000</b>	<b>Preceding Year Quarter 31.12.2015 RM'000</b>	<b>Current Year To Date 31.12.2016 RM'000</b>	<b>Preceding Year To Date 31.12.2015 RM'000</b>
Revenue	77,687	73,319	272,638	261,645
Cost Of Sales	(52,168)	(46,237)	(194,000)	(179,522)
<b>Gross Profit</b>	<b>25,519</b>	<b>27,082</b>	<b>78,638</b>	<b>82,123</b>
Other Income	5,351	(646)	11,088	4,475
Distribution Costs	(4,100)	(5,380)	(14,785)	(18,803)
Administrative Expenses	(6,734)	(6,559)	(19,634)	(23,034)
Finance Costs	-	-	-	-
<b>Profit Before Taxation</b>	<b>20,036</b>	<b>14,497</b>	<b>55,307</b>	<b>44,761</b>
Taxation	(3,136)	(3,906)	(11,507)	(12,040)
<b>Profit For The Period</b>	<b>16,900</b>	<b>10,591</b>	<b>43,800</b>	<b>32,721</b>
<b>Other Comprehensive Income</b> <i>Items that will not be reclassified subsequently to profit or loss</i>				
- Exchange Translation Differences For Foreign Operations	(217)	257	(114)	392
- Revaluation Of Land And Building	-	(144)	-	(144)
<b>Other Comprehensive Income For The Period</b>	<b>(217)</b>	<b>113</b>	<b>(114)</b>	<b>248</b>
<b>Total Comprehensive Income For The Period</b>	<b>16,683</b>	<b>10,704</b>	<b>43,686</b>	<b>32,969</b>
Profit For The Period Attributable To: Owners Of The Parent	16,900	10,591	43,800	32,721
Total Comprehensive Income Attributable To: Owners Of The Parent	16,683	10,704	43,686	32,969
<b>Earnings Per Share</b> Basic And Diluted Earnings Per Share (Sen)	<b>7.39</b>	<b>4.63</b>	<b>19.14</b>	<b>14.30</b>

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 2016**

(These figures have not been audited)

	<b>As At End Of Current Quarter (Unaudited) 31.12.2016 RM'000</b>	<b>As At Preceding Financial Year (Audited) 31.12.2015 RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant And Equipment	119,580	129,642
Other Investments	1	1
	<u>119,581</u>	<u>129,643</u>
<b>Current Assets</b>		
Inventories	44,557	35,868
Trade Receivables	55,580	42,177
Tax Recoverable	202	562
Other Receivables, Deposit & Prepayment	3,798	2,435
Fixed Deposit With Licensed Bank	49,051	209
Short Term Deposit	2,791	30,866
Cash & Bank Balances	13,602	9,346
	<u>169,581</u>	<u>121,463</u>
<b>TOTAL ASSETS</b>	<u><u>289,162</u></u>	<u><u>251,106</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable To Owners Of The Parent</b>		
Share Capital	114,400	114,400
Share Premium	15,754	15,754
Revenue Reserves	109,100	72,164
Exchange Translation Reserves	248	362
Total Equity	<u>239,502</u>	<u>202,680</u>
<b>Non-Current Liabilities</b>		
Deferred Tax Liabilities	8,540	9,941
	<u>8,540</u>	<u>9,941</u>
<b>Current Liabilities</b>		
Trade Payables	28,947	24,070
Other Payables & Accruals	9,111	10,616
Tax Payables	3,062	3,799
	<u>41,120</u>	<u>38,485</u>
<b>TOTAL LIABILITIES</b>	<u>49,660</u>	<u>48,426</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>289,162</u></u>	<u><u>251,106</u></u>
Net Assets (NA) Per Share (RM)	1.05	0.89

**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		Revaluation Reserve	Retained Earnings
12 months ended 31 December 2015	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2015</b>	<b>85,800</b>	<b>44,355</b>	<b>114</b>	<b>-</b>	<b>88,063</b>	<b>218,332</b>
Exchange translation differences for foreign operations	-	-	392	-	-	392
Revaluation of land and buildings	-	-	-	(144)	-	(144)
Other comprehensive income for the financial year	-	-	392	(144)	-	248
Profit for the financial year	-	-	-	-	32,720	32,720
<b>Total comprehensive income for the financial year</b>	<b>-</b>	<b>-</b>	<b>392</b>	<b>(144)</b>	<b>32,720</b>	<b>32,968</b>
<i>Contributions by and distributions to owners of the parent</i>						
Dividends to owners of the parent	-	-	-	-	(4,290)	(4,290)
-Interim single-tier dividend of 5% paid on 3 April 2015	-	-	-	-	(4,290)	(4,290)
-Interim single-tier dividend of 5% paid on 2 October 2015	-	-	-	-	(34,320)	(34,320)
-Special dividend of 40% paid on 2 October 2015	-	-	-	-	(5,720)	(5,720)
-Interim single-tier dividend of 5% paid on 30 December 2015	-	-	-	-	-	-
Bonus issue	28,600	(28,600)	-	-	-	-
<b>Total transactions with owners of the parent</b>	<b>28,600</b>	<b>(28,600)</b>	<b>-</b>	<b>-</b>	<b>(48,620)</b>	<b>(48,620)</b>
<b>At 31 December 2015</b>	<b>114,400</b>	<b>15,755</b>	<b>506</b>	<b>(144)</b>	<b>72,163</b>	<b>202,680</b>
<b>12 months ended 31 December 2016</b>						
<b>At 1 January 2016</b>	<b>114,400</b>	<b>15,755</b>	<b>362</b>	<b>-</b>	<b>72,163</b>	<b>202,680</b>
Exchange translation differences for foreign operations	-	-	(114)	-	-	(114)
Other comprehensive income for the financial year	-	-	(114)	-	-	(114)
Profit for the financial year	-	-	-	-	43,800	43,800
<b>Total comprehensive income for the financial year</b>	<b>-</b>	<b>-</b>	<b>(114)</b>	<b>-</b>	<b>43,800</b>	<b>43,686</b>
<i>Contributions by and distributions to owners of the parent</i>						
Dividends to owners of the parent	-	-	-	-	(6,864)	(6,864)
-Single-tier dividend 6% paid on 5 April 2016	-	-	-	-	(6,864)	(6,864)
<b>Total transactions with owners of the parent</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,864)</b>	<b>(6,864)</b>
<b>At 31 December 2016</b>	<b>114,400</b>	<b>15,755</b>	<b>248</b>	<b>-</b>	<b>109,099</b>	<b>239,502</b>

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

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW****FOR THE 12 MONTHS ENDED 31 DECEMBER 2016****(These figures have not been audited)**

	<b>Cumulative Current Year To Date 31.12.2016 RM'000</b>	<b>Cumulative Preceding Year To Date 31.12.2015 RM'000</b>
<b>Cash Flow From Operating Activities</b>		
Profit Before Taxation	55,307	44,761
Adjustments for:-		
Inventories written down	110	-
Reversal of inventories written down	(430)	1,041
Reversal of impairment of trade receivables	(2,802)	(249)
Impairment of trade receivables	-	2,158
Bad debt written off	2	79
Depreciation of property, plant and equipment	14,128	12,091
Unrealised (gain) / loss on foreign exchange	(1,205)	276
(Gain) / Loss on disposal of property, plant & equipment	(147)	42
Property, plant and equipment written off	48	131
Dividend income	(1)	(1)
Interest income	(1,247)	(1,241)
Operating profit before working capital changes	<u>63,763</u>	<u>59,088</u>
Changes in working capital		
(Increase) / Decrease in inventories	(8,412)	1,255
(Increase) / Decrease in receivables	(10,761)	5,586
Increase in payables	3,371	1,448
	<u>(15,802)</u>	<u>8,289</u>
Cash generated from operations	<u>47,961</u>	<u>67,377</u>
Interest received	1,247	1,241
Tax refunded	88	32
Tax paid	(13,372)	(8,505)
Dividends paid	(6,864)	(48,620)
Dividends received	1	1
	<u>(18,900)</u>	<u>(55,851)</u>
<b>Net Cash Generated From Operating Activities</b>	<u>29,061</u>	<u>11,526</u>
<b>Cash Flow From Investing Activities</b>		
Purchase of property, plant and equipment	(4,126)	(2,932)
Proceeds from disposal of property, plant and equipment	156	33
<b>Net Cash Used In Investing Activities</b>	<u>(3,970)</u>	<u>(2,899)</u>
<b>Net Cash Generated From / (Used In) Financing Activities</b>	<u>-</u>	<u>-</u>
Net Increase in Cash And Cash Equivalents	25,091	8,627
Effect of Exchange Translation Differences on Cash and Cash Equivalents	(69)	500
Cash And Cash Equivalents At Beginning Of The Period	40,422	31,294
<b>Cash And Cash Equivalents At End Of The Period *</b>	<u>65,444</u>	<u>40,421</u>
<b>* Cash &amp; cash equivalents consists of:</b>		
Fixed deposit with licensed banks	49,051	209
Short term deposits with licensed banks	2,791	30,866
Cash and bank balances	13,602	9,346
	<u>65,444</u>	<u>40,421</u>

**Part A: Explanatory Notes In Compliance With Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting in Malaysia**

**A1. Accounting Policies and Basis Of Preparation**

These condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting in Malaysia issued by the Malaysian Accounting Standards Board and with paragraph 9.22 and Appendix 9B of the of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). The interim financial statements should be read in conjunction with the Group’s audited financial statements for year ended 31 December 2015.

The audited financial statements of the Group for the year ended 31 December 2015 were prepared in accordance with MFRS.

There are no new MFRSs or interpretations that are effective for the first time in this quarter that would be expected to have a material effect of the Group.

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statement for the year ended 31 December 2015.

**A2. Qualification of Financial Statements**

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

**A3. Seasonal or Cyclical Factors**

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

**A4. 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.

**A5. 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.

**COCOALAND HOLDINGS BERHAD** (Co. No. 516019-H)Quarterly Unaudited Results Of The Group For The 4<sup>th</sup> Quarter Ended 31 December 2016**A6. Dividend Paid**

For the financial period ended 31 December 2016

- (i) The third interim single tier dividend of 6.0% or 3.00 sen per ordinary share, on 228,800,000 ordinary shares, amounting to RM6.864 million in respect of the financial year ended 31 December 2015, was paid on 5 April 2016.

For the financial period ended 31 December 2015

- (i) The third interim single tier dividend of 5.0% or 2.50 sen per ordinary share, on 171,600,000 ordinary shares, amounting to RM4.290 million in respect of the financial year ended 31 December 2014, was paid on 3 April 2015.
- (ii) The first interim single tier dividend of 5.0% or 2.50 sen per ordinary share, and a special interim dividend of 40% or 20 sen per ordinary share, amounting to RM4.290 million and RM34.320 million respectively on 171,600,000 ordinary shares, in respect of the financial year ended 31 December 2015, was paid on 2 October 2015.
- (iii) The second interim single tier dividend of 5.0% or 2.50 sen per ordinary share, on 228,800,000 ordinary shares, amounting to RM5.720 million in respect of the financial year ended 31 December 2015, was paid on 30 December 2015.

**A7. Debt and Equity Securities**

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

**A8. Segmental Reporting**

The Group's segmental report for the current financial period ended 31 December 2016 is as below:-

	<u>Individual 4<sup>th</sup> Quarter</u>		<u>Cumulative 4<sup>th</sup> Quarter</u>	
	<u>Current Year</u> RM'000	<u>Preceding Year</u> RM'000	<u>Current Year</u> RM'000	<u>Preceding Year</u> RM'000
<u>Group – by business segment :-</u>				
<u>Net revenue</u>				
Manufacturing	57,499	52,750	211,721	201,337
Trading	53,018	53,713	180,832	177,155
Investment holding	-	-	10,000	50,000
Less: Inter-segment revenue	(32,830)	(33,144)	(129,915)	(166,847)
<b>Total consolidated revenue</b>	<b>77,687</b>	<b>73,319</b>	<b>272,638</b>	<b>261,645</b>

**COCOALAND HOLDINGS BERHAD** (Co. No. 516019-H)Quarterly Unaudited Results Of The Group For The 4<sup>th</sup> Quarter Ended 31 December 2016Segment result

Manufacturing	5,655	3,272	15,464	11,124
Trading	14,374	11,494	40,546	34,835
Investment holding	(157)	(310)	9,283	48,993
Less: Elimination	164	41	(9,986)	(50,191)
<b>Total consolidated profit before tax</b>	<b>20,036</b>	<b>14,497</b>	<b>55,307</b>	<b>44,761</b>

As At Current Year Quarter RM'000	As At Preceding Year Quarter RM'000
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Group – by business segment :-Segment assets

Manufacturing	226,663	206,076
Trading	138,354	111,837
Investment holding	166,958	166,960
Less: Elimination	(242,813)	(233,767)
<b>Consolidated total assets</b>	<b>289,162</b>	<b>251,106</b>

Segment liabilities

Manufacturing	193,428	186,434
Trading	33,605	26,616
Investment holding	24,999	27,419
Less: Elimination	(202,372)	(192,043)
<b>Consolidated total liabilities</b>	<b>49,660</b>	<b>48,426</b>

Segmental reporting by geographical location has not been prepared as the Group's operations are substantially carried out in Malaysia.

**A9. 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 2015.

**A10. Subsequent Material Events**

There were no material events subsequent to the reporting period up to 21 February 2017 (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 4<sup>th</sup> Quarter Ended 31 December 2016**A11. 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.

**A12. Contingent Liabilities or Contingent Assets**

There were no changes in other contingent liabilities or contingent assets since the last annual statement of financial position as at 31 December 2015.

**A13. Capital Commitments**

The outstanding amount of capital commitments as at 31 December 2016 are as follows:-

	RM'000
Property, plant and equipment :- - Approved and contracted for	740

**A14. Significant Related Party Transactions**

The Group has the following significant transactions with the related parties during the periods:-

	Current Year Quarter RM'000	Preceding Year Quarter RM'000
Prepare, package, pack and deliver Fraser and Neave Limited group of companies' products :- - Sales - Purchase of ingredients*	4,171 1,946	3,879 2,262

\* The purchase of ingredients are exclusively used for the preparing of the Fraser and Neave Limited group of companies products.

The above transactions had been entered into in the ordinary course of business on normal commercial terms with Fraser and Neave Limited group of companies. These transactions are within the ambit of the mandate approved by the shareholders of the Company on 25 May 2016.



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

**B1. Review of Performance**

The Group's revenue for the financial year ended 31 December 2016 of RM272.6 million which represents a 4.2% increase as compared to the previous year corresponding period's revenue of RM261.6 million. Better revenue was mainly due to higher demand for Gummy products although decrease in beverage's revenue of the Contract Manufacturing business.

The Group's pre-tax profit of RM55.3 million for the current financial year was 23.7% higher than the last year of RM 44.7 million. The improved profit was mainly contributed by cost saving in forwarding and freight charges, lower impairment of trade receivable as well as gain on foreign currencies exchange.

The performance of the major operating business segments of the Group is summarized as follows:-

Manufacturing segment

Improved revenue of the manufacturing segment was mainly due to higher sales volume from its Contract Manufacturing Business of gummy division. Higher profit before taxation as compared to its previous year's corresponding period was predominantly attributable to higher gain on foreign currencies exchange.

Trading segment

The increase in revenue of the trading segment was mainly attributable to improved trading volume from own brand gummy in domestic market. Higher profit before taxation as compared to its previous year's corresponding period were mainly due to higher margin of sales mix coupled with higher gain on foreign currencies exchange.

**B2. Comparison with Immediate Preceding Quarter's Results**

	<b>Current Year Quarter RM'000</b>	<b>Immediate Preceding Quarter RM'000</b>	<b>Difference  %</b>
Revenue	77,687	65,060	+19.4%
Profit before taxation	20,036	11,383	+76.0%

The Group achieved higher revenue of RM77.6 million for the current quarter recorded a 19.4% increment as compared to RM65.0 million for the immediate preceding quarter was predominantly attributable to increasing order of own brand gummy especially in China market. Profit before taxation of the current quarter increased by 76.0% over immediate preceding quarter was mainly attributable to higher margin sales mix and gain on foreign currencies exchange from export revenue.

**COCOALAND HOLDINGS BERHAD** (Co. No. 516019-H)Quarterly Unaudited Results Of The Group For The 4<sup>th</sup> Quarter Ended 31 December 2016**B3. Commentary On Prospects**

Due to weak consumer confidence and the rising cost of living, local consumers are more carefully selective in their daily spending decision although global growth is expected to pick up in 2017.

Coupled with the weak Malaysian Ringgit, higher spending on certain materials cost are unavoidable. Nevertheless, the Board believes that the Group will continue to leverage on its strengths to further develop its business and maintain its market position satisfactorily in the next financial year.

**B4. Profit Forecast or Profit Guarantee**

The Group did not issue any profit forecast or profit estimate previously in any public document.

**B5. Income Tax**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current Year Quarter</u> RM'000	<u>Preceding Year Quarter</u> RM'000	<u>Current Year To Date</u> RM'000	<u>Preceding Year To Date</u> RM'000
<b>Income tax:</b>				
• Current period estimate	4,524	3,132	12,969	9,900
• Prior year	(46)	-	(62)	(161)
<b>Deferred taxation :</b>				
• Transferred to/(from) deferred taxation	(1,342)	774	(1,400)	2,301
	<u>3,136</u>	<u>3,906</u>	<u>11,507</u>	<u>12,040</u>

**B6. Status of Corporate Proposals**

There were no corporate proposals announced but not completed as at 21 February 2017 which is not earlier than 7 days from the date of issue of this quarterly report.

**COCOALAND HOLDINGS BERHAD** (Co. No. 516019-H)Quarterly Unaudited Results Of The Group For The 4<sup>th</sup> Quarter Ended 31 December 2016**B7. Group Borrowings**

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

	<b>As At 31.12.2016 RM'000</b>	<b>As At 31.12.2015 RM'000</b>
<b>TOTAL BORROWING</b>	-	-

**B8. Material Litigation**

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

**B9. Dividend Payable**

The Board has declared a first interim single-tier dividend of 10.0 sen per ordinary share (31 December 2015: 3.0 sen) on 228,800,000 ordinary shares, amounting to RM22.88 million in respect of the financial year ended 31 December 2016, which will be paid on 6 April 2017. The entitlement date for the above-mentioned interim dividend is on 16 March 2017.

The total dividend of the current year is 10.0 sen per ordinary share.

**B10. 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>	
	<b>Current Year Quarter</b>	<b>Preceding Year Quarter</b>	<b>Current Year To Date</b>	<b>Preceding Year To Date</b>
Profit for the period (RM'000)	16,900	10,591	43,800	32,721
Weighted average number of ordinary shares of RM0.50 each ('000) #	228,800	228,800	228,800	228,800
Basic earnings per share (sen)	7.39	4.63	19.14	14.30
Diluted earnings per share (sen) *	N.A.	N.A.	N.A	N.A

# Inclusion the effect on Bonus Issue of 57,200,000 ordinary shares of RM0.50 each, which was allotted on 13 November 2015

\* 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 4<sup>th</sup> Quarter Ended 31 December 2016**B11. 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 31.12.2016 RM'000	As at 31.12 2015 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	148,048	111,194
- Unrealised	(9,745)	(9,666)
Less: Consolidation adjustments	(29,203)	(29,364)
<b>Retained profit as per financial statement</b>	<b>109,100</b>	<b>72,164</b>

**B12. Profit before tax is stated after charging/(crediting) :-**

	<b>Current Year Quarter RM'000</b>	<b>Preceding Year Quarter RM'000</b>
Interest income	(423)	(230)
Interest expense	-	-
Depreciation of property, plant and equipment	5,787	4,227
Property, plant and equipment written off	43	116
(Gain)/loss on disposal of property, plant and equipment	(78)	-
Bad debt written off	2	79
Impairment of receivables	-	677
Reversal of impairment of receivables	(1,111)	(1,590)
Loss/(gain) on foreign exchange		
- realized	(862)	3,181
- unrealized	(834)	222

By Order Of The Board

**Tai Chun Wah**

Executive Director

Dated: 28 February 2017