

# GREENYIELD BERHAD

(Company No. 582216-T)  
(Incorporated in Malaysia)

## Condensed consolidated income statement for the third quarter ended 30 April 2009

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30 April		30 April	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	8,930	14,594	24,280	26,805
Cost of sales	<u>(6,227)</u>	<u>(8,661)</u>	<u>(15,409)</u>	<u>(15,988)</u>
<b>Gross profit</b>	2,703	5,933	8,871	10,817
Other operating income	378	150	778	353
Other operating expenses	(30)	(139)	(110)	(215)
Distribution expenses	(237)	(264)	(844)	(752)
Administrative expenses	<u>(1,052)</u>	<u>(1,125)</u>	<u>(3,208)</u>	<u>(3,352)</u>
<b>Profit from operations</b>	1,762	4,555	5,487	6,851
Finance costs	<u>(30)</u>	<u>(22)</u>	<u>(62)</u>	<u>(67)</u>
<b>Profit before taxation</b>	1,732	4,533	5,425	6,784
Income tax expense	<u>(453)</u>	<u>(1,682)</u>	<u>(1,383)</u>	<u>(1,678)</u>
<b>Net profit for the period</b>	<u>1,279</u>	<u>2,851</u>	<u>4,042</u>	<u>5,106</u>
<b>Earnings per share<sup>^</sup></b>				
Basic earnings per ordinary share (sen)	<u>0.78</u>	<u>1.73</u>	<u>2.45</u>	<u>3.09</u>
Diluted earnings per ordinary share (sen)	<u>0.78</u>	<u>1.69</u>	<u>2.45</u>	<u>3.03</u>

Note:

<sup>^</sup> Please refer to Note 26 for details of the computations.

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 July 2008 and the accompanying explanatory notes attached to the interim financial report.

# GREENYIELD BERHAD

(Company No. 582216-T)  
(Incorporated in Malaysia)

## Condensed consolidated balance sheet at 30 April 2009

(The figures have not been audited)

	At 30.04.2009 RM'000	At 31.07.2008 RM'000
<b>Non-Current Assets</b>		
Property, plant and equipment	12,512	12,132
Prepaid lease payments	2,171	2,196
Intangible assets	17	18
<b>Total non-current assets</b>	<u>14,700</u>	<u>14,346</u>
<b>Current Assets</b>		
Inventories	4,929	5,292
Receivables, deposits and prepayments	7,521	5,108
Cash and cash equivalents	14,524	16,012
<b>Total current assets</b>	<u>26,974</u>	<u>26,412</u>
<b>Total assets</b>	<u>41,674</u>	<u>40,758</u>
<b>Equity</b>		
Share capital	16,500	16,500
Share premium	3,168	3,168
Share option reserve/Capital reserve	193	179
Retained profits	17,360	16,288
<b>Total equity attributable to shareholders of the Company</b>	<u>37,221</u>	<u>36,135</u>
<b>Non-Current Liabilities</b>		
Loans and borrowings	60	95
Deferred tax liabilities	1,360	1,366
<b>Total non-current liabilities</b>	<u>1,420</u>	<u>1,461</u>
<b>Current Liabilities</b>		
Payables and accruals	2,867	2,596
Loans and borrowings	166	566
<b>Total current liabilities</b>	<u>3,033</u>	<u>3,162</u>
<b>Total liabilities</b>	<u>4,453</u>	<u>4,623</u>
<b>Total equity and liabilities</b>	<u>41,674</u>	<u>40,758</u>
<b>Net Assets ("NA") per share attributable to shareholders of the Company (sen)</b>	<u>22.56</u>	<u>21.90</u>

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 July 2008 and the accompanying explanatory notes attached to the interim financial report.

# GREENYIELD BERHAD

(Company No. 582216-T)  
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## Condensed consolidated statement of changes in equity for the third quarter ended 30 April 2009

(The figures have not been audited)

	<u>Non – distributable</u>			<u>Distributable</u>		<u>Total Equity</u>	
	<i>Attributable to shareholders of the Company</i>				<u>Retained Profits</u>		<u>Total Equity</u>
	<u>Share Capital</u>	<u>Share Premium</u>	<u>Share Option Reserve</u>	<u>Reserve</u>			
<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>		
At 1 August 2007, as restated	16,500	3,176	122	-	12,030	31,827	
Issue of new shares	-	-	-	-	-	-	
Utilisation from share premium	-	(7)	-	-	-	(7)	
Share based payment	-	-	57	-	-	57	
Net profit for the year	-	-	-	-	6,304	6,304	
Dividends to shareholders	-	-	-	-	(2,046)	(2,046)	
At 31 July / 1 August 2008	16,500	3,168	179	-	16,288	36,135	
Issue of new shares	-	-	-	-	-	-	
Utilisation from share premium	-	-	-	-	-	-	
Transfer of reserve	-	-	-	14	-	14	
Share based payment	-	-	-	-	-	-	
Net profit for the period	-	-	-	-	4,042	4,042	
Dividends to shareholders	-	-	-	-	(2,970)	(2,970)	
At 30 April 2009	16,500	3,168	179	14	17,360	37,221	

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 July 2008 and the accompanying explanatory notes attached to the interim financial report.

# GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

## Condensed consolidated cash flow statement for the third quarter ended 30 April 2009

(The figures have not been audited)

	Current year to date 30.04.2009 RM'000	Audited Preceding financial year ended 31.07.2008 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	5,425	8,182
Adjustments for :		
Depreciation	886	1,183
Amortisation of prepaid lease payments	20	19
Amortisation of intangible assets	1	1
(Gain)/Loss on disposal of property, plant and equipment	(44)	(11)
Write off of property, plant and equipment	4	21
Interest income	(255)	(301)
Interest expenses	62	91
Share based payment	-	57
	<hr/>	<hr/>
Operating profit before working capital changes	6,099	9,242
Changes in working capital:		
Inventories	363	(540)
Trade and other receivables	(1,808)	1,328
Trade and other payables	1,180	(584)
	<hr/>	<hr/>
Cash generated from operations	5,834	9,446
Interest paid	(45)	(45)
Tax paid	(1,977)	(2,123)
Tax refund	-	249
	<hr/>	<hr/>
<b>Net cash generated from operating activities</b>	<b>3,812</b>	<b>7,527</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,299)	(1,422)
Purchase of prepaid leasehold land	-	(687)
Proceed from disposal of property, plant and equipment	65	78
Increase in pledged deposits placed with licensed banks	(58)	(949)
Interest received	255	301
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	<b>(1,037)</b>	<b>(2,679)</b>
<b>Cash flows from financing activities</b>		
Proceeds from other borrowings	78	-
Repayment of term loan and other borrowings	(1,143)	(252)
Repayment of hire purchase liabilities	(270)	(390)
Proceeds from issue of new shares	-	-
Utilisation from share premium	-	(7)
Interest paid	(17)	(46)
Dividend paid	(2,970)	(2,046)
	<hr/>	<hr/>
<b>Net cash used in financing activities</b>	<b>(4,322)</b>	<b>(2,741)</b>

# GREENYIELD BERHAD

(Company No. 582216-T)

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## Condensed consolidated cash flow statement for the third quarter ended 30 April 2009 (cont'd)

(The figures have not been audited)

	Current year to date 30.04.2009 RM'000	Audited Preceding financial year ended 31.07.2008 RM'000
Net (decrease)/increase in cash and cash equivalents	(1,546)	2,107
Cash and cash equivalents at beginning of the year	14,980	12,873
Cash and cash equivalents at end of the period/year	<u>13,434</u>	<u>14,980</u>
	Current year to date 30.04.2009 RM'000	Audited Preceding financial year ended 31.07.2008 RM'000
<b>Cash and cash equivalents comprise of:</b>		
Deposits with licensed bank	8,171	10,545
Cash and bank balances	6,354	5,467
	<u>14,525</u>	<u>16,012</u>
Less: Deposits pledged	(1,091)	(1,032)
	<u>13,434</u>	<u>14,980</u>

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 July 2008 and the accompanying explanatory notes attached to the interim financial report.

# **GREENYIELD BERHAD**

(Company No. 582216-T)

(Incorporated in Malaysia)

## **Notes to the interim financial report**

### **1. Basis of preparation**

This interim financial report is unaudited and has been prepared in compliance with the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad for the MESDAQ Market and Financial Reporting Standard (FRS) 134, *Interim Financial Reporting*, issued by the Malaysian Accounting Standards Board (MASB).

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Company and its subsidiaries ("the Group") subsequent to 31 July 2008.

During the financial year, the Group adopted FRS 112, *Income Taxes*, replacing FRS 112<sup>2004</sup>, *Income Taxes*.

FRS 112, *Income Taxes*, which is effective for the financial period beginning on or after 1 July 2007, allows recognition of deferred tax assets pertaining to unutilized reinvestment allowance recognition is treated as a change of accounting policies and accordingly, is recognized retrospectively and certain comparative figures have been restated.

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 July 2008.

### **2. Auditors' report on preceding annual financial statements**

The auditors have expressed an unqualified opinion on the Group's statutory financial statements for the year ended 31 July 2008 in their report dated 14 November 2008.

### **3. Seasonal or cyclical factors**

The Group's sales and therefore its revenue is seasonal. During the wintering season for rubber trees, which typically occurs from February to April in most natural rubber producing countries, sales of the stimulation systems are generally slow. Sales of the stimulation systems are also affected by prolonged periods of heavy rain or drought as the customers are usually advised against using stimulation systems during such periods since they are unlikely to be able to tap the rubber trees because of the weather conditions and therefore unable to fully benefit from the stimulation systems. In view of the above, one of the major factors which causes the revenue and profitability of the Group to fluctuate is inclement weather.

### **4. Unusual items affecting the assets, liabilities, equity, net income or cash flows**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the current quarter.

# **GREENYIELD BERHAD**

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## **Notes to the interim financial report (cont'd)**

### **5. Achievement of financial estimates or forecasts**

There have been no financial estimates or forecasts previously announced or disclosed in a public document in respect of the current financial year.

### **6. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the Company during the quarter under review.

### **7. Dividends paid**

No dividend has been paid during the quarter.

### **8. Segmental reporting**

Segment information is presented in respect of the Group's business and geographical segments. The primary format, business segments, is based on the Group's management and internal reporting structure. Inter-segment pricing is determined based on negotiated terms.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The Group's revenue is mainly generated from the sale of plantation products and non-plantation products.

#### **Business segments**

The Group comprises the following main business segments:

Plantation products and services	Development, manufacture and marketing of agricultural products and services based on agro-technology.
Non-plantation products	Manufacturing and marketing of plastic-related and wood-related products.

# GREENYIELD BERHAD

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## Notes to the interim financial report (cont'd)

### 8. Segmental reporting (cont'd)

#### Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

<i>RM('000)</i> <i>For the nine months</i> <i>ended 30 April</i>	Plantation		Non-plantation		Eliminations		Consolidated	
	2009	2008	2009	2008	2009	2008	2009	2008
<i>Business segments</i>								
Revenue from external customers	22,540	29,166	9,525	7,074	7,785	9,435	24,280	26,805
Segment results *							8,871	10,817
Unallocated income							778	353
Unallocated expenses							(4,162)	(4,319)
Operating profit							5,487	6,851
Interest expenses							(62)	(67)
Profit before tax							5,425	6,784
Tax expenses							(1,383)	(1,678)
<b>Profit for the year</b>							<b>4,042</b>	<b>5,106</b>

\* The breakdown of segment results between plantation and non-plantation is not available.

<i>RM('000)</i> <i>For the nine months ended</i> <i>30 April</i>	Malaysia		South East Asia other than Malaysia		North Asia	
	2009	2008	2009	2008	2009	2008
<i>Geographical segments</i>						
Revenue from external customers by location	5,709	4,424	6,088	15,281	461	1,081



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## Notes to the interim financial report (cont'd)

### 8. Segmental reporting (cont'd)

<i>RM('000)</i> <i>For the nine months ended</i> <i>30 April</i>	North America		Others		Consolidated	
	2009	2008	2009	2008	2009	2008
<i>Geographical segments</i>						
Revenue from external customers by location	3,730	3,508	8,292	2,511	24,280	26,805

### 9. Property, plant and equipment

The valuations of land and buildings have been brought forward, without amendment from the previous annual report.

### 10. Subsequent events

Other than as disclosed in Notes 12 and 14, there were no material events subsequent to the period ended of this current quarter that have not been reflected in the financial statements for the current quarter.

### 11. Changes in composition of the Group

There were no changes in the composition of the Group during the current quarter.

### 12. Changes in contingent assets and contingent liabilities

There were no contingent assets as at 16 June 2009 (being the latest practicable date not earlier than 7 days from the date of issue of this interim financial report).

### 13. Related party transactions

There were no material related party transactions incurred for the current quarter and financial year-to-date.

# GREENYIELD BERHAD

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## Notes to the interim financial report (cont'd)

### 14. Capital Commitment

	As at 30.04.2009 RM'000	As At 31.07.2008 RM'000
<b>Property, plant and equipments</b>		
Contracted but not provided for and payable		
Within one year	81	73

### 15. Review of performance

For cumulative quarter 9 months ended 30 April 2009, the Group recorded revenue of RM24.28 million a decline of 9.4% as compared to RM26.81 million achieved during the same period in the previous financial year ended 31 July 2008. Meanwhile, net profit after taxation for the 9 months ended 30 April 2009 was RM4.04 million, a decrease of 20.9% as compared to RM5.11 million registered a year ago.

The decline in revenue and net profit after taxation were mainly due to lower demand for plantation-related products and services, largely influenced by sharp decline in the selling prices of natural rubber. However, demand for non-plantation related products particularly Artstone plant pots from the American, European and Australian markets during the period under review, remained encouraging.

### 16. Variation of results against preceding quarter

The Group achieved revenue of RM8.93 million during the quarter ended 30 April 2009 as compared to RM10.99 million recorded during the quarter ended 31 January 2009. The decline was mainly due to lower sales of plantation-related products and services during the period under review as customers from major natural rubber producing countries reduced their purchases as a result of dampened global demand for natural rubber. However, demand for Artstone plant pots remained encouraging as feedback indicated that consumers are spending more time at home attending to their gardens during the economic crisis.

As a result of the decrease in revenue, net profit after taxation during the quarter ended 30 April 2009, decreased to RM1.28 million from RM2.14 million registered in the preceding quarter.

### 17. Future prospects

The Board continues to view the prospects for the remaining of the financial year ending 31 July 2009 to be challenging, as economic indicators are still not favourable.

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## Notes to the interim financial report (cont'd)

### 18. Tax expense

The taxation figures are as follows:

	9 months ended 30 April	
	2009	2008
	RM'000	RM'000
Estimated current tax payable	1,389	1,621
Under/(Over)provision in prior year	-	63
Transfer from deferred taxation	(6)	(6)
	<u>1,383</u>	<u>1,678</u>

### 19. Unquoted investments and properties

There was no purchase or sale of unquoted investments and/or properties for the current quarter and financial year-to-date.

### 20. Quoted investments

There was no purchase or disposal of quoted securities for the current quarter and financial year-to-date.

### 21. Status of corporate proposals announced but not completed

As at 22 June 2009, there were no corporate proposals announced but not completed, save for the agreement in respect of the Sales & Purchase of shares in Melati Aman Sdn Bhd as announced to Bursa Malaysia Securities Bhd on 3 June 2009.

# GREENYIELD BERHAD

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## Notes to the interim financial report (cont'd)

### 22. Borrowing and debt securities

	At end of current quarter 30.04.2009 RM'000	At 31.07.2008 RM'000
<b>Current</b>		
<i>Secured</i>		
Short term revolving credit	-	243
Hire purchase creditors	166	323
	<hr/>	<hr/>
	166	566
<b>Non-current</b>		
<i>Secured</i>		
Hire purchase creditors	60	95
	<hr/>	<hr/>
	60	95
	<hr/>	<hr/>
	226	661
	<hr/>	<hr/>

### 23. Off balance sheet financial instruments

As at 22 June 2009, the Group does not have any off balance sheet financial instruments.

### 24. Material litigation

There was no material litigation which would materially and adversely affect the financial position of the Group as at 22 June 2009.

### 25. Dividends

The Company paid a final dividend of 1.8 sen per share in respect of the financial year ended 31 July 2008 on 16 January 2009 to shareholders of the Company whose names appeared on the Register of Depositors as at 9 January 2009.

# GREENYIELD BERHAD

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## Notes to the interim financial report (cont'd)

### 26. Earnings per share

#### (a) *Basic earnings per share*

The calculation of the basic earnings per share for the current quarter is based on the net profit attributable to shareholders divided by the number of weighted average number of ordinary shares.

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>9 months ended</b>	
	<b>30 April</b>		<b>30 April</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
Profit after taxation (RM'000)	1,279	2,851	4,042	5,106
Number of ordinary shares in issue ('000)	165,000	165,000	165,000	165,000
Basic earnings per share (sen)	0.78	1.73	2.45	3.09

# GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

## Notes to the interim financial report (cont'd)

### 26. Earnings per share (cont'd)

#### (b) Diluted earnings per share

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30 April		30 April	
	#2009	*2008	#2009	*2008
Profit after taxation (RM'000)	1,279	2,851	4,042	5,106
Number of ordinary shares in issue ('000)	165,000	165,000	165,000	165,000
Adjusted for assumed exercise of ESOS options for no consideration ('000)	-	3,242	-	3,242
Adjusted number of ordinary shares in issue ('000)	165,000	168,242	165,000	168,242
Diluted earnings per share (sen)	0.78	1.69	2.45	3.03

\* As at 30 April 2008, the number of share options unexercised are 3,242,000.

# There is no dilution in earnings per share for the current quarter as the exercise price of the ESOS exceeds the average market price of ordinary shares.

# GREENYIELD BERHAD

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## Notes to the interim financial report (cont'd)

### 27. Status of utilisation of proceeds

The status of the allocation and utilisation of the proceeds from the public issue as at 30 April 2009 is as follows:

Purpose	Allocation of proceeds RM'000	Amount utilised from 20 October 2006 to 30 April 2009 RM'000	Amount unutilised RM'000	Explanation on amount unutilised
Research and development (R&D)	1,500	-	1,500	Utilization schedule – 19 Oct 2009
Capital expenditure	1,850	-	1,850	Utilization schedule – 19 Oct 2009
Setting up of marketing and technical support service centres	300	-	300	Utilization schedule – 19 Oct 2009
Repayment of borrowings	1,500	1,500	-	N/A
Working capital	2,223	*960	1,263	Utilization schedule – 19 Oct 2009
Estimated listing expenses	1,502	*1,502	-	#N/A
Total	8,875	3,962	4,913	

\* Reclassification of utilization

# The remaining unutilised proceeds allocated to defray listing expenses amounting to approximately RM0.029 million has been reallocated as working capital of the Group.

### 28. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 22 June 2009.