

GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

Condensed consolidated statement of comprehensive income for the first quarter ended 31 October 2011

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31 October		31 October	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Revenue	13,575	8,024	13,575	8,024
Cost of sales	(8,755)	(5,285)	(8,755)	(5,285)
Gross profit	4,820	2,739	4,820	2,739
Other operating income	489	171	489	171
Other operating expenses	(256)	(223)	(256)	(223)
Distribution expenses	(327)	(250)	(327)	(250)
Administrative expenses	(1,712)	(1,314)	(1,712)	(1,314)
Profit from operations	3,014	1,123	3,014	1,123
Finance costs	(18)	(7)	(18)	(7)
Net Profit	2,996	1,116	2,996	1,116
Share of loss in associate	(16)	(1)	(16)	(1)
Profit before taxation	2,980	1,115	2,980	1,115
Income tax expense	(784)	(329)	(784)	(329)
Net profit for the period	2,196	786	2,196	786
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	2,196	786	2,196	786
Profit attributable to:				
Owners of the company	2,196	786	2,196	786
Minority interests	-	-	-	-
Profit for the period	2,196	786	2,196	786
Total comprehensive income attributable to:				
Owners of the company	2,196	786	2,196	786
Minority interests	-	-	-	-
Total comprehensive income for the period	2,196	786	2,196	786

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(Company No. 582216-T)

(Incorporated in Malaysia)

Condensed consolidated statement of comprehensive income for the first quarter ended 31 October 2011 (cont'd)

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31 October		31 October	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Earnings per share[^]				
Basic earnings per ordinary share (sen)	<u>1.32</u>	<u>0.48</u>	<u>1.32</u>	<u>0.48</u>
Diluted earnings per ordinary share (sen)	<u>1.31</u>	<u>0.47</u>	<u>1.31</u>	<u>0.47</u>

Note:

[^] Please refer to Note 29 for details of the computations.

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 July 2011 and the accompanying explanatory notes attached to the interim financial report.

GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

Condensed consolidated statement of financial position as at 31 October 2011

(The figures have not been audited)

	At 31.10.2011 RM'000	Audited As At 31.07.2011 RM'000
Assets		
Property, plant and equipment	19,527	19,254
Prepaid lease payment	659	665
Intangible assets	13	14
Investment in associate	564	580
Other investment	2,000	2,000
Total non-current assets	<u>22,763</u>	<u>22,513</u>
Inventories	7,517	8,008
Receivables, deposits and prepayments	12,563	10,533
Current tax assets	1,085	1,140
Cash and cash equivalents	16,627	14,201
Total current assets	<u>37,792</u>	<u>33,882</u>
Total assets	<u>60,555</u>	<u>56,395</u>
Equity		
Share capital	16,687	16,684
Reserves	31,995	29,796
Total equity attributable to owners of the Company	<u>48,682</u>	<u>46,480</u>
Liabilities		
Loans and borrowings	266	303
Deferred tax liabilities	1,505	1,507
Total non-current liabilities	<u>1,771</u>	<u>1,810</u>
Payables and accruals	9,930	7,890
Loans and borrowings	172	215
Total current liabilities	<u>10,102</u>	<u>8,105</u>
Total liabilities	<u>11,873</u>	<u>9,915</u>
Total equity and liabilities	<u>60,555</u>	<u>56,395</u>
Net Assets ("NA") per share attributable to shareholders of the Company (sen)	<u>29.17</u>	<u>27.86</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 July 2011 and the accompanying explanatory notes attached to the interim financial report.

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(Company No. 582216-T)

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Condensed consolidated statement of changes in equity for the first quarter ended 31 October 2011

(The figures have not been audited)

	<u>Non – distributable</u>				<u>Distributable</u>			
	<i>Attributable to shareholders of the Company</i>							
	Share Capital	Share Premium	Share Option Reserve	Translation Reserve	Retained Profits	Total	Minority interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>3 months ended</u>								
<u>31 October 2011</u>								
Balance as at 01 August 2011	16,684	3,512	31	-	26,253	46,480	-	46,480
Share option exercised	3	3	-	-	-	6	-	6
Transfer to share premium for share option	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	2,196	2,196	-	2,196
Minority interests	-	-	-	-	-	-	-	-
Share based payment	-	-	-	-	-	-	-	-
Dividends to shareholders	-	-	-	-	-	-	-	-
At 31 October 2011	16,687	3,515	31	-	28,449	48,682	-	48,682
<u>3 months ended</u>								
<u>31 October 2010</u>								
Balance as at 01 August 2010	16,500	3,168	198	10	22,181	42,057	-	42,057
Share option exercised	-	-	-	-	-	-	-	-
Transfer to share premium for share option	-	-	-	-	-	-	-	-
Foreign exchange translation differences	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	786	786	-	786
Minority interests	-	-	-	-	-	-	-	-
Share based payment	-	-	-	-	-	-	-	-
Dividends to shareholders	-	-	-	-	-	-	-	-
At 31 October 2010	16,500	3,168	198	10	22,967	42,843	-	42,843

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 July 2011 and the accompanying explanatory notes attached to the interim financial report.

GREENYIELD BERHAD

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Condensed consolidated statement of cash flows for the first quarter ended 31 October 2011

(The figures have not been audited)

	Current year to date 31.10.2011 RM'000	Preceding year to date 31.10.2010 RM'000
Cash flows from operating activities		
Profit before tax	2,980	1,115
Adjustments for :		
Depreciation of property, plant and equipment	536	488
Amortisation of prepaid lease payments	6	9
Amortisation of intangible assets	-	-
Gain on disposal of property, plant and equipment - net	(1)	-
Property, plant and equipment written off	-	2
Interest income	(46)	(58)
Finance costs	18	7
Share of loss in associate (net)	16	1
Operating profit before working capital changes	3,509	1,564
Changes in working capital:		
Inventories	491	(1,677)
Receivables, deposits and prepayments	(2,030)	1,604
Payables and accruals	2,056	208
Cash generated from operations	4,026	1,699
Interest paid	(11)	(4)
Tax paid	(941)	(733)
Tax refund	210	1,345
Net cash generated from operating activities	3,284	2,307
Cash flows from investing activities		
Acquisition of property, plant and equipment	(810)	(468)
Acquisition of intangible assets	-	-
Acquisition of prepaid lease payment	-	-
Acquisition of other investment	-	-
Proceed from disposal of property, plant and equipment	2	1
Increase in pledged deposits placed with licensed banks	(69)	(64)
Interest received	46	58
Acquisition of associate	-	-
Net cash used in investing activities	(831)	(473)
Cash flows from financing activities		
Proceeds from hire purchase	-	80
Repayment of hire purchase liabilities	(79)	(30)
Proceeds from exercise of share option	6	-
Interest paid	(7)	(3)
Dividend paid	-	-
Net cash (used in)/generated from financing activities	(80)	47
Effect of exchange rate fluctuation on cash held	(16)	-

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Condensed consolidated statement of cash flows for the first quarter ended 31 October 2011 (cont'd)

(The figures have not been audited)

	Current year to date 31.10.2011 RM'000	Preceding year to date 31.10.2010 RM'000
Net increase in cash and cash equivalents	2,357	1,881
Cash and cash equivalents at beginning of the period	12,144	11,237
Cash and cash equivalents at end of the period	<u>14,501</u>	<u>13,118</u>
	Current year to date 31.10.2011 RM'000	Preceding year to date 31.10.2010 RM'000
Cash and cash equivalents comprise of:		
Deposits with licensed banks	6,261	9,469
Cash and bank balances	<u>10,366</u>	<u>5,466</u>
	16,627	14,935
Less: Deposits pledged	<u>(2,126)</u>	<u>(1,817)</u>
	<u>14,501</u>	<u>13,118</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 July 2011 and the accompanying explanatory notes attached to the interim financial report.

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Notes to the condensed consolidated interim financial statements

1. Basis of preparation

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and FRS 134, *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the audited financial statements of the Group as at and for the financial year ended 31 July 2011.

2. Significant accounting policies

The accounting policies 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 2011 except for the adoption of new standards, amendments to standards and IC Interpretations that are mandatory for the Group for the financial year beginning 1 August 2011. The adoption of these standards, amendments to standards and IC Interpretations do not have a material impact on the Group's interim financial report.

3. Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 July 2011.

4. Seasonality of operations

The Group's sales and therefore its revenue are seasonal. During the wintering season for rubber trees, which typically occurs from February to April in most natural rubber producing countries, sales of stimulation systems are generally slow.

In addition to the above, sales of the stimulation systems are also affected by prolonged periods of heavy rain or drought as 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.

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Notes to the condensed consolidated interim financial statements (cont'd)

5. 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.

6. 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 quarter.

7. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

The Company's Employees' Share Option Scheme ("ESOS") was implemented on 13 October 2006. During the quarter under review, 28,900 new Ordinary Shares of RM0.21 each were issued and allotted pursuant to the exercise of ESOS. Details of the issued and paid-up share capital of the Company as at 31 October 2011 are as follows:-

	No of Shares '000	RM'000
As at 01 August 2011	166,841	16,684
Ordinary Shares issued pursuant to the ESOS	29	3
As at 31 October 2011	<u>166,870</u>	<u>16,687</u>

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

8. Dividends paid

No dividend has been paid during this quarter.

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Notes to the condensed consolidated interim financial statements (cont'd)

9. Operation Segments

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and managing strategy. For each of the strategic business unit, the Group's Managing Director reviews internal management reports on at least a quarterly basis. The following summary describes the operation in each Group's reportable segments.

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

There are varying levels of integration between reportable segments, the plantation products and non-plantation products. This integration includes marketing activities and transfer of raw materials.

Performance is measured on segment revenue that is reviewed by the Group's Managing Director who is the Group's chief operating decision maker. Segment revenue is used to measure performance as management believes that such information is the most relevant in evaluating the results of the segments.

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Notes to the condensed consolidated interim financial statements (cont'd)

9. Operation Segments (cont'd)

<i>RM('000)</i>	Plantation		Non-plantation		Eliminations		Consolidated	
	2011	2010	2011	2010	2011	2010	2011	2010
<i>For the three months ended 31 October</i>								
<i>Business segments</i>								
Revenue from external customers	14,092	4,240	2,466	4,808	2,983	1,024	13,575	8,024
Segment results *							4,820	2,739
Unallocated income							489	171
Unallocated expenses							2,295	(1,787)
Operating profit							3,014	1,123
Interest expenses							(18)	(7)
Net Profit							2,996	1,116
Share of loss in associate							(16)	(1)
Profit before tax							2,980	1,115
Tax expenses							(784)	(329)
Profit for the year							2,196	786

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

10. Property, plant and equipment

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

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Notes to the condensed consolidated interim financial statements (cont'd)

11. Subsequent events

On 8 November 2011, the Company announced to Bursa Malaysia Securities Berhad on the completion of the listing of and quotation for 166,870,000 new Greenyield Shares on the ACE Market of Bursa Malaysia Securities Berhad ("Bonus Issue").

On 2 December 2011, the Company announced to Bursa Malaysia Securities Berhad that the Company had entered into a Shares Sale and Purchase Agreement ("SPA") with Chang Farn Kheang and Yoo Yoon Cheong for the Proposed Acquisition of ten thousand(10,000) ordinary shares of RM1.00 each representing the entire issued and paid up share capital in Tigantara Plantations Sdn Bhd (Company No. 874075-T) together with the right to use over the 400 hectares of land comprising of Compartments 22, 31, 32 and 33 within Hutan Simpan Kekal Relai, Mukim Relai, Daerah Chiku, Jajahan Gua Musang, Kelantan. Further to the execution of the SPA, the MOU which dated 26 September 2011, shall lapse.

Save and except for the above, there was 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.

12. Changes in composition of the Group

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

13. Changes in contingent assets and contingent liabilities

There were no contingent assets and liabilities as at 20 December 2011 (being the latest practicable date not earlier than 7 days from the date of issue of this interim financial report).

14. Related party transactions

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

15. Capital Commitment

As at 31 October 2011, the Group has no capital commitment for the purchase of property, plant and equipment not provided.

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Notes to the condensed consolidated interim financial statements (cont'd)

16. Review of Group performance

For the current year quarter ended 31 October 2011, the Group recorded revenues of RM13.58 million, an increase of 69% as compared to RM8.02 million recorded for the preceding year quarter ended 31 October 2010. As a result, higher net profit before tax of RM2.98 million against RM1.12 million achieved during the quarter ended 31 October 2011

The increase in revenues were mainly attributed to strong demand of plantation related products and services from overseas market.

17. Variation of results against preceding quarter

The Group recorded revenue of RM13.58 million during the quarter ended 31 October 2011, an increase of RM4.43 million as compared to RM9.15 million recorded for the preceding quarter ended 31 July 2011. The increase is mainly due to orders received for plantation related products and services.

As a result of the increase in revenue, the Group recorded a profit before tax of RM2.98 million during the quarter ended 31 October 2011.

18. Future prospects

The Board view the current financial year prospect as challenging. The Group will source and implement logical and available measures to minimize the impact of all known factors affecting the profit margin.

19. Variance of actual profit from profit forecast

The Group has not announced or disclosed any profit forecast in a public document.

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Notes to the condensed consolidated interim financial statements (cont'd)

20. Tax expense

The taxation figures are as follows:

	3 months ended	
	31 October	
	2011	2010
	RM'000	RM'000
Estimated current tax payable	786	331
Under/(Over)provision in prior period	-	-
Transfer from deferred taxation	(2)	(2)
	<u>784</u>	<u>329</u>

21. Unquoted investments and properties

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

22. Quoted investments

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

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Notes to the condensed consolidated interim financial statements (cont'd)

23. Status of corporate proposals announced but not completed

On 2 December 2011, the Company had announced that Bursa Malaysia Securities Berhad had, vide its letter dated 2 December 2011, approved the proposed transfer of Greenyield's entire enlarged issued and paid-up share capital from the ACE Market to the Main Market of Bursa Securities, under the "Industrial Products" sector.

The Proposed Transfer will take effect immediately two (2) clear market days upon the issuance of the following:-

- (i) The prospectus or the introductory document in relation to the Proposed Transfer;
- (ii) A box advertisement of the Proposed Transfer is advertised; and
- (iii) Announcement to Bursa Securities on the transfer date via Bursa Link.

Save and except for the above, there were no other corporate proposals announced but not completed as at 22 December 2011.

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Notes to the condensed consolidated interim financial statements (cont'd)

24. Borrowing and debt securities

	At 31.10.2011 RM'000	Audited As at 31.07.2011 RM'000
Current		
<i>Secured</i>		
Hire purchase creditors	172	215
Non-current		
<i>Secured</i>		
Hire purchase creditors	266	303
	<u>448</u>	<u>518</u>

25. Off balance sheet financial instruments

As at 22 December 2011, the Group does not have any off balance sheet financial instruments.

26. Realised and Unrealised Profits/ Losses

The breakdown of the retained profits of the Group as at 31 October 2011, into realised and unrealised profits, pursuant to a directive issued by Bursa Securities on 25 March 2010 and 20 December 2010 is as follows:-

	As at 31.10.2011 RM'000	Audited As at 31.07.2011 RM'000
Total retained profits /(loss) of Greenyield Berhad and its subsidiaries:-		
- Realised	38,217	36,020
- Unrealised	(1,036)	(1,036)
	<u>37,181</u>	<u>34,984</u>
Total share of retained profits / (loss) from associate company:-		
- Realised	(36)	(20)
- Unrealised	-	-
	<u>37,145</u>	<u>34,964</u>
Less: Consolidation adjustments	(8,696)	(8,711)
Total Group retained profits as per consolidated account	<u>28,449</u>	<u>26,253</u>

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Notes to the condensed consolidated interim financial statements (cont'd)

27. Material litigation

There was no material litigation which would materially and adversely affect the financial position of the Group as at 22 December 2011.

28. Dividends

There was no dividend paid or declared in respect of the current quarter under review.

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Notes to the condensed consolidated interim financial statements (cont'd)

29. Earnings per ordinary share

(a) Basic earnings per ordinary 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.

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31 October		31 October	
	2011	2010	2011	2010
Profit after taxation (RM'000)	2,196	786	2,196	786
Number of ordinary shares in issue ('000)	166,870	165,000	166,870	165,000
Basic earnings per share (sen)	1.32	0.48	1.32	0.48

(b) Diluted earnings per share

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31 October		31 October	
	2011	2010	2011	2010
Profit after taxation (RM'000)	2,196	786	2,196	786
Number of ordinary shares in issue ('000)	166,870	165,000	166,870	165,000
Adjusted for assumed exercise of ESOS options for no consideration ('000)	383	2,253	383	2,253
Adjusted number of ordinary shares in issue ('000)	167,253	167,253	167,253	167,253
Diluted earnings per share (sen)	1.31	0.47	1.31	0.47

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Notes to the condensed consolidated interim financial statements (cont'd)

30. Status of utilisation of proceeds

On 31 October 2011, there was no status of utilisation of proceeds under review.

31. 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 2011 in their report dated 11 November 2011.

32. Authorisation for Issue

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 22 December 2011.