

GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

Condensed consolidated statement of profit and loss and other comprehensive income for the second quarter ended 31 January 2013 (The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	3 months ended		6 months ended	
	31 January		31 January	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Revenue	11,914	13,768	23,700	27,343
Cost of sales	(8,418)	(8,562)	(16,120)	(17,317)
Gross profit	3,496	5,206	7,580	10,026
Other operating income	215	432	387	875
Distribution expenses	(205)	(327)	(434)	(654)
Administrative expenses	(2,778)	(2,214)	(3,989)	(3,926)
Other operating expenses	246	(353)	(226)	(609)
Profit from operations	974	2,744	3,318	5,712
Finance costs	(59)	(26)	(92)	(44)
Interest income	52	50	90	96
Net Profit	967	2,768	3,316	5,764
Share of loss in associate	(21)	6	(37)	(10)
Profit before taxation	946	2,774	3,279	5,754
Income tax expense	(413)	(773)	(1,023)	(1,557)
Net profit for the period	533	2,001	2,256	4,197
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	533	2,001	2,256	4,197
Profit attributable to:				
Owners of the company	533	2,001	2,256	4,197
Minority interests	-	-	-	-
Profit for the period	533	2,001	2,256	4,197
Total comprehensive income attributable to:				
Owners of the company	533	2,001	2,256	4,197
Minority interests	-	-	-	-
Total comprehensive income for the period	533	2,001	2,256	4,197

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Condensed consolidated statement of profit and loss and other comprehensive income for the second quarter ended 31 January 2013 (cont'd)

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	3 months ended		6 months ended	
	31 January		31 January	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Earnings per share[^]				
Basic earnings per ordinary share (sen)	<u>0.16</u>	<u>0.60</u>	<u>0.68</u>	<u>1.26</u>
Diluted earnings per ordinary share (sen)	<u>0.16</u>	<u>0.60</u>	<u>0.68</u>	<u>1.26</u>

Note:

[^] Please refer to Note 30 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 2012 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 January 2013

(The figures have not been audited)

	As At 31.01.2013 RM'000	Audited As At 31.07.2012 RM'000
Assets		
Property, plant and equipment	18,446	18,985
Prepaid lease payment	3,428	3,438
Intangible assets	12	11
Investment in associate	688	564
Other investment	3,510	3,510
Total non-current assets	<u>26,084</u>	<u>26,508</u>
Inventories	10,586	11,375
Receivables, deposits and prepayments	13,355	11,610
Current tax assets	2,198	1,234
Cash and cash equivalents	8,393	11,224
Total current assets	<u>34,532</u>	<u>35,443</u>
Total assets	<u><u>60,616</u></u>	<u><u>61,951</u></u>
Equity		
Share capital	33,374	33,374
Reserves	16,951	18,032
Total equity attributable to owners of the Company	<u>50,325</u>	<u>51,406</u>
Liabilities		
Loans and borrowings	456	386
Deferred tax liabilities	1,458	1,462
Total non-current liabilities	<u>1,914</u>	<u>1,848</u>
Payables and accruals	8,147	8,471
Loans and borrowings	230	226
Total current liabilities	<u>8,377</u>	<u>8,697</u>
Total liabilities	<u>10,291</u>	<u>10,545</u>
Total equity and liabilities	<u><u>60,616</u></u>	<u><u>61,951</u></u>
Net Assets ("NA") per share attributable to shareholders of the Company (sen)	<u>15.08</u>	<u>15.40</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 July 2012 and the accompanying explanatory notes attached to the interim financial report.

GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

Condensed consolidated statement of changes in equity for the second quarter ended 31 January 2013

(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>6 months ended</u>								
<u>31 January 2013</u>								
Balance as at 01 August 2012	33,374	-	31	-	18,001	51,406	-	51,406
Effect of adopting MFRS 1	-	-	-	-	-	-	-	-
Restated at 01 August 2012	33,374	-	31	-	18,001	51,406	-	51,406
Total comprehensive income for the year					2,256	2,256	-	2,256
Dividends to shareholders	-	-	-	-	(3,337)	(3,337)	-	(3,337)
At 31 January 2013	33,374	-	31	-	16,920	50,325	-	50,325
<u>6 months ended</u>								
<u>31 January 2012</u>								
Balance as at 01 August 2011	16,684	3,512	31	-	26,253	46,480	-	46,480
Effect of adopting FRS 139	-	-	-	-	(50)	(50)	-	(50)
Effect of adopting MFRS 1	-	-	-	-	-	-	-	-
Restated at 01 August 2011	16,684	3,512	31	-	26,203	46,430	-	46,430
Adjustment FRS 139	-	-	-	-	3	3	-	3
Total comprehensive income for the year	-	-	-	-	4,197	4,197	-	4,197
Share option exercised	3	3	-	-	-	6	-	6
Dividends to shareholders	-	-	-	-	(3,337)	(3,337)	-	(3,337)
Bonus Issue	16,687	(3,515)	-	-	(13,172)	-	-	-
At 31 January 2012	33,374	-	31	-	13,894	47,299	-	47,299

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 July 2012 and the accompanying explanatory notes attached to the interim financial report.

GREENYIELD BERHAD

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(Incorporated in Malaysia)

Condensed consolidated statement of cash flows for the second quarter ended 31 January 2013

(The figures have not been audited)

	Current year to date 31.01.2013 RM'000	Preceding year As At 31.01.2012 RM'000
Cash flows from operating activities		
Profit before tax	3,279	5,754
Adjustments for :		
Depreciation of property, plant and equipment	1,156	1,075
Amortisation of prepaid lease payments	11	12
Amortisation of intangible assets	1	1
Gain on disposal of property, plant and equipment - net	(6)	(1)
Property, plant and equipment written off	13	-
Trademark written off	(1)	1
Interest income	(90)	(96)
Finance costs	92	44
Share of loss in associate (net)	37	10
Operating profit before working capital changes	4,492	6,800
Changes in working capital:		
Inventories	789	608
Receivables, deposits and prepayments	(1,743)	(4,649)
Payables and accruals	(324)	1,856
Cash generated from operations	3,214	4,615
Interest paid	(79)	(32)
Tax paid	(2,141)	(1,964)
Tax refund	150	480
Net cash generated from operating activities	1,144	3,099
Cash flows from investing activities		
Acquisition of property, plant and equipment	(747)	(899)
Acquisition of associate company	(162)	-
Proceed from disposal of property, plant and equipment	122	2
Increase in pledged deposits placed with licensed banks	(99)	(153)
Interest received	90	96
Acquisition of subsidiary net of cash	-	(752)
Net cash used in investing activities	(796)	(1,706)
Cash flows from financing activities		
Proceed of loan and borrowings	210	-
Repayment of loan and borrowings	(138)	(142)
Issuance of shares capital	-	6
Interest paid	(13)	(12)
Dividend paid	(3,337)	(3,337)
Net cash used in financing activities	(3,278)	(3,485)
Effect of exchange rate fluctuation on cash held	-	-

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Condensed consolidated statement of cash flows for the second quarter ended 31 January 2013 (cont'd)

(The figures have not been audited)

	Current year to date 31.01.2013 RM'000	Preceding year to date 31.01.2012 RM'000
Net decrease in cash and cash equivalents	(2,930)	(2,092)
Cash and cash equivalents at beginning of the year	8,864	12,144
Cash and cash equivalents at end of the period	5,934	10,052

	Current year to date 31.01.2013 RM'000	Preceding year to date 31.01.2012 RM'000
Cash and cash equivalents comprise of:		
Deposits with licensed banks	2,888	3,026
Cash and bank balances	5,505	9,235
	8,393	12,261
Less: Deposits pledged	(2,459)	(2,209)
	5,934	10,052

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 July 2012 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

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 “Interim Financial Reporting” and the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 July 2012. This interim financial report also complies with International Accounting Standards (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board.

The Group’s interim financial report for the 1st quarter ended 31 October 2012 is the first set of interim financial report prepared in accordance to MFRS 1 “First time adoption of Malaysian Financial Reporting Standards”, and the date of transition is 1 August 2011.

2. Significant accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 July 2012. The adoption of the MFRS framework did not have any material impact on the financial statements of the Group.

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 2012.

4. Seasonality of operations

The Group’s sales and therefore its revenue are seasonal. Sales of the stimulation systems are 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.

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.

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(Company No. 582216-T)
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Notes to the condensed consolidated interim financial statements (cont'd)

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

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

A single tier final dividend of 1.0 sen per share in respect of the financial year ended 31 July 2012 was paid during this quarter.

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 plantation 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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(Company No. 582216-T)

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

9. Operation Segments (cont'd)

<i>RM('000)</i> <i>For the six months</i> <i>ended 31 January</i>	Plantation		Non-plantation		Eliminations		Consolidated	
	2013	2012	2013	2012	2013	2012	2013	2012
<i>Business segments</i>								
Revenue from external customers	14,107	20,248	9,593	7,095	-	-	23,700	27,343
Inter-segment revenue	4,801	6,519	28	770	(4,829)	(7,289)	-	-
Total segment revenue	18,908	26,767	9,621	7865	(4,829)	(7,289)	23,700	27,343
Segment results *							7,580	10,026
Unallocated income							387	875
Unallocated expenses							(4,649)	(5,189)
Operating profit							3,218	5,712
Finance costs							(92)	(44)
Interest income							90	96
Share of loss in associate (net)							(37)	(10)
Tax expenses							(1,023)	(1,557)
Profit for the period							2,256	4,197

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

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

10. Profit for the period

Profit for the period is arrived at after charging:

	6 months ended 31 January	
	2013 RM'000	2012 RM'000
Amortisation of prepaid lease	11	12
Depreciation of property, plant and equipment	1,156	1075
Interest expense	92	44
	<hr/>	<hr/>
and after crediting:		
Interest income	90	96
Net realised foreign exchange gain	360	871
	<hr/>	<hr/>

11. Property, plant and equipment

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

12. Subsequent events

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.

13. Changes in composition of the Group

Greenyield Plantation Sdn Bhd ("GPSB"), a wholly-owned subsidiary of Greenyield Berhad has increased its paid up share capital from RM2.00 to RM500,000.00 on 7th November 2012. During the quarter under review, GPSB remained dormant.

Other than the above, there were no other changes in the composition of the Group during this current quarter.

14. Changes in contingent assets and contingent liabilities

There were no contingent assets and liabilities as at 21 March 2013 (being the latest practicable date not earlier than 7 days from the date of issue of this interim financial report).

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(Company No. 582216-T)

(Incorporated in Malaysia)

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

15. Related party transactions

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

16. Capital Commitments

	As at 31.01.2013 RM'000	As at 31.01.2012 RM'000
Investment in subsidiary		
Contracted but and provided for	2,044	2,044
Property, plant and equipment		
Contracted but not provided for	-	265
	<u>2,044</u>	<u>2,309</u>

17. Review of Group performance

For the current quarter ended 31 January 2013, the Group recorded revenue of RM11.91 million, a decrease of 13.47% as compared to RM13.77 million recorded in the preceding year quarter ended 31 January 2012. As a result of the decrease in revenue, the Group recorded a profit before taxation of RM0.95 million during the quarter ended 31 January 2013.

The lower revenue was mainly attributable to lower sales in the local market and ASEAN Countries for the plantation related products and services.

The Group's EBITDA in the second quarter ended 31 January 2013 was RM1.61 million as compared to RM3.34 million recorded in the preceding year quarter ended 31 January 2012. The lower EBITA was attributable to the plantation related business segment.

18. Variation of results against preceding quarter

The Group recorded a profit before taxation of RM0.95 million, a decrease of RM1.39 million as compared to RM2.33 million recorded in the preceding quarter ended 31 October 2012. The lower profit before taxation was mainly due to:-

1. The decrease in demand and orders from the customers for the plantation related products and services; and
2. The increase in the administrative cost.

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

19. Future prospects

The Board view the second half of financial year prospect as challenging. The Group will maximize the positive factors which will enhance the profit margin.

20. Variance of actual profit from profit forecast

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

21. Tax expense

The taxation figures are as follows:

	6 months ended	
	31 January	
	2013	2012
	RM'000	RM'000
Estimated current tax payable	1,027	1,561
Transfer from deferred taxation	<u>(4)</u>	<u>(4)</u>
	<u>1,023</u>	<u>1,557</u>

22. 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.

23. Quoted investments

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

24. Status of corporate proposals announced but not completed

There were no corporate proposals announced as at 31 January 2013.

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(Company No. 582216-T)

(Incorporated in Malaysia)

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

25. Borrowing and debt securities

	At 31.01.2013 RM'000	As at 31.01.2012 RM'000
Current		
Secured		
Hire purchase creditors	230	100
Non-current		
Secured		
Hire purchase creditors	456	276
	<u>686</u>	<u>376</u>

26. Off balance sheet financial instruments

As at 21 March 2013, the Group does not have any off balance sheet financial instruments.

27. Realised and Unrealised Profits/ Losses

The breakdown of the retained profits of the Group as at 31 January 2013, 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 31.01.2013 RM'000	As at 31.01.2012 RM'000
Total retained profits /(loss) of Greenyield Berhad and its subsidiaries:-		
- Realised	26,814	23,685
- Unrealised	(1,032)	(1,036)
	<u>25,782</u>	<u>22,649</u>
Total share of retained profits / (loss) from associate company:-		
- Realised	(74)	(30)
- Unrealised	-	-
	<u>25,708</u>	<u>22,619</u>
Less: Consolidation adjustments	(8,788)	(8,725)
Total Group retained profits as per consolidated account	<u><u>16,920</u></u>	<u><u>13,894</u></u>

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(Company No. 582216-T)

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

28. Material litigation

There was no material litigation which would materially and adversely affect the financial position of the Group as at 21 March 2013.

29. Dividends

The Company paid a single tier final dividend of 1.0 sen each per share in respect of the financial year ended 31 July 2012 on 15 January 2013 to shareholders of the Company whose names appeared on the Register of Depositors as at 8 January 2013.

30. 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	
	6 months ended		6 months ended	
	31 January		31 January	
	2013	2012	2013	2012
Profit after taxation (RM'000)	533	2001	2,256	4,197
Number of ordinary shares in issue ('000)	333,740	333,740	333,740	333,740
Basic earnings per share (sen)	0.16	0.60	0.68	1.26

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

30. Earnings per ordinary share (cont'd)

(b) Diluted earnings per share

	Individual Quarter		Cumulative Quarter	
	6 months ended		6 months ended	
	31 January		31 January	
	2013	2012	2013	2012
Profit after taxation (RM'000)	533	2,001	2,256	4,197
Number of ordinary shares in issue ('000)	333,740	333,740	333,740	333,740
Adjusted for assumed exercise of ESOS options for no consideration ('000)	369	383	369	383
Adjusted number of ordinary shares in issue ('000)	334,109	334,123	334,109	334,123
Diluted earnings per share (sen)	0.16	0.60	0.68	1.26

31. Status of utilisation of proceeds

On 21 March 2013, there was no status of utilisation of proceeds under review.

32. 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 2012 in their report dated 12 November 2012.

33. Authorisation for Issue

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 21 March 2013.