

GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the first quarter ended 31 October 2014

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31 October		31 October	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Revenue	7,052	8,871	7,052	8,871
Cost of sales	(4,926)	(5,830)	(4,926)	(5,830)
Gross Profit	2,126	3,041	2,126	3,041
Other operating income	256	258	256	258
Distribution expenses	(218)	(350)	(218)	(350)
Administrative expenses	(1,805)	(1,567)	(1,805)	(1,567)
Other operating expenses	(209)	(330)	(209)	(330)
Profit from operations	150	1,052	150	1,052
Finance costs	(36)	(14)	(36)	(14)
Interest income	22	48	22	48
Net Profit	136	1,086	136	1,086
Share of loss in associate	(16)	(8)	(16)	(8)
Profit before taxation	120	1,078	120	1,078
Income tax expense	(60)	(317)	(60)	(317)
Net profit for the period	60	761	60	761
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	60	761	60	761
Profit attributable to:				
Owners of the company	60	761	60	761
Minority interest	-	-	-	-
Profit for the period	60	761	60	761
Total comprehensive income attributable to:				
Owners of the company	60	761	60	761
Minority interests	-	-	-	-
Total comprehensive income for the period	60	761	60	761

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Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the first quarter ended 31 October 2014

(cont'd)

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31 October		31 October	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Earnings per share[^]				
Basic earnings per ordinary share (sen)	<u>0.02</u>	<u>0.23</u>	<u>0.02</u>	<u>0.23</u>
Diluted earnings per ordinary share (sen)	<u>0.02</u>	<u>0.23</u>	<u>0.02</u>	<u>0.23</u>

Note:

[^] Please refer to Note 30 for details of the computations.

The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 July 2014 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 2014

(The figures have not been audited)

	As at 31.10.2014 RM'000	Audited As at 31.07.2014 RM'000
Assets		
Property, plant and equipment	17,698	17,028
Prepaid lease payment	3,414	3,401
Intangible assets	12	12
Investment in associate	9,594	9,428
Plantation development expenditure	2,864	2,576
Deferred Tax Asset	9	-
Total non-current assets	<u>33,591</u>	<u>32,445</u>
Inventories	9,651	8,637
Receivables, deposits and prepayments	8,748	10,530
Current tax assets	2,303	1,288
Cash and cash equivalents	12,907	11,854
Total current assets	<u>33,609</u>	<u>32,309</u>
Total assets	<u><u>67,200</u></u>	<u><u>64,754</u></u>
Equity		
Share capital	33,374	33,374
Reserves	23,163	23,083
Total equity attributable to owners of the Company	<u>56,537</u>	<u>56,457</u>
Liabilities		
Loans and borrowings	5,132	273
Deferred tax liabilities	1,319	1,312
Total non-current liabilities	<u>6,451</u>	<u>1,585</u>
Payables and accruals	3,861	6,526
Loans and borrowings	351	186
Total current liabilities	<u>4,212</u>	<u>6,712</u>
Total liabilities	<u>10,663</u>	<u>8,297</u>
Total equity and liabilities	<u><u>67,200</u></u>	<u><u>64,754</u></u>
Net Assets ("NA") per share attributable to Shareholders of the Company (sen)	<u>16.94</u>	<u>16.92</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 July 2014 and the accompanying explanatory notes attached to the interim financial report.

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Condensed Consolidated Statement of Changes in Equity for the first quarter ended 31 October 2014

(The figures have not been audited)

	<u>Non – distributable</u>			<u>Distributable</u>		<u>Total Equity</u>
	<u>Share Capital</u>	<u>Share Premium</u>	<u>Share Option Reserve</u>	<u>Translation Reserve</u>	<u>Retained Profits</u>	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>3 months ended</u>						
<u>31 October 2014</u>						
Balance as at 01 August 2014	33,374	-	31	(9)	23,060	56,456
Foreign currency translation differences for foreign operations	-	-	-	21	-	21
Profit for the period	-	-	-	-	60	60
Total comprehensive income for the period	-	-	-	21	60	81
At 31 October 2014	33,374	-	31	12	23,120	56,537
<u>3 months ended</u>						
<u>31 October 2013</u>						
Balance as at 01 August 2013	33,374	-	31	-	19,907	53,312
Effect of adopting MFRS 1	-	-	-	-	-	-
Restated at 01 August 2013	33,374	-	31	-	19,907	53,312
Total comprehensive income for the period	-	-	-	-	761	761
At 31 October 2013	33,374	-	31	-	20,668	54,073

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 July 2014 and the accompanying explanatory notes attached to the interim financial report.

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Condensed Consolidated Statement of Cash Flows for the first quarter ended 31 October 2014

(The figures have not been audited)

	Current year to date 31.10.2014 RM'000	Preceding year to date 31.10.2013 RM'000
Cash flows from operating activities		
Profit before tax	136	1,078
Adjustments for:		
Depreciation of property, plant and equipment	529	615
Amortisation of prepaid lease payments	5	6
Amortisation of intangible assets	-	1
Loss on disposal of property, plant and equipment	124	-
Trademark written off	-	4
Interest income	(22)	(48)
Finance costs	36	14
Share of loss in associate (net)	16	8
Translation reserves	12	-
Operating profit before working capital changes	836	1,678
Changes in working capital:		
Inventories	(1,014)	(241)
Receivables, deposits and prepayments	1,770	179
Payables and accruals	(2,665)	1,448
Cash generated from operations	(1,073)	3,064
Interest paid	(14)	(8)
Tax paid	(1,096)	(938)
Tax refund	14	-
Net cash (used in)/ generated from operating activities	(2,169)	2,118
Cash flows from investing activities		
Acquisition of property, plant and equipment	(1,545)	(112)
Plantation development expenditure	(288)	-
Acquisition of associate company	(182)	(182)
Proceed from disposal of property, plant and equipment	232	-
Increase in pledged deposits placed with licensed banks	(13)	(12)
Interest received	22	48
Intangible asset	-	(4)
Purchase of prepaid lease payment	(17)	-
Net cash used in investing activities	(1,791)	(262)

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Condensed Consolidated Statement of Cash Flows for the first quarter ended 31 October 2014

(cont'd)

(The figures have not been audited)

	Current year to date 31.10.2014 RM'000	Preceding year to date 31.10.2013 RM'000
Cash flows from financing activities		
Proceed of loan and borrowings	5,084	-
Repayment of loan and borrowings	(61)	(80)
Interest paid	(22)	(6)
Net cash used in financing activities	<u>5,001</u>	<u>(86)</u>
Effect of exchange rate fluctuation on cash held	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalent	1,041	1,770
Cash and cash equivalents at beginning of the period	<u>8,484</u>	<u>11,185</u>
Cash and cash equivalents at end of the period	<u><u>9,525</u></u>	<u><u>12,955</u></u>

	Current year to date 31.10.2014 RM'000	Preceding year to date 31.10.2013 RM'000
Cash and cash equivalents comprise of:		
Deposits with licensed banks	5,957	7,676
Cash and bank balances	6,950	8,585
	<u>12,907</u>	<u>16,261</u>
Less: Deposits pledged	(3,382)	(3,306)
	<u><u>9,525</u></u>	<u><u>12,955</u></u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 July 2014 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 paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 July 2014. These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 July 2014.

2. Significant accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 July 2014. 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 2014.

4. Seasonality of operations

Rubber Plantations or Smallholdings avoid yield stimulation during periods of prolonged drought and also do not stimulate trees during periods of prolonged heavy rain due to inability to tap the trees. This has an impact on the Group’s sale of stimulation systems during these periods. This in turn results in fluctuation of the revenue and profitability of the group due to seasonality of 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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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

No dividend has been 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 units, 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.
- Non-plantation products Manufacturing and marketing of plastic-related products.

There are varying levels of integration between reportable segments, namely 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> <i>For the three months</i> <i>ended 31 Oct</i>	Plantation		Non-Plantation		Eliminations		Consolidated	
	2014	2013	2014	2013	2014	2013	2014	2013
<i>Business segments</i>								
Revenue from external customers	5,464	4,668	1,588	4,203	-	-	7,052	8,871
Inter-segment revenue	1,061	946	652	16	(1,713)	(962)	-	-
Total segment revenue	6,525	5,614	2,240	4,219	(1,713)	(962)	7,052	8,871
Segment results*							2,126	3,041
Depreciation and amortisation							(534)	(621)
Unallocated income							256	258
Unallocated expenses							(1,698)	(1,626)
Operating profit							150	1,052
Finance costs							(36)	(14)
Interest income							22	48
Share of loss in associate (net)							(16)	(8)
Tax expenses							(60)	(317)
Profit for the period							60	761

* 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:

	3 months ended 31 October	
	2014	2013
	RM'000	RM'000
Amortisation of prepaid lease payments	5	6
Depreciation of property, plant and equipment	529	615
Interest expense	<u>36</u>	<u>14</u>
and after crediting:		
Interest income	22	48
Net realised foreign exchange gain	42	38
Net unrealised foreign exchange gain	<u>128</u>	<u>-</u>

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

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 23 December 2014 (being the latest practicable date not earlier than 7 days from the date of issue of this interim financial report).

15. Related party transactions

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

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Notes to the Condensed Consolidated Interim Financial Statements (cont'd)

16. Capital Commitments

	As at 31.07.2014 RM'000	As at 31.10.2013 RM'000
Contracted and provided for		
- Investment in subsidiary company	500	-
Contracted but not provided for		
- Investment in associated company	543	1,276
- Purchase of land	3,201	-
- Lease of land	319	-
	<u>4,063</u>	<u>1,276</u>

17. Review of Group performance

The Group's revenue of RM7.05 million for the quarter ended 31 October 2014 as compared to RM8.87 million recorded in the preceding year ended 31 October 2013, a decrease of 20.5% caused by the deferment in sales delivery of the non plantation products segment. As a result, the Group reported profit before taxation of RM0.12 million during this quarter review.

Hence, the Group's EBITDA in the first quarter ended 31 October 2014 was RM0.7 million compare to RM1.7 million in the first quarter ended 31 October 2013.

18. Variation of results against preceding quarter

The Group recorded a profit before taxation of RM0.12 million compared to profit before taxation of RM1.76 million in the preceding quarter ended 31 July 2014, a decline of RM 1.64 million. The decrease is caused by decline in both sales for plantation related product and services and non-plantation product segment during this quarter.

19. Future prospects

The Board anticipates improvement on the Group's performance in the forthcoming financial quarter.

20. Variance of actual profit from profit forecast

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

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Notes to the Condensed Consolidated Interim Financial Statements (cont'd)

21. Tax expense

The taxation figures are as follows:

	3 months ended 31 October	
	2014	2013
	RM'000	RM'000
Estimated current tax payable	62	298
Under/(over) provision in prior year	-	17
Transfer from deferred taxation	(2)	2
	<u>60</u>	<u>317</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 October 2014.

25. Borrowing and debt securities

	As at 31.10.2014	Audited As at 31.07.2014
	RM'000	RM'000
Current		
Secured		
Hire purchase creditors	351	186
Non-current		
Secured		
Hire purchase creditors	632	273
Term Loan	4,500	-
	<u>5,132</u>	<u>273</u>
	<u>5,483</u>	<u>459</u>

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Notes to the Condensed Consolidated Interim Financial Statements (cont'd)

26. Off balance sheet financial instruments

As at 23 December 2014, 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 October 2014, 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 31.10.2014 RM'000	Audited As at 31.07.2014 RM'000
Total retained profits/(loss) of Greenyield Berhad and its subsidiaries:-		
- Realised	33,062	33,034
- Unrealised	(864)	(944)
	<u>32,198</u>	<u>32,090</u>
Total share of retained profits/(loss) from associate company:-		
- Realised	(170)	(142)
- Unrealised	-	-
	<u>32,028</u>	<u>31,948</u>
Less : Consolidated adjustments	(8,908)	(8,887)
Total Group retained profits as per consolidated account	<u><u>23,120</u></u>	<u><u>23,061</u></u>

28. Material litigation

There was no material litigation which would materially and adversely affect the financial position of the Group as at 23 December 2014.

29. Dividends

The shareholders have in the Twelfth Annual General Meeting held on 16 December 2014 approved a single tier final dividend of 1.1 sen per ordinary share in respect of the financial year ended 31 July 2014. The entitlement date will be 19 January 2015.

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Notes to the Condensed Consolidated Interim Financial Statements (cont'd)

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 3 months ended 31 October		Cumulative Quarter 3 months ended 31 October	
	2014	2013	2014	2013
Profit after taxation (RM'000)	60	761	60	761
Number of ordinary shares in issue ('000)	333,740	333,740	333,740	333,740
Basic earnings per share (sen)	0.02	0.23	0.02	0.23

(b) *Diluted earnings per share*

	Individual Quarter 3 months ended 31 October		Cumulative Quarter 3 months ended 31 October	
	2014	2013	2014	2013
Profit after taxation (RM'000)	60	761	60	761
Number of ordinary shares in issue ('000)	333,740	333,740	333,740	333,740
Adjusted for assumed exercised of ESOS options for no consideration ('000)	312	319	312	319
Adjusted number of ordinary shares in issue ('000)	334,052	334,059	334,052	334,059
Diluted earnings per share (sen)	0.02	0.23	0.02	0.23

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Notes to the Condensed Consolidated Interim Financial Statements (cont'd)

31. Status of utilisation of proceeds

On 23 December 2014, 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 2014 in their report dated 05 November 2014.

33. Authorisation for Issue

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 23 December 2014.