

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 2015

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31 October		31 October	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Revenue	7,855	7,052	7,855	7,052
Cost of sales	(5,503)	(4,926)	(5,503)	(4,926)
Gross profit	2,352	2,126	2,352	2,126
Other operating income	1,312	256	1,312	256
Distribution expenses	(375)	(218)	(375)	(218)
Administrative expenses	(1,877)	(1,805)	(1,877)	(1,805)
Other operating expenses	(150)	(209)	(150)	(209)
Profit from operations	1,262	150	1,262	150
Finance costs	(143)	(36)	(143)	(36)
Interest income	21	22	21	22
Operating profit	1,140	136	1,140	136
Share of loss in associates, net of tax	(21)	(16)	(21)	(16)
Profit before taxation	1,119	120	1,119	120
Income tax expense	(450)	(60)	(450)	(60)
Net profit for the period	669	60	669	60
Other comprehensive income for the period	64	21	64	21
Total comprehensive income for the period	733	81	733	81
Profit attributable to:				
Owners of the company	669	60	669	60
Non-controlling interests	-	-	-	-
Profit for the period	669	60	669	60
Total comprehensive income attributable to:				
Owners of the company	733	81	733	81
Non-controlling interests	-	-	-	-
Total comprehensive income for the period	733	81	733	81

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Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the first quarter ended 31 October 2015

(cont'd)

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31 Oct		31 Oct	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Earnings per share[^]				
Basic earnings per ordinary share (sen)	<u>0.20</u>	<u>0.02</u>	<u>0.20</u>	<u>0.02</u>
Diluted earnings per ordinary share (sen)	<u>0.20</u>	<u>0.02</u>	<u>0.20</u>	<u>0.02</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 2015 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 2015

(The figures have not been audited)

	As at 31.10.2015 RM'000	Audited As at 31.07.2015 RM'000
Assets		
Property, plant and equipment	21,119	20,886
Intangible assets	24	22
Prepaid lease payments	3,398	3,406
Plantation development expenditure	3,800	3,537
Investment in associates	13,426	13,447
Total non-current assets	<u>41,767</u>	<u>41,298</u>
Trade, other receivables and prepayments	12,032	12,098
Inventories	10,476	9,670
Current tax assets	1,370	1,281
Cash and cash equivalents	11,742	14,973
Total current assets	<u>35,620</u>	<u>38,022</u>
Total assets	<u>77,387</u>	<u>79,320</u>
Equity		
Share capital	33,374	33,374
Reserves	24,632	23,899
Total equity attributable to owners of the Company	<u>58,006</u>	<u>57,273</u>
Liabilities		
Borrowings	10,477	10,754
Deferred tax liabilities	1,480	1,508
Total non-current liabilities	<u>11,957</u>	<u>12,262</u>
Trade and other payables	6,309	8,663
Borrowings	1,115	1,122
Total current liabilities	<u>7,424</u>	<u>9,785</u>
Total liabilities	<u>19,381</u>	<u>22,047</u>
Total equity and liabilities	<u>77,387</u>	<u>79,320</u>
Net Assets ("NA") per share attributable to Shareholders of the Company (sen)	<u>17.38</u>	<u>17.16</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 July 2015 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 2015

(The figures have not been audited)

	<u>Non – distributable</u>			<u>Distributable</u>	<u>Total equity</u> RM'000
	<u>Share capital</u> RM'000	<u>Share option reserve</u> RM'000	<u>Translation reserve</u> RM'000	<u>Retained earnings</u> RM'000	
<i>Attributable to shareholders of the Company</i>					
<u>3 months ended</u>					
<u>31 October 2015</u>					
Balance as at 01 August 2015	33,374	31	65	23,803	57,273
Foreign currency translation differences for foreign operations	-	-	64	-	64
Profit for the period	-	-	-	669	669
Total comprehensive income for the period	-	-	64	669	733
At 31 October 2015	33,374	31	129	24,472	58,006
<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

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 July 2015 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 2015

(The figures have not been audited)

	Current period to date 31.10.2015 RM'000	Previous period to date 31.10.2014 RM'000
Cash flows from operating activities		
Profit before tax	1,119	136
Adjustments for:		
Depreciation of property, plant and equipment	453	529
Amortisation of prepaid lease payments	8	5
Loss on disposal of property, plant and equipment	-	124
Interest income	(21)	(22)
Finance costs	143	36
Share of loss in associate (net)	21	16
Operating profit before working capital changes	1,723	824
Changes in working capital:		
Inventories	(806)	(1,014)
Receivables, deposits and prepayments	289	1,770
Payables and accruals	(2,354)	(2,665)
Cash used in operations	(1,148)	(1,085)
Interest paid	(8)	(14)
Tax paid	(801)	(1,096)
Tax refund	10	14
Net cash used in operating activities	(1,947)	(2,181)
Cash flows for investing activities		
Acquisition of property, plant and equipment	(750)	(1,545)
Acquisition of intangible assets	(2)	-
Acquisition of prepaid lease payment	-	(17)
Investment in associates	-	(182)
Proceed from disposal of property, plant and equipment	64	232
Increase in pledged deposits placed with licensed banks	(5)	(13)
Interest received	21	22
Plantation development expenditure	(263)	(288)
Net cash used in investing activities	(935)	(1,791)

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Condensed Consolidated Statement of Cash Flows for the first quarter ended 31 October 2015

(cont'd)

(The figures have not been audited)

	Current period to date 31.10.2015 RM'000	Previous period to date 31.10.2014 RM'000
Cash flows for financing activities		
(Repayment of)/Proceeds from term loans (net)	(199)	5,084
Repayment of finance lease liabilities (net)	(85)	(61)
Interest paid	(135)	(22)
Net cash (used in)/generated from financing activities	(419)	5,001
Net (decrease)/increase in cash and cash equivalents	(3,301)	1,029
Effect of exchange rate fluctuation on cash & cash equivalents	64	12
Cash and cash equivalents at beginning of the period	12,430	8,484
Cash and cash equivalents at end of the period	9,193	9,525

	Current period to date 31.10.2015 RM'000	Previous period to date 31.10.2014 RM'000
Cash and cash equivalents comprise of:		
Deposits with licensed banks	2,635	5,957
Cash and bank balances	9,107	6,950
	11,742	12,907
Less: Deposits pledged	(2,549)	(3,382)
	9,193	9,525

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 July 2015 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”), International Financial Reporting Standards (“IFRSs”) and the requirements of the Companies Act, 1965 in Malaysia.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 July 2015. 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 October 2015.

2. Significant accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 July 2015. The adoption of the MFRS framework did not have any material impact on the financial statements of the Group.

3. Estimates

There were no material changes to financial estimates made in respect of the current financial period that have been previously announced or disclosed.

4. Operational Seasons and Cycles

The plantation industry is subject to seasonal and cyclical factors such as weather and commodity prices.

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>	Plantation		Non-Plantation		Eliminations		Consolidated	
<i>For the three months ended 31 October</i>	2015	2014	2015	2014	2015	2014	2015	2014
<i>Business segments</i>								
Revenue from external customers	4,510	5,464	3,345	1,588	-	-	7,855	7,052
Inter-segment revenue	540	1,061	113	652	(653)	(1,713)	-	-
Total segment revenue	5,050	6,525	3,458	2,240	(653)	(1,713)	7,855	7,052
Segment results*							2,352	2,126
Depreciation and amortization							(453)	(529)
Unallocated income							1,312	256
Unallocated expenses							(1,949)	(1,703)
Operating profit							1,262	150
Finance costs							(143)	(36)
Interest income							21	22
Share of loss in associates (net)							(21)	(16)
Tax expenses							(450)	(60)
Profit for the period							669	60

* 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	
	2015	2014
	RM'000	RM'000
Amortisation of prepaid lease payments	8	5
Depreciation of property, plant and equipment	453	529
Finance costs	143	36

and after crediting:

Interest income	21	22
Net realised foreign exchange gain	782	42
Net unrealised foreign exchange gain	360	128

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 material contingent liabilities or contingent assets as at the date of this report.

15. Related party transactions

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

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

16. Capital Commitments

	As at 31.10.2015 RM'000	As at 31.10.2014 RM'000
Contracted and provided for		
- Investment in subsidiary company	-	500
Contracted but not provided for		
- Investment in associated company	-	543
- Property, plant and equipment	627	-
- Purchase of land	-	4,063
	<u>627</u>	<u>4,063</u>

17. Review of Group performance

For the period ended 31 October 2015, the Group's revenue was RM7.9 million compared to RM7.1 million in the previous period ended 31 October 2014, an increase of 11.3% as a result of increased in sales order from overseas. The Group's EBITDA in the first quarter ended 31 October 2015 was RM1.7 million as compare to RM0.7 million in previous first quarter ended 31 October 2014, an increase of 142.8%.

18. Variation of results against preceding quarter

The Group recorded a profit before taxation of RM1.1 million in the current quarter ended 31 October 2015 compared to profit before taxation of RM2.3 million in the immediate preceding quarter ended 31 July 2015, a decrease of 52.2%. The decrease is primarily caused by sales of plantation related products in this quarter.

19. Future prospects

The Board expects another challenging year.

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	
	2015	2014
	RM'000	RM'000
Estimated current tax payable	428	62
Under provision in prior year	49	-
Transfer from deferred taxation	(27)	(2)
	<u>450</u>	<u>60</u>

22. Unquoted investments and properties

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

23. Quoted investments

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

24. Status of corporate proposals announced but not completed

There were no corporate proposals announced as at 31 October 2015.

25. Borrowing and debt securities

	As at 31.10.2015	As at 31.07.2015
	RM'000	RM'000
Current		
Secured		
Finance lease liabilities	294	309
Term loans	821	813
	<u>1,115</u>	<u>1,122</u>
Non-current		
Secured		
Finance lease liabilities	337	407
Term loans	10,140	10,347
	<u>10,477</u>	<u>10,754</u>
	<u>11,592</u>	<u>11,876</u>

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

26. Off balance sheet financial instruments

As at 21 December 2015, 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 2015, 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 31.10.2015 RM'000	Audited As at 31.07.2015 RM'000
Total retained profits/(loss) of Greenyield Berhad and its subsidiaries:-		
- Realised	33,348	32,969
- Unrealised	(942)	(1,274)
	<u>32,406</u>	<u>31,695</u>
Total share of loss from associate company:-		
- Realised	(185)	(164)
- Unrealised	-	-
	<u>32,221</u>	<u>31,531</u>
Less : Consolidated adjustments	<u>(7,749)</u>	<u>(7,728)</u>
Total Group retained profits as per consolidated account	<u><u>24,472</u></u>	<u><u>23,803</u></u>

28. Material litigation

There was no material litigation which would materially and adversely affect the financial position of the Group for the current quarter under review.

29. Dividends

The Board of Directors has recommended a single tier final dividend of 0.75 sen per ordinary share in respect of the financial year ended 31 July 2015 for shareholders' approval at the forthcoming Annual General Meeting. The entitlement date will be on 12 January 2016.

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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 period 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 Oct		31 Oct	
	2015	2014	2015	2014
Profit after taxation (RM'000)	669	60	669	60
Number of ordinary shares in issue ('000)	333,740	333,740	333,740	333,740
Basic earnings per share (sen)	0.20	0.02	0.20	0.02

(b) *Diluted earnings per share*

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31 October		31 October	
	2015	2014	2015	2014
Profit after taxation (RM'000)	669	60	669	60
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	-	312
Adjusted number of ordinary shares in issue ('000)	333,740	334,052	333,740	334,052
Diluted earnings per share (sen)	0.20	0.02	0.20	0.02

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

31. Status of utilisation of proceeds

Not applicable as the Group does not have any corporate proposal to raise fund for the period 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 2015 in their report dated 11 November 2015.

33. Authorisation for Issue

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 21 December 2015.