

GREENYIELD BERHAD

(Company No. 582216-T)



PIONEER LEADING

ANNUAL REPORT 2015

13th

Annual General Meeting



22 December 2015,
Tuesday



11.00 a.m



Melati Room, Level 2,
Hotel Bangi-Putrajaya,
Off Persiaran Bandar,
43650 Bandar Baru Bangi,
Selangor Darul Ehsan.

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Notice of Thirteenth Annual General Meeting

NOTICE IS HEREBY GIVEN that the Thirteenth Annual General Meeting of **GREENYIELD BERHAD** will be held at Melati Room, Level 2, Hotel Bangi-Putrajaya, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor Darul Ehsan on Tuesday, 22 December 2015 at 11.00 a.m. to transact the following businesses:-

AGENDA

Ordinary Business

- | | | |
|----|--|---|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 July 2015 together with the Reports of the Directors and Auditors thereon. | [Please refer to Explanatory Note 1] |
| 2. | To approve the aggregate Directors' fees payable to the Directors of the Company for an amount not exceeding RM120,000 per annum for the financial year ending 31 July 2016. | Resolution 1 |
| 3. | To approve the single tier final dividend of 0.75 sen per Ordinary Share for the financial year ended 31 July 2015. | Resolution 2 |
| 4. | To re-elect the following Directors who retire pursuant to Article 74 of the Articles of Association of the Company:- | |
| | i) Tham Kin Wai | Resolution 3 |
| | ii) Yong Swee Lin [Please refer to Explanatory Note 2] | Resolution 4 |
| 5. | To re-appoint the following Directors who retire pursuant to Section 129(6) of the Companies Act, 1965, to hold office until the next Annual General Meeting:- | |
| | i) Mahbob Bin Abdullah [Please refer to Explanatory Notes 2 and 3] | Resolution 5 |
| | ii) Dr Sivakumaran A/L Seenivasagam [Please refer to Explanatory Note 3] | Resolution 6 |
| 6. | To appoint Auditors and to authorise the Directors to fix their remuneration. | Resolution 7 |

Notice of Nomination pursuant to Section 172(11) of the Companies Act, 1965, a copy of which is annexed hereto and marked "Annexure A" has been received by the Company for the nomination of Messrs SJ Grant Thornton who have given their consent to act, for appointment as Auditors, and of the intention to move the following motion to be passed as an Ordinary Resolution:-

"THAT Messrs SJ Grant Thornton, having consented to act, be and are hereby appointed as Auditors of the Company in place of the retiring auditors, Messrs KPMG, and to hold office until the conclusion of the next Annual General Meeting AND THAT the Directors be authorised to fix their remuneration."

Special Business

To consider and, if thought fit, to pass the following resolutions with or without modifications, as Ordinary Resolutions of the Company:-

- | | | |
|----|---|--|
| 7. | Ordinary Resolution I
Authority under Section 132D of the Companies Act, 1965 for the Directors to issue shares | Resolution 8
[Please refer to Explanatory Note 4] |
| | <p>"THAT subject always to the Companies Act, 1965, Articles of Association of the Company and approvals from Bursa Malaysia Securities Berhad and any other governmental/ regulatory bodies, where such approval is necessary, full authority be and is hereby given to the Directors pursuant to Section 132D of the Companies Act, 1965 to issue not more than ten percent (10%) of the total issued and paid-up share capital of the Company at any time upon any such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit or in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force and that the Directors be and are hereby further authorised to make or grant offers, agreements or options which would or might require shares to be issued after the expiration of the approval hereof AND THAT authority be and is hereby given to the Directors to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company unless revoked or varied by the Company at a general meeting."</p> | |



Notice of Thirteenth Annual General Meeting (cont'd)

8. Ordinary Resolution II

Proposed renewal of authority for the Company to purchase its own Ordinary Shares of not more than ten percent (10%) of the total issued and paid-up share capital of the Company ("Proposed Renewal")

Resolution 9
[Please refer to
Explanatory Note 5]

"THAT, subject to the Companies Act, 1965, the Articles of Association of the Company, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the Main Market ("LR") and the approval of such relevant government and/or regulatory authorities where necessary, the Company be and is hereby authorized to purchase its own Ordinary Shares of RM0.10 each ("Shares") on the Main Market of Bursa Securities ("Proposed Share Buy-Back") at any time, upon such terms and conditions as the Directors shall in their discretion deem fit and expedient in the best interest of the Company provided that:-

- (a) The aggregate number of Shares in the Company which may be purchased and/or held by the Company shall not exceed ten percent (10%) of the prevailing total issued and paid-up share capital of the Company at the time of purchase subject to any amount as may be determined by Bursa Securities from time to time and compliance with the public shareholding spread requirements as stipulated in Paragraph 8.02(1) of the LR;
- (b) The maximum funds to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the Company's latest audited retained profits and/or share premium accounts;
- (c) The authority conferred by this resolution will be effective immediately from the passing of this Ordinary Resolution until:-
 - (i) the conclusion of the next Annual General Meeting ("AGM") at which time shall lapse unless by Ordinary Resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
 - (iii) revoked or varied by Ordinary Resolution passed by the shareholders of the Company in a general meeting;whichever occurs first; and
- (d) Upon the purchase by the Company of its own Shares, the Board of Directors of the Company ("Board") be and is hereby authorized to:-
 - (i) cancel all or part of the Shares purchased pursuant to the Proposed Share Buy-Back ("Purchased Shares"); and/or
 - (ii) retain all or part of the Purchased Shares as treasury shares; and/or
 - (iii) distribute the treasury shares as share dividends to the Company's shareholders for the time being; and/or
 - (iv) resell the treasury shares on Bursa Securities.

AND THAT authority be and is hereby given to the Board to take all such steps as are necessary or expedient to implement, finalise and give full effect to and to implement the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be required or imposed by the relevant authorities from time to time and to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company."



Notice of Thirteenth Annual General Meeting (cont'd)

9. **Ordinary Resolution III
Continuing in Office as Independent Non-Executive Director**

**Resolution 10
[Please refer to
Explanatory Note 6]**

“**THAT**, approval be and is hereby given to Dr Zainol Bin Md Eusof who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company and to hold office until the conclusion of the next Annual General Meeting of the Company.”

10. To transact any other business of the Company of which due notice shall be given in accordance with the Company's Articles of Association and the Companies Act, 1965.

BY ORDER OF THE BOARD

**JOANNE TOH JOO ANN (LS 0008574)
WONG PEIR CHYUN (MAICSA 7018710)
SIA EE CHIN (MAICSA 7062413)**

Company Secretaries
Kuala Lumpur

Date: 26 November 2015

Notice of Dividend Entitlement and Payment

NOTICE IS HEREBY GIVEN THAT, subject to the approval of the shareholders at the Thirteenth Annual General Meeting of the Company, a single tier final dividend of 0.75 sen per Ordinary Share in respect of the financial year ended 31 July 2015 will be payable to the shareholders of the Company on 22 January 2016. The entitlement date for the said dividend shall be 12 January 2016.

A depositor shall qualify for entitlement to the dividend only in respect of :

- a) shares transferred to the depositor's securities account before 4.00 p.m. on 12 January 2016 in respect of transfers; and
- b) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

**JOANNE TOH JOO ANN (LS 0008574)
WONG PEIR CHYUN (MAICSA 7018710)
SIA EE CHIN (MAICSA 7062413)**

Company Secretaries
Kuala Lumpur

Date: 26 November 2015



Notice of Thirteenth Annual General Meeting (cont'd)

NOTES :

(i) NOTES ON APPOINTMENT OF PROXY

- a. A member entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxy(ies) (or in the case of a corporation, a duly authorized representative) to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- b. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless the member specifies the proportion of his shareholdings to be represented by each proxy.
- c. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under the Corporation's Common Seal or under the hand of an officer or attorney duly authorised.
- d. Where a member of the Company is an authorized nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA") it may appoint not more than two (2) proxies in respect of each securities account it holds with Ordinary Shares of the Company standing to the credit of the said Securities Account.
- e. Where a member of the company is an exempt authorized nominee as defined under the SICDA, which holds Ordinary Shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each Omnibus Account it holds.
- f. Where the authorized nominee or an exempt authorized nominee appoints two (2) or more proxies, the appointment shall be invalid unless the authorized nominee specifies the proportion of his shareholdings to be represented by each proxy.
- g. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn Bhd to make available to the Company pursuant to Article 54(f) of the Articles of Association of the Company and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a Record of Depositors as at 15 December 2015 and only a Depositor whose name appear on such Record of Depositors shall be entitled to attend, vote and speak at the meeting.
- h. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarily certified copy of the power or authority must be deposited at the Share Registrar of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.

(ii) EXPLANATORY NOTES

1. **Item 1 of the Agenda – Ordinary Business** **Audited Financial Statements for the financial year ended 31 July 2015**

The Audited Financial Statements in Item 1 of the Agenda is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Item 1 is not put forward for voting.

2. **Item 4(ii) and 5(i) of the Agenda – Ordinary Business** **Re-appointment of Independent Directors**

In line with Recommendation 3.1 of the Malaysian Code on Corporate Governance 2012, the Nomination Committee and the Board had undertaken an annual assessment on the independence of Yong Swee Lin and Mahbob Bin Abdullah who are seeking for re-election and re-appointment pursuant to Article No. 74 of the Articles of Association and Section 129(6) of the Companies Act, 1965 respectively, at the forthcoming Thirteenth Annual General Meeting. The annual assessment had been disclosed in the Statement of Corporate Governance of the Company's 2015 Annual Report.

3. **Item 5 of the Agenda – Ordinary Business** **Re-appointment of Directors pursuant to Section 129(6) of the Companies Act, 1965**

The proposed Resolutions 5 and 6, if passed, will authorize the continuity in office of the Directors (who are over the age of 70 years) until the next Annual General Meeting.



Notice of Thirteenth Annual General Meeting (cont'd)

4. **Item 7 of the Agenda – Special Business** **Ordinary Resolution I**

Authority under Section 132D of the Companies Act, 1965 for the Directors to issue shares

The Proposed Resolution 8 is for the purpose of granting a renewed general mandate (“General Mandate”) and empowering the Directors to issue shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total issued and paid-up share capital of the Company for such purposes as the Directors consider would be in the interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting.

The General Mandate will provide flexibility to the Company to issue shares for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investments(s), acquisition(s) and/or working capital.

As at the date of this Notice, the Company did not issue any shares pursuant to the mandate granted to the Directors at the Twelfth Annual General Meeting. The Company did not issue any shares pursuant to the mandate granted because there were no investment(s), acquisition(s) or working capital that required fund raising activity.

5. **Item 8 of the Agenda – Special Business** **Ordinary Resolution II**

Proposed Renewal of Authority for the Company to Purchase Up to Ten Percent (10%) of Its Total Issued and Paid-up Share Capital

Shareholders are advised to refer to the Statement to Shareholders dated 26 November 2015 circulated together with the 2015 Annual Report, when considering Resolution 9.

The proposed Resolution 9, if passed, will empower the Directors to purchase the Company’s Shares up to 10% of the total issued and paid-up share capital of the Company.

6. **Item 9 of the Agenda – Special Business** **Ordinary Resolution III**

Continuing in Office as Independent Non-Executive Directors

Pursuant to the Malaysian Code on Corporate Governance 2012, the Board of Directors has assessed the Independence of Dr Zainol Bin Md Eusof who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, and recommended him to continue to act as Independent Non-Executive Director of the Company.

Dr Zainol Bin Md Eusof fulfils the criteria of Independent Director pursuant to the Main Market Listing Requirements of Bursa Securities. Although having served the Company for a cumulative term of more than nine (9) years, he has remained objective and independent in expressing his views and in participating in deliberations and decision making of the Board and Board Committees. The length of his services on the Board does not in any way interfere with his exercise of independent judgment and ability to act in the best interests of the Company.

The Ordinary Resolution proposed under Resolution 10 if passed, will authorise the continuity in office of the Director as Independent Non-Executive Director of the Company.

Statement Accompanying Notice of Thirteenth Annual General Meeting

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

Directors who are standing for re-appointment at the Thirteenth Annual General Meeting are Dr. Zainol Bin Md Eusof, Mahbob Bin Abdullah and Dr Sivakumaran A/L Seenivasagam.

The profiles of the above Directors are set out in the Section entitled “Profile of the Board of Directors” on page 11 to 13 of the 2015 Annual Report.



Corporate Information

BOARD OF DIRECTORS

Dr Zainol Bin Md Eusof

Independent Non-Executive Chairman

Tham Foo Keong

Group Managing Director

Tham Foo Choon

Deputy Group Managing Director

**Dr Sivakumaran A/L
Seenivasagam**

Executive Director

Tham Kin Wai

Executive Director

Yong Swee Lin

Independent Non-Executive Director

Mahbob Bin Abdullah

Independent Non-Executive Director

AUDIT COMMITTEE

*Chairman:***Yong Swee Lin**

Independent Non-Executive Director

*Member:***Mahbob Bin Abdullah**

Independent Non-Executive Director

Dr Zainol Bin Md Eusof

Independent Non-Executive Director

OPTION COMMITTEE

*Chairman:***Tham Foo Keong**

Group Managing Director

*Member:***Tham Foo Choon**

Deputy Group Managing Director

Dr Zainol Bin Md Eusof

Independent Non-Executive Director

REMUNERATION COMMITTEE

*Chairman:***Yong Swee Lin**

Independent Non-Executive Director

*Member:***Dr Zainol Bin Md Eusof**

Independent Non-Executive Director

NOMINATION COMMITTEE

*Chairman:***Yong Swee Lin**

Independent Non-Executive Director

*Member:***Dr Zainol Bin Md Eusof**

Independent Non-Executive Director

REGISTERED OFFICE

Unit 30-01, Level 30, Tower A,
Vertical Business Suite, Avenue 3,
Bangsar South, No. 8, Jalan Kerinchi,
59200 Kuala Lumpur
Tel : 03 - 2783 9191
Fax : 03 - 2783 9111

CORPORATE OFFICE

No. 21 & 23, Jalan Seksyen 3/7,
Taman Kajang Utama,
43000 Kajang,
Selangor Darul Ehsan.
Tel : 03 - 8736 8777
Fax : 03 - 8737 2636 (Marketing)
Fax : 03 - 8737 0723 (Finance)
E-mail : investors@greenyield.com.my

WEBSITE

www.greenyield.com.my
<http://greenyield.listedcompany.com>

REGISTRAR

Tricor Investor Services Sdn Bhd

(Company No.118401-V)
Unit 32-01, Level 32, Tower A,
Vertical Business Suite, Avenue 3,
Bangsar South, No. 8, Jalan Kerinchi,
59200 Kuala Lumpur.
Tel : 03 - 2783 9299
Fax : 03 - 2783 9222

AUDITORS

KPMG (AF 0758)

Chartered Accountants
Level 10, KPMG Tower,
8, First Avenue, Bandar Utama,
47800 Petaling Jaya, Selangor.
Tel : 03 - 7721 3388
Fax : 03 - 7721 3399

COMPANY SECRETARIES

Joanne Toh Joo Ann (LS 0008574)
Wong Peir Chyun (MAICSA 7018710)
Sia Ee Chin (MAICSA 7062413)

LISTING

Main Market of Bursa Malaysia
Securities Berhad

Stock Name : **GREENYB**
Stock Code : **0136**

SOLICITOR

**Cheang & Ariff
Advocates & Solicitors**

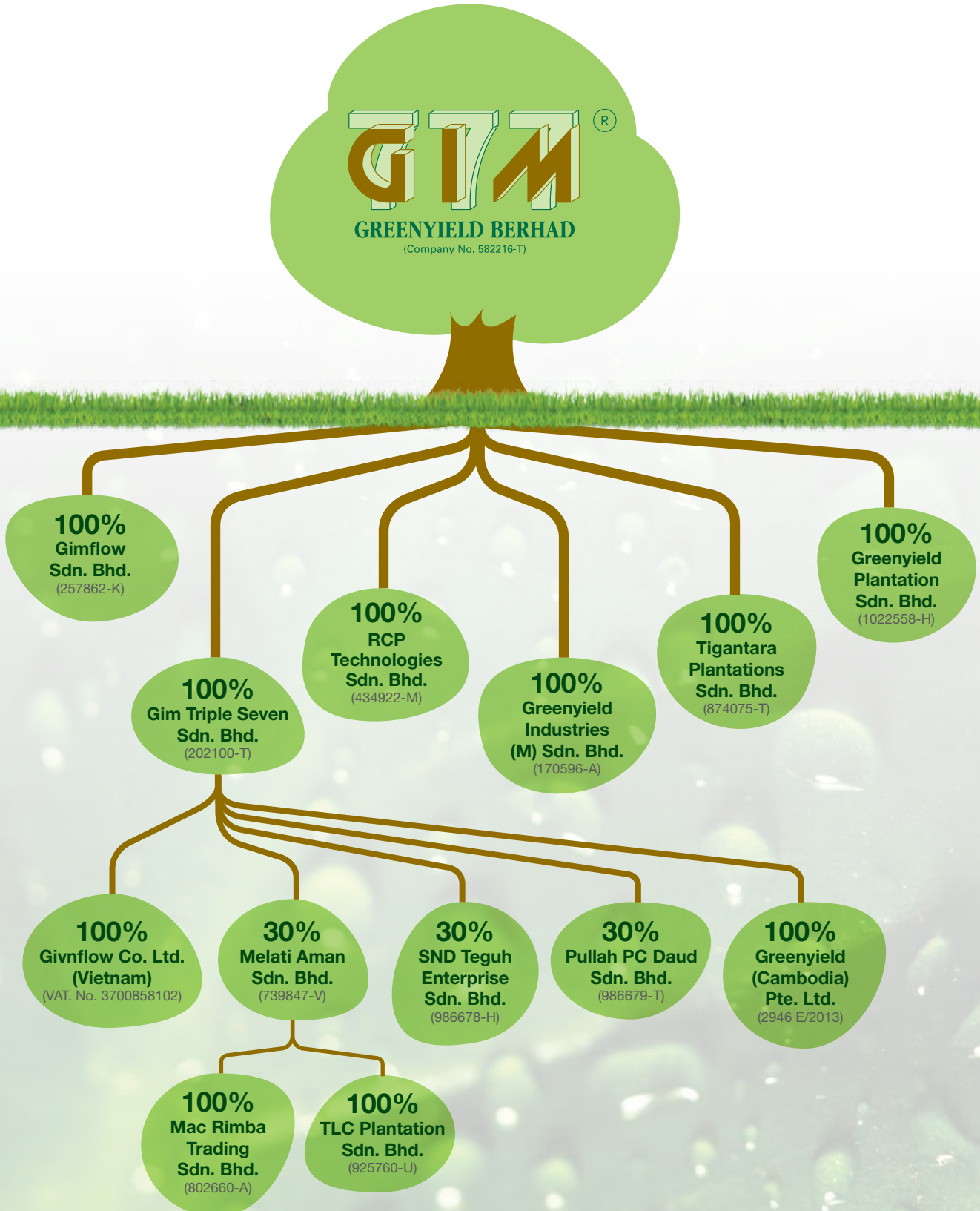
39 Court@Loke Mansion,
273A, Jalan Medan Tuanku,
50300 Kuala Lumpur.
Tel : 03 - 2691 0803
Fax : 03 - 2693 4475

PRINCIPAL BANKER

Public Bank Berhad
HSBC Bank Malaysia Berhad
United Overseas Bank (Malaysia) Berhad



Corporate Structure



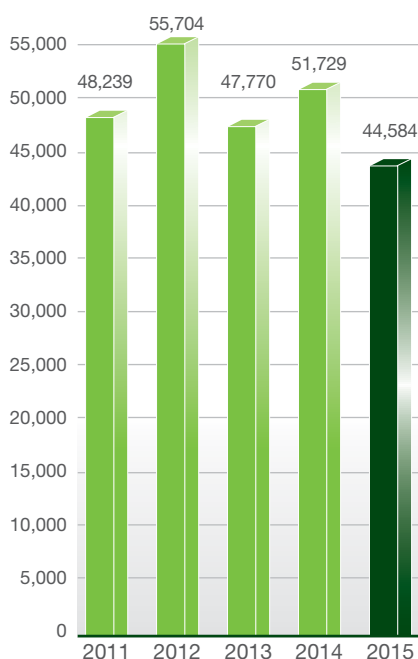


Financial Highlights

	Financial Year Ended				
	31.7.2011 (RM'000)	31.7.2012 (RM'000)	31.7.2013 (RM'000)	31.7.2014 (RM'000)	31.7.2015 (RM'000)
Turnover	48,239	55,704	47,770	51,729	44,584
Earnings Before Interest, Depreciation, Amortisation and Taxation	11,872	13,873	9,590	11,198	8,691
Profit Before Taxation	9,576	11,248	7,315	8,857	6,313
Taxation	2,192	2,991	2,072	2,366	1,900
Profit After Taxation and Minority Interest	7,384	8,257	5,243	6,491	4,413
Net Profit Margin (%)	15.3	14.8	11.0	12.5	9.9
Net Tangible Assets	46,467	51,394	53,298	56,444	57,251
Net Tangible Assets Per Share (sen)	27.9	15.4	16.0	16.9	17.2
Net Earnings Per Share (sen)	4.4	2.5	1.6	1.9	1.3
Gross Dividend Rate (%)	10	10	10	11	7.5
Total Borrowings	518	613	528	460	11,876
Cash and Cash Equivalents	14,201	11,224	14,479	11,854	14,973
Shareholders' Fund	46,480	51,406	53,312	56,457	57,273
Gearing Ratio (%)	Net Cash	Net Cash	Net Cash	0.8	20.7
Fully Paid-Up Share Capital ('000 units)	166,841	333,740	333,740	333,740	333,740
Weighted Average Share Capital ('000 units)	165,789	288,478	333,740	333,740	333,740

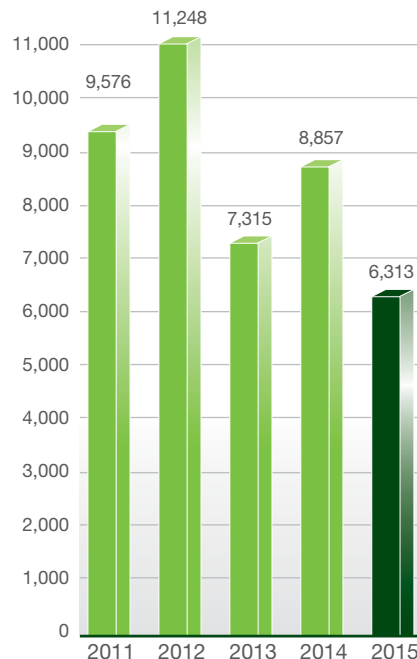
Turnover

(RM'000)



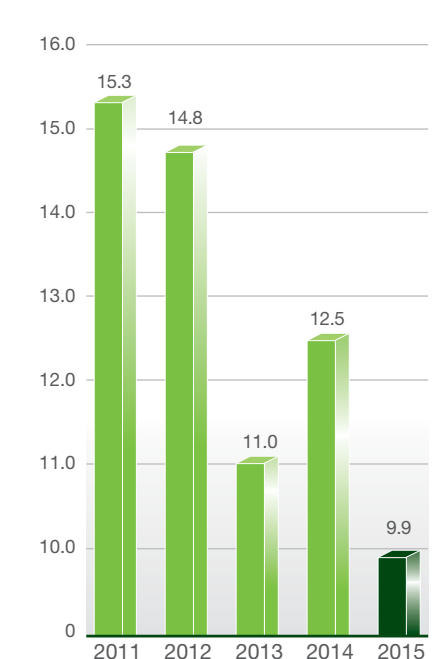
Profit Before Taxation

(RM'000)



Net Profit Margin

(%)

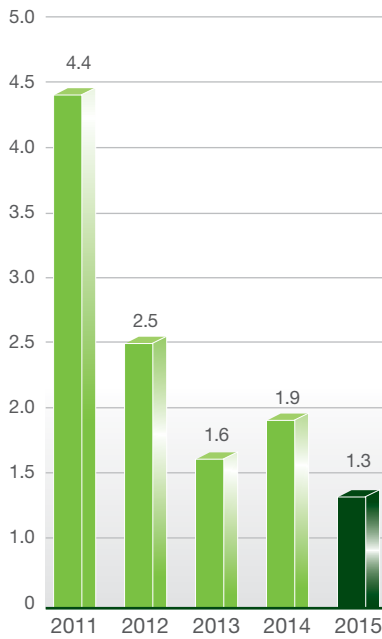




Financial Highlights (cont'd)

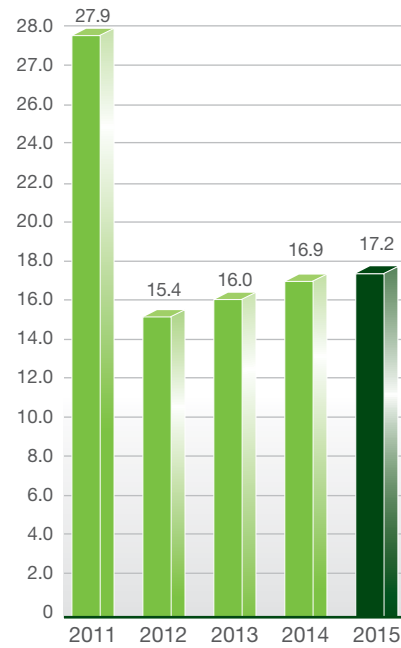
Net Earnings Per Share

(Sen)



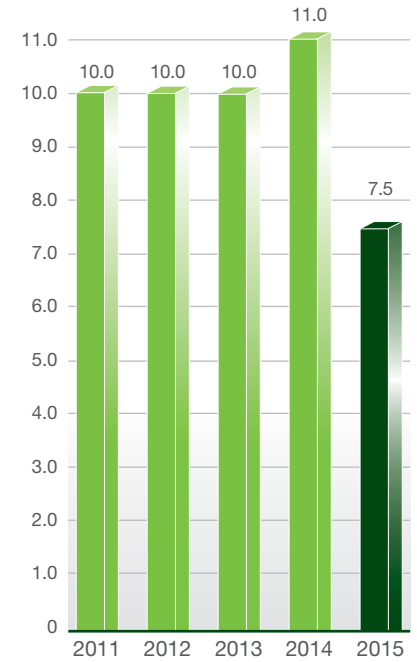
Net Tangible Assets Per Share

(Sen)



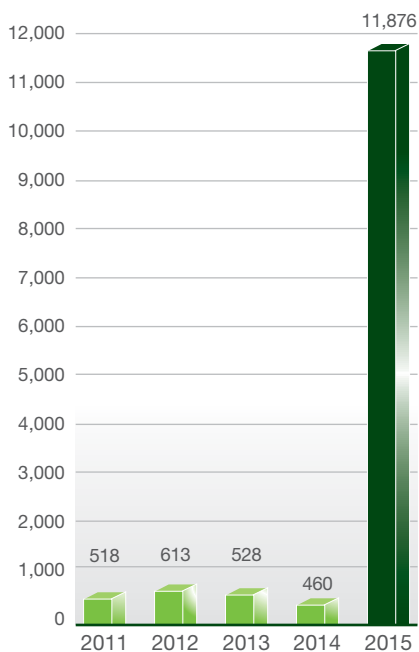
Gross Dividend Rate

(%)



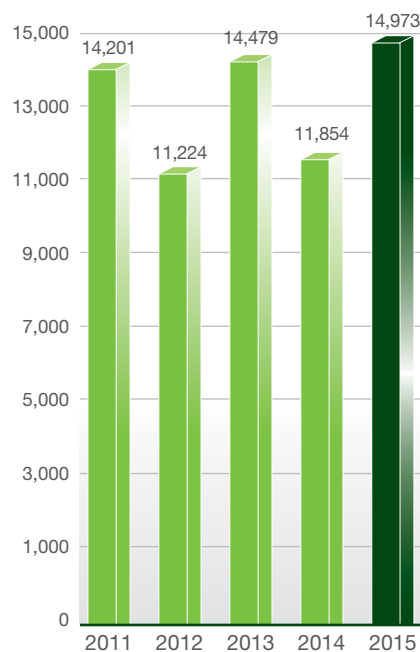
Total Borrowings

(RM'000)



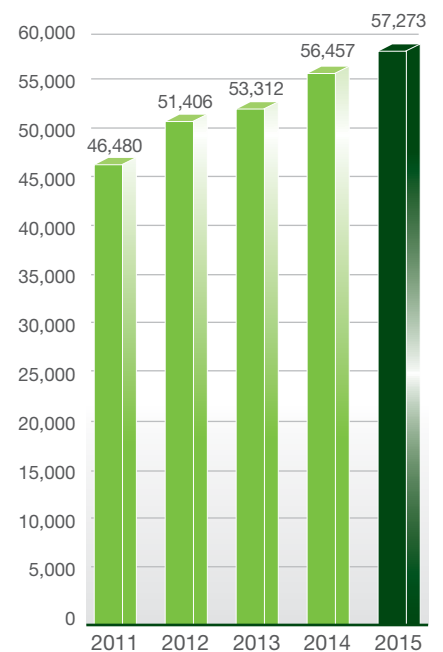
Cash and Cash Equivalents

(RM'000)



Shareholders' Fund

(RM'000)





Profile of Directors

DR ZAINOL BIN MD EUSOF

Independent Non - Executive Chairman

Dr Zainol Bin Md Eusof, aged 65, a Malaysian citizen, is the Independent Non-Executive Chairman of Greenyard. He was appointed to the Board of Greenyard on 26 March 2005 and was re-designated as Independent Non-Executive Chairman on 24 March 2014. He is also a member of the Audit Committee, Remuneration Committee, Nomination Committee and Option Committee of Greenyard.

He graduated with a Bachelor of Science degree in Geology from Universiti Malaya, Malaysia and obtained his Masters of Science and Doctor of Philosophy in Soil Science from the State University of Ghent, Belgium.

He was attached to the Rubber Research Institute of Malaysia from 1974 until 2002, where he last served as Head of the Crop Management Unit. During his tenure with the RRIM, he represented RRIM in several national and international conferences and headed the RRIM collaborative research projects with the International Board for Soil Research and Management. He has published over 72 papers in soil science, agronomy and land management during the course of his career, and carried out post-doctorate research at the Ohio State University and the University of West Indies. He was also involved in a joint research effort with the Australian Centre for International Agricultural Research from 1986 to 1992 and with the International Water Management Institute from 2000 to 2002.

In 1995, Dr Zainol received the RRIM service excellence award for his contribution to research in soil management systems. From 1998 to 2002, he headed the programme on the development of Low Intensity Tapping Systems at the RRIM. During the same period, he was a member of the Urea Research Council for Petroliam Nasional Berhad and an external examiner for the Ph.D programme of Universiti Putra Malaysia.

MR THAM FOO KEONG

Group Managing Director

Mr Tham Foo Keong, aged 59, a Malaysian citizen, is the Group Managing Director of Greenyard. He was appointed to the Board of Greenyard on 26 March 2005. He is also the Chairman of the Option Committee of the Company.

He graduated with a Bachelor of Science degree in Production Engineering from Leeds Polytechnic, United Kingdom. He started his career in 1981 as a Production Planning Engineer in ASEA Manufacturing Sdn. Bhd. He joined Scientex Industries Berhad as a Planning and Maintenance Manager in 1983, before moving to Brown Boveri Corporation (M) Sdn. Bhd. as Factory Manager in 1985 and subsequently, he was promoted to Divisional Manager.

In 1988, he joined his family business as the Managing Director of Greenyard Industries (M) Sdn. Bhd., a wholly-owned subsidiary of the Company and subsequently took over the position as a Group Managing Director of the Company. His vast experience has proven to be invaluable to the Company. He oversees the daily operations of the companies comprising the Greenyard Group and is principally responsible for the direction of the Group's business with emphasis in business development and corporate strategy.

MR THAM FOO CHOON

Deputy Group Managing Director

Mr Tham Foo Choon, aged 55, a Malaysian citizen, is the Deputy Group Managing Director of Greenyard. He was appointed to the Board of Greenyard on 26 March 2005. He is also a member of the Option Committee of the Company.

He is a businessman with over 20 years of experience in the agriculture related industry. He started his involvement in the agricultural related industry soon after completing his secondary education, assisting the family business. His hard work on the ground leads the companies to success. He assumes an active role in the implementation of marketing and operational strategies and activities of the companies within the Greenyard Group.



Profile of Directors (cont'd)

DR SIVAKUMARAN A/L SEENIVASAGAM

Executive Director

Dr Sivakumaran A/L Seenivasagam, aged 70, a Malaysian citizen, is an Executive Director of Greenyield. He was appointed to the Board of Greenyield on 26 March 2005. He is also the Director of Research & Development (“R&D”), responsible for the R&D activities of the Group.

He holds a Bachelor of Science degree with Second Class Upper Honours in Botany from the University of Malaya and a PhD in Plant Physiology from the University of Wales (Aberystwyth), United Kingdom.

He started his career with the Federal Land Development Authority (“FELDA”) in 1970 as a Plant Protection Officer for Oil Palm and Cocoa before joining the Rubber Research Institute of Malaysia (“RRIM”) and later the Malaysian Rubber Board (“MRB”). During his tenure with the RRIM and MRB, he held various positions ranging from Research Officer, Project Leader to Head of the Crop Management Division. His last position with the MRB was as Director of the Production Research and Development Division from 1998 to July 2000. He was also a Specialist Officer on Exploitation and Physiology for the International Rubber Research and Development Board for approximately three (3) years prior to his retirement from the MRB in 2000. Since retiring from the MRB, he has worked as a Plantation Advisor for Felcra Berhad, Malaysia and Rubber Plantations in Cameroons, Malawi, Ivory Coast, Bangladesh, Guatemala and Papua New Guinea and as a Consultant for the Common Fund for Commodities based in Amsterdam.

Dr Sivakumaran was responsible for the development of the RRIMFLOW system for which a patent was granted to the MRB. He received the RRIM Gold Medal in 1993 and the service excellence award from the RRIM in 1992 for his research contributions in the field of rubber exploitation and, in particular, the development of labour saving technologies. He served as a Technical Adviser to the Task Force on the Rubber Eco-Project under the auspices of the International Rubber Study Group of the United Kingdom from 2004 to 2006. Dr Sivakumaran in year 2010 has successfully secured a Malaysian patent for “Crop Plus” Organic Fertilizer and Utility Innovation for a Biopesticide in both Thailand and Vietnam. Dr Siva also obtained a patent for a technique of latex extraction from rubber trees from both China and Vietnam in year 2013.

MR THAM KIN WAI

Executive Director

Mr Tham Kin Wai, aged 46, a Malaysian citizen, is an Executive Director of Greenyield. He was appointed to the Board of Greenyield on 23 January 2009.

He graduated with a Bachelor of Science degree in Business Administration from National College, United States of America. He started his career after graduation in 1994 as a Finance and Administrative Executive in Greenyield Industries (M) Sdn Bhd (“GYI”) and subsequently, he rose to the rank of General Manager of GYI in 2001. Thereafter, he was appointed as an Executive Director of Greenyield in 2009.

He is responsible for the overall factory operations and managing the quality management system of the factory, developing and executing all marketing activities. Furthermore, he is also involved in product and market development.



Profile of Directors (cont'd)

MR YONG SWEE LIN

*Senior Independent
Non - Executive Director*

Mr Yong Swee Lin, aged 47, a Malaysian citizen, is the Senior Independent Non-Executive Director of Greenyard. He was appointed to the Board of Greenyard on 23 January 2009. He was re-designated as the Chairman of the Audit Committee, Remuneration Committee, and Nomination Committee of Greenyard on 24 June 2014.

Mr Yong is a Chartered Accountant of the Malaysian Institute of Accountants ("MIA") and is a Fellow member of Association of Chartered Certified Accountants ("ACCA").

He started his career with KK Chow & Wong in 1988, and subsequently he joined Loh & Co in 1991 and left in 1993 to join Adab Trading Sdn. Bhd. Then he left Adab Trading Sdn. Bhd and was self-employed from January 1995 to June 1997. He then joined Horwarth Mok & Poon as Audit Senior Assistant from 1997 to 1999. Currently he is an Audit Manager of L. H. Loo & Co. He is also currently attached to SL Yong & Co (Chartered Accountant Non Audit) as well as SL Management Services.

MR MAHBOB BIN ABDULLAH

Independent Non - Executive Director

Mr Mahbob Bin Abdullah, aged 71, a Malaysian citizen, is an Independent Non-Executive Director of Greenyard Berhad. He was appointed to the Board of Greenyard on 1 July 2009. He is also a member of the Audit Committee.

Mr Mahbob started his career with Harrisons and Crosfield in Perak on a rubber plantation and then joined Plantations Agencies Ltd in Tangkak, Johor. He was attached to Unilever's Pamol Plantations in Kluang, Johor and Sabah, and Solomon Islands from 1968 to 1987. In 1984, he moved to London as senior team member and supervised Unilever Plantations in DR Congo, Ghana, Cameroun, Nigeria, Thailand and Malaysia. He joined Sime Darby Berhad from 1987 to 1993 as a consultant for third party estates and later as the Director of Refineries from 1993 to 2000, producing edible oils in Malaysia, Singapore, Thailand and Egypt, mainly for overseas markets. After his retirement from Sime Darby in 2000, he formed his consultancy business, IPC Services Sdn. Bhd. to provide services in the upstream and downstream businesses of the industry within Malaysia and internationally.

He is a former Board Member of Felda Plantations Berhad, Felda Palm Industries Berhad, Felda Vegetable Oil Products Berhad, and TH Plantations Berhad. He is a Board Member of FIMA Bulking Sdn. Bhd. (a subsidiary of Kumpulan Fima Berhad). He is a member of the Malaysian Palm Oil Board Program Advisory Committee. He is a Fellow of the Incorporated Society of Planters.

Conflict of Interest

None of the Directors have any conflict of interest with the Company.

Family Relationship

None of the Directors have any family relationship with other Directors and/or substantial shareholders except for the following:-

- (a) Mr Tham Foo Keong and Mr Tham Foo Choon together with deemed substantial shareholders, namely Mr Tham Chong Sing and Mr Tham Fau Sin are brothers.
- (b) Mr Tham Foo Keong is the spouse of substantial shareholder, Madam Twong Yoke Peng.
- (c) Mr Tham Kin Wai is the son of Mr Tham Chong Sing. He is also the nephew of Mr Tham Foo Keong and Mr Tham Foo Choon.

Conviction of Offences

None of the Directors have been convicted of any offence within the past ten (10) years, other than traffic offences, if any.



Chairman's Statement

Dear Valued Shareholders,

On behalf of the Board of Directors of **Greenfield Berhad** and its Subsidiaries ("Greenfield or the "Group"), it gives me pleasure to present to you the Annual Report and Audited Financial Statements for the financial year ended **31 July 2015.**”



ECONOMIC REVIEW

The global economy has a strong influence on the Group's business performance as its revenue is largely derived from exports. Generally, the economic activity in the Euro area remained subdued during the financial year ended 31 July 2015. Business uncertainties prevail in the midst of developments in Eastern Europe and the Middle East. Another notable concern is the significant decline in the prices of commodities resulting in a lower demand for the Group's products. For the financial year ended 31 July 2015, the overall revenue was lower than the previous financial year.

FINANCIAL PERFORMANCE

For the financial year ended 31 July 2015, the Group recorded a lower revenue of RM44.6 million against RM51.7 million for the previous financial year. The profit before tax was RM6.3 million as compared to RM8.9 million in the financial year 2014. The revenue obtained from the plantations and non-plantations segment showed a decrease from the previous financial year.

The revenue from the plantation business segment is RM28.4 million as against RM32.3 million in the financial year 2014. In the case of non-plantation segment, the revenue is RM16.2 million as compared to RM19.5 million achieved in the previous year.



Chairman's Statement (cont'd)

RESEARCH AND DEVELOPMENT

The Group has invested an expenditure of RM0.4 million in Research and Development activities, which is equivalent to 0.9% of the revenue recorded for the financial year ended 31 July 2015.

For the plantation-related business segment, the Group focuses on improving the efficacy of existing products for greater market penetration and development of new products for the agriculture sector in general. Considerable progress was achieved in the development of Organic and Bio fertilizer, as the Group foresees the expansion of rubber and oil palm into marginal environments.

For the non-plantations business segment, the Group focuses on improving the formulation of existing composite material as well as formulating new composite material. A new range of composite material is expected to roll out soon for the manufacture of durable plant pots as well as other products.

BUSINESS OUTLOOK AND PROSPECTS

The Group continues to position itself in the plantation industry through establishment of rubber plantations. Currently, the Group has 2,800 ha of land for rubber in the state of Kelantan, both via joint-ventures and direct investment through its subsidiaries.

The organic fertilizer factory in Cambodia is currently in pilot scale production. The Group foresees a growing demand for the product as rubber and other food crops in Cambodia expands into marginal areas.

For the non-plantations business segment, the Group has seen more than two-fold increase in revenue for plant pots since 2009. The Group will continue its efforts to improve existing materials and develop new but cost effective materials to stimulate customer's demand in the export market.

Overall, the Group is expecting a gradual improvement in the global economy. Barring any unforeseen circumstances, the Board anticipates improvement on the Group's performance in the forthcoming financial year.





Chairman's Statement (cont'd)

DIVIDEND

The Board of Directors aims to maintain the Company's policy of stable dividend payout to shareholders. The Board has proposed to declare a single-tier final dividend of 0.75 sen per ordinary share for the financial year ended 31 July 2015, subject to the approval of the shareholders at the forthcoming Thirteenth Annual General Meeting.

CORPORATE DEVELOPMENTS

The Company has not implemented any new corporate proposals during the financial year ended 31 July 2015. The Board will explore any related business operations and credible investment opportunities to improve the Group's performance as well as enhance shareholder value.

ACKNOWLEDGEMENT

I wish to acknowledge the employees whose dedication and perseverance has contributed to sustainable growth of the Group, and ensured its commitment to be a trusted and reliable partner to the Companies we served globally. On behalf of the Board, I would like to express our thanks and appreciation to our shareholders, customers, business associates, financiers, suppliers and regulatory authorities for their continued support and understanding extended to us during the year.

Dr Zainol Bin Md Eusof
Independent Chairman



Management Discussion and Analysis

The following Management Discussion and Analysis (“MD&A”) for Greenfield Berhad and its subsidiaries (collectively referred as, the “Group”, or “Greenfield”) should be read in conjunction with the annual audited consolidated Financial Statements and the accompanying notes on pages 41 to 91 of this Annual Report that are prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”).

Overview

Greenfield is a company listed on main market of Bursa Security under the Industrial Products category with an authorised share capital of RM50.00 million split into 500 million shares. The company has an issued and a paid-up share capital of RM33,374,000 split into 333,740,000 shares.

The Group’s turnover for the financial year ended 31 July 2015 declined by 13.82% to RM44.58 million as compared to RM51.73 million recorded for the financial year ended 31 July 2014. The Group’s profit before tax reduced by 28.78% from RM8.86 million to RM6.31 million in the corresponding period.

Growth and Strategy

Management is of view that the financial year ending 31 July 2016 will continue to be challenging because of several factors. Firstly, low commodity prices may continue to persist. The price of SMR20 rubber has declined from an average of USD1.71/kg in 2014 to USD1.26/kg as at point of writing, negatively impacting the demand for rubber plantation inputs. Secondly, volatility in the foreign exchange markets may remain high, making it difficult to assess the impact of exchange rates on export markets. Finally, recovery in the advanced economies is expected to be slow with the International Monetary Fund (“IMF”) expecting 2015 and 2016 output growth of 2.6% and 2.8% in the United States and 1.5% and 1.6% in the Euro Area.



The Group continues to review its strategic business plan to push for growth. Some of the opportunities identified include growing sales of our non-plantation products to markets outside the United States and Europe, developing new non-plantation products such as furniture and dinnerware using our proprietary formulated Artstone material, developing more value-added products in the plantation segment such as organic fertilizers, and building a retail / consumer brand. These plans may take time to realize but the Group remains positive on the outlook.

Business Risks

Foreign Currency

Management will continue to review the Group’s exposure to foreign currency risks arising from turnover generated in currencies other than Ringgit Malaysia.

Global Economy

Management expects the world economy to remain challenging due to strong volatilities in emerging economies arising from weaker commodity prices and overall productivity, and slow recovery in the advanced economies.

Commodity Prices

The Group provides inputs to plantations and is impacted by commodity prices as a result. The ongoing slump in commodity prices requires the Group to continue pushing sales and developing products which are differentiated from its competitors.

Financial Results

The Group’s key financial information for the financial year ended 31 July 2015 and 31 July 2014 are summarised as follows:

	2015 RM Million	2014 RM Million
Turnover	44.58	51.73
Earnings Before Interest, Depreciation, Amortisation and Taxation (EBITDA)	8.69	11.20
Profit Before Taxation	6.31	8.86
Taxation	1.90	2.37
Profit After Taxation and Minority Interest	4.41	6.49
Net Tangible Assets	57.25	56.44
Net profit Margin (%)	9.9%	12.5%



Management Discussion and Analysis (cont'd)

Turnover

The Group's turnover is derived from two business segments - plantation-related products and services which comprise chemicals and fertilizers, tools and equipment, technical support services, and consultancy services etc.; and non-plantation products which primarily comprise plant pots. For the financial year ended 31 July 2015, the Group's turnover was RM44.58 million.

Plantation Products and Services

During the financial year ended 31 July 2015, the Group's plantation products and services turnover was RM28.39 million as compared to RM32.26 million for the preceding year. The decline in turnover was largely a result of the decline in commodity prices, in particular rubber prices.

Non-plantation Products

During the financial year ended 31 July 2015, the Group's non-plantation products provided a turnover of RM16.19 million as compared to RM19.47 million for the financial year ended 31 July 2014. The decline in turnover was primarily because of the overorders from customers in the United States and Europe in the preceding financial year and the weaker than expected growth in the corresponding markets.

Profit

During the financial year ended 31 July 2015, net profit before taxation was RM6.31 million, a decrease of 28.78% from the preceding year.



Investment

During the financial year ended 31 July 2015, the Group made the following investments:

- 1) Acquisition of 114,743 square feet of vacant industrial land in Kuala Langat for RM3.56 million;
- 2) Acquisition of 286,671 square feet of vacant industrial land in Cambodia for RM0.49 million for the manufacturing of organic fertilisers and other agricultural related products;
- 3) Additional RM0.96 million incurred on plantation development expenditure on Tigantara Plantations Sdn Bhd; and
- 4) Further investment in associates of RM4.04 million.

Financing and Expansion

The Group drew down a general term loan of RM9.00 million from HSBC Bank Malaysia Berhad and a term loan of RM2.50 million from Public Bank Berhad to finance the purchase of vacant industrial land.

Management expects to begin construction in the 2016 financial year with a new warehouse and 3 storey office annexe on the vacant land which is adjacent to the Group's existing factory. The new warehouse will facilitate expansion of the Group's plant pot business by enabling higher utilisation of the factory. In addition, RM0.63 million is expected to be incurred for setting up a new organic fertilizer factory in Cambodia.

Conclusion

Although Management expects a challenging year ahead, Management remains optimistic with the various business opportunities identified and will proceed cautiously to ensure continued business growth.



Corporate Social Responsibility Statement

The Group believes that doing business in a sustainable way and delivering long term benefits for shareholders and stakeholders is complementary. The Group's Corporate Social Responsibility ("CSR") framework covers four areas namely the Workplace, Community, Environment and Employees.



Environment

The Group encourages all its employees to adopt methods of conserving energy and resources as much as possible to protect the environment. In addition, our products and services help farmers and other farming organizations improve their yields and productivity substantially and sustainably without deleterious side effects to their assets and the environment. The Group continues to intensify its efforts to develop products which are environmentally friendly and recyclable.

Recycling and Waste Management

On 1 December 2014, the Group implemented a recycling and waste management system. Bins were placed in the Group's headquarters and factory to allow separation of waste into paper, plastics and metal / aluminium products. The waste was then sent to recycling centres. Staff have also been encouraged to reuse paper for rough work and avoid printing in color to enhance efficient use of resources.

Community

The Group continues to provide contributions to social and charitable organizations and individuals who are in need. In addition, the Group offered internships and industrial training to undergraduates from local colleges and universities as part of its efforts to groom future leaders in the industry.

Voluntary Program Visit to Batu Caves for Thaipusam

This voluntary program was held on the temple grounds at Batu Caves in conjunction with the annual Thaipusam Festival on 3 February 2015.

This festival which is of great religious significance for all Hindus attracts thousands of devotees who come to the temple at Batu Caves on Thaipusam festival day to offer their prayers to Lord Muruga and undertake various vows to thank the God for his help in resolving their various problems and successes. It is customary for various groups and organizations to undertake charitable activities such as preparing and distributing free food to devotees who come to the temple during the occasion of the festival.

Executive Director, Dr Sivakumaran, and volunteer staff from Greenyield participated in preparing of vegetarian food and distributing to devotees at the Annathanam Hall located within the premises of the Batu Caves Temple on the eve of Thaipusam and on Thaipusam day. The volunteer work involved help in cutting various vegetables for preparation of the food and then serving the food in the traditional way on banana leaves to all devotees who came to the Hall.

In addition to the volunteer work Greenyield also contributed financially by giving a sum of RM15,000 to help pay for the costs of vegetables, rice, dhal and other essential items required for preparation of the food which was distributed to approximately 10,000 or more people over the two days festival.

The program was a great success and was highly appreciated in particular the dedication and commitment with which the Greenyield Volunteers carried out the work involved. It was also a very rewarding and satisfying experience for all the volunteers.





Corporate Social Responsibility Statement (cont'd)

Nepal Earthquake

The Group employs roughly 90 of workers from Nepal in the factory each year. In April 2015, an earthquake occurred in Nepal killing over 9,000 people and injuring more than 23,000. Management immediately organized a donation drive, collecting from staff to donate to the United Nations Children's Fund ("UNICEF") to help children affected by the earthquake. UNICEF will use contributions received from the public to provide medical supplies, clean water, tents and food to those in need.



Internships

During the year, the Group took in two interns from local universities to work in the plantations and finance & administration departments.

Workplace and Employees

The CSR principles are shared with our employees to ensure their duties are performed with an awareness of social responsibilities. In addition to the Company's ongoing CSR initiatives undertaken within the organization, the Company is committed to developing and supporting the initiatives, which will have a positive impact on the local communities. As part of the Company's commitment to the staff development, Management organized and conducted various learning and development programs throughout the year.

Team Building

On 13 June 2015, the Group organised a team building event in Paradise Valley, Broga. The event was aimed at developing commitment, communication, leadership, organisation, prioritisation, problem solving, teamwork skills among all staff.





Statement of Corporate Governance

The Board of Directors (“Board”) of Greenfield Berhad (“Company” or “Group”) recognises the importance of good corporate governance in protecting and enhancing shareholder value and financial performance of the Company. The Board is fully committed to maintaining the highest standards of transparency, accountability and integrity, in line with the Principles and Recommendations set out in the Malaysian Code of Corporate Governance 2012 (“Code”) and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”).

The Board is pleased to present this statement of corporate governance which outlines how the Company has applied the Principles and Recommendations set out in the Code for the financial year ended 31 July 2015. Where there are gaps in the Company’s observation of any of the Recommendations of the Code, they are disclosed herein with explanations.

PRINCIPLE 1: ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

FUNCTIONS OF THE BOARD

The Board has overall responsibilities for the performance and affairs of the Group. The Board members with a wide range of skills and experience from financial and business background leads and controls the Group. To ensure the effective discharge of its functions and responsibilities, the Board established an internal governance model for the delegation of specific powers of the Board to the Executive Directors and the properly constituted Board Committees, namely the Audit, Nomination, and Remuneration Committees. The Board Committees are entrusted with specific responsibilities to oversee the Group’s affairs in accordance with their respective terms of references. All matters deliberated in the Board Committees are required to be reported to the Board for endorsement and/or approval. As such, the direction and control of the Group is firmly within the Board.

The Executive Directors, representing the Management, are primarily responsible for the Group’s day-to-day management and operations. The Executive Directors formulate operation plans and oversee the execution of these plans. The Independent Non-Executive Directors are actively involved in various Board Committees and contribute significantly to areas such as performance monitoring and enhancement of corporate governance and controls. They provide broader views, independent assessments and opinions on management proposals.

DUTIES AND RESPONSIBILITIES OF THE BOARD

The Group is led and managed by an effective Board consisting of professionals and competent directors with different qualifications, expertise and experiences that are relevant to the management of the Group’s businesses. In fulfilling its fiduciary and leadership functions, the Board is primarily responsible to ensure that there are appropriate systems and procedures in place to manage the Group’s strategic plans, business conduct, significant risks, succession planning, shareholders’ communication, internal control and management information systems in accordance with high standards of transparency, accountability and integrity.

The Board is leading and managing the Company in an effective and responsible manner. The Directors, collectively and individually, are aware of their responsibilities to shareholders and stakeholders for the manner in which the affairs of the Company are managed and have a legal duty to act in the best interest of the Company.

The Board assumes, amongst others, the following duties and responsibilities:-

- a) Reviewing and adopting the overall strategic plans and programs for the Company and the Group;
- b) Overseeing and evaluating the conduct and performance of the Company and Group’s businesses including its control and accountability systems;
- c) Identifying principal risks and ensuring the implementation of a proper risk management system to manage such risks;
- d) Overseeing the development and implementation of shareholder and stakeholder communications policy;
- e) Approving major capital expenditure and capital management;
- f) Reviewing the adequacy and the integrity of the management information and internal controls system of the company; and
- g) Ensuring that appropriate plans are in place in respect of the succession plan for the senior management of the Group.



Statement of Corporate Governance (cont'd)

PRINCIPLE 1: ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

CODE OF ETHICS AND CONDUCT

The Board has formalized in writing a Code of Conduct, setting out the standards to engender good corporate practices. The Code advocates the ethical values that form the basis for business decisions. The Code of Conduct has been communicated to all levels of employees in the Group.

The Board has also formalized in writing the Company's Whistle-Blowing Policy, which provides appropriate communication and feedback channels to facilitate whistle-blowing. Both the Code of Conduct and the Whistle-Blowing Policy are available for reference at the company's website at www.greenyield.com.my.

STRATEGIES PROMOTING SUSTAINABILITY

The Board is confident that the Company's strategies in delivering long-term sustainability would create economic value for the shareholders as well as protect the stakeholders' interest. A report on sustainability activities, demonstrating the Group's commitment to the environment, workplace, and community, is detailed in the Statement on Corporate Social Responsibility.

ACCESS TO INFORMATION AND ADVICE

The Board is supplied with information on a timely manner with information in a form and quality appropriate to enable the Board to discharge its duties effectively. All Directors are provided with comprehensive reports and/or board papers to enable the Directors to review and consider matters to be deliberated on. The board papers include reports relevant to the issues of the meeting covering the areas of:-

- a) Quarterly financial reports, reports on cash flow and borrowing positions, budgets and other financial reports;
- b) Business development reports;
- c) Operational matters;
- d) Corporate developments of the Group;
- e) Audit reports;
- f) Directors' share dealings;
- g) Reports on related party transactions and recurrent related party transactions;
- h) Report on sound framework of internal controls and regulatory compliance;
- i) Regulatory compliance matters and updates issued by the various regulatory authorities; and
- j) Any other matters for the Board's decision.

A well structured agenda also allows the Chairman of the Board good control over the conduct of the meeting and allocation of time for discussion of various matters. Senior Management and external advisers may be invited to attend Board Meetings to provide their professional views, advice and explanation on specific items on the agenda.

All Directors have full and unrestricted access to all information within the Group and direct access to the advice and services of the Company Secretary who advises the Board on the Directors' responsibilities under the respective legislations and regulations and Company's compliance with the relevant laws and regulatory requirements. The Directors may take independent advice, at the Company's expense, in the exercise of their duties should such advisory services be considered necessary.

All deliberation in terms of issues discussed and all decisions made during Board Meetings are recorded in the Board minutes for completeness and accuracy which are then circulated to all Directors and duly signed by the Chairman of the Meeting.

QUALIFIED AND COMPETENT COMPANY SECRETARIES

The Board recognizes the importance of role of the Company Secretary in supporting the Board. As such the Board is assisted by qualified and competent company secretaries in advising and ensuring regulatory compliance and development, and also board policies and procedures.

All board meetings are attended by the Company Secretaries and is ensured to maintain accurate and adequate records of the meeting proceedings and decisions made.

Statement of Corporate Governance (cont'd)

PRINCIPLE 1: ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

BOARD CHARTER

The Executive Directors are responsible for implementing the corporate strategies and management of the day-to-day operations of the Group whereas the Independent Non-Executive Directors are responsible for exercising independent judgment and to act in the best interests of the Group in ensuring that decisions made by the Board are deliberated fully and objectively with regard to the long term interests of all stakeholders. The respective roles and responsibilities of the Board are clearly set out in the Board Charter. The Board Charter will be periodically reviewed and the details of the Board Charter are available for reference at www.greenyield.com.my.

The Board Charter sets out the Board's strategic intent and outlines the Board's roles and responsibilities. The Board Charter is a source reference and primary induction literature, providing insights to prospective board members and senior management. It will also assist the Board in the assessment of its own performance and that of its individual directors.

The Board to set out the key values, principles and ethos of the company, as policies and strategy development are based on considerations in the Board Charter. The Board Charter includes the division of responsibilities and powers between the Board and management which is lead by the Executive Directors, the different committees established by the Board, and between the Chairman and the Group Managing Director / Chief Executive Officer. The Board Charter also sets out processes and procedures for convening board meetings.

Any amendment to the Board Charter can only be approved by the Board. The Board Charter will be reviewed and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities. The Board Charter is made public in the Company's website at www.greenyield.com.my.

PRINCIPLE 2: STRENGTHEN COMPOSITION

NOMINATION COMMITTEE

The Nomination Committee comprises two (2) Non-Executive Directors, all of whom are Independent Directors. The members of the Nomination Committee are as follows:-

Name	Designation
Yong Swee Lin	Chairman, Independent Non-Executive Director
Dr Zainol Bin Md Eusof	Member, Independent Non-Executive Director

The duties of the Nomination Committee are:-

- a) To recommend to the Board, candidates for all directorships. In making the recommendations, the Committee considers candidates proposed by the Group Managing Director / Group Chief Executive Officer, and within the bounds of practicability, by any other senior executive, director or shareholder;
- b) To recommend to the Board, directors to fill the seats on Board Committees. In making its recommendations, the following matters are considered of the candidate:-
 - i) skills, knowledge, expertise and experience;
 - ii) professionalism;
 - iii) integrity; and
 - iv) for the position of Independent Non-Executive Director, the Committee also evaluates the candidate's ability to discharge such responsibilities/functions as are expected from an Independent Non-Executive Director;
- c) To review at least once a year the required mix of skills and experiences of the Board, including the core competencies which Non-Executive Directors should bring to the Board, and the balance between Executive Directors, Non-Executive Directors and Independent Non-Executive Directors;



Statement of Corporate Governance (cont'd)

PRINCIPLE 2: STRENGTHEN COMPOSITION (CONT'D)

NOMINATION COMMITTEE (CONT'D)

- d) The annual assessment of the Nomination Committee in relation to the effectiveness of the Board as a whole, Board Committees and contribution from each individual director which includes Independent Non-Executive Directors as well as the Chief Executive Officer;
- e) To ensure that the process carried out in evaluating and assessing members of the Board, including the Independent Non-Executive Directors and Chief Executive Officer are properly documented;
- f) To ensure that the Directors to retire in each year shall be those who have been longest in the Company since their last election. For persons who became Directors on the same date, those to retire shall (unless they otherwise agree among themselves) be determined by lot from among their number in accordance with Article No. 76 of the Articles of Association;
- g) To ensure that the responsibility of the Committee shall also cover the subsidiaries of the Company;
- h) Such other responsibilities as may be delegated by the Board from time to time.

The Nomination Committee meets as and when necessary and shall meet at least once a year. The Nomination Committee held one (1) meeting during the financial year ended 31 July 2015 with full attendance.

The Chairman of the Nomination Committee, Mr Yong Swee Lin has been designated as the Senior Independent Non-Executive Director identified by the Board pursuant to Recommendation 2.1 of the Code.

The evaluation of the Board is based on specific criteria covering areas such as the Board mix and composition, quality of information and decision making as well as Boardroom processes and activities whereas evaluation of performance of Directors is based on being fit and proper, contribution, calibre and personality. The evaluation results and comments by all Directors are discussed at the Nomination Committee which then makes recommendations to the Board.

The Nomination Committee is satisfied with the size of the Company's Board and that there is an appropriate mix of knowledge, skills, attributes and core competencies in the composition of the Board.

BOARD GENDER DIVERSITY / RECRUITMENT AND APPOINTMENT OF DIRECTORS

The Board acknowledges the benefits of board diversity, including age, gender and ethnic diversity, to the effective functioning of the Board. Nevertheless, when considering new appointments to the Board, the Nomination Committee and the Board will evaluate the suitability of candidates solely in meeting the needs of the Company based on a set of criteria / candidates' experience, competency, character, time commitment, integrity and potential contribution to the company with the primary aim of selecting the best candidates to support the achievement of the Company's strategic objectives. Such evaluation criteria does not make age, gender or ethnicity of the proposed new director determining factors for appointment to the Board.

ANNUAL ASSESSMENT

The Board's performance is assessed annually by each of its members through self as well as peer assessments. The results of the performance evaluations are reviewed by the Nomination Committee and subsequently by the Board. Performance of the Board Committees is assessed by the Board annually.

In line with Recommendation 3.1 of the Malaysian Code on Corporate Governance 2012, the Nomination Committee and the Board had on 11 November 2015 undertaken an annual assessment on the independence of Yong Swee Lin and Mahbob Bin Abdullah who are seeking for re-election and re-appointment pursuant to Article No. 74 of the Articles of Association and Section 129(6) of the Companies Act, 1965 respectively, at the forthcoming Thirteenth Annual General Meeting.

REMUNERATION POLICIES AND PROCEDURES

The Remuneration Committee comprises two (2) Non-Executive Directors, all of whom are Independent Directors. The members of the Remuneration Committee are as follows:-

Name	Designation
Yong Swee Lin	Chairman, Independent Non-Executive Director
Dr Zainol Bin Md Eusof	Member, Independent Non-Executive Director



Statement of Corporate Governance (cont'd)

PRINCIPLE 2: STRENGTHEN COMPOSITION (CONT'D)

REMUNERATION POLICIES AND PROCEDURES (CONT'D)

The duties of the Remuneration Committee are:-

- To review at least once a year and recommend to the Board the overall remuneration policy for Directors, Group Managing Director/ Group Chief Executive Officer and key senior management officers to ensure that rewards are commensurate with their contributions to the Company's growth and profitability; and that the remuneration policy supports the Company's objectives and shareholder value and is consistent with the Company's culture and strategy.
- To review at least once a year the performance of the Executive Directors and the Group Managing Director / Group Chief Executive Officer and to recommend to the Board specific adjustments in remuneration and/or reward payments if any to reflect their contributions for the year which are competitive and consistent with the Company's objectives, culture and strategy.
- To ensure that the level of remuneration for Non-Executive Directors and Independent Directors are linked to their level of responsibilities undertaken and contribution to the effective functioning of the Board.
- To include the determination of the remuneration packages of the key senior management officers in subsidiaries of the Company.

The remuneration of the Non-Executive Directors is generally fixed and any adjustment has to be approved by the shareholders during the Annual General Meeting.

The Remuneration Committee meets at least once a year. The Remuneration Committee held one (1) meeting during the financial year ended 31 July 2015 with full attendance.

The policy practiced by the Company provides remuneration packages that are commensurate with experience, roles and level of responsibilities. The quantum of each package should be adequate and comparable to public listed companies of similar size.

The aggregate remuneration of Directors received from the Company and subsidiary companies for the financial year ended 31 July 2015 is as follows:-

Category	Fees RM'000	Salaries RM'000	Bonuses and other emoluments RM'000	EPF & SOCSSO RM'000	Benefit- in-kind RM'000	Share Options Granted under ESOS RM'000	Total RM'000
Executive Directors	-	1,325	212	150	-	-	1,688
Non-Executive Directors	108	-	12	-	-	-	120

The Directors' remunerations are shown in the following bands:-

Remuneration Band	No of Directors	
	Executive Directors	Non-Executive Directors
Less than RM50,000	-	2
RM50,000 – RM100,000	-	1
RM100,001 – RM150,000	-	-
RM150,001 – RM200,000	-	-
RM200,001 – RM250,000	-	-
RM250,001 – RM300,000	2	-
RM300,001 – RM350,000	-	-
RM350,001 – RM400,000	-	-
More than RM400,001	2	-
Total	4	3



Statement of Corporate Governance (cont'd)

PRINCIPLE 3: REINFORCE INDEPENDENCE

ANNUAL ASSESSMENT OF INDEPENDENCE

The Board recognizes the importance of independence and that the Board members are responsible to act in the best interest of the shareholders of the Company. The Board, through the Nomination Committee conducts an annual assessment on the independence of the Company's Independent Directors. The assessment takes into consideration the Independent Directors' ability to exercise independent judgment and contribute effectively to the Board.

TENURE OF INDEPENDENT DIRECTORS

The Nomination Committee and Board are of the view that all three (3) Independent Non-Executive Directors continue to remain objective and independent in expressing their views and in participating in deliberations and decision making actions of the Board and the Board Committees, and that no individual or small group of individuals dominates the Board's decision-making process. All evaluations carried on the independence of the Independent Directors were tabled to the Board and are properly documented. The Board is satisfied with the level of independence and acknowledged the contribution by the respective Independent Directors that they had acted in the best interest of the Company.

The number of Independent Directors of the Company is in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad which requires a minimum one third (1/3) of the Board to be Independent.

SHAREHOLDERS' APPROVAL FOR THE RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS WHO SERVED MORE THAN NINE (9) YEARS

One of the recommendations of the Corporate Governance states that the tenure of an independent director should not exceed a cumulative term of nine (9) years.

Dr Zainol Bin Md Eusof has served on the Board for a cumulative term of more than nine (9) years. However, the Nomination Committee and the Board have determined at the annual assessment carried out that Dr Zainol Bin Md Eusof, remains objective and independent in expressing his views and in participating in deliberations and decision making of the Board and Board Committees. The length of his services on the Board does not in any way interfere with his exercise of independent judgment and ability to act in the best interests of the Company.

The Board has recommended Dr Zainol Bin Md Eusof's re-appointment as an Independent Non-Executive Chairman of the Company based on the following justifications, which will be tabled for shareholders' approval at the forthcoming Thirteenth Annual General Meeting of the Company:-

- a) He has fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and thus, he will be able to function as a check and balance, bringing an element of objectivity to the Board;
- b) He has vast experience in a diverse range of businesses and therefore will be able to provide constructive opinion; he exercises independent judgement and has the ability to act in the best interest of the Company;
- c) He has devoted sufficient time and attention to his professional obligations for informed and balanced decision making; and
- d) He has continued to exercise his independence and due care during his tenure as an Independent Non-Executive Chairman of the Company and carried out his professional duties in the best interest of the Company and shareholders.

SEPARATION OF POSITIONS OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of the Chairman and the Group Managing Director are distinct and separate as each has a clearly accepted division of responsibilities to ensure a balance of power and authority. The Chairman of the Company, Dr Zainol Bin Md Eusof, who is an Independent Non-Executive Director is primarily responsible for the orderly conduct and leadership of the Board, whilst the Group Managing Director, Tham Foo Keong, has the overall responsibility for the day to day running of business, organisational effectiveness, and implementation of Board policies and decisions. The Group Managing Director, by virtue of his position also functions as the intermediary between the Board and senior management, acts as the Group's official spokesperson, and is responsible for planning the future direction of the Group for the Board's consideration and approval.

The independent directors play a crucial supervisory function. Their presence is essential in providing unbiased and impartial views for the Board's deliberation and decision-making process. In addition, the non-executive directors ensure that relevant matters and issues are considered in taking the interest of all stakeholders in the Group.

The Board recognises the need to appoint a Senior Independent Non-Executive Director and as such, Yong Swee Lin has been appointed as the Senior Independent Non-Executive Director to facilitate effective communication with other stakeholders and shareholders.



Statement of Corporate Governance (cont'd)

PRINCIPLE 3: REINFORCE INDEPENDENCE (CONT'D)

COMPOSITION OF THE BOARD

The Nomination Committee reviews the composition of the Board annually and makes recommendations to the Board where necessary to ensure the Board comprises an appropriate mix of skills and experience.

The Board of the Company comprises seven (7) Directors, four (4) of whom are Executive Directors and the balance three (3) are Independent Non-Executive Directors, who fulfil the prescribed Listing Requirement that a minimum one-third (1/3) of the Board members be independent. The Board has reviewed its size and composition and is satisfied that its current size and composition are effective for the proper functioning of the Group. The profiles of each Director are set out in the Profile of the Board of Directors on pages 11 to 13 of this Annual Report.

In accordance with the Company's Articles of Association, all new Director(s), appointed to the Board, are subject to election at the next Annual General Meeting following their first appointment. In every year, at least one-third (1/3) of the Directors are subject to retirement by rotation at every Annual General Meeting. Each Director shall retire at least once every three (3) years but shall be eligible for re-election. The Directors to retire in each year are those who have been longest in the office since their last election or appointment. In addition, Directors of or over seventy (70) years of age are required to submit themselves for re-appointment annually in accordance with Section 129 (6) of the Companies Act, 1965.

PRINCIPLE 4: FOSTER COMMITMENT

TIME COMMITMENT

The Board meets at least four (4) times a year at quarterly intervals, with additional meetings convened as and when deemed necessary. During the financial year, four (4) Board Meetings were held. The attendance at Board Meetings of the Directors during the financial year under review is set out hereunder:-

Directors	Position	No. of Board Meetings attended	Percentage of Attendance (%)
Dr Zainol Bin Md Eusof	Independent Non-Executive Chairman	4/4	100
Tham Foo Keong	Group Managing Director	4/4	100
Tham Foo Choon	Deputy Group Managing Director	4/4	100
Dr Sivakumaran A/L Seenivasagam	Executive Director	4/4	100
Tham Kin Wai	Executive Director	4/4	100
Yong Swee Lin	Independent Non-Executive Director	4/4	100
Mahbob Bin Abdullah	Independent Non-Executive Director	4/4	100

Board Meetings follow a formal agenda and the Board has a schedule of matters specifically listed for its review and approval which ensures that the Board retains full and effective control over the Company.

The Board approves, inter alia, the preliminary announcements of interim and final results, all circulars and listing particulars, major capital expenditures, investment proposals; and reviews the overall system of internal controls.

NUMBER OF DIRECTORSHIPS IN PUBLIC LISTED COMPANIES

In compliance with Paragraph 15.06 of the Listing Requirements of Bursa Securities, each of the Directors of the Company holds not more than five (5) directorships in public listed companies.



Statement of Corporate Governance (cont'd)

PRINCIPLE 4: FOSTER COMMITMENT (CONT'D)

DIRECTORS' TRAINING AND CONTINUING EDUCATION PROGRAMME

The Board acknowledges the importance of continuous education and training programmes for its members to enable effective discharge of its responsibilities. All directors have successfully attended the Mandatory Accreditation Programme prescribed by the Bursa Securities. Directors are encouraged to undergo continuous training programmes and seminars organized by the relevant regulatory authorities and professional bodies to keep abreast with the current development in the business environment as well as, to further enhance their business acumen, and professionalism in discharging their duties to the Company effectively.

Directors are regularly updated on the Group's businesses and the competitive and regulatory environment in which they operate. Directors also visit operation centres to have an insight into the Group's various operations to assist in making effective decisions for the Group.

During the financial year ended 31 July 2015, the Directors have attended trainings, conferences, seminars, site visits and/or workshops as listed below:-

Directors	Training/Seminar/Conference	Date
Dr Zainol Bin Md Eusof	1. Invitation to Roundtable on Financial Reporting	7 August 2014
	2. Education Seminar : Overview of ESG Index and Industry Classification Benchmark	20 August 2014
	3. Directors Breakfast Series: Great Companies Deserve Great Boards	10 October 2014
	4. Risk Management & Internal Control: "An Integrated Assurance on Risk Management and Internal Control – Is Our Line of Defence Adequate and Effective?"	14 October 2014
	5. Board Chairman Series: The Role of the Chairman	12 November 2014
Tham Foo Keong	1. Directors Breakfast Series: Great Companies Deserve Great Boards	10 October 2014
	2. Cranfield Award in Business and Leadership	17 – 22 May 2015
Tham Foo Choon	1. Directors Breakfast Series: Great Companies Deserve Great Boards	10 October 2014
Dr Sivakumaran A/L Seenivasagam	1. Directors Breakfast Series: Great Companies Deserve Great Boards	10 October 2014
Tham Kin Wai	1. National Human Resource Centre (NHRC): Managing Medical Leave and Absenteeism	9 September 2014
	2. Directors Breakfast Series: Great Companies Deserve Great Boards	10 October 2014
	3. Malaysian Legal and Regulation Programme	27 – 28 October 2014
	4. GST In-House Training "Impact of Goods and Services Tax (GST) on Businesses" (Phase 1)	1 December 2014
	5. GST In-House Training "Impact of Goods and Services Tax (GST) on Businesses" (Phase 2) Day 1	19 December 2014
	6. GST In-House Training "Impact of Goods and Services Tax (GST) on Businesses" (Phase 2) Day 2	6 January 2015
	7. Entrepreneurship Master Class "Weathering the Storms"	20 – 21 January 2015
	8. ChemOrbis Asia 6th Petrochemicals Conference	10 June 2015
	9. First Aid & CPR Training	6 July 2015
Yong Swee Lin	1. Risk Management & Internal Control: "An Integrated Assurance on Risk Management and Internal Control – Is Our Line of Defence Adequate and Effective?"	14 October 2014
	2. Goods & Services Tax (GST) – A Preparatory Course for GST Consultants and Accountants	14 – 16 November 2014
	3. Goods & Services Tax (GST) – A Preparatory Course for GST Consultants and Accountants (Session 2)	21 – 23 November 2014
Mahbob Bin Abdullah	1. Directors Breakfast Series: Great Companies Deserve Great Boards	10 October 2014
	2. Risk Management & Internal Control: "An Integrated Assurance on Risk Management and Internal Control – Is Our Line of Defence Adequate and Effective?"	14 October 2014
	3. Price Outlook Conference	2 – 5 March 2015



Statement of Corporate Governance (cont'd)

PRINCIPLE 4: FOSTER COMMITMENT (CONT'D)

DIRECTORS' TRAINING AND CONTINUING EDUCATION PROGRAMME (CONT'D)

The Board is also briefed by the Company Secretary at Board Meetings of any significant changes in laws and regulations that are relevant. The Directors continue to undergo other relevant training programs that can further enhance their knowledge in the latest development relevant to the Group, especially in areas of corporate governance and regulatory development, to carry out their responsibilities effectively. In addition, all Directors were also constantly updated by the Company Secretaries and other professionals on changes to the relevant guidelines on regulatory and statutory requirements.

PRINCIPLE 5: UPHOLD INTEGRITY IN FINANCIAL REPORTING

COMPLIANCE WITH APPLICABLE FINANCIAL REPORTING STANDARDS

The Board is committed to providing a balanced, clear and comprehensive financial performance and prospects in all the disclosures made to the stakeholders and the regulatory authorities.

Timely release of announcements to Bursa Securities on quarterly results, financial statements and annual report reflects the Board's commitment to provide transparent and up-to-date disclosures to the public. The Board is assisted by the Audit Committee in overseeing the Group's financial reporting process and the quality of its financial reporting.

Prior to the presentation of the Company's Financial Statements to the Board for approval and issuance to stakeholders, Audit Committee meetings were conducted to review the integrity and comprehensiveness of the Company's Financial Statements in the presence of external auditors and the Group and Company's Financial Controller.

The Board will obtain assurance from the Audit Committee to ensure that the preparation and fair presentation and disclosure in the financial statements are in accordance with applicable Malaysian Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia.

ASSESSMENT OF SUITABILITY AND INDEPENDENCE OF EXTERNAL AUDITORS

The Group through the Audit Committee, maintains an active, transparent and professional relationship with its External Auditors in seeking professional advice and ensuring compliance with the accounting standards in Malaysia and the provisions of the Companies Act, 1965.

Whenever deemed necessary, the Audit Committee will meet the External Auditors at least twice a year without the presence of the Executive Directors and/or the Management of the Company to discuss its audit plan, annual financial statements and their audit findings. This encourages a greater exchange of free and honest views and opinion between both parties.

During the financial year under review, the Audit Committee held two (2) meetings with the External Auditors without the presence of the Executive Directors to deliberate on the comments and views of the External Auditors.

The composition, terms of reference and functions of the Audit Committee are discussed in the Audit Committee Report set out on pages 34 to 38 of this Annual Report.

The total fees paid to the External Auditors for the financial year ended 31 July 2015 are as follows:-

1) Audit Fees

The total audit fees (including both statutory and non-statutory audits) charged by the External Auditors, exclusive of expenses and applicable taxes, amounted to RM147,304 for the financial year ended 31 July 2015.

2) Non-Audit Fees

The total non-audit fees charged by the External Auditors for other services performed, exclusive of expenses and applicable taxes, amounted to RM16,000 for the financial year ended 31 July 2015.

A report on the Audit Committee which includes the Audit Committee's role in relation to the External Auditors is set out on pages 34 to 38 of this Annual Report.



Statement of Corporate Governance (cont'd)

PRINCIPLE 5: UPHOLD INTEGRITY IN FINANCIAL REPORTING (CONT'D)

ASSESSMENT OF SUITABILITY AND INDEPENDENCE OF EXTERNAL AUDITORS (CONT'D)

At the 11 November 2015 Audit Committee meeting, the Audit Committee reviewed a letter from a substantial shareholder of the Company providing notice of intention to nominate Messrs SJ Grant Thornton ("Grant Thornton") as auditors of the Company in place of the retiring auditors, Messrs KPMG. The Audit Committee reviewed the appointment of Grant Thornton based on the following key criteria:

- a) the experience and resources of the accounting firm;
- b) the persons assigned to the audit;
- c) the accounting firm's audit engagements;
- d) the size and complexity of the listed issuer's group being audited;
- e) the number and experience of supervisory and professional staff assigned to the particular audit; and
- f) other relevant information.

Based on the above, the Audit Committee was satisfied with the suitability and independence of Grant Thornton and subsequently provided an onward recommendation to the Board to approve the tabling of Grant Thornton's appointment for approval by shareholders at the upcoming Thirteenth Annual General Meeting.

The Board after having reviewed the proposed appointment of Grant Thornton, concurred with the recommendation made by the Audit Committee and recommended the appointment of Grant Thornton as Auditors in place of the retiring auditors, Messrs KPMG to the shareholders for approval at the forthcoming Thirteenth Annual General Meeting.

PRINCIPLE 6: RECOGNISE AND MANAGE RISK

SOUND FRAMEWORK TO MANAGE RISK

The Board of Directors acknowledges its responsibilities for the Company to maintain a sound system of internal controls covering financials, operations and compliance controls and to safeguard shareholders' investment as well as the Group's assets. While every effort is made to manage the significant risks, by its nature, the system can only provide reasonable but not absolute assurance against material misstatement or loss. Ongoing reviews are carried out by the Board, with the assistance of the Audit Committee, internal auditors and External Auditors, to safeguard the Group's assets.

INTERNAL AUDIT FUNCTION

The Board and Audit Committees have appointed Baker Tilly Monteiro Heng Governance Sdn Bhd, for the establishment of an independent internal audit function which is in compliance with the Listing Requirements or Bursa Securities.

The Statement on Risk Management and Internal Control pursuant to Paragraph 15.26 (b) of the Listing Requirements of Bursa Securities is set out on pages 32 to 33 of this Annual Report.

PRINCIPLE 7: ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

CORPORATE DISCLOSURE POLICY

The Board recognises the importance of accurate and timely dissemination of information to shareholders about the Group's financial performance and other matters affecting the shareholders' interest. This is achieved through accurate and timely disclosures and announcements to Bursa Securities including the quarterly financial results, annual reports, circulars, and other general meetings.

The Board ensures that confidential information is handled properly to avoid leakage and improper use. In line with the best practices, the Board strives to disclose price sensitive information to the public as soon as practicable through Bursa Securities.

LEVERAGE ON INFORMATION TECHNOLOGY FOR EFFECTIVE DISSEMINATION OF INFORMATION

The Board endeavors to provide timely and accurate disclosure of all material information of the Group to shareholders and investors. Information is disseminated through various disclosures and announcements made to the Bursa Securities. These information are also electronically published at the Bursa Securities website at www.bursamalaysia.com and the Group's website at www.greenyield.com.my.



Statement of Corporate Governance (cont'd)

PRINCIPLE 7: ENSURE TIMELY AND HIGH QUALITY DISCLOSURE (CONT'D)

LEVERAGE ON INFORMATION TECHNOLOGY FOR EFFECTIVE DISSEMINATION OF INFORMATION (CONT'D)

These information includes:-

- a) Quarterly Announcement;
- b) Annual Reports;
- c) Circular to Shareholders; and
- d) Other Important Announcements.

PRINCIPLE 8: STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

ENCOURAGE SHAREHOLDER'S PARTICIPATION AT GENERAL MEETINGS

The Board regards that Annual General Meetings ("AGMs") and Extraordinary General Meetings ("EGMs") are the primary forum for communication by the Company with its shareholders and for shareholders participation.

Prior to AGMs and EGMs, shareholders will be provided with the notices of meetings and accompanying explanatory material such as notes, Annual Report and/or Circular to enable shareholders to exercise their rights. Notices of AGMs and EGMs will be issued in accordance with the provisions of the Companies Act, 1965 and the Listing Requirements. The Board endeavors to serve earlier notice than the minimum notice period where practicable. The adequate time given to shareholders allows them to make necessary arrangements to attend and participate in the general meeting. Shareholders, who are unable to attend an AGM or EGM, are encouraged to appoint proxy or proxies to attend and vote at meetings for and on their behalf.

Separate issues are tabled in separate resolutions at general meetings, voting is carried out systematically and resolutions are properly recorded.

ENCOURAGE POLL VOTING

Shareholders will be informed of their right to demand a poll vote at the commencement of the meeting. In line with the recommendation of the Code, the Board would encourage and facilitate poll voting at general meetings in the case of substantive resolutions which require shareholders approval.

EFFECTIVE COMMUNICATION AND PROACTIVE ENGAGEMENTS WITH SHAREHOLDERS

The annual reports and quarterly announcements remain the principal forms of communication, providing shareholders and investors with an overview of the Group's activities and performance. The AGMs and EGMs also serve as principal forums for dialogue and avenues for direct interaction between the Board of Directors and shareholders or investors. In addition, the Group maintains a query form on its website (www.greenfield.com.my) where stakeholders can post questions which concern investor relations.

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RESPECT OF FINANCIAL STATEMENTS

The Directors are required by the Companies Act, 1965 to prepare financial statements for each financial year which have been made out in accordance with the Financial Reporting Standards and give a true and fair view of the financial positions of the Group and the Company at the end of the financial year and of the financial performance and cash flows of the Group and the Company for the financial year.

In preparing the financial statements for the financial year ended 31 July 2015, the Directors have:-

- adopted suitable accounting policies and applied them consistently;
- ensured that applicable accounting standards have been followed;
- made judgments and estimates that are reasonable and prudent;
- prepared financial statements on a going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future.

The Directors are responsible for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial positions of the Group and Company and which enable them to ensure that the financial statements comply with the Companies Act, 1965.



Statement on Risk Management and Internal Control

INTRODUCTION

The Malaysian Code on Corporate Governance 2012 requires the Board of Directors of the listed companies to maintain a sound risk management framework and internal control system to safeguard shareholders' investment and the Groups' assets.

The Board is pleased to present the Statement on Risk Management and Internal Control of the Group for the financial year ended 31 July 2015, which is in compliance with Paragraph 15.26 (b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and as guided by the "Statement on Risk Management and Internal Control – Guidance for Directors of Listed Issuers".

THE BOARD'S RESPONSIBILITY

The Board affirms its overall responsibility for reviewing its effectiveness, adequacy and integrity of the Groups' risk management framework and internal control system. The Board recognizes that the development of an effective risk management practices and a good system of internal control is a continuing process.

The Board is aware of inherent limitations in any system of risk management and internal controls, where such system is designed to manage and minimize risk appropriately rather than to eliminate the risk. Therefore, the internal control system can only provide reasonable and measured assurance against material misstatement, losses, fraud or breach of laws or regulations.

RISK MANAGEMENT FRAMEWORK

The Board regards risk management as an integral part of the Group's business operations, and had adopted a Risk Management Policy to address this. Risk Management Policy will provide an effective framework for identification, evaluation, management and reporting of the Group's risk.

The Risk Management Committee comprises the Executive Directors and senior management of the Group, and is responsible for the implementation of an appropriate system of controls and strategies in order to mitigate the risk. All the Group risk-related matters were deliberated at the Risk Management Committee meetings which are held on a regular basis. A summary of risk matters was tabled to the board for further deliberation during the year.

INTERNAL AUDIT

The Group's internal audit function was outsourced to a professional service firm, which is independent of the operations and activities of the Group. The Internal Auditors are also independent of the Board and management, and have a direct reporting responsibility to the Audit Committee. The engagement of the independent internal auditor will assist the Audit Committee in providing independent assessment on the adequacy, efficiency and effectiveness of internal control system and ensuring operational compliance with standard operating procedures within the Group.

During the financial year ended 31 July 2015, the internal auditors have carried out reviews in accordance to the approved Internal Audit Plan. The first audit review covered the areas of purchasing and monitoring, incoming goods control and goods returns outwards, hence the second audit review covered sales and deliveries, billing and credit control. The review covered the assessment on the adequacy and effectiveness of internal controls on key processes for the Group's subsidiaries. Upon completion of the internal audit review, the internal audit observations, recommendations and management comments were reported to the Audit Committee. Issues arising thereon are reviewed, deliberated and acted upon by the Audit Committee for remedial action to address, mitigate, manage and arrest the identified risks.

The Board is ultimately responsible for the implementation and maintenance of the Group's internal processes and procedures. The Board is conscious of the fact that the systems of internal control and risk management practices must continuously evolve to support the Group's operations. Therefore, the Board, in striving for continuous improvement, will put in place appropriate action plans, where necessary, to further enhance the Group's system of internal control and risk management.



Statement on Risk Management and Internal Control (cont'd)

OTHER KEY ELEMENTS OF INTERNAL CONTROL

The Board has put in place the following internal control elements for the current year under review:-

- The Executive Directors are closely involved in the running of the day to day business and operations of the Group by attending monthly meetings both at management and operational levels. The Executive Directors report to the Board on significant changes in the business and external environment, which affect the operations of the Group;
- Review of statutory annual financial statements and quarterly reports by evaluating the reasons for unusual variances noted by the Board and Audit Committee before the announcement to Bursa Securities;
- Reviewed the internal audit reports, which highlighted audit issues, recommendations and Management's response and discussed with Management on the appropriate remedial action taken to improve the system of internal controls;
- The Board has in place an organisational structure with defined lines of responsibilities, proper segregation of duties and delegation of authority. A process of hierarchical reporting has been established, which provides for a documented and auditable trail of accountability;
- The Group human resources policies and publication of the Employees Handbook, highlights policies on health and safety, staff performance and serious misconduct. These policies will help management with internal control;
- The Group has adopted the policies and procedures, such as Board Charter, Code of conduct, Whistle Blowing Policy and Corporate Disclosure Policy;
- The systematic performance appraisal system for all levels of staffs and directors;
- Annual audit by external quality auditors to ensure the quality system of Greenyard Industries (M) Sdn. Bhd. and RCP Technologies Sdn. Bhd. are in compliance with the requirements of the ISO 9001:2008 Certifications. The certification serves as an assurance to customers on the quality of products and services by the Group; and
- Terms of reference have been written for the Board Committees namely the Audit Committee, Nomination Committee, Remuneration Committee and Option Committee.

The Board believes that the aspects above will improve the Group's risk audit coverage.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control in accordance with International Standard on Assurance Engagements ("ISAE") 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information as adopted by the Malaysian Institute of Accountants and Recommended Practice Guide (RPG) 5 (Revised), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control Included in the Annual Report issued by Malaysian Institute of Accountants (MIA) for inclusion in the annual report of the Group for the financial year ended 31 July 2015, and reported to the Board that nothing has come to their attention that cause them to believe that the Statement on Risk Management and Internal Control has not been prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or is factually inaccurate.

ISAE 3000 and RPG 5 (Revised) does not require the External Auditors to consider whether the Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and Management thereon. External Auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report of the Company will, in fact, remedy the problems and not required to perform any procedures by way of audit, review or verification of the underlying records or other sources from which the Statement on Risk Management and Internal Control was extracted.

CONCLUSION

The Board is of the view that the Group's system of risk management and internal controls for the year under review is adequate in safeguarding the Shareholders' investment and the Group's assets. The Board is committed to continue reviewing the operations and effectiveness of the Group's internal control that covers financial, operational, compliance and risk management aspects.

The Group's system of internal control applies to the Group and its subsidiaries only. Associates are excluded because the Group does not have full management and control over them. However, the Group's interests in its material associate are served through representation on the Board of Directors of the associate company.

This statement has been made in accordance with a resolution passed by the Board on 11 November 2015.



Audit Committee Report

COMPOSITION & MEETINGS OF AUDIT COMMITTEE

For the financial year ended 31 July 2015, the Audit Committee comprised the following members:-

	Composition of the Audit Committee	Attendance at the Audit Committee Meeting during the financial year ended 31 July 2015
Chairman :	Yong Swee Lin <i>Independent Non-Executive Director</i>	5/5
Members :	Dr. Zainol Bin Md. Eusof <i>Independent Non-Executive Director</i>	5/5
	Mahbob Bin Abdullah <i>Independent Non-Executive Director</i>	5/5

SUMMARY OF ACTIVITIES OF COMMITTEE

During the financial year under review, the Committee carried out the following:-

- Reviewed the quarterly results and audited financial statements of the Group prior to submission to the Board of Directors for consideration and approval;
- In conjunction with the results and reports, reviewed for the Company's compliance with the Listing Requirements, Malaysian Accounting Standards Board (MASB) and applicable regulatory requirements;
- Reviewed the related party transactions of the Group;
- Reviewed the internal audit functions and the recommendations of the internal auditors' findings;
- Reviewed the quarterly risk management report;
- Reviewed the external auditors' audit plan and scope of work; and
- Reviewed the external auditors' management letter issues and the response from management.

TERMS OF REFERENCE

1. Composition

The Board of Directors ("BOD") of Greenfield Berhad (the "Company") resolved to establish a Committee of the BOD known as the Audit Committee on 30 May 2005.

The Audit Committee members shall be appointed by the BOD and shall comprise not fewer than three (3) members and must be Non-Executive Directors, with the majority of whom shall be Independent Directors. No alternate director shall be appointed as an Audit Committee Member.

At least one (1) member of the Audit Committee:-

- must be a member of the Malaysian Institute of Accountants; or
- if he is not a member of the Malaysian Institute of Accountants, he must have at least three years' working experience; and
 - he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
 - he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967.
- fulfill such other requirements as prescribed or approved by the Bursa Malaysia Securities Berhad.



Audit Committee Report (cont'd)

TERMS OF REFERENCE (CONT'D)

1. Composition (Cont'd)

The members of the Audit Committee shall elect a chairman who is an Independent Director.

In the event the elected Chairman is not able to attend a meeting of the Audit Committee, another member of the Audit Committee shall be nominated as the Chairman for the meeting. The nominated Chairman shall be an Independent Director.

A member of the Audit Committee who wishes to retire or resign should provide sufficient written notice to the BOD so that a replacement may be appointed before he leaves.

In the event of any vacancy in the Audit Committee, the Company shall fill the vacancy not later than three (3) months.

The Audit Committee must ensure the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work.

The Audit Committee shall function independently of the other directors and officers of the Company and its Group. Such other directors and officers may attend any particular Audit Committee meeting only at the Audit Committee's invitation specific to the relevant meeting.

Other than as provided herein, an Audit Committee may regulate its own procedures including the calling of meetings, the notice to be given of such meetings, the voting and proceedings thereat, the keeping of minutes and the custody, production and inspection of such minutes.

2. Functions

The functions of the Audit Committee are as follows:-

- i) To review the nomination of external auditors and their audit fees;
- ii) To review the adequacy of existing external audit arrangements, with particular emphasis on the scope and quality of the audit;
- iii) To review the adequacy of the scope, functions, competency and resources of the internal audit functions and that they have the necessary authority to carry out its work;
- iv) To review the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
- v) To review the quarterly results and financial statements of the Company with both the external auditors and management, if applicable focusing on:-
 - a) changes in or implementation of major accounting policy changes;
 - b) significant and unusual events; and
 - c) compliance with accounting standards and other legal requirements.
- vi) To review with the external auditors, the audit report and audit plan and evaluation of the system of internal controls;
- vii) To review any management letters sent by the external auditors to the Company and management's response to such letter;
- viii) To review any letter of resignations from the Company's external auditors;



Audit Committee Report (cont'd)

TERMS OF REFERENCE (CONT'D)

2. Functions (Cont'd)

- ix) To review whether there is reason (supported by grounds) to believe that the external auditors are not suitable for re-appointment;
- x) To review the assistance given by the Company's officers to the external auditors;
- xi) To review all areas of significant financial risk and the arrangements in place to contain those risks to acceptable levels;
- xii) To review all related-party transactions and potential conflict of interests situations; and
- xiii) To consider all other matters delegated by the BOD.

3. Access

The Audit Committee shall:-

- i) Have explicit authority to investigate any matters within its terms of reference;
- ii) Have the resources which it needs to perform its duties;
- iii) Have full access to any information which it requires in the course of performing its duties;
- iv) Have unrestricted access to the Group Managing Director / Group Chief Executive Officer, Director of Finance / Chief Financial Officer / Head of Group Finance Division and any other senior management staff of the Company and its subsidiaries;
- v) Have direct communication channels with the external auditors and internal auditors (if any);
- vi) Be able to obtain independent professional or other advice in the performance of its duties at the cost of the Company;
- vii) Be able to invite outsiders with relevant experience to attend its meetings if necessary; and
- viii) Monitor and ensure that any transactions entered into between the Company and its subsidiaries and parties or companies connected to the promoters, directors and substantial shareholders of the Company and its subsidiaries are at arm's length and not on terms that are detrimental to the Group. The directors of the Company are required to report such transactions in the annual report of the Company every year.

Management shall provide the fullest co-operation in providing information and resources to the Audit Committee, and in implementing or carrying out all requests made by the Audit Committee. Where the Audit Committee is of the view that a matter reported by it to the BOD has not been satisfactorily resolved resulting in a breach of the Listing Requirements of the Main Market, the Audit Committee shall promptly report such matter to Bursa Malaysia Securities Berhad.



Audit Committee Report (cont'd)

TERMS OF REFERENCE (CONT'D)

4. Meetings

The Audit Committee shall meet at least four (4) times a year and such additional meetings, as the Chairman shall decide in order to fulfill its duties. Upon the request of the external auditors or internal auditors, the Chairman of the Audit Committee shall convene a meeting of the Committee to consider any matters that the auditors believe should be brought to the attention of the BOD or shareholders.

The Audit Committee meeting may be held at two (2) or more venues within or outside Malaysia using any technology that enable the Audit Committee members as a whole to participate for the entire duration of the meeting, and that all information and documents for the meeting must be made available to all members prior to or at the meeting. Minutes of the proceedings of such a meeting are sufficient evidence of the proceedings to which it relates.

Except in the case of an emergency, reasonable notice of every meeting shall be given in writing and the notice of each meeting shall be served to the member either personally or by fax or by post or by courier or by e-mail to his registered address as appearing in the Register of Directors, as the case may be.

The quorum shall consist of a majority of independent directors and shall not be less than two (2).

Apart from the external auditors or internal auditors, the Chairman shall call for a meeting of the Audit Committee if requested to do so by any member of the Audit Committee, the BOD or the Senior Management. Prior notice shall be given for the Audit Committee's meetings.

The external auditors or internal auditors have the right to appear and be heard at any meeting of the Audit Committee and shall so appear when required by the Audit Committee.

The Audit Committee should meet at least twice a year with the external auditors without Executive Directors' and Management's present.

The Chairman of the Audit Committee should engage on continuous discussion with senior management, e.g. chairman, chief executive officer, finance director, head of internal audit and external auditors to be kept informed of matters affecting the Company.

The Company Secretary or other appropriate senior official shall act as Secretary of the Audit Committee and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it, supported by explanatory documentation to committee members prior to each meeting and taking attendance for the Audit Committee meeting.

The Secretary shall also be responsible for keeping the minutes of the Audit Committee and circulating them to committee members and to the other members of the BOD .

The Audit Committee is to provide opportunity to resigning internal audit staff / internal audit function service provider to submit his / their reason for resigning.

The Audit Committee shall function independently of the other directors and officers of the Company and its subsidiaries. Such other directors and officers may attend any particular Audit Committee meeting only at the Audit Committee's invitation, specific to the relevant meeting.



Audit Committee Report (cont'd)

TERMS OF REFERENCE (CONT'D)

5. Reporting Procedures

The Audit Committee shall assist the BOD in preparing the following for publication in the Company's Annual Report:-

- a) A summary of the activities of the Audit Committee;
- b) Statement on the Company's application of the eight (8) principles set out in Malaysian Code on Corporate Governance 2012;
- c) Statement on the extent of compliance with the Best Practices in Corporate Governance set out in the Malaysian Code on Corporate Governance 2012, specifying reasons for any areas of non-compliance (if any) and the alternatives adopted in such areas;
- d) Statement on the BOD's responsibility for preparing the annual audited financial statements;
- e) Statement on Risk Management and Internal Control of the Company and its subsidiaries;
- f) A statement relating to the internal audit function for the Company, whether the internal audit function is performed in-house or is outsourced and the costs incurred for the internal audit function in respect of the financial year; and
- g) Details of training attended by each Audit Committee member are to be disclosed in the Statement of Corporate Governance or the Audit Committee Report.

INTERNAL AUDIT FUNCTION

The Company is aware an internal audit function is essential to ensure the effectiveness of the Group's systems of internal control and is an integral part of the risk management process. During the financial year ended 31 July 2015, the Group's internal audit function was outsourced to a professional service firm to provide an assurance on the adequacy, efficiency and integrity of the Group's system of internal control. In line with good corporate governance practices, the outsourced internal audit function is independent of the activities and operations of the Group. The professional service firm conducting the internal audit function shall report directly to the Audit Committee and thereafter to the BOD.

The cost incurred by the Company in connection with the outsourced internal audit function for the financial year ended 31 July 2015 amounted to RM27,000.

Further details of the activities of internal audit function are set out in the Statement on Risk Management and Internal Control in this Annual Report.



Additional Compliance Information

1. UTILISATION OF PROCEEDS

There were no proceeds raised from any corporate proposal during the financial year ended 31 July 2015.

2. SHARE BUY-BACK

During the financial year ended 31 July 2015, the Company did not enter into any share buy-back transaction.

3. OPTIONS, WARRANTS AND CONVERTIBLE SECURITIES

There were no exercise of options, warrants and convertible securities during the financial year ended 31 July 2015.

4. DEPOSITORY RECEIPT PROGRAMME

The Company does not have any depository programme in place during the financial year ended 31 July 2015.

5. SANCTIONS AND/OR PENALTIES

During the financial year ended 31 July 2015, there were no public sanctions or penalties imposed on the Company and its subsidiary companies, directors or management by the relevant regulatory bodies.

6. NON-AUDIT FEES

Non-audit fees paid or payable to the External Auditors by the Group for the financial year ended 31 July 2015 was RM16,000 for works done to verify the Statement on Risk Management and Internal Control and other reporting requirements.

7. VARIATION IN RESULTS

There were no significant variances between the results for the financial year ended 31 July 2015 and the unaudited results previously released by the Company. The Company did not make any release on the profit estimates, forecast or projections for the financial year.

8. PROFIT GUARANTEE

During the financial year ended 31 July 2015, there were no profit guarantees given by the Company.

9. MATERIAL CONTRACTS

During the financial year under review, there were no material contracts entered by the Company and its subsidiary companies which involved directors' and/or major shareholders' interest.

10. MATERIAL CONTRACTS RELATING TO LOANS

During the financial year ended 31 July 2015, there were no material contracts relating to loans involving directors and/ or major shareholders.

11. OPTIONS GRANTED TO DIRECTORS PURSUANT TO THE EMPLOYEE SHARE OPTION SCHEME

There were no options granted to the Directors pursuant to the Employee Share Option Scheme ("ESOS") during the financial year ended 31 July 2015.

The Company announced the expiry of the ESOS of the Company on 12 October 2015. The ESOS had been in force for a period of nine (9) years commencing from 13 October 2006 and in accordance with the Bye-Laws of the ESOS of the Company.

As at 12 October 2015, 305,000 options were unexercised and lapsed with the expiry of the ESOS.

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Directors' Report

for the year ended 31 July 2015

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 July 2015.

Principal activities

The Company is principally engaged in investment holding activities, whilst the principal activities of the subsidiaries are as stated in Note 7 to the financial statements. There has been no significant change in the nature of these principal activities during the financial year.

Results

	Group RM	Company RM
Profit for the year	4,413,435	4,432,479

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review.

Dividends

Since the end of the previous financial year, the Company paid a single tier final ordinary dividend of 1.1 sen per ordinary share totalling RM3,671,140 in respect of the financial year ended 31 July 2014 on 19 January 2015.

The final dividend recommended by the Directors in respect of the financial year ended 31 July 2015 is a single tier final ordinary dividend of 0.75 sen per ordinary share totalling RM2,503,050.

Directors of the Company

Directors who served since the date of the last report are:

Tham Foo Keong
Tham Foo Choon
Dr. Sivakumaran A/L Seenivasagam
Dr. Zainol Bin Md. Eusof
Tham Kin Wai
Yong Swee Lin
Mahbob Bin Abdullah

Directors' interests

The interests and deemed interests in the ordinary shares and options over shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:



Directors' Report

for the year ended 31 July 2015 (cont'd)

Directors' interests (Cont'd)

	Number of ordinary shares of RM0.10 each			At 31.7.2015
	At 1.8.2014	Bought	Sold	
Interests in the Company:				
Greenfield Berhad				
Tham Foo Keong				
- own	10,973,160	-	(2,000,000)	8,973,160
Tham Foo Choon				
-own	6,099,160	-	-	6,099,160
Dr. Sivakumaran A/L Seenivasagam	2,201,420	-	-	2,201,420
Dr. Zainol Bin Md. Eusof	210,000	-	-	210,000
Tham Kin Wai	2,172,000	-	-	2,172,000
Mahbob Bin Abdullah	270,000	-	-	270,000
Yong Swee Lin	20,000	-	-	20,000
Deemed interests in the Company:				
Greenfield Berhad				
Tham Foo Keong				
- others*	19,162,560	2,000,000	-	21,162,560
Tham Foo Choon				
- others*	1,600,000	-	-	1,600,000
Deemed interests in the ultimate holding company:				
Greenfield Holdings Sdn. Bhd.				
Tham Foo Keong	162,121,320	-	-	162,121,320
Tham Foo Choon	162,121,320	-	-	162,121,320

* In accordance with Section 134(12)(c) of the Companies Act, 1965, the deemed interests of the spouses of Tham Foo Keong and Tham Foo Choon in the shares of the Company shall be treated as the interests of Tham Foo Keong and Tham Foo Choon respectively.

By virtue of their interests in the shares of the Company, Tham Foo Keong and Tham Foo Choon are also deemed interested in the shares of the subsidiaries during the financial year to the extent that Greenfield Berhad has an interest.

None of the other Directors holding office at 31 July 2015 had any interest in the ordinary shares of the Company and of its related corporations during the financial year.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements or the fixed salary of a full time employee of related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate apart from the Company's Employees Share Option Scheme ("ESOS").

Issue of shares

There were no changes in the authorised, issued and paid-up capital of the Company during the financial year.



Directors' Report

for the year ended 31 July 2015 (cont'd)

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year apart from the issue of options pursuant to the ESOS.

The salient features of the ESOS scheme are, inter alia, as follows:

- i) The aggregate number of options exercised and options offered and to be offered under the scheme shall not exceed 15,000,000 at any one time during the duration of the scheme as provided by the By-Law and the following shall be complied with:-
 - (a) Not more than fifty per cent (50%) of the shares available under the scheme shall be allocated, in aggregate, to Directors and senior management; and
 - (b) The allocation to an eligible employee who, either singly or collectively through persons connected with the eligible employee, holds twenty per cent (20%) or more of the issued and paid-up capital of the Company, must not exceed ten per cent (10%) of the shares available under the scheme,
- ii) The exercise price shall not be at a discount of more than ten per cent (10%) (or such discount as the relevant authorities shall permit) from the 5 market day weighted average market price of the shares of the Company preceding the date of offer and shall, in no event, be less than the par value of the shares of the Company,
- iii) An option shall not be transferred, assigned, disposed of or made subject to any encumbrances by the grantee save and except in the event of the death of the grantee. Any such transfer, assignment, disposal or encumbrances shall result in the automatic cancellation of the option,
- iv) The new shares to be issued upon the exercise of the option will, upon allotment and issue, rank pari passu in all respects with the existing issued and paid-up shares of the Company, except that the new shares will not be entitled to any dividends, rights, allotments or other distributions, the entitlement date of which is prior to the date of allotment of the said shares,
- v) An option holder may, in particular year, exercise up to such maximum number of shares in the option certificate as determined by the Board of Directors or as specified in the option certificate,
- vi) The option granted to eligible employees will lapse when they are no longer in employment of the Group, and
- vii) The ESOS will be in force for a period of three (3) years commencing 13 October 2006. The ESOS may at the discretion of the options committee to be extended for up to seven (7) years.

The options offered to take up unissued ordinary shares of RM0.10 each and the exercise price are as follows:

Date of offer	Exercise price RM	Number of options over ordinary shares of RM0.10 each				
		At 1.8.2014	Granted	(Exercised)	(Forfeited)	At 31.7.2015
13 October 2006	0.21	312,000	-	-	(7,000)	305,000

The ESOS has expired on 12 October 2015 and the 305,000 options that remain unexercised have lapsed with the expiry of the ESOS.



Directors' Report for the year ended 31 July 2015 (cont'd)

Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, except for the impairment loss of an investment in a subsidiary as disclosed in Note 7 to the financial statements of the Company, the financial performance of the Group and of the Company for the financial year ended 31 July 2015 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

Tham Foo Keong

Tham Foo Choon

Kajang, Selangor Darul Ehsan

Date: 11 November 2015



Statements of Financial Position

as at 31 July 2015

	Note	2015 RM	Group 2014 RM	Company 2015 RM	2014 RM
Assets					
Property, plant and equipment	3	20,885,647	17,028,093	131,420	146,688
Intangible assets	4	22,488	12,197	-	-
Prepaid lease payments	5	3,405,582	3,401,860	-	-
Plantation development expenditure	6	3,536,672	2,576,143	-	-
Investments in subsidiaries	7	-	-	32,865,486	22,065,486
Investments in associates	8	13,447,032	9,427,590	-	-
Total non-current assets		41,297,421	32,445,883	32,996,906	22,212,174
Trade and other receivables	9	11,676,330	10,302,940	5,354,500	13,246,250
Prepayments	10	422,200	227,402	3,611	11,647
Inventories	11	9,670,164	8,636,690	-	-
Current tax assets		1,280,975	1,287,934	-	72,557
Cash and cash equivalents	12	14,972,886	11,853,517	126,251	2,188,130
Total current assets		38,022,555	32,308,483	5,484,362	15,518,584
Total assets		79,319,976	64,754,366	38,481,268	37,730,758
Equity					
Share capital	13	33,374,000	33,374,000	33,374,000	33,374,000
Reserves	13	23,899,043	23,082,654	4,772,980	4,011,641
Total equity attributable to the owners of the Company		57,273,043	56,456,654	38,146,980	37,385,641
Liabilities					
Borrowings	14	10,754,368	273,450	-	-
Deferred tax liabilities	15	1,507,862	1,312,200	-	-
Total non-current liabilities		12,262,230	1,585,650	-	-
Trade and other payables	17	8,662,903	6,525,950	334,288	345,117
Borrowings	14	1,121,800	186,112	-	-
Total current liabilities		9,784,703	6,712,062	334,288	345,117
Total liabilities		22,046,933	8,297,712	334,288	345,117
Total equity and liabilities		79,319,976	64,754,366	38,481,268	37,730,758

The notes on page 50 to 87 are an integral part of these financial statements.



Statements of Profit or Loss and Other Comprehensive Income

for the year ended 31 July 2015

	Note	Group		Company	
		2015 RM	2014 RM	2015 RM	2014 RM
Revenue	18	44,584,342	51,728,879	6,000,000	4,000,000
Cost of sales		(30,266,193)	(34,728,155)	-	-
Gross profit		14,318,149	17,000,724	6,000,000	4,000,000
Other income		3,216,635	1,459,401	-	-
Distribution expenses		(929,851)	(1,193,483)	-	(16,379)
Administrative expenses		(8,441,377)	(7,569,315)	(374,403)	(348,085)
Other expenses		(1,586,056)	(908,789)	(1,200,000)	-
Results from operating activities		6,577,500	8,788,538	4,425,597	3,635,536
Finance costs		(394,196)	(79,627)	(102)	(108)
Finance income		151,271	186,156	23,959	61,237
Net finance (costs)/ income		(242,925)	106,529	23,857	61,129
Operating profit		6,334,575	8,895,067	4,449,454	3,696,665
Share of loss of equity-accounted associates, net of tax		(21,558)	(38,051)	-	-
Profit before tax	19	6,313,017	8,857,016	4,449,454	3,696,665
Tax expense	21	(1,899,582)	(2,365,758)	(16,975)	(1,016)
Profit for the year		4,413,435	6,491,258	4,432,479	3,695,649
Other comprehensive income/expense for the year, net of tax					
Items that are or may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operations		74,094	(9,320)	-	-
		74,094	(9,320)	-	-
Total comprehensive income for the year		4,487,529	6,481,938	4,432,479	3,695,649
Basic earnings per ordinary share (sen):	22	1.32	1.95		
Diluted earnings per ordinary share (sen):	22	1.32	1.94		



Statements of Changes in Equity

for the year ended 31 July 2015

	Note	← Attributable to owners of the Company →				Total equity RM
		Share capital RM	Share option reserve RM	Translation reserve RM	Retained earnings RM	
Group						
At 1 August 2013		33,374,000	31,467	-	19,906,649	53,312,116
Foreign currency translation differences for foreign operations		-	-	(9,320)	-	(9,320)
Profit for the year		-	-	-	6,491,258	6,491,258
Total comprehensive income for the year		-	-	(9,320)	6,491,258	6,481,938
Dividends to owners of the Company	23	-	-	-	(3,337,400)	(3,337,400)
At 31 July 2014/1 August 2014		33,374,000	31,467	(9,320)	23,060,507	56,456,654
Foreign currency translation differences for foreign operations		-	-	74,094	-	74,094
Profit for the year		-	-	-	4,413,435	4,413,435
Total comprehensive income for the year		-	-	74,094	4,413,435	4,487,529
Dividends to owners of the Company	23	-	-	-	(3,671,140)	(3,671,140)
At 31 July 2015		33,374,000	31,467	64,774	23,802,802	57,273,043
		Note 13	Note 13	Note 13		
Company						
At 1 August 2013		33,374,000	31,467	-	3,621,925	37,027,392
Profit and total comprehensive income for the year		-	-	-	3,695,649	3,695,649
Dividends to owners of the Company	23	-	-	-	(3,337,400)	(3,337,400)
At 31 July 2014/1 August 2014		33,374,000	31,467	-	3,980,174	37,385,641
Profit and total comprehensive income for the year		-	-	-	4,432,479	4,432,479
Dividends to owners of the Company	23	-	-	-	(3,671,140)	(3,671,140)
At 31 July 2015		33,374,000	31,467	-	4,741,513	38,146,980
		Note 13	Note 13	Note 13		



Statements of Cash Flows

for the year ended 31 July 2015

	Note	Group		Company	
		2015 RM	2014 RM	2015 RM	2014 RM
Cash flows from operating activities					
Profit before tax		6,313,017	8,857,016	4,449,454	3,696,665
<i>Adjustments for:</i>					
Amortisation of intangible assets		4,062	1,745	-	-
Amortisation of prepaid lease payments		27,056	23,583	-	-
Depreciation of property, plant and equipment		2,103,724	2,421,794	15,268	5,277
Dividend income		-	-	(6,000,000)	(4,000,000)
Finance costs		394,196	79,627	102	108
Loss/(Gain) on disposal of property, plant and equipment		123,694	(2,531)	-	-
Finance income		(151,271)	(186,156)	(23,959)	(61,237)
Property, plant and equipment written off		-	4,059	-	-
Share of loss of equity-accounted associates, net of tax		21,558	38,051	-	-
Intangible assets written off		757	3,767	-	-
Unrealised foreign exchange gain		(368,426)	(327,332)	-	-
Impairment loss on trade receivables		-	134,688	-	-
Impairment loss on investment in a subsidiary		-	-	1,200,000	-
Operating profit/(loss) before changes in working capital					
		8,468,367	11,048,311	(359,135)	(359,187)
Changes in:					
Inventories		(1,033,474)	(659,571)	-	-
Prepayments		(194,798)	(49,685)	8,036	3,480
Trade and other payables		2,078,264	821,207	(10,829)	(1,720,966)
Trade and other receivables		(1,128,132)	(896,938)	7,891,750	1,883,040
Cash generated from/(used in) operations					
		8,190,227	10,263,324	7,529,822	(193,633)
Interests paid		(36,512)	(59,910)	(102)	(108)
Income taxes paid		(3,595,421)	(4,000,272)	(3,000)	(3,000)
Income taxes refunded		1,898,460	1,651,301	58,582	1,984
Net cash from/(used in) operating activities					
		6,456,754	7,854,443	7,585,302	(194,757)
Cash flows from investing activities					
Acquisition of property, plant and equipment	(ii)	(5,695,002)	(1,411,148)	-	(149,888)
Acquisition of intangible assets		(15,110)	(4,035)	-	-
Acquisition of prepaid lease payments		(30,778)	-	-	-
Investments in associates		(4,041,000)	(3,672,000)	-	-
Investment in a subsidiary		-	-	(12,000,000)	(3,000,000)
Decrease/(Increase) in pledged deposits with licensed banks		825,885	(75,791)	-	-
Dividend received		-	-	6,000,000	4,000,000
Interest received		151,271	186,156	23,959	61,237
Plantation development expenditure		(960,529)	(2,576,143)	-	-
Proceeds from disposal of property, plant and equipment		355,874	200,671	-	-
Net cash (used in)/from investing activities					
		(9,409,389)	(7,352,290)	(5,976,041)	911,349

The notes on page 50 to 87 are an integral part of these financial statements.



Statements of Cash Flows

report for the year ended 31 July 2015 (cont'd)

	Note	Group		Company	
		2015 RM	2014 RM	2015 RM	2014 RM
Cash flows from financing activities					
Dividends paid to owners of the Company		(3,671,140)	(3,337,400)	(3,671,140)	(3,337,400)
Interests paid		(357,684)	(19,717)	-	-
Proceeds from term loans (net)		11,159,231	-	-	-
Repayment of finance lease liabilities (net)		(488,469)	(268,204)	-	-
Net cash from/(used in) financing activities		6,641,938	(3,625,321)	(3,671,140)	(3,337,400)
Net increase/(decrease) in cash and cash equivalents					
		3,689,303	(3,123,168)	(2,061,879)	(2,620,808)
Effect of exchange rate fluctuation on cash and cash equivalents		255,951	422,370	-	-
Cash and cash equivalents at beginning of financial year	(i)	8,484,420	11,185,218	2,188,130	4,808,938
Cash and cash equivalents at end of financial year	(i)	12,429,674	8,484,420	126,251	2,188,130

i) *Cash and cash equivalents*

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Deposits with licensed banks	2,628,971	3,440,457	5,944	5,382
Cash and bank balances	12,343,915	8,413,060	120,307	2,182,748
	14,972,886	11,853,517	126,251	2,188,130
Less: Deposits pledged	(2,543,212)	(3,369,097)	-	-
	12,429,674	8,484,420	126,251	2,188,130

ii) *Acquisition of property, plant and equipment*

During the financial year, the Group and the Company acquired property, plant and equipment with an aggregate cost of RM6,440,846 (2014 : RM1,610,558) and Nil (2014 : RM149,888) of which RM745,844 (2014 : RM199,410) and Nil (2014 : RM Nil) was acquired by means of finance lease.



Notes to the Financial Statements

Greenfield Berhad is a public limited liability company incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business

21 & 23, Jalan Seksyen 3/7
Taman Kajang Utama
43000 Kajang Selangor

Registered office

Unit 30-1, Level 30, Tower A,
Vertical Business Suite, Avenue 3,
Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur

The consolidated financial statements of the Company as at and for the financial year ended 31 July 2015 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”) and the Group’s interest in associates. The financial statements of the Company as at and for the financial year ended 31 July 2015 do not include other entities.

The Company is principally engaged in investment holding activities, whilst the principal activities of the subsidiaries are as stated in Note 7 to the financial statements. There has been no significant change in the nature of these principal activities during the financial year.

The immediate and ultimate holding company during the financial year was Greenfield Holdings Sdn. Bhd., a company incorporated in Malaysia.

These financial statements were authorised for issue by the Board of Directors on 11 November 2015.

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards (“IFRSs”) and the requirements of the Companies Act, 1965 in Malaysia.

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group and the Company:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016

- Amendments to MFRS 5, *Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 7, *Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- Amendments to MFRS 10, *Consolidated Financial Statements*, MFRS 12, *Disclosure of Interests in Other Entities* and MFRS 128, *Investments in Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception*
- Amendments to MFRS 11, *Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations*
- MFRS 14, *Regulatory Deferral Accounts*
- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosure Initiative*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 138, *Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 141, *Agriculture – Agriculture: Bearer Plants*
- Amendments to MFRS 119, *Employee Benefits (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 127, *Separate Financial Statements – Equity Method in Separate Financial Statements*
- Amendments to MFRS 134, *Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)*



Notes to the Financial Statements (cont'd)

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018

- MFRS 9, *Financial Instruments (2014)*
- MFRS 15, *Revenue from Contracts with Customers*

The initial application of the accounting standards, amendments or interpretations are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and the Company except as mentioned below:

MFRS 9, *Financial Instruments*

MFRS 9 replaces the guidance in MFRS 139, *Financial Instruments: Recognition and Measurement* on the classification and measurement of financial assets and financial liabilities.

The Group is currently assessing the financial impact that may arise from the adoption of MFRS 9.

MFRS 15, *Revenue from Contracts with Customers*

MFRS 15 replaces the guidance in MFRS 111, *Construction Contracts*, MFRS 118, *Revenue*, IC Interpretation 13, *Customer Loyalty Programmes*, IC Interpretation 15, *Agreements for Construction of Real Estate*, IC Interpretation 18, *Transfers of Assets from Customers* and IC Interpretation 131, *Revenue - Barter Transactions Involving Advertising Services*.

The Group is currently assessing the financial impact that may arise from the adoption of MFRS 15.

(b) Basis of measurement

These financial statements have been prepared on the historical cost basis other than as disclosed in Note 2.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM, unless otherwise stated.

(d) Use of estimates and judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in Note 7 – investments in subsidiaries.



Notes to the Financial Statements (cont'd)

2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements, and have been applied consistently by Group entities, unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses. The cost of investment includes transaction cost.

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(iii) Associates

Associates are entities, including unincorporated entities, in which the Group has significant influence, but not control, over the financial and operating policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method less any impairment losses. The cost of the investment includes transaction costs. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the associates, after adjustments, if any, to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.



Notes to the Financial Statements (cont'd)

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(iii) Associates (continued)

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. The difference between the fair value of any retained interest plus proceeds from the interest disposed of and the carrying amount of the investment at the date when equity method is discontinued is recognised in the profit or loss.

When the Group's interest in an associate decreases but does not result in a loss of significant influence, any retained interest is not remeasured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

Investments in associates are measured in the Company's statement of financial position at cost less any impairment losses. The cost of the investments includes transaction costs.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted associates are eliminated against the investment to the extent of the Group's interest in the investees. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting date are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date, except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments or a financial instrument designated as a hedge of currency risk, which are recognised in other comprehensive income.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the foreign currency translation reserve ("FCTR") in equity.



Notes to the Financial Statements (cont'd)

2. Significant accounting policies (continued)

(b) Foreign currency (continued)

(ii) Operations denominated in functional currencies other than Ringgit Malaysia

The assets and liabilities of operations denominated in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at exchange rates at the end of the reporting period, except for goodwill and fair value adjustments arising from business combinations before 1 July 2012 (the date when the Group first adopted MFRS) which are treated as assets and liabilities of the Company. The income and expenses of foreign operations are translated to RM at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the FCTR in equity. However, if the operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the FCTR related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(c) Financial instruments

(i) Initial recognition and measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the instrument.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

(ii) Financial instrument categories and subsequent measurement

The Group and the Company categorise financial instruments as follows:

Financial assets

Loans and receivables

Loans and receivables category comprises trade and other receivables and cash and cash equivalents.

Financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method.

All financial assets are subject to review for impairment (see Note 2(j)(i)).

Financial liabilities

All financial liabilities are subsequently measured at amortised cost.



Notes to the Financial Statements (cont'd)

2. Significant accounting policies (continued)

(c) Financial instruments (continued)

(iii) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other income" and "other expenses" respectively in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group or the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then the component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land and buildings are not depreciated.



Notes to the Financial Statements (cont'd)

2. Significant accounting policies (continued)

(d) Property, plant and equipment (continued)

(iii) Depreciation (continued)

The estimated useful lives for the current and comparative periods are as follows:

• Leasehold lands	50 - 82 years
• Leasehold buildings	14 - 50 years
• Plant and machinery	10 years
• Motor vehicles	6 - 10 years
• Renovations	10 years
• Factory, office fittings and equipments:	
- Computers and mould	3 - 5 years
- Furniture and fittings, office equipments, air-conditioners, empty cylinders and electrical installation	5 - 10 years
- Project and nursery site fittings	5 - 6 years

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting period and adjusted as appropriate.

(e) Leased assets

(i) Finance lease

Leases in terms of which the Group or the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Leasehold lands and leasehold buildings which in substance are finance leases are classified as property, plant and equipment.

(ii) Operating lease

Leases, where the Group or the Company does not assume substantially all the risks and rewards of ownership are classified as operating leases and, except for property interest held under operating lease, the leased assets are not recognised on the statement of financial position. Property interest held under an operating lease, which is held to earn rental income or for capital appreciation or both, is classified as investment property and measured using fair value model.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent rentals are charged to profit or loss in the reporting period in which they are incurred.

Leasehold land which in substance is an operating lease is classified as prepaid lease payments.



Notes to the Financial Statements (cont'd)

2. Significant accounting policies (continued)

(f) Intangible assets

(i) Trademarks

Trademarks that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(iii) Amortisation

Intangible assets are amortised from the date that they are available for use. Amortisation is based on the cost of an asset less its residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of the intangible assets.

The estimated useful lives for the current and comparative periods are as follows:

- Trademarks 10 - 20 years

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted, if appropriate.

(g) Plantation development expenditure

All expenditure relating to development of rubber estate will be capitalised under plantation development expenditure. Plantation development expenditure is stated at cost less accumulated amortisation and impairment losses. Amortisation of the development expenditure is on a straight-line basis upon the maturing of the rubber trees.

All expenditure relating to the planting and maintenance of rubber trees will be classified under plantation development expenditure. Once the trees are ready for tapping, any subsequent cost will be expensed off to profit or loss.

Agricultural produce from the trees will be measured on initial recognition and at each balance sheet date at their fair value less cost to sell.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories is calculated using the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of work-in-progress and finished goods, cost includes an appropriate proportion of fixed and variable production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(i) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Group and the Company in the management of their short term commitments. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of pledged deposits.



Notes to the Financial Statements (cont'd)

2. Significant accounting policies (continued)

(j) Impairment

(i) Financial assets

All financial assets (except for investments in subsidiaries and associates) are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised. For an investment in an equity instrument, a significant or prolonged decline in the fair value below its cost is an objective evidence of impairment. If any such objective evidence exists, then the impairment loss of the financial asset is estimated.

An impairment loss in respect of loans and receivables is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account.

If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, to the extent that the asset's carrying amount does not exceed what the carrying amount would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

(ii) Other assets

The carrying amounts of other assets (except for inventories and plantation development expenditure) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of the group of cash-generating units are allocated first to reduce the carrying amount of the other assets in the cash-generating unit (group of cash-generating units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.



Notes to the Financial Statements (cont'd)

2. Significant accounting policies (continued)

(k) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(i) Issue expenses

Costs directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Ordinary shares

Ordinary shares are classified as equity.

(l) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) State plans

The Group's contribution to the Employees Provident Fund is charged to profit or loss in the financial year to which they relate. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Share-based payment transactions

The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-vesting condition, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of employee share options is measured using a Black Scholes model. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.



Notes to the Financial Statements (cont'd)

2. Significant accounting policies (continued)

(m) Revenue and other income

(i) Goods sold

Revenue from the sale of goods in the course of ordinary activities is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discount and volume rebates. Revenue is recognised when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

(ii) Dividend income

Dividend income is recognised in profit or loss on the date that the Group's or the Company's right to receive payment is established.

(iii) Interest income

Interest income is recognised as it accrues, using the effective interest method in profit or loss.

(n) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Property, plant and equipment under finance lease plans are capitalised at their purchase cost and depreciated over their estimated useful lives, and the corresponding obligation relating to the remaining capital payments are treated as a liability. Finance charges for the finance lease plans are charged to profit or loss over the period of the finance lease using the sum of digits method.

(o) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.



Notes to the Financial Statements (cont'd)

2. Significant accounting policies (continued)

(o) Income tax (continued)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax assets and liabilities on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Any unutilised portion of the tax incentive is recognised as a deferred tax asset to the extent that it is probable that future taxable profits will be available against which the unutilised tax incentive can be utilised.

(p) Earnings per ordinary share

The Group presents basic and diluted earnings per share data for its ordinary shares ("EPS").

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

(q) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segment results are reviewed regularly by the chief operating decision maker, which in this case is the Managing Director of the Group, to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

(r) Fair value measurements

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.



Notes to the Financial Statements (cont'd)

3. Property, plant and equipment

	Freehold land and buildings* RM	Leasehold lands RM	Leasehold buildings RM	Plant and machinery RM	Motor vehicles RM	Renovations RM	Factory, office fittings and equipments RM	Total RM
Group								
Cost								
At 1 August 2013	1,760,587	1,670,062	6,727,864	6,456,033	3,309,005	1,073,212	5,905,114	26,901,907
Additions	-	-	-	640,423	461,035	24,110	484,990	1,610,558
Disposals	-	-	-	(15,600)	(308,141)	-	(80,657)	(404,398)
Write-off	-	-	-	(350)	-	-	(7,815)	(8,165)
Transfers	-	-	-	-	-	-	(4,400)	(4,400)
At 31 July 2014/ 1 August 2014	1,760,587	1,670,062	6,727,864	7,080,506	3,461,899	1,097,322	6,297,262	28,095,502
Additions	-	4,221,960	-	766,442	746,849	6,563	699,032	6,440,846
Disposals	-	-	-	(368,000)	(822,477)	-	(172,808)	(1,363,285)
Write-off	-	-	-	-	-	-	(7,595)	(7,595)
At 31 July 2015	1,760,587	5,892,022	6,727,864	7,478,948	3,386,271	1,103,885	6,815,891	33,165,468
Depreciation								
At 1 August 2013	-	543,472	884,159	2,179,813	830,405	602,663	3,816,677	8,857,189
Depreciation for the year	-	163,808	71,760	727,784	411,777	98,138	948,527	2,421,794
Disposals	-	-	-	(6,760)	(180,645)	-	(18,853)	(206,258)
Write-off	-	-	-	(350)	-	-	(3,756)	(4,106)
Transfers	-	-	-	-	-	-	(1,210)	(1,210)
At 31 July 2014/ 1 August 2014	-	707,280	955,919	2,900,487	1,061,537	700,801	4,741,385	11,067,409
Depreciation for the year	-	179,057	71,809	782,983	432,152	66,264	571,459	2,103,724
Disposals	-	-	-	(193,200)	(551,080)	-	(139,437)	(883,717)
Write-off	-	-	-	-	-	-	(7,595)	(7,595)
At 31 July 2015	-	886,337	1,027,728	3,490,270	942,609	767,065	5,165,812	12,279,821
Carrying amounts								
At 1 August 2013	1,760,587	1,126,590	5,843,705	4,276,220	2,478,600	470,549	2,088,467	18,044,718
At 31 July 2014	1,760,587	962,782	5,771,945	4,180,019	2,400,362	396,521	1,555,877	17,028,093
At 31 July 2015	1,760,587	5,005,685	5,700,136	3,988,678	2,443,662	336,820	1,650,079	20,885,647

* The cost and carrying value of the freehold land are not segregated from the building as required details are not available.

Motor vehicles acquired under finance lease plans

The carrying amounts of motor vehicles acquired under finance lease plans are RM1,287,770 (2014 : RM778,065).



Notes to the Financial Statements (cont'd)

3. Property, plant and equipment (continued)

3.1 Leasehold lands

Included in the carrying amounts of leasehold lands are:

	Group	
	2015 RM	2014 RM
Leasehold lands with unexpired lease period of more than 50 years	5,005,685	962,782

3.2 Security

At 31 July 2015, leasehold lands and buildings of the Group with a total carrying amount of RM7,084,821 (2014: Nil) have been pledged for term loans granted to a subsidiary (see Note 14).

	Fittings RM	Motor vehicle RM	Total RM
Company			
Cost			
1 August 2013	2,800	-	2,800
Addition	-	149,888	149,888
At 31 July 2014/ 1 August 2014	2,800	149,888	152,688
Addition	-	-	-
At 31 July 2015	2,800	149,888	152,688
Depreciation			
At 1 August 2013	723	-	723
Depreciation for the year	280	4,997	5,277
At 31 July 2014/1 August 2014	1,003	4,997	6,000
Depreciation for the year	280	14,989	15,268
At 31 July 2015	1,283	19,986	21,268
Carrying amounts			
At 1 August 2013	2,077	-	2,077
At 31 July 2014	1,797	144,891	146,688
At 31 July 2015	1,517	129,902	131,420



Notes to the Financial Statements (cont'd)

4. Intangible assets

	Trademarks	
	2015 RM	2014 RM
Group		
Cost		
At beginning of financial year	20,715	24,530
Additions	15,110	4,035
Write-off	(1,800)	(7,850)
At end of financial year	34,025	20,715
Amortisation		
At beginning of financial year	8,518	10,856
Amortisation for the year	4,062	1,745
Write-off	(1,043)	(4,083)
At end of financial year	11,537	8,518
Carrying amounts		
At end of financial year	22,488	12,197

5. Prepaid lease payments

	Group RM
Cost	
At 1 August 2013	3,523,354
Additions	-
At 31 July 2014/ 1 August 2014	3,523,354
Additions	30,778
At 31 July 2015	3,554,132
Amortisation	
At 1 August 2013	97,911
Amortisation for the year	23,583
At 31 July 2014/ 1 August 2014	121,494
Amortisation for the year	27,056
At 31 July 2015	148,550
Carrying amounts	
At 1 August 2013	3,425,443
At 31 July 2014	3,401,860
At 31 July 2015	3,405,582



Notes to the Financial Statements (cont'd)

6. Plantation development expenditure

	Group	
	2015 RM	2014 RM
Rubber		
At beginning of financial year	2,576,143	-
Additions	960,529	2,576,143
At end of financial year	3,536,672	2,576,143
Included in additions during the financial year are as follows:		
Land clearing costs	7,903	1,928,401
Planting costs	274,727	-
Depreciation of property, plant and equipment	20,065	5,826
Personnel expenses:		
- Wages, salaries and others	384,375	195,819
- Contributions to Employees Provident Fund	23,501	12,533

7. Investments in subsidiaries

	Company	
	2015 RM	2014 RM
Unquoted shares, at cost	34,065,486	22,065,486
Less: Impairment loss	(1,200,000)	-
	32,865,486	22,065,486

The impairment loss recognised represents the allowance made to adjust the carrying amount of the investments in subsidiaries to its estimated recoverable amounts.

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest	
			2015 %	2014 %
Greenyield Industries (M) Sdn. Bhd.	Malaysia	Manufacturing and marketing of agricultural related systems and products and plastic related products	100	100
Gim Triple Seven Sdn. Bhd. and its subsidiaries	Malaysia	Marketing and distribution of agricultural related systems and products	100	100
Givnflow Co. Ltd.*	Vietnam	Manufacturing and marketing of agricultural related systems and products and plastic related products	100	100
Greenyield (Cambodia) Pte. Ltd.*	Cambodia	Manufacturing and distribution of fertilisers, agricultural related systems and products	100	100
Gimflow Sdn. Bhd.	Malaysia	Marketing and distribution of agricultural related systems and products	100	100
RCP Technologies Sdn. Bhd.	Malaysia	Trading of agricultural and plantation tools and providing technical and consultancy services	100	100
Tigantara Plantations Sdn. Bhd.	Malaysia	Rubber planting and estate management	100	100
Greenyield Plantation Sdn. Bhd.	Malaysia	Dormant	100	100

* Not audited by member firms of KPMG International.



Notes to the Financial Statements (cont'd)

8. Investments in associates

	Group	
	2015 RM	2014 RM
At cost:		
Unquoted shares		
- Ordinary shares	2,220,004	1,491,004
- Redeemable convertible preference shares	11,391,000	8,079,000
Share of post-acquisition reserves	(163,972)	(142,414)
	13,447,032	9,427,590

On 2 July 2015, Gim Triple Seven Sdn. Bhd. ("G777"), a wholly-owned subsidiary of the Company subscribed 3,312 Redeemable Convertible Preference Shares ("RCPS") of RM1.00 each at a premium of RM999.00 per share in Melati Aman Sdn. Bhd., an associate of G777 as full settlement of the outstanding amount due and owing from Melati Aman Sdn. Bhd. and that the allotment of 3,312 RCPS would operate as a full satisfaction of the RM3,312,000 amount due and owing to G777.

In the previous financial year, G777 subscribed 2,943 RCPS of RM1.00 each at a premium of RM999.00 per share in Melati Aman Sdn. Bhd., as full settlement of the outstanding amount due and owing from Melati Aman Sdn. Bhd. and that the allotment of 2,943 RCPS would operate as a full satisfaction of the RM2,943,000 amount due and owing to G777.

Details of associates are as follows:

Name of entity	Principal place of business/ Country of incorporation	Principal activities	Effective ownership voting interest	
			2015	2014
Melati Aman Sdn. Bhd.*	Malaysia	Rubber planting and estate management	30%	30%
SND Teguh Enterprise Sdn. Bhd.*	Malaysia	Rubber planting and estate management	30%	30%
Pullah PC Daud Sdn. Bhd.*	Malaysia	Rubber planting and estate management	30%	30%

* Not audited by member firms of KPMG International.

The following table summarises the information of the Group's material associate, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associate.

	Melati Aman Sdn. Bhd. RM	Other individually immaterial associates RM	Total RM
2015			
Summarised financial information			
As at 31 July			
Non-current assets	38,718,095	-	38,718,095
Current assets	5,874,499	5,427,865	11,302,364
Non-current liabilities	(26,579,000)	-	(26,579,000)
Current liabilities	(6,068,026)	(3,167)	(6,071,193)
Net assets	11,945,568	5,424,698	17,370,266
Year ended 31 July			
Total comprehensive expense	(69,560)	(2,300)	(71,860)



Notes to the Financial Statements (cont'd)

8. Investments in associates (continued)

	Melati Aman Sdn. Bhd. RM	Other individually immaterial associates RM	Total RM
2015			
Reconciliation of net assets to carrying amount as at 31 July			
Group's share of net assets and carrying amount in the statements of financial position	586,370	3,046,683	3,633,053
Redeemable convertible preference shares	11,391,000	-	11,391,000
Elimination of unrealised profits from inter-associate transactions	-	(1,577,021)	(1,577,021)
	11,977,370	1,469,662	13,447,032
Group's share of results for the financial year ended 31 July			
Group's share of profit or loss from continuing operations	(20,868)	(690)	(21,558)
Elimination of unrealised profits from inter-associate transactions	-	-	-
Group's share of total comprehensive expense	(20,868)	(690)	(21,558)
2014			
Summarised financial information			
As at 31 July			
Non-current assets	29,773,308	-	29,773,308
Current assets	5,818,782	5,428,165	11,246,947
Non-current liabilities	(20,231,182)	-	(20,231,182)
Current liabilities	(6,631,705)	(1,167)	(6,632,872)
Net assets	8,729,203	5,426,998	14,156,201
Year ended 31 July			
Total comprehensive (expense)/income	(160,333)	5,464,850	5,304,517
Reconciliation of net assets to carrying amount as at 31 July			
Group's share of net assets and carrying amount in the statements of financial position	458,897	2,519,099	2,977,996
Redeemable convertible preference shares	8,079,000	-	8,079,000
Elimination of unrealised profits from inter-associate transactions	-	(1,629,406)	(1,629,406)
	8,537,897	889,693	9,427,590
Group's share of results for the financial year ended 31 July			
Group's share of profit or loss from continuing operations	(48,100)	1,639,455	1,591,355
Elimination of unrealised profits from inter-associate transactions	-	(1,629,406)	(1,629,406)
Group's share of total comprehensive (expense)/income	(48,100)	10,049	(38,051)



Notes to the Financial Statements (cont'd)

9. Trade and other receivables

	Note	Group		Company	
		2015 RM	2014 RM	2015 RM	2014 RM
Trade					
Trade receivables		9,518,549	8,769,511	-	-
Non-trade					
Amounts due from subsidiaries	9.1	-	-	5,350,000	13,241,750
Amounts due from associates	9.1	224,699	270	-	-
Other receivables		1,191,480	1,331,689	500	500
Deposits		741,602	201,470	4,000	4,000
		2,157,781	1,533,429	5,354,500	13,246,250
		11,676,330	10,302,940	5,354,500	13,246,250

9.1 Amounts due from subsidiaries and associates

The amounts due from subsidiaries and associates are unsecured, interest free and repayable on demand.

10. Prepayments

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Non-trade				
Prepayments	422,200	227,402	3,611	11,647

11. Inventories

	Group	
	2015 RM	2014 RM
At cost:		
Raw materials	4,485,209	4,371,351
Work-in-progress	776,317	1,008,122
Packaging materials	297,761	287,499
Finished goods	4,110,877	2,969,718
	9,670,164	8,636,690
Recognised in profit or loss:		
Inventories recognised as cost of sales	24,250,208	28,908,990



Notes to the Financial Statements (cont'd)

12. Cash and cash equivalents

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Deposits with licensed banks	2,628,971	3,440,457	5,944	5,382
Cash and bank balances	12,343,915	8,413,060	120,307	2,182,748
	14,972,886	11,853,517	126,251	2,188,130

Deposits with licensed banks

Included in deposits with licensed banks of the Group is RM2,543,212 (2014: RM3,369,097) pledged for bank facilities granted to a subsidiary.

13. Share capital and reserves

Share capital

	Group and Company			
	Amount 2015 RM	Number of shares 2015	Amount 2014 RM	Number of shares 2014
Authorised:				
Ordinary shares of RM0.10 each	50,000,000	500,000,000	50,000,000	500,000,000
Issued and fully paid:				
Ordinary shares of RM0.10 each	33,740,000	333,740,000	33,374,000	333,740,000

Reserves

	Note	Group		Company	
		2015 RM	2014 RM	2015 RM	2014 RM
Non-distributable					
Share option reserve	13.2	31,467	31,467	31,467	31,467
Translation reserve	13.3	64,774	(9,320)	-	-
		96,241	22,147	31,467	31,467
Distributable					
Retained earnings		23,802,802	23,060,507	4,741,513	3,980,174
		23,899,043	23,082,654	4,772,980	4,011,641

The movements in each category of reserves are disclosed in the statements of changes in equity.

13.1 Share capital

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

13.2 Share option reserve

The share option reserve comprises the cumulative value of employee services received for the issue of share options. When the option is exercised, the amount from the share option reserve is transferred to share premium. When the share options expire, the amount from the share option reserve is transferred to retained earnings. Share option is disclosed in Note 16.

13.3 Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.



Notes to the Financial Statements (cont'd)

14. Borrowings

	Group	
	2015 RM	2014 RM
Current		
Finance lease liabilities	309,360	186,112
Term loans (secured)	812,440	-
	1,121,800	186,112
Non-current		
Finance lease liabilities	407,577	273,450
Term loans (secured)	10,346,791	-
	10,754,368	273,450

Finance lease liabilities are payable as follows:

	Future minimum lease payments 2015 RM	Interest 2015 RM	Present value of minimum lease payments 2015 RM	Future minimum lease payments 2014 RM	Interest 2014 RM	Present value of minimum lease payments 2014 RM
Less than one year	336,268	(26,908)	309,360	204,019	(17,907)	186,112
Between one and five years	425,552	(17,975)	407,577	289,270	(15,820)	273,450
	761,820	(44,883)	716,937	493,289	(33,727)	459,562

14.1 Security

The term loans are secured over leasehold lands and buildings of the Group (see Note 3) and a corporate guarantee issued by the Company.

14.2 Significant covenants

The term loans are subject to the fulfilment of the following significant covenants:

- a) Maintain a debt-to-equity ratio of not more than 2:1 at all times by the subsidiary.
- b) Dividend payments made by the subsidiary does not exceed its respective year's profit after tax.
- c) Tangible net worth of the Group to be at least RM50,000,000 at all times.

15. Deferred tax liabilities

Deferred tax liabilities are attributable to the followings:

	Group	
	2015 RM	2014 RM
Property, plant and equipment		
- capital allowances	798,949	828,627
- at fair value adjustments	553,128	560,856
Provisions	-	(33,672)
Others	155,785	(43,611)
	1,507,862	1,312,200



Notes to the Financial Statements (cont'd)

15. Deferred tax liabilities (continued)

Movement in temporary differences during the financial year

	At 1.8.2013 RM	Recognised in profit or loss (Note 21) RM	At 31.7.2014/ 1.8.2014 RM	Recognised in profit or loss (Note 21) RM	At 31.7.2015 RM
Group					
Property, plant and equipment					
- capital allowances	956,889	(128,262)	828,627	(29,678)	798,949
- at fair value adjustments	568,584	(7,728)	560,856	(7,728)	553,128
Provisions	-	(33,672)	(33,672)	33,672	-
Others	(71,946)	28,335	(43,611)	199,396	155,785
	1,453,527	(141,327)	1,312,200	195,662	1,507,862

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group 2015 RM	2014 RM
Tax loss carry-forwards	709,711	-
Other deductible temporary differences	45,476	-
	755,187	-

The tax loss carry-forwards and unutilised capital allowance do not expire under current tax legislation.

Deferred tax assets have not been fully recognised in respect of these items because it is uncertain if its subsidiaries can generate adequate future taxable profits against which its subsidiaries can fully utilise the benefits therefrom.

16. Employee benefits

Share-based payments

Share option programme (equity settled)

On 13 October 2006, the Group established a share option programme that entitles key management personnel and senior employees to purchase shares in the Company. In accordance with these programmes, options are exercisable at the market price of the shares at the date of grant.

The number and weighted average exercise prices of share options are as follows:

	Weighted average exercise price 2015 RM	Number of options 2015	Weighted average exercise price 2014 RM	Number of options 2014
Outstanding at beginning of financial year	0.21	312,000	0.21	319,000
Forfeited during the year	0.21	(7,000)	0.21	(7,000)
Exercised during the year	-	-	-	-
Outstanding at end of financial year	0.21	305,000	0.21	312,000
Exercisable at end of financial year	0.21	305,000	0.21	312,000



Notes to the Financial Statements (cont'd)

17. Trade and other payables

	Note	Group		Company	
		2015 RM	2014 RM	2015 RM	2014 RM
Trade					
Trade payables		6,211,340	4,024,981	-	-
Non-trade					
Other payables		1,732,996	1,878,900	332,538	323,117
Accrued expenses		709,095	620,339	1,750	22,000
Amount due to Directors	17.1	9,472	1,730	-	-
		2,451,563	2,500,969	334,288	345,117
		8,662,903	6,525,950	334,288	345,117

17.1 Amount due to Directors

The amount due to Directors is unsecured, interest free and repayable on demand.

18. Revenue

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Dividend income - gross	-	-	6,000,000	4,000,000
Sale of goods	44,584,342	51,728,879	-	-
	44,584,342	51,728,879	6,000,000	4,000,000

19. Profit before tax

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Profit before tax is arrived at after charging:				
Amortisation of intangible assets	4,062	1,745	-	-
Amortisation of prepaid lease payments	27,056	23,583	-	-
Auditors' remuneration:				
- Audit fees to KPMG Malaysia	124,000	109,000	25,000	22,000
- Other auditors	23,304	30,316	-	-
- Non-audit fees to KPMG Malaysia	16,000	14,000	16,000	14,000
Depreciation of property, plant and equipment	2,103,724	2,421,794	15,268	5,277
Interest expense on:				
- Hire purchase	39,410	19,717	-	-
- Term loans	318,274	-	-	-
- Others	36,512	59,910	102	108
Impairment loss:				
- Trade receivables	-	134,688	-	-
- Investment in a subsidiary	-	-	1,200,000	-
Personnel expenses (including key management personnel):				
- Contributions to Employees Provident Fund	570,033	545,039	-	-
- Wages, salaries and others	6,493,958	6,030,051	-	-
Property, plant and equipment written off	-	4,059	-	-
Intangible assets written off	757	3,767	-	-
Rental of premises	317,677	309,660	-	-
Loss on disposal of property, plant and equipment	123,694	-	-	-



Notes to the Financial Statements (cont'd)

19. Profit before tax (continued)

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
and after crediting:				
Dividend income from subsidiaries				
-unquoted shares	-	-	6,000,000	4,000,000
Gain on disposal of property, plant and equipment	-	2,531	-	-
Interest income on fixed deposits	151,271	186,156	23,959	61,237
Realised foreign exchange gain	1,376,834	166,588	-	-
Unrealised foreign exchange gain	368,426	327,332	-	-

20. Key management personnel compensations

The key management personnel compensations are as follows:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Directors' emoluments				
- Fees	108,000	84,000	108,000	84,000
- Remuneration	1,618,067	1,507,255	-	-
- Contributions to Employees Provident Fund	154,522	144,069	-	-
Other short-term employee benefits (including estimated monetary value of benefits-in-kind)	11,900	9,100	11,900	9,100
	1,892,489	1,744,424	119,900	93,100

21. Tax expense

Recognised in profit and loss

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Current tax expense				
Malaysian - current year	1,795,429	2,443,033	-	-
- prior year	(91,509)	64,052	16,975	1,016
	1,703,920	2,507,085	16,975	1,016
Deferred tax expense				
Origination and reversal of temporary differences	157,127	(63,191)	-	-
Under /(Over) provision in prior year	38,535	(78,136)	-	-
	195,662	(141,327)	-	-
	1,899,582	2,365,758	16,975	1,016



Notes to the Financial Statements (cont'd)

21. Tax expense (continued)

Reconciliation of tax expense

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Profit before tax	6,313,017	8,857,016	4,449,454	3,696,665
Tax calculated using Malaysian tax rate of 25%	1,578,254	2,214,254	1,112,364	924,166
Tax incentives	-	(139,914)	-	-
Non-deductible expenses	193,606	320,087	393,626	90,419
Tax exempt income	(8,101)	(14,585)	(1,505,990)	(1,014,585)
Deferred tax assets not recognised	188,797	-	-	-
	1,952,556	2,379,842	-	-
(Over)/Under provision in prior year	(52,974)	(14,084)	16,975	1,016
	1,899,582	2,365,758	16,975	1,016

22. Earnings per share

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share at 31 July 2015 was based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding calculated as follows:

	Group	
	2015 RM	2014 RM
Profit attributable to ordinary shareholders	4,413,435	6,491,258
Weighted average number of ordinary shares:		
Issued ordinary shares at 31 July	333,740,000	333,740,000
Basic earnings per ordinary share (in sen)	1.32	1.95

Diluted earnings per ordinary share

The calculation of diluted earnings per ordinary share at 31 July 2015 was based on profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

	Group	
	2015 RM	2014 RM
Profit attributable to ordinary shareholders (diluted)	4,413,435	6,491,258
Weighted average number of ordinary shares at 31 July	333,740,000	333,740,000
Effects of share options on issue	305,000	312,000
Weighted average number of ordinary shares (diluted) at 31 July	334,045,000	334,052,000
Diluted earnings per ordinary share (in sen)	1.32	1.94



Notes to the Financial Statements (cont'd)

23. Dividends

Dividends recognised by the Company are:

	Sen per share	Total amount RM	Date of payment
2015			
Final 2014 ordinary (single tier)	1.1	<u>3,671,140</u>	19 January 2015
2014			
Final 2013 ordinary (single tier)	1.0	<u>3,337,400</u>	17 January 2014

The final dividend recommended by the Directors in respect of the financial year ended 31 July 2015 is a single tier final ordinary dividend of 0.75 sen per ordinary share totalling RM2,503,050. This dividend will be recognised in the subsequent financial period upon approval by the owners of the Company.

24. Operating segment

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 strategies. 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.
- Non-plantation products Manufacturing and marketing of plastic-related products.

There are varying levels of integration between the plantation products and non-plantation products reportable segments. This integration includes marketing activities and transfer of raw materials. Inter-segment pricing is determined on negotiated basis.

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.

Segment assets and liabilities

Segment assets and liabilities information are neither included in the internal management reports nor provided regularly to the Managing Director. Hence, no disclosure is made on segment assets and liabilities.



Notes to the Financial Statements (cont'd)

24. Operating segment (continued)

	Plantation		Non-plantation		Eliminations		Consolidated	
	2015 RM	2014 RM	2015 RM	2014 RM	2015 RM	2014 RM	2015 RM	2014 RM
Business segments								
Revenue from external customers	28,387,911	32,263,644	16,196,431	19,465,235	-	-	44,584,342	51,728,879
Inter-segment revenue	6,360,123	7,517,174	6,000,000	4,000,000	(12,360,123)	(11,517,174)	-	-
Total segment revenue	34,748,034	39,780,818	22,196,431	23,465,235	(12,360,123)	(11,517,174)	44,584,342	51,728,879
Segment results*							14,318,149	17,000,724
Depreciation and amortisation							(2,134,842)	(2,447,122)
Unallocated income							3,216,635	1,459,401
Unallocated expenses							(8,822,442)	(7,224,465)
Results from operating activities							6,577,500	8,788,538
Finance costs							(394,196)	(79,627)
Finance income							151,271	186,156
Share of loss of equity -accounted associates, net of tax							(21,558)	(38,051)
Tax expense							(1,899,582)	(2,365,758)
Profit for the year							4,413,435	6,491,258

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

Geographical segments

The plantation and non-plantation products segments are managed on a worldwide basis but manufacturing facilities and sales offices are operated in Malaysia, Cambodia and Vietnam.

In presenting information on the basis on geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets. The amount of non-current assets does not include financial instruments (including investments in associates).



Notes to the Financial Statements (cont'd)

24. Operating segment (continued)

Geographical information

	Revenue RM	Non- current assets RM
2015		
Malaysia	5,745,093	24,388,426
South East Asia other than Malaysia	18,070,081	3,461,963
United States of America	4,244,414	-
Europe	6,677,621	-
Africa	3,911,751	-
Others	5,935,382	-
	44,584,342	27,850,389
2014		
Malaysia	5,984,723	19,984,295
South East Asia other than Malaysia	20,328,638	3,033,998
United States of America	4,889,743	-
Europe	13,597,423	-
Africa	3,321,030	-
Others	3,607,322	-
	51,728,879	23,018,293

Major customers

The following are major customers with revenue equal or more than 10 percent of Group revenue:

	Revenue		Segment
	2015 RM	2014 RM	
Group			
All common control companies of:			
- Customer A	6,228,864	12,042,706	Non-plantation
- Customer B	8,611,203	1,521,377	Plantation
- Customer C	-	3,821,854	Plantation
- Customer D	4,511,037	4,724,243	Non-plantation
	19,351,104	22,110,180	



Notes to the Financial Statements (cont'd)

25. Financial instruments

25.1 Categories of financial instruments

The table below provides an analysis of financial instruments categories as follow:

- (a) Loans and receivables (“L&R”); and
- (b) Financial liabilities measured at amortised cost (“FL”).

	Carrying amount RM	L&R/(FL) RM
Financial assets		
Group		
2015		
Trade and other receivables	11,676,330	11,676,330
Cash and cash equivalents	14,972,886	14,972,886
	26,649,216	26,649,216
2014		
Trade and other receivables	10,302,940	10,302,940
Cash and cash equivalents	11,853,517	11,853,517
	22,156,457	22,156,457
Company		
2015		
Trade and other receivables	5,354,500	5,354,500
Cash and cash equivalents	126,251	126,251
	5,480,751	5,480,751
2014		
Trade and other receivables	13,246,250	13,246,250
Cash and cash equivalents	2,188,130	2,188,130
	15,434,380	15,434,380
Financial liabilities		
Group		
2015		
Borrowings	(11,876,168)	(11,876,168)
Trade and other payables	(8,662,903)	(8,662,903)
	(20,539,701)	(20,539,701)
2014		
Borrowings	(459,562)	(459,562)
Trade and other payables	(6,525,950)	(6,525,950)
	(6,985,512)	(6,985,512)
Company		
2015		
Trade and other payables	(334,288)	(334,288)
2014		
Trade and other payables	(345,117)	(345,117)



Notes to the Financial Statements (cont'd)

25. Financial instruments (continued)

25.2 Net gains and losses arising from financial instruments

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Net gains/(losses) on:				
Loans and receivables	1,896,531	545,388	23,959	61,237
Financial liabilities measured at amortised cost	(394,196)	(79,627)	(102)	(108)
	1,502,335	465,761	23,857	61,129

25.3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

25.4 Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers. The Company's exposure to credit risk arises principally from its advances to subsidiaries.

Receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally financial guarantees of banks, shareholders or directors of customers are obtained, and credit evaluations are performed on customers requiring credit over a certain amount.

Exposure to credit risk, credit quality and collateral

As at the end of reporting period, the maximum exposure to credit risk arising from receivables is represented by the carrying amount in the statements of financial position.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are measured at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 30 days, which are deemed to have higher credit risk, are monitored individually.



Notes to the Financial Statements (cont'd)

25. Financial instruments (continued)

25.4 Credit risk (continued)

Receivables (continued)

Exposure to credit risk, credit quality and collateral (continued)

The exposure of credit risk for trade receivables as at the end of the reporting period was:

	Gross RM	Individual impairment RM	Net RM
Group			
2015			
Not past due	3,525,189	-	3,525,189
Past due 0 - 30 days	3,031,388	-	3,031,388
Past due 31 - 120 days	2,246,202	-	2,246,202
Past due more than 121 days	850,458	(134,688)	715,770
	9,653,237	(134,688)	9,518,549
Group			
2014			
Not past due	2,382,734	-	2,382,734
Past due 0 - 30 days	2,232,940	-	2,232,940
Past due 31 - 120 days	3,124,232	-	3,124,232
Past due more than 121 days	1,164,293	(134,688)	1,029,605
	8,904,199	(134,688)	8,769,511

Included in the past due balances as at the end of the financial year is a significant customer which has made significant payments subsequent to the financial year.

Impairment losses

The movements in the allowance for the impairment loss on trade receivables during the financial year were:

	RM
Group	
At 1 August 2014	(134,688)
Impairment loss recognised	-
At 31 July 2015	(134,688)

The allowance account in respect of trade receivables is used to record impairment losses. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivables directly.



Notes to the Financial Statements (cont'd)

25. Financial instruments (continued)

25.4 Credit risk (continued)

Corporate guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured corporate guarantees to banks in respect of banking facilities granted to a subsidiary. The Company monitors on an ongoing basis the results of the subsidiary and repayments made by the subsidiary.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM11,159,231 (2014: Nil) representing the outstanding banking facilities of the subsidiary as at the end of the reporting period.

As at the end of the reporting period, there was no indication that the subsidiary would default on repayment.

The corporate guarantees have not been recognised since the fair value on initial recognition was not material.

Inter-company balances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured advances to subsidiaries which are repayable on demand. The Company monitors the results of the subsidiaries regularly.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amounts in the statement of financial position.

Loans and advances are only provided to subsidiaries which are wholly owned by the Company.

Impairment losses

There is no allowance for impairment loss on inter-company balances during the financial year.

25.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables and borrowings.

The Group maintains a level of cash and cash equivalents deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.



Notes to the Financial Statements (cont'd)

25. Financial instruments (continued)

25.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM	Contractual interest rate %	Contractual cash flows RM	Under 1 year RM	Over 1 year RM
Group					
2015					
<i>Non-derivative financial liabilities</i>					
Term loans	11,159,231	4.60 - 4.65	14,501,078	1,302,900	13,198,178
Finance lease liabilities	716,937	2.35 - 2.91	761,820	336,268	425,552
Trade and other payables	8,662,903	-	8,662,903	8,662,903	-
	20,539,071		23,925,801	10,302,071	13,623,730
2014					
<i>Non-derivative financial liabilities</i>					
Finance lease liabilities	459,562	2.35 - 2.67	493,289	204,019	289,270
Trade and other payables	6,525,950	-	6,525,950	6,525,950	-
	6,985,512		7,019,239	6,729,969	289,270
Company					
2015					
<i>Non-derivative financial liabilities</i>					
Trade and other payables	334,288	-	334,288	334,288	-
Corporate guarantees	-	-	11,159,231	11,159,231	-
	334,288		11,493,519	11,493,519	-
2014					
<i>Non-derivative financial liabilities</i>					
Trade and other payables	345,117	-	345,117	345,117	-

25.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's financial position or cash flows.

25.6.1 Currency risk

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily U.S. Dollar ("USD"), Euro Dollar ("EUR") and Vietnam Dong ("VND").

Risk management objectives, policies and processes for managing the risk

The Group manages its currency risk by regularly monitoring the foreign currency movement on an ongoing basis with hedging performed if deemed necessary.

As at 31 July 2015, the Group did not have any hedging contracts or arrangement for any foreign currency.



Notes to the Financial Statements (cont'd)

25. Financial instruments (continued)

25.6 Market risk (continued)

25.6.1 Currency risk (continued)

Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was:

	USD RM	Denominated in EUR RM	VND RM
Group			
2015			
Trade and other receivables	8,895,388	-	7,542
Trade and other payables	(3,540,438)	-	(30,835)
Cash and cash equivalents	7,900,598	3,550	59,768
Exposure in the statements of financial position	13,255,548	3,550	36,475
2014			
Trade and other receivables	6,888,008	638,607	9,487
Trade and other payables	(5,568,129)	-	(248,082)
Cash and cash equivalents	5,047,707	10,434	97,772
Exposure in the statements of financial position	6,367,586	649,041	(140,823)

Currency risk sensitivity analysis

A 10% (2014: 10%) strengthening of the RM against the following currencies at the end of the reporting period would have decreased equity and post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

	Equity		Profit or loss	
	2015 RM	2014 RM	2015 RM	2014 RM
Group				
USD	(994,166)	(447,569)	(994,166)	(447,569)
EUR	(266)	(48,678)	(266)	(48,678)
VND	(2,736)	10,562	(2,736)	10,562

A 10% (2014: 10%) weakening of the RM against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

25.6.2 Interest rate risk

The Group's and Company's exposure to a risk of change in their fair value due to changes in interest rates relates primarily to its deposits with licensed banks, term loans and finance lease liabilities. Investments in short term receivables and payables are not significantly exposed to interest rate risk.



Notes to the Financial Statements (cont'd)

25. Financial instruments (continued)

25.6 Market risk (continued)

25.6.2 Interest rate risk (continued)

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period were:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Fixed rate instruments				
Financial assets	2,628,971	3,440,457	5,944	5,382
Financial liabilities	(716,937)	(459,562)	-	-
	(1,912,034)	2,980,895	5,944	5,382
Floating rate instruments				
Financial liabilities	(11,159,231)	-	-	-

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for floating rate instruments

A change of 100 basis points ("bp") in the interest rates as at the end of the financial year would have increased/ (decreased) equity and post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Group	Equity		Profit or loss	
	100 bp increase RM	100 bp decrease RM	100 bp increase RM	100 bp decrease RM
2015				
Financial liabilities	83,694	(83,694)	83,694	(83,694)
2014				
Financial liabilities	-	-	-	-



Notes to the Financial Statements (cont'd)

25. Financial instruments (continued)

25.7 Fair value information

The carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables and borrowings reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

Fair value of long term finance lease liabilities and term loans not carried at fair value approximate its carrying amount. Its fair value is estimated using discounted cash flows with a discount rate based on current market rate as borrowings.

It was not practicable to estimate the fair value of the Company's investment in unquoted shares due to the lack of comparable quoted prices in an active market and the fair value cannot be reliably measured.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position.

Group	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value	Carrying amount
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM		
2015								
Financial liabilities								
Finance lease liabilities	-	-	-	-	-	(716,937)	(716,937)	(716,937)
Term loans	-	-	-	-	-	(11,159,231)	(11,159,231)	(11,159,231)
2014								
Financial liabilities								
Finance lease liabilities	-	-	-	-	-	(459,562)	(459,562)	(459,562)



Notes to the Financial Statements (cont'd)

25. Financial instruments (continued)

25.7 Fair value information (continued)

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Non-derivative financial assets/liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and 2 fair values during the financial year.

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

Financial instruments not carried at fair value

Type	Description of inputs used
Finance lease liabilities and term loans	Discounted cash flows using a rate based on the current market rate of borrowings of the respective Group entities at the reporting date.

26. Capital management

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and determine to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

During the financial year, the Group's strategy, which was unchanged from the previous financial year, was to maintain an optimal debt-to-equity ratio.

	Note	Group		GISB	
		2015 RM	2014 RM	2015 RM	2014 RM
Total borrowings	14	11,876,168	459,562	11,389,191	178,501
Total equity		57,273,043	56,456,654	15,022,097	15,040,086
Debt-to-equity ratio		0.21	0.01	0.76	0.01

There were no changes in the Group's approach to capital management during the financial year.

Greenfield Industries (M) Sdn. Bhd. ("GISB"), a wholly-owned subsidiary of the Group is also required to maintain a maximum debt-to-equity ratio of 2:1 to comply with a bank covenant, failing which, the bank may call an event of default (see Note 14).



Notes to the Financial Statements (cont'd)

27. Capital commitments

	Group	
	2015 RM	2014 RM
Capital expenditure commitments:		
Property, plant and equipment		
Authorised but not contracted for	-	3,557,000
Contracted but not provided for	627,074	-
Investments in associates		
Contracted but not provided for	-	729,000

28. Related parties

Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related party also included key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group.

The Group has related party relationship with its holding company, subsidiaries, associates and Directors.

Significant related party transactions

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions of the Group and Company, other than key management personnel compensation as disclosed in Note 20, are shown below:

	Group		Company	
	Transaction amount for the financial year ended 31 July		Transaction amount for the financial year ended 31 July	
	2015 RM	2014 RM	2015 RM	2014 RM
Subsidiaries				
Dividend income	-	-	6,000,000	4,000,000

Significant related party balances related to the above transactions are disclosed in Note 9 and Note 17. The Directors of the Group are of the opinion that all the transactions above have been entered into in the normal course of business and have been established under negotiated terms.



Notes to the Financial Statements (cont'd)

29. Supplementary financial information on the breakdown of realised and unrealised profits or losses

The breakdown of the retained earnings of the Group and of the Company as at 31 July 2015, into realised and unrealised profits, pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements, are as follows:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
The retained profits of the Company and its subsidiaries:				
- Realised	32,969,396	33,033,981	5,941,513	3,980,174
- Unrealised	(1,274,118)	(943,988)	(1,200,000)	-
	31,695,278	32,089,993	4,741,513	3,980,174
The share of retained profits from associates:				
- Realised	(163,972)	(142,414)	-	-
	31,531,306	31,947,579	4,741,513	3,980,174
Less: Consolidation adjustments	(7,728,504)	(8,887,072)	-	-
Total retained earnings	23,802,802	23,060,507	4,741,513	3,980,174

The determination of realised and unrealised profits is based on the Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by Malaysian Institute of Accountants on 20 December 2010.



Statement by Directors

pursuant to Section 169(15) of the Companies Act, 1965

In the opinion of the Directors, the financial statements set out on pages 45 to 87 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reportings Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 July 2015 and of their financial performance and cash flows for the financial year then ended.

In the opinion of the Directors, the information set out in Note 29 on page 88 to the financial statements has been compiled in accordance with the Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

Tham Foo Keong

Tham Foo Choon

Kajang, Selangor Darul Ehsan

Date: 11 November 2015

Statutory Declaration

pursuant to Section 169(16) of the Companies Act, 1965

I, Leong Eoi Chun, the officer primarily responsible for the financial management of Greenyield Berhad, do solemnly and sincerely declare that the financial statements set out on pages 45 to 88 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed in Kajang, Selangor Darul Ehsan on 11 November 2015.

Leong Eoi Chun

Before me:



Independent Auditors' Report

to the members of Greenfield Berhad

Report on the Financial Statements

We have audited the financial statements of Greenfield Berhad, which comprise the statements of financial position as at 31 July 2015 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 45 to 87.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of 31 July 2015 and of their financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- b) We have considered the accounts and auditors' report of the subsidiaries of which we have not acted as auditors, which is indicated in Note 7 to the financial statements.
- c) We are satisfied that the accounts of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- d) The audit reports on the accounts of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.



Independent Auditors' Report to the members of Greenfield Berhad (cont'd)

Other Reporting Responsibilities

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The information set out in Note 29 to the financial statements has been compiled by the Company as required by the Bursa Malaysia Securities Berhad Listing Requirements and is not required by the Malaysian Financial Reporting Standards. We have extended our audit procedures to report on the process of compilation of such information. In our opinion, the information has been properly compiled, in all material respects, in accordance with the Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG

Firm Number: AF 0758
Chartered Accountants

Lam Shuh Siang

Approval Number: 3045/02/17(J)
Chartered Accountant

Petaling Jaya,

Date: 11 November 2015



List of Properties

Location	Registered/ Beneficial Owner	Existing use/ Description of property	Tenure/ Expiry date	Age of Building (Years)	Land Area/ Built-up Area	Date of Acquisition (A)/ Valuation (V)	Audited Net Book Value As At 31.07.2015 (RM)
No. 116, Jalan Lapan, Kompleks Perabot Olak Lempit, Tg. Duabelas, 42700 Banting, Selangor Darul Ehsan	Greenyield Industries (M) Sdn Bhd	Factory and Land; Single storey factory with a 3-storey office annexe	Leasehold expiring on 26.09.2087	14	130,680 sq.ft/ *75,110 sq.ft	31.01.1995 (A)/ 23.03.2004 (V)	5,336,927
No. 21 & 23, Jalan Seksyen 3/7, Taman Kajang Utama, 43000 Kajang, Selangor Darul Ehsan	Gim Triple Seven Sdn Bhd	Office building; 4-storey shophouses	Freehold	18	3,728 sq.ft	24.01.1997 (A)	1,490,000
No. 10, VSIP II, Street 7, Vietnam Singapore Industrial Park II, Binh Duong Industry-Service-Urban Complex, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province, Vietnam	Givnflow Company Limited (Vietnam)	Factory and Office building; 2-storey office building and a single storey of factory annexe	Leasehold expiring on 16.10.2055	7	73,830 sq.ft/ *24,585 sq.ft	04.03.2008 (A)	1,167,172
No. 18, Jalan Bukit Puteri 9/12, Bandar Puteri Jaya, 08000 Sungai Petani, Kedah Darul Aman	Gimflow Sdn Bhd	Office building; 2-storey shophouses	Freehold	4	1,400 sq.ft	02.03.2012 (A)	270,589
Slab Kdong Village, Chup Commune, Thboug Khmom District, Thboug Khmom Province, Kingdom of Cambodia	Greenyield (Cambodia) Pte Ltd	Land with single storey factory under construction	Leasehold expiring on 23.8.2114	1	286,671 sq.ft	24.08.2014 (A)	494,109
PN 92538, Lot 4, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor Darul Ehsan	Greenyield Industries (M) Sdn Bhd	Industrial Land	Leasehold expiring on 30.12.2098	1	114,743 sq.ft	10.09.2014 (A)	3,707,611

Note: * Building only



Analysis of Shareholdings

as at 30 October 2015

Authorised Share Capital	:	RM50,000,000.00
Issued and Paid-Up Share Capital	:	RM33,374,000.00
Class of Shares	:	Ordinary Shares of RM0.10 each
Voting Rights	:	One vote per ordinary share held

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Shares
1 – 99	2	0.122	40	0.000
100 – 1,000	74	4.528	41,604	0.012
1,001 – 10,000	551	33.720	3,621,496	1.085
10,001 – 100,000	821	50.244	32,265,100	9.667
100,001 to less than 5% of issued shares	184	11.260	116,527,880	34.915
5% and above of issued shares	2	0.122	181,283,880	54.318
Total	1,634	100.000	333,740,000	100.000

LIST OF TOP 30 HOLDERS

No.	Name	No. of Shares Held	% of Issued Shares
1	Greenyfield Holdings Sdn Bhd	162,121,320	48.577
2	Twong Yoke Peng	19,162,560	5.741
3	Tham Foo Keong	8,973,160	2.688
4	Tham Fau Sin	6,377,020	1.910
5	Tham Foo Choon	6,099,160	1.827
6	Koperasi Permodalan Felda Malaysia Berhad	6,000,000	1.797
7	Tham Chong Sing	4,277,220	1.281
8	Foong Sai Cheong	3,100,000	0.928
9	RHB Capital Nominees (Tempatan) Sdn Bhd - Chen Foong Szeen	3,100,000	0.928
10	Cartaban Nominees (Tempatan) Sdn Bhd TMF Trustees Malaysia Berhad for RHB-OSK Private Fund – Series 6	3,000,000	0.898
11	Koperasi Permodalan Felda Malaysia Berhad	2,317,900	0.694
12	Sivakumaran A/L Seenivasagam	2,201,420	0.659
13	Tham Kin Wai	2,172,000	0.650
14	Tham Kin-On	2,000,000	0.599
15	Lim Seng Keong	1,820,000	0.545
16	Chan Mee Yee	1,703,900	0.510
17	PM Nominees (Tempatan) Sdn Bhd Pledged securities account for Ang Lip Chee (B)	1,643,700	0.492
18	GV Asia Fund Limited	1,618,400	0.484
19	Tham Kinyiq	1,577,000	0.472
20	Tham Kin Leet	1,506,000	0.451
21	Chi Bee Chin	1,472,000	0.441
22	Lee Ah Lan	1,375,000	0.411
23	Ang Lip Chee	1,257,800	0.376
24	Leong Yuen Fung	1,250,000	0.374



Analysis of Shareholdings as at 30 October 2015

LIST OF TOP 30 HOLDERS (CONTINUED)

No.	Name	No. of Shares Held	% of Issued Shares
25	Public Invest Nominees (Asing) Sdn Bhd Exempt an for Phillip Securities Pte Ltd (Clients)	1,230,000	0.368
26	AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Foo Peng Boon (8115339)	1,130,000	0.338
27	Md Luckmal Hakim bin Zubit @ Zubir	1,121,000	0.335
28	Ang Lip Chee	1,023,200	0.306
29	RHB Capital Nominees (Tempatan) Sdn Bhd Chen Fook Wah	1,006,500	0.301
30	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Liaw Ah Kau (LIA0222M)	1,000,000	0.299
	Total	252,636,260	75.698

DIRECTORS' SHAREHOLDINGS

Name of Directors	Direct	No. of Shares Held		%
		%	Indirect	
Tham Foo Keong	8,973,160	2.688	183,283,880 ⁽ⁱ⁾	54.917
Tham Foo Choon	6,099,160	1.827	163,825,220 ⁽ⁱ⁾	49.088
Dr Sivakumaran A/L Seenivasagam	2,201,420	0.659	-	-
Tham Kin Wai	2,172,000	0.650	-	-
Dr Zainol Bin Md Eusof	210,000	0.063	-	-
Yong Swee Lin	20,000	0.006	-	-
Mahbob Bin Abdullah	270,000	0.081	-	-

Note:

⁽ⁱ⁾ Deemed interested through shares held by Greenyield Holdings Sdn. Bhd. pursuant to Section 6A(4) of the Companies Act, 1965 and shareholding held by spouse.

SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholders	Direct	No. of Shares Held		%
		%	Indirect	
Greenyield Holdings Sdn. Bhd.	162,121,320	48.577	-	-
Twong Yoke Peng	19,162,560	5.741	-	-
Tham Foo Keong ^(a)	8,973,160	2.688	183,283,880 ^(b)	54.917
Tham Foo Choon ^(a)	6,099,160	1.827	163,825,220 ^(b)	49.088
Tham Chong Sing ^(a)	4,277,220	1.281	162,121,320 ^(c)	48.577
Tham Fau Sin ^(a)	6,377,020	1.910	162,121,320 ^(c)	48.577

Notes

^(a) Brothers

^(b) Deemed interested through shares held by Greenyield Holdings Sdn. Bhd. pursuant to Section 6A(4) of the Companies Act, 1965 and shareholding held by spouse.

^(c) Deemed interested through shares held by Greenyield Holdings Sdn. Bhd. pursuant to Section 6A(4) of the Companies Act, 1965.



Date: 11 November 2015

The Directors

GREENYIELD BERHAD

Unit 30-01, Level 30, Tower A,
Vertical Business Suite,
Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi, 59200 Kuala Lumpur

Dear Sirs

**RE: NOTICE OF NOMINATION OF MESSRS SJ GRANT THORNTON AS AUDITORS
IN PLACE OF THE RETIRING AUDITORS, MESSRS KPMG**

Pursuant to Section 172(11) of the Companies Act 1965, we, being the shareholder of Greenyields Berhad ("the Company"), hereby give notice of our intention to nominate Messrs SJ Grant Thornton for appointment as Auditors of the Company in place of the retiring auditors, Messrs KPMG and propose the following Ordinary Resolution for tabling at the forthcoming Annual General Meeting of the Company:

"THAT Messrs SJ Grant Thornton, having consented to act, be and are hereby appointed as Auditors of the Company in place of the retiring auditors, Messrs KPMG, and to hold office until the conclusion of the next Annual General Meeting AND THAT the Directors be authorised to fix their remuneration."

Yours faithfully

THAM FOO KEONG

Director

GREENYIELD HOLDINGS SDN BHD

(No: 192946-W)

Office: No.21 & 23, Jalan Seksyen 3/7, Taman Kajang Utama, 43000 Kajang, Selangor Darul Ehsan, Malaysia.

Tel: 603-87368777 / 603-87369669 Fax: 603-87372636 (Marketing) / 87370723 (Finance)

Factory: No. 268, Jalan Reko, 43000 Kajang, Selangor Darul Ehsan, Malaysia.

Website: www.greenyields.com.my E-mail: info@greenyields.com

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Proxy Form

I/We (NRIC/Company No.....)
(full name in capital letters)
 of
(full address)
 Contact No being (a) member(s) of **GREENYIELD BERHAD** hereby appoint (s)
(full name in capital letters) (NRIC/Company No.....)
 of
(full address)
 and/or* , (NRIC/Company No.....)
(full name in capital letters)
 of
(full address)

or failing *him/her, the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf at the Thirteenth Annual General Meeting of the Company to be held at Melati Room, Level 2 , Hotel Bangi-Putrajaya, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor Darul Ehsan on Tuesday on 22 December 2015 at 11.00 a.m. and at any adjournment thereof in respect of my/our shareholding in the manner indicated below:-

AGENDA				
ORDINARY BUSINESS				
1.	To receive the Audited Financial Statements for the financial year ended 31 July 2015 together with the Reports of the Directors and Auditors thereon.			
		Resolution	For	Against
2.	To approve the aggregate Directors' fees payable to the Directors of the Company for an amount not exceeding RM120,000 per annum for the financial year ending 31 July 2016.	1		
3.	To approve the single tier final dividend of 0.75 sen per Ordinary Share for the financial year ended 31 July 2015.	2		
4.	To re-elect Tham Kim Wai who retires pursuant to Article 74 of the Company's Articles of Association.	3		
5.	To re-elect Yong Swee Lin who retires pursuant to Article 74 of the Company's Articles of Association.	4		
6.	To re-appoint Mahbob Bin Abdullah who retires pursuant to Section 129(6) of the Companies Act, 1965.	5		
7.	To re-appoint Dr Sivakumaran A/L Seenivasagam who retires pursuant to Section 129(6) of the Companies Act, 1965.	6		
8.	To appoint Messrs SJ Grant Thornton as auditors of the Company in place of the retiring auditors, Messrs KPMG and to authorise the Board of Directors to fix their remuneration.	7		
SPECIAL BUSINESS				
9.	To grant the authority under Section 132D of the Companies Act, 1965 for the Directors to issue shares.	8		
10.	To approve the Proposed Renewal of Authority for the Share Buy-Back.	9		
11.	To approve Dr Zainol Bin Md Eusof to continue in office as Independent Non-Executive Director.	10		

[Please indicate with an "X" in the spaces provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.]

Dated this day of 2015

Signature of Member(s)/Common Seal

No. of Ordinary Shares held :	
CDS Account No. :	
Proportion of shareholdings to be represented by proxies	First Proxy :
	Second Proxy :
Contact No. :	

NOTES :

- A member entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxy(ies) (or in the case of a corporation, a duly authorized representative) to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless the member specifies the proportion of his shareholdings to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under the Corporation's Common Seal or under the hand of an officer or attorney duly authorised.
- Where a member of the Company is an authorized nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA") it may appoint not more than two (2) proxies in respect of each securities account it holds with Ordinary Shares of the Company standing to the credit of the said Securities Account.
- Where a member of the company is an exempt authorized nominee as defined under the SICDA, which holds Ordinary Shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each Omnibus Account it holds.
- Where the authorized nominee or an exempt authorized nominee appoints two (2) or more proxies, the appointment shall be invalid unless the authorized nominee specifies the proportion of his shareholdings to be represented by each proxy.
- For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn Bhd to make available to the Company pursuant to Article 54(f) of the Articles of Association of the Company and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a Record of Depositors as at 15 December 2015 and only a Depositor whose name appear on such Record of Depositors shall be entitled to attend, vote and speak at the meeting.
- The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarily certified copy of the power or authority must be deposited at the Share Registrar of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.

Fold Here

Affix
stamp

The Share Registrar

Unit 32-01, Level 32, Tower A,
Vertical Business Suite, Avenue 3,
Bangsar South, No. 8, Jalan Kerinchi,
59200 Kuala Lumpur.

Fold Here

www.greenyield.com.my

GREENYIELD BERHAD (582216-T)

No. 21 & 23, Jalan Seksyen 3/7, Taman Kajang Utama,
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: +603-87338121 (HR)