GREENYIELD BERHAD

(Company No. 582216-T)

ANNUAL REPORT 2011

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NOTICE OF NINTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Ninth Annual General Meeting of **GREENYIELD BERHAD** will be held at Cempaka Room, Level 3, Hotel Equatorial Bangi-Putrajaya, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor Darul Ehsan on Thursday, 22 December 2011 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 2011 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 of an amount not exceeding RM72,000.00 for the financial year ended 31 July 2011. **Resolution 1**

3. To approve the aggregate Directors' fees payable to the Directors of the Company for an amount not exeeding RM72,000.00 for the financial year ending 31 July 2012. **Resolution 2**

4. To declare a single tier final dividend of 1.0 sen per Ordinary Share for the financial year ended 31 July 2011 as recommended by the Directors. **Resolution 3**

5. 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 4**
   ii) Dr Zainol Bin Md Eusof **Resolution 5**

6. To re-appoint Messrs KPMG as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 6**

Special Business

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

7. **Authority under Section 132D of the Companies Act, 1965 for the Directors to issue shares** **Resolution 7**

   "**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 issued 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."

8. **Proposed renewal of authority for the Company to purchase its own Ordinary Shares of not more than ten percent (10%) of the issued and paid-up share capital of the Company ("Proposed Renewal of Authority for the Share Buy-Back")** **Resolution 8**

   "**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 ACE 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 ACE 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 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 Rule 8.02(1) of the LR;

8. **Proposed renewal of authority for the Company to purchase its own Ordinary Shares of not more than ten percent (10%) of the issued and paid-up share capital of the Company ("Proposed Renewal of Authority for the Share Buy-Back") (continued)**

(b) The maximum funds to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the Company's aggregate 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."

BY ORDER OF THE BOARD

NG YEN HOONG (LS 008016)
WONG PEIR CHYUN (MAICSA 7018710)
Secretaries
Kuala Lumpur

Date: 29 November 2011

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT, subject to the approval of the shareholders at the Ninth Annual General Meeting of the Company, a single tier final dividend of 1.0 sen per Ordinary Share in respect of the financial year ended 31 July 2011 will be payable to shareholders of the Company on 17 January 2012. The entitlement date for the said dividend shall be 10 January 2012.

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 10 January 2012 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

NG YEN HOONG (LS 008016)
WONG PEIR CHYUN (MAICSA 7018710)
Secretaries
Kuala Lumpur

Date: 29 November 2011

NOTICE OF NINTH ANNUAL GENERAL MEETING (continued)

NOTES :

1. *A member entitled to attend and vote at the meeting is entitled to appoint two (2) or more proxies to attend and vote in his stead. A proxy may but need not be a member of the Company.*

2. *Where a member appoints two (2) or more proxies, the appointment shall be invalid unless the member specifies the proportions of his shareholdings to be represented by each proxy.*

3. *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 its Common Seal or under the hand of an officer or attorney duly authorised.*

4. *The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 18, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not less than 48 hours before the time for holding the meeting.*

EXPLANATORY NOTES ON SPECIAL BUSINESS

(i) Item 1 of Agenda

This item 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 Agenda is not put forward for voting.

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

The Proposed Resolution 7 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 Issued 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 share for any possible fund raising activities, including but not limited for 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 Eighth 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.

(iii) Proposed Renewal of Authority for the Share Buy-Back

Shareholders are advised to refer to the Statement to Shareholders dated 29 November 2011 circulated together with the Annual Report 2011, when considering Resolution 8.

The proposed Resolution 8, if passed, will empower the Directors to purchase the Company's Shares up to 10% of the issued and paid-up share capital of the Company.

CORPORATE INFORMATION

BOARD OF DIRECTORS

THAM FOO KEONG	*Executive Chairman and Group Managing Director*
THAM FOO CHOON	*Deputy Group Managing Director*
DR SIVAKUMARAN A/L SEENIVASAGAM	*Executive Director*
THAM KIN WAI	*Executive Director*
DR ZAINOL BIN MD EUSOF	*Independent Non-Executive Director*
YONG SWEE LIN	*Independent Non-Executive Director*
MAHBOB BIN ABDULLAH	*Independent Non-Executive Director*

AUDIT COMMITTEE

DR ZAINOL BIN MD EUSOF
Chairman, Independent Non-Executive Director

YONG SWEE LIN
Member, Independent Non-Executive Director

MAHBOB BIN ABDULLAH
Member, Independent Non-Executive Director

NOMINATION COMMITTEE

DR ZAINOL BIN MD EUSOF
Chairman, Independent Non-Executive Director

YONG SWEE LIN
Member, Independent Non-Executive Director

REMUNERATION COMMITTEE

DR ZAINOL BIN MD EUSOF
Chairman, Independent Non-Executive Director

YONG SWEE LIN
Member, Independent Non-Executive Director

CORPORATE INFORMATION
(continued)

REGISTERED OFFICE

Level 18, The Gardens North Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Tel : 03 – 2264 8888
Fax: 03 – 2282 2733

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

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: enquiry@greenyield.com.my

REGISTRAR

Tricor Investor Services Sdn Bhd
Level 17, The Gardens North Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Tel : 03 – 2264 3883
Fax: 03 – 2282 1886

WEBSITE

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

COMPANY SECRETARIES

Ng Yen Hoong (LS 008016)
Wong Peir Chyun (MAICSA 7018710)

LISTING

ACE Market of Bursa Malaysia Securities Berhad

Stock Name : GREENYB
Stock Code : 0136

SOLICITOR

Radzlan, Low & Partners
Advocates & Solicitors
Unit E-6-3, Block E
Megan Avenue 1
189 Jalan Tun Razak
50400 Kuala Lumpur
Tel : 03 – 2166 4616
Fax: 03 – 2166 5616

PRINCIPAL BANKER

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

CORPORATE STRUCTURE

As at 11 November 2011

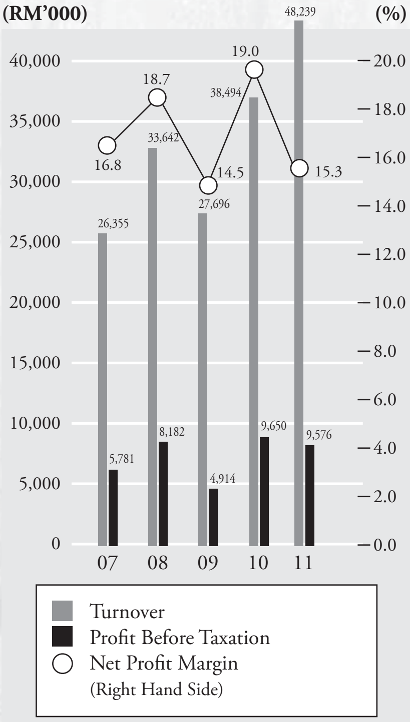
- **GREENYIELD BERHAD (582216-T)**
  - Gimflow Sdn. Bhd. (257862-K) 100%
  - Gim Triple Seven Sdn. Bhd. (202100-T) 100%
    - Givnflow Co. Ltd. (Vietnam) (VAT. No. 3700858102) 100%
    - Melati Aman Sdn. Bhd. (739847-V) 30%
      - Mac Rimba Trading Sdn. Bhd. (802660-A) 100%
      - TLC Plantations Sdn. Bhd. (925760-U) 100%
  - RCP Technologies Sdn. Bhd. (434922-M) 100%
  - Greenyield Industries (M) Sdn. Bhd. (170596-A) 100%

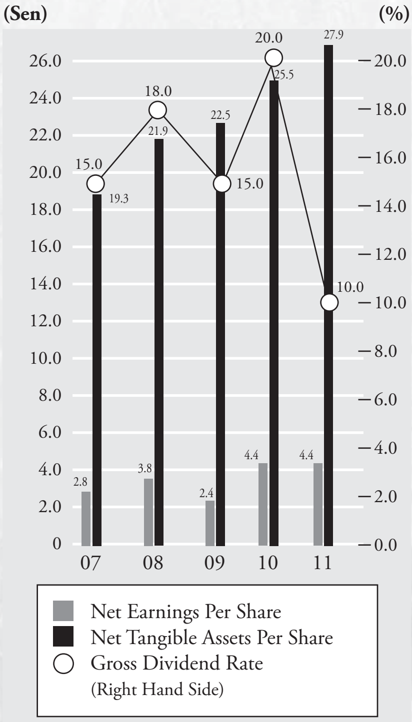
GROUP FINANCIAL REVIEW

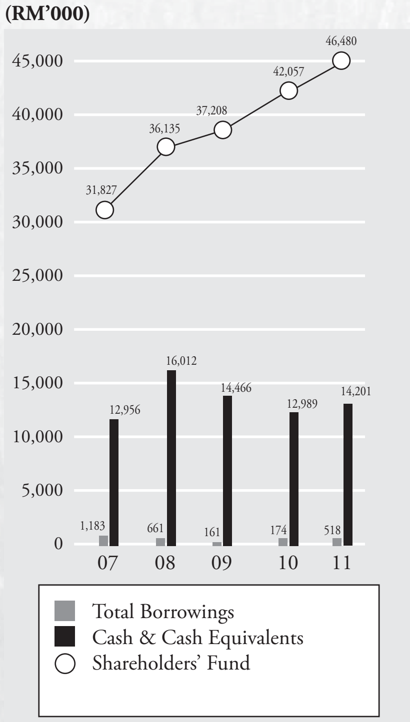
	Financial Year Ended 31.7.2007 (RM'000)	31.7.2008 (RM'000)	31.7.2009 (RM'000)	31.7.2010 (RM'000)	31.7.2011 (RM'000)
Turnover	26,355	33,642	27,696	38,494	48,239
Earnings Before Interest, Depreciation, Amortisation and Taxation	6,753	9,476	6,222	11,183	11,872
Profit Before Taxation	5,781	8,182	4914	9,650	9,576
Taxation	1,359	1,878	901	2,326	2,192
Profit After Taxation and Minority Interest	4,421	6,304	4,013	7,324	7,384
Net Profit Margin (%)	16.8	18.7	14.5	19.0	15.3
Net Tangible Assets	31,808^	36,117	37,191	42,041	46,467
Net Tangible Assets Per Share (sen)	19.3^	21.9	22.5	25.5	27.9
Net Earnings Per Share (sen)	2.8	3.8	2.4	4.4	4.4
Gross Dividend Rate (%)	15	18	15	20	10
Total Borrowings	1,183	661	161	174	518
Cash and Cash Equivalents	12,956	16,012	14,466	12,989	14,201
Shareholders' Fund	31,827	36,135	37,208	42,057	46,480
Gearing Ratio (%)	Net Cash	Net Cash	Net Cash	Net Cash	Net Cash
Fully Paid-Up Share Capital ('000 units)	165,000	165,000	165,000	165,000	166,841
Weighted Average Share Capital ('000 units)	155,738	165,000	165,000	165,000	165,789

^ *Adjusted for the adoption of the revised FRS112.*

The number of shares for financial years ended 2006 was based on the issued and paid-up share capital of 122,740,000 ordinary shares.







PROFILE OF THE BOARD OF DIRECTORS

MR THAM FOO KEONG

55 years of age, Malaysian
Executive Chairman and Group Managing Director

Mr Tham Foo Keong was appointed to the Board on 26 March 2005. He is responsible for the direction of the Group's business with emphasis in business development and corporate strategy. 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 took over the position of Managing Director of Greenyield Industries (M) Sdn. Bhd., a wholly-owned subsidiary of the Company.

MR THAM FOO CHOON

51 years of age, Malaysian
Deputy Group Managing Director

Mr Tham Foo Choon was appointed to the Board on 26 March 2005. He is responsible for the marketing activities of the Group. He has undergone marketing and management training courses, and has over 20 years of experience in the marketing of agriculture related products and services.

DR SIVAKUMARAN A/L SEENIVASAGAM

66 years of age, Malaysian
Executive Director

Dr Sivakumaran A/L Seenivasagam was appointed to the Board 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 Ph. D in Plant Physiology from the University of Wales (Aberyswyth), 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 and Rubber Plantations in Cameroons, Malawi 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 was a member of 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.

PROFILE OF THE BOARD OF DIRECTORS
(continued)

MR THAM KIN WAI

43 years of age, Malaysian
Executive Director

Mr Tham Kin Wai was appointed to the Board on 23 January 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 also involves in product and market development for existing and new customers, planning and participating in International Trade Fairs. 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.

DR ZAINOL BIN MD EUSOF

61 years of age, Malaysian
Independent Non - Executive Director

Dr Zainol Bin Md Eusof was appointed to the Board on 26 March 2005. He is the Chairman of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. Dr. Zainol holds a Bachelor of Science degree in Geology from Universiti Malaya, and obtained his Master of Science and Doctor of Philosopy 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.

Dr Zainol currently is the Director of Operations with Leadhardware Sdn. Bhd., a company specializes in energy and communication projects. His role is to monitor the progress of the company's projects, from implementation to financial performance, and reports to public agencies concerned.

MR YONG SWEE LIN

43 years of age, Malaysian
Independent Non – Executive Director

Mr Yong Swee Lin was appointed to the Board on 23 January 2009. He is a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. Mr Yong is a Chartered Accountants 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 Arab 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 a 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

67 years of age, Malaysian
Independent Non – Executive Director

Mr Mahbob was appointed to the Board on 1 July 2009. He is a member of the Audit Committee of the Company. Currently, he is also a Director of Felda Plantations Sdn. Bhd., Felda Palm Industries Sdn. Bhd., Felda Vegetable Oil Products Sdn. Bhd., TH Plantations Berhad and FIMA Bulking Sdn. Bhd. (a subsidiary of Kumpulan Fima Berhad).

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. He was a member of the Malaysian Palm Oil Board (MPOB) Programme Advisory Committee. 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.

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 10 years, other than traffic offences, if any.

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors of Greenyield Berhad, I am delighted to report another year of favorable results for the financial year ended 31 July 2011.

Operating Results

For the financial year ended 31 July 2011, Greenyield recorded a consolidated profit after tax of RM7.38 million on the back of a turnover of RM48.24 million. The audited consolidated profit of RM7.38 million reflects negligible growth as compared to financial year ended 31 July 2010 consolidated profit after tax of RM7.32 million. Despite the financial turmoil in Europe and United States couple with the strengthening of the Malaysia Ringgit against the United States Dollars for the year under review, the favorable consolidated profit after tax was a result of a marked increase in sales from RM38.49 million for financial year ended 31 July 2010 to RM48.24 million for financial year ended 31 July 2011.

Market Outlook

The global economic growth for the year ahead is expected to be highly unfavorable as a result of the continued financial meltdown in some European countries. Whilst we will not be immune from slowing economic growth rates amongst major world economies and the impact this may have on our customers, the fundamental strength and diversity of our business gives us confidence that the business is well positioned for further growth.

Research & Development

We continue to invest in Research and Development amounting to RM0.3 million, equivalent to 0.62% of revenue for financial year ended 31 July 2011. Programmes are in place to introduce new products and enhancements of existing products during the current year.

Operation Review

Greenyield has been selling plantation products and rendering its professional technical consultancy services through various channels. Over the years, it has built a pool of loyal customers globally and exports its products and services to countries in South East Asia, Africa, and South America.

Greenyield has also been increasingly selling its non-plantation related products to loyal customers through various channels in Europe, USA and Australia.

Prospects

Moving forward and into the very uncertain global economic climate, Greenyield will continue to carry out its planned strategies to focus its capabilities on developing and launching of new improved products and services to stimulate customers demands.

Corporate Development

Greenyield continue to intensify its efforts to find new customers, new markets and new investment opportunities for the purposes of seeking a reliable and sustainable revenue over the long term.

Dividend

The Board is recommending a single tier final dividend of 1.0 sen per ordinary share for the financial year ended 31 July 2011. This proposed dividend is subject to your approval at the forthcoming Annual General Meeting.

Acknowledgement

The continued success of the group is a tribute to the positive effort and innovative attitude of our employees and the group's commitment to being a trusted and reliable partner to the companies we serve globally. On behalf of the Board, I would like to express our thanks to our shareholders, customers, business associates, financiers, suppliers and regulatory authorities for their continuous support and understanding extended to us during the year.

Lastly, I would like to thank my fellow Board members, management and staff for their support, guidance and contributions.

Tham Foo Keong
Executive Chairman

STATEMENT OF CORPORATE GOVERNANCE

The Board of Directors of Greenyield Berhad ("the Company") is fully committed to fully recognize and appreciates the importance of maintaining the highest standard of corporate governance by constantly having an effective corporate governance framework. The Board ensures that high standards of fairness, accountability, responsibility, transparency and integrity are attained and maintained in running the Group's operations and business. The Board is confident that an effective corporate governance framework will enable the Company to enhance shareholders' value on a sustainable basis while protecting shareholders and stakeholders' interests.

The Board is pleased to share the manner in which the Group has applied the principles of good corporate governance and the best practices as governed by the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirement") and the Malaysian Code on Corporate Governance ("the Code") during the financial year ended 31 July 2011. The Board believes that the principles of the Code and best practices indicated in the Code have, in all material respects, been adhered to and complied with.

A. DIRECTORS

Board Composition, Balance and Responsibilities

Greenyield is led and managed by an effective Board consisting of professionals and competent directors with different qualification, expertise and experience that are highly relevant to the management of the Group's businesses.

The Board has overall responsibility for the performance of the Group. This includes strategic planning, continuous review of the Group's business operations and performance, monitoring, implementing and review of appropriate processes and internal controls to manage business risk, and generally, ensuring that the Group is being managed and its businesses are conducted in accordance with high standards of accountability and transparency. The Executive Directors are responsible for implementing the corporate strategies and management of day-to-day operations of Greenyield. The Independent Non-Executive Directors are responsible in exercising independent judgment and to act in the best interests of Greenyield ensuring that decisions made by the Board are deliberated fully and objectively with regard to the long term interest of all stakeholders.

The Board consists of a total of seven (7) Directors, comprising four (4) Executive Directors and three (3) Independent Non-Executive Directors, which fulfils the prescribed Listing Requirement of minimum one-third of the Board to be independent. The profiles of the directors are set out on pages 9 to 11 of this Annual Report.

Mr Tham Foo Keong continues to hold the roles of Chairman and Group Managing Director ("Group MD") due to his proven track-record in displaying his entrepreneurship and leadership skills, business acumen and in-depth experience in the plantation industry, especially the natural rubber industry. Although the roles are combined, the Board is of the view that there are sufficient Independent Directors on the Board to ensure fair and objective deliberations at Board Meetings and who are capable of exercising independent judgments. The Chairman/Group MD always abstains from all deliberations and voting on matters, which he is directly or deemed interested.

The presence of three (3) Independent Non-Executive Directors fulfils the pivotal role in corporate accountability. They collectively provide the necessary checks and balances i.e. unbiased and independent views, advice and judgments on issues of strategies, performance and resources.

Dr Zainol Bin Md Eusof serves the Group as the Senior Independent Non–Executive Director. If there are any concerns pertaining to the Group, please do not hesitate to contact Dr Zainol at Greenyield's registered address.

Board Meetings

During the financial year ended 31 July 2011, the Board met on five (5) occasions, deliberating upon and considering a variety of matters including the Group's financial results, major investments, strategic decisions and the overall direction of the Group. The five (5) Board Meetings were held on the following dates:-

i. 29 September 2010
ii. 22 December 2010
iii. 6 January 2011
iv. 22 March 2011
v. 22 June 2011

A. DIRECTORS (continued)

Board Meetings (continued)

Agenda and matters for discussion are prepared and circulated to all Directors for their perusal in advance of each meeting. All proceedings from Board meetings are recorded and the minutes maintained by the Company Secretary. During the financial year under review, the attendance record for each Directors is as follow:-

Directors	No. of Board Meetings attended	Percentage of Attendance (%)
Tham Foo Keong	5/5	100
Tham Foo Choon	5/5	100
Dr Sivakumaran A/L Seenivasagam	5/5	100
Tham Kin Wai	5/5	100
Dr Zainol Bin Md Eusof	5/5	100
Yong Swee Lin	5/5	100
Mahbob Bin Abdullah	5/5	100
Loke Chee Kien *(Resigned on 30 September 2010)*	1/5	20

All the Directors have complied with the minimum 50% attendance requirement in respect of Board Meetings as stipulated by the Listing Requirements.

Supply and Access of Information

All members of the Board are supplied with information in a timely manner. The Board papers are circulated on a timeliness manner prior to Board meetings to enable the Directors to review and consider matters to be deliberated and if necessary, seek additional information or clarification from the Management in order to be fully briefed before the meeting. The Board papers include reports relevant to the issues of the meeting covering the areas of:-

i) financial report (e.g. quarterly financial results);
ii) business development report;
iii) operational matters;
iv) corporate developments of the Group;
v) audit reports; and
vi) regulatory compliance matters and updates issued by the various regulatory authorities.

In furtherance of their duties, the Directors have unrestricted access to any information pertaining to the Group as well as the advice and services of the Company Secretary and external auditors as well as independent professional advisers whenever necessary, at the Company's expense in accordance with established procedure which has been communicated to them.

Directors' Training

All Directors have attended and successfully completed the Mandatory Accreditation Programme prescribed by Bursa Securities. In addition, the Directors undergo continuous training programmes and seminars organized by the relevant regulatory authorities and professional bodies to equip themselves with the necessary knowledge and to keep abreast with the relevant changes in law, regulations and the business environment.

During the financial year ended 31 July 2011, all the directors have attended the In-House workshop regarding the ACE Listing Requirement such as Directors' Powers, Duties and Responsibilities, Interest in Shares and Dealing in Securities, Continuous Listing Obligations of Listed Corporations and Overview on Chapter 10 of Listing Requirements – Transaction, which the workshop were conducted by Tricor Corporate Services Sdn Bhd.

A. DIRECTORS (continued)

Directors' Training (continued)

The other trainings programme, seminars, workshops and/ or conferences attended by some of the Directors during the financial year ended 31 July 2011 are as follows:-

Directors	Subject	Date
Tham Foo Keong	Reach & Teach Friends of the Industry Challenges and Opportunities in 2011	25 January 2011
Dr Sivakumaran A/L Seenivasagam	Advances in Rubber Plantations & Global Opportunities	21 – 22 February 2011
Yong Swee Lin	Optimising Corporate Tax Planning Strategies	26 & 27 August 2010
	2011 Budget Seminar	27 October 2010
	Workshop on How to Present Taxes from Eating Your Investment	26 May 2011

The Directors will continue to undergo other relevant training programs that can further enhance their knowledge in the latest development relevant to the Group, to enable them to discharge their responsibilities effectively. In addition, all Directors were also constantly updated by the Company Secretaries and other professional on changes to the relevant guidelines on the regulatory and statutory requirements.

Retirement and Re-election

In accordance with the Company's Articles of Association, all new Director(s), appointed to the Board, are subject to election at the next coming Annual General Meeting following their first appointment. In every year, at least one-third 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.

Each Director of the Board holds not more than ten directorship in public listed companies and not more than fifteen directorship in non-public listed companies, as prescribed in the Listing Requirement.

Board Committees

The Board has delegated specific responsibilities to subcommittees to assist the Board in carrying out its fiduciary duties. They are:-

i) Audit Committee
ii) Nomination Committee
iii) Remuneration Committee

All the above committees have written terms of reference and operating procedures that have been adopted by the Board.

i) Audit Committee

The Company's Audit Committee comprises the following three (3) Independent Non-Executive Directors:-

Audit Committee Members

1.	Dr Zainol Bin Md Eusof	Chairman
2.	Yong Swee Lin	Member
3.	Mahbob Bin Abdullah	Member

The composition meets the compliance of the Code and the Listing Requirement which require Independent Directors to form the majority and that a director is a qualified member of the Malaysian Institute of Accountants.

A. DIRECTORS (continued)

i) Audit Committee (continued)

The primary function of the Audit Committee is to assist the Board of Directors to review the adequacy and integrity of the Group's internal control/systems, financial accounting and reporting matters.

The Audit Committee meets periodically to carry out its functions and duties pursuant to its terms of reference. The Board members are also invited to attend the meeting whenever is necessary.

The composition and terms of reference of the Audit Committee and its terms of reference are disclosed in the Company's Audit Committee Report which is found on pages 22 to 25 of this Annual Report.

(ii) Nomination Committee

The Nomination Committee comprises the following two (2) Independent Non-Executive Directors:-

Nomination Committee Members

1.	Dr Zainol Bin Md Eusof	Chairman
2.	Yong Swee Lin	Member

The primary function of the Nomination Committee is to review the Board structure, size and composition, and makes recommendation to the Board suitable candidates for appointment as Directors and the Committees of the Board. The Nomination Committee also assists the Board in reviewing, on an annual basis, the required mix of skills, experience and effectiveness of the Board and the performance of the directors.

The Nomination Committee meets as and when necessary and shall meet at least once a year. The Nomination Committee met once during the financial year ended 31 July 2011.

(iii) Remuneration Committee

The Remuneration Committee comprises the following two (2) Independent Non-Executive Directors:-

Remuneration Committee Members

1.	Dr Zainol Bin Md Eusof	Chairman
2.	Yong Swee Lin	Member

The primary function of the Remuneration Committee is to assist and making recommendations to the Board on all elements of the remuneration of Directors including key senior management officers. Directors' remuneration will be a matter to be determined by the Board as a whole with the Director concerned abstaining from deliberations and voting on decisions in respect of his individual remuneration.

The Remuneration Committee meets as and when necessary and shall meet at least once a year. The Remuneration Committee met once during the financial year ended 31 July 2011.

B. DIRECTORS' REMUNERATION

The Remuneration Committee recommends to the Board the framework for the remuneration of the Executive and Non-Executive Directors. The Executive Directors' remunerations consist of basic salary, other emoluments and other customary benefits as appropriate to a senior management member. Whereas, the remuneration of Non-Executive Directors comprises fees, allowances, and other customary benefits. The aggregate annual Director fees for the Non-Executive Directors as recommended by the Board are to be approved by shareholders at the Annual General meeting. Nevertheless, the determination of remuneration packages of Executive Directors is a matter to the Board as a whole and individual Executive Directors are required to abstain from discussion of their own remuneration.

B. DIRECTORS' REMUNERATION (continued)

The remuneration of the Directors of the Company for the financial year ended 31 July 2011 is paid by the Group and the details are as follows:-

	Executive Directors (RM'000)	Non-Executive Directors (RM'000)
• Fees	-	47
• Salaries	1,115	-
• Bonuses & other emoluments	316	10
• Share options granted under ESOS	236	18
	1,667	75

The numbers of Directors of the Company whose total remuneration fall within the following band are as follows:-

	No. of Directors	
Remuneration Band	**Executive Directors**	**Non-Executive Directors**
• Less than RM50,000	-	3
• RM50,000 – RM100,000	-	-
• RM100,001 – RM150,000	1	-
• RM150,001 – RM200,000	-	-
• RM200,001 – RM250,000	1	-
• RM250,001 – RM300,000	1	-
• RM300,001 – RM350,000	-	-
• RM350,001 – RM400,000	-	-
• More than RM400,001	2	-
	5	3

C. RELATIONSHIP WITH SHAREHOLDERS & INVESTORS

The Board recognises and acknowledges the importance of being accountable to its shareholders and investors and as such has maintained an active and constructive communication policy that enables the Board and Management to communicate effectively with its investors and shareholders.

The various channels of communication are through the quarterly results, research reports, announcements, circulars and the holding of Annual General Meeting ("AGM"). However, any information that may be regarded as undisclosed material information about the Group will not be given to any single shareholder or shareholder Group.

The Annual Report of Greenyield maintain as a key channel of communication with its shareholders and investors. Greenyield strives to present its Annual Report as comprehensive and informative as possible.

Greenyield's AGM remains the principal forum for dialogue with shareholders. The Company will hold its 9th AGM on 22 December 2011. The Board welcomes shareholders' participation at the AGM. Shareholders who are unable to attend are encouraged to appoint proxy(ies) to attend and vote on their behalf. The Executive Chairman, and where appropriate, the members of the Board shall be available to respond to shareholders' queries during the AGM.

Greenyield also responds to request for meetings with institutional shareholders and analysts to provide them a better understanding of the business activities of the Group.

C. RELATIONSHIP WITH SHAREHOLDERS & INVESTORS (continued)

Shareholders can also obtain up-to-date information on the Group's various activities by accessing its website at **www.greenyield.com.my** or **http://greenyield.listedcompany.com**.

Greenyield is a member of the Malaysian Investor Relations Association ("MIRA") and has been selected to participate in the Investor Relations Incentive Programme ("IRIP"). MIRA is Malaysia's first professional association committed to developing and advancing the proficiency of its members in the field of investor relations ("IR"). Greenyield is utilizing MIRA's expertise in establishing and implementing an IR programme.

Any queries to Greenyield may be conveyed to the following person:-

Mr. Tham Foo Keong, Executive Chairman and Group Managing Director
Tel : 03 – 8736 8777; Fax: 03 – 8737 0723

D. ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board is committed in presenting a balanced and meaningful assessment of the Group's financial performance and prospects through its annual financial statements and quarterly announcements to its shareholders. The Audit Committee assists the Board in overseeing the Group's financial reporting processes and the quality of its financial reporting.

The Statement by the Directors of their responsibilities in relation to the financial statements is set out on page 89 of this Annual Report.

Internal Controls

The Board of Directors acknowledge their responsibilities for the Company to maintain a sound system of internal controls covering financial, operations and compliance controls and to safeguard shareholders' investment and the Company'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.

The Board and Audit Committee have appointed the outsourced professional firm for the establishment of an independent internal audit function which is in compliance with the ACE Listing Requirement, upon the lapsed of the engagement contract with the current outsourced independent internal auditor.

The Board will improve the internal controls of the Company continuously for better systems of internal control. The Company's overview of the Statement on Internal Control is set out on page 20 to 21 of the Annual Report.

Relationship with External Auditors

Through the Audit Committee, Greenyield maintains a formal and transparent relationship with the Group's external auditors. External auditors are invited to attend the meetings of the Audit Committee and the Board whenever necessary to discuss the Company's Financial Statement.

The role of the Audit Committee in relation to the external auditors is more particularly described in the Audit Committee Report on pages 22 to 25 of this Annual Report.

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 RM84,000 for the financial year ended 31 July 2011.

Non-Audit Fees

The total non-audit fees charged by the external auditors for other services performed, exclusive of expenses and applicable taxes, amounted RM110,400 for the financial year ended 31 July 2011.

E. 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 2011, the Directors have:-

- adopted suitable accounting policies and applied them consistently;
- ensured that applicable accounting standards have been followed;
- made judgements and estimates that are reasonable and prudent;
- prepared financial statements on the 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.

F. CORPORATE SOCIAL RESPONSIBILITY ("CSR")

The Group, whilst pursuing its commitment to shareholders and stakeholder, continued to provide contributions to social and charitable organisations and individuals who are in need. In addition, Greenyield has offered internship and industrial training to undergraduates from local colleges and universities as part of its efforts in grooming future leaders in the industry.

In line with the "Green" concept, Greenyield encourages all its employees to adopt methods of conserving energy and resources as much as possible so as to reduce the effect of global warming. Meanwhile, Greenyield also emphasises on quality work by adopting strict health and safety measures as part of our employees' work ethics. Greenyield also continues to intensify our effort to develop products which are environment friendly and recyclable.

This Statement on Corporate Governance was made by the Board of Directors in accordance with a resolution passed by the Board of Directors on 11 November 2011.

STATEMENT ON INTERNAL CONTROL

INTRODUCTION

The Malaysia Code on Corporate Governance requires the board of the listed companies to maintain a sound system of internal controls to safeguard shareholders' investment and the Groups' assets.

Under Rule 15.26(b) of the Listing Requirements of Bursa Malaysia Securities for the ACE Market, the Board of Directors is required to include a statement in their Annual Report on the state of their internal controls.

The Board is pleased to provide the following Statement on Internal Control which outlines the natures and scope of internal controls of the Group for the financial year ended 31 July 2011. This statement has been prepared in accordance with the "Statement on Internal Control – Guidance for Directors of Public Listed Companies".

THE BOARD'S RESPONSIBILITY

The Board recognizes the importance of a sound system of internal control and effective risk management practices to ensure good corporate governance. The Board affirms its overall responsibility for reviewing the adequacy and the integrity of the Groups' internal control system.

However, there are limitations that are inherent in any system of internal control and such systems are designed to manage and control risk appropriately rather than to eliminate the risk of failure to achieve business objectives. Hence, it is imperative to note that any internal control system can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board will continue taking necessary measures to strengthen its internal control system to address any weakness identified.

RISK MANAGEMENT FRAMEWORK

The Board's primary objective and direction in managing the Group's risk are focused on the achievement of the Group's business objectives. 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. The Risk Management Policy will provide for a consistent basis in management of risks within defined risk, return parameters and tolerances. Risk Management Policy will provide an effective framework for identification, evaluation, management and reporting of the Group's risk.

The Executive Committee comprising of the Executive Directors and senior management of the Group are responsible for the implementation of appropriate system of controls and strategies in order to mitigate the risk. All the Group risk related matters were deliberated at the Executive 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 internal auditor is independent of the activities they audit and they have 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 under review, the internal auditors have carried out their review according to the approved Internal Audit Plan. The review covered the assessment on the adequacy and effectiveness of internal controls on selected 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.

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, including cost incurred for internal audit function.

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 at large;

- Review of statutory annual financial statements and quarterly reports by evaluating the reasons for unusual variances noted thereof by the Board and Audit Committee before the announcement to Bursa Securities;

- 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 procedures include the establishment of limits of authority and monitoring of credit terms to reduce the exposure of credit risks;

- The organisational structure of the Company and its subsidiaries has defined lines of authorities and accountability for all aspects of the business;

- The Group human resources policies and publication of the Employees Handbook, which highlights policies on health and safety, staff performance and serious misconduct. These procedures are applicable across the Group of which provide for continuous assurance to the management and to the Board on human resourse management;

- The systematic performance appraisal system for all levels of staff and directors.

- Annual audit by external quality auditors to ensure the quality system of Greenyield 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 of the delivery of the highest quality of systems, products and services by the Group; and

- Term of reference has 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 coverage and allow the Group to receive an efficient and effective level of audit coverage.

CONCLUSION

The Board is of the view that there were no significant weaknesses in the system of internal control of the Group that may have a material impact on the operations of the Group for the financial year ended 31 July 2011. The Board will continue to take necessary measures to strengthen and improve its internal control structure in order to manage the risk more effectively.

This statement has been made in accordance with a resolution passed in the Board of Director on 11 November 2011.

AUDIT COMMITTEE REPORT

MEMBERSHIP & MEETINGS OF AUDIT COMMITTEE

The Audit Committee was established in compliance with Rule 15.09 of the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market ("Listing Requirements") and comprises 3 members as follows:-

		Composition of the Audit Committee	Attendance at the Audit Committee Meeting during the financial year ended 31 July 2011
Chairman	:	**Dr Zainol Bin Md Eusof** Independent Non-Executive Director	5/5
Members	:	**Yong Swee Lin** Independent Non-Executive Director	5/5
		Mahbob Bin Abdullah Independent Non-Executive Director	4/5

SUMMARY OF ACTIVITIES OF COMMITTEE

During the financial year ended 31 July 2011, the Committee has carried out the following activities:-

- reviewed the quarterly reports and audited financial statements of the Group prior to submission to the Board for consideration and approval;
- in conjunction with the quarterly reports, review is made for the Company's compliance with the Listing Requirements, Malaysian Accounting Standards Board (MASB) and applicable regulatory requirements;
- reviewed the related party transactions entered into by the Group;
- reviewed the fees of the external auditors;
- consider the re-appointment of the external auditors;
- reviewed with the external auditors the audit plan, scope of work and audit report; and
- reviewed the management letter issues and Management's response.

TERMS OF REFERENCE

1. Composition

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

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

At least one member of the Audit Committee:-

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

TERMS OF REFERENCE (continued)

1. Composition (continued)

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

In the event the elected Chairman is not able to attend a meeting of the Audit Committee, a member of the Audit Committee shall be nominated as 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 Board of Directors 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 it has the necessary authority to carry out its work;

(iv) To review the internal audit programmes, processes, the results of the internal audit programmes, 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, if applicable, and management focusing particularly 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 letter sent by the external auditors to the Company and the management's response to such letter;

(viii) To review any letter of resignation from the Company's external auditors;

(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 Board of Directors.

AUDIT COMMITTEE REPORT
(continued)

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 review that a matter reported by it to the Board of Directors has not been satisfactorily resolved resulting in a breach of the Listing Requirements of the ACE Market, the Audit Committee shall promptly report such matter to Bursa Malaysia Securities Berhad.

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 Board of Directors 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. A minute of the proceedings of such meeting is 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.

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 Board of Directors 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.

4. Meetings (continued)

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 Board of Directors.

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.

5. Reporting Procedures

The Audit Committee shall assist the Board 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 principles set out in Part 1 of the Malaysian Code on Corporate Governance;

(c) Statement on the extent of compliance with the Best Practices in Corporate Governance set out in Part 2 of the Malaysian Code on Corporate Governance, specifying reasons for any areas of non-compliance (if any) and the alternatives adopted in such areas;

(d) Statement on the Board of Director's responsibility for preparing the annual audited financial statements;

(e) Statement about the state of 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 Corporate Governance Statement or the Audit Committee report.

INTERNAL AUDIT FUNCTION

The Company recognizes that an internal audit function is essential to ensuring the effectiveness of the Group's systems of internal control and is an integral part of the risk management process. Subsequent to the financial year ended 31 July 2011, the Group has outsourced its internal audit function to a professional firm to provide the Board with assurance on the adequacy 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 and the professional firm conducting the internal audit function shall report directly to the Audit Committee.

ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS

Greenyield Berhad was listed on the ACE Market of Bursa Malaysia Securities Berhad through an initial public offering. A total of RM8,875,000 was raised from the initial public offering.

The Board had approved the proceeds which originally allocated to be utilized for Research and Development, Capital Expenditure and Setting up of Marketing and Technical Support Service Centres amounting to RM3,650,000 be revised to be utilized for Working Capital. The status of revised utilisation of the proceeds from the public issue as at 31 July 2011 is as follows:

Purpose	Allocation of proceeds (RM'000)	Amount utilised from 20 October 2006 to 31 July 2011 (RM'000)	Amount unutilised (RM'000)
Research and development	1,500	*1,500	-
Capital expenditure	1,850	*1,850	-
Setting up of marketing and technical support service centres	300	*300	-
Repayment of borrowings	1,500	1,500	-
Working capital	2,223	*2,223	-
Estimated listing expenses	1,502	*1,502	-
Total	8,875	8,875	-

* Reclassification of utilization

The Company had obtained the approval of the Securities Commission ("SC") vide its letter dated 14 July 2008 for the extension of time for the utilization of proceeds. It was also stated in the said letter that Greenyield need not apply for approval from SC for any extension of time or revision to the utilization of proceeds from the public issue of Greenyield in the future.

On 16 October 2009, the Board of Directors of Greenyield Berhad announced that the Company has extended the timeframe for the utilization of the balance of the proceeds raised from the public issue, which is expiring on 19 October 2010 for a further period of three (3) years to 19 October 2012.

2. SHARE BUY-BACK

During the financial year ended 31 July 2011, the Company did not enter into any share buy-back transaction.

3. OPTIONS, WARRANTS AND CONVERTIBLE SECURITIES

During the financial year ended 31 July 2011, there were no exercise of options, warrants and convertible securities.

4. DEPOSITORY RECEIPT PROGRAMME

During the financial year ended 31 July 2011, the Company did not sponsor any depository receipt programme.

5. SANCTIONS AND/OR PENALTIES

During the financial year ended 31 July 2011, 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

For the financial year ended 31 July 2011, the amount of non-audit fees paid out or payable to external auditors by the Group is RM110,400.

ADDITIONAL COMPLIANCE INFORMATION
(continued)

7. PROFIT ESTIMATE, FORECAST OR PROJECTION

No profit estimate, forecast or projection has been given by the Company in respect of the financial year.

8. VARIATION IN RESULTS

There is no significant variance between the results for the financial year ended 31 July 2011 and the unaudited results previously released by the Company.

9. PROFIT GUARANTEE

No profit guarantee had been given by the Company in respect of the financial year.

10. MATERIAL CONTRACTS

There were no material contracts involving directors and/or major shareholders.

11. MATERIAL CONTRACTS RELATING TO LOANS

There were no material contracts relating to loans involving directors and/ or major shareholders.

12. REVALUATION POLICY ON LANDED PROPERTIES

The Group does not have any policy on revaluation of properties.

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

Name of Directors		Amount of Options Offered	Amount of Options Exercised as at 31 July 2011
	Executive Directors		
1.	Tham Foo Keong	335,000	335,000
2.	Tham Foo Choon	335,000	335,000
3.	Dr. Sivakumaran A/L Seenivasagam	335,000	335,000
4.	Tham Kin Wai	120,000	120,000
	Non-Executive Directors		
5.	Dr Zainol Bin Md Eusof	85,000	85,000

Greenyield has extended the options to 12 October 2012, in accordance with the terms of the ESOS Bye-Laws.

FINANCIAL STATEMENTS

DIRECTORS' REPORT
For the year ended 31 July 2011

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the year ended 31 July 2011.

Principal activities

The Company is principally engaged in investment holding, whilst the principal activities of the subsidiaries are as stated in Note 6 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	7,383,973	17,169,554
	=======	========

Reserves and provisions

There were no material transfers to or from reserves and provisions during the year under review, except as disclosed in the financial statements.

Dividends

Since the end of the previous financial year, the Company paid a single tier final ordinary dividend of 2.0 sen per ordinary share totalling RM3,311,746 in respect of the year ended 31 July 2010 on 07 January 2011.

The final dividend recommended by the Directors in respect of the year ended 31 July 2011 is 1.0 sen per ordinary share totalling RM3,337,400.

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 of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at 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:

	Number of ordinary shares of RM0.10 each			
	At 1.8.2010	**Bought**	**(Sold)**	**At 31.07.2011**
Company				
Direct interest				
Tham Foo Keong	5,151,580	335,000	-	5,486,580
Tham Foo Choon	3,714,580	335,000	-	4,049,580
Dr. Sivakumaran A/L Seenivasagam	765,710	335,000	-	1,100,710
Dr. Zainol Bin Md. Eusof	20,000	85,000	-	105,000
Tham Kin Wai	966,000	120,000	-	1,086,000
Mahbob Bin Abdullah	135,000	-	-	135,000
Deemed interest				
Tham Foo Keong*	9,531,280	50,000	-	9,581,280
Ultimate holding company, Greenyield Holdings Sdn. Bhd.				
Deemed interest				
Tham Foo Keong	83,390,920	4,380,610	-	87,771,530
Tham Foo Choon	83,390,920	4,380,610	-	87,771,530

	Number of options over ordinary shares of RM0.10 each			
	At 1.8.2010	**Granted**	**(Exercised)**	**At 31.7.2011**
Direct interest in the Company				
Tham Foo Keong	335,000	-	(335,000)	-
Tham Foo Choon	335,000	-	(335,000)	-
Dr. Sivakumaran A/L Seenivasagam	335,000	-	(335,000)	-
Dr. Zainol Bin Md. Eusof	85,000	-	(85,000)	-
Tham Kin Wai	120,000	-	(120,000)	-

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

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

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 the related company) 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 issue of the Employees' Share Option Scheme (ESOS).

Issue of shares

During the financial year, the Company issued 1,841,000 new ordinary shares of RM0.10 each for cash arising from exercise of employees' share options at an exercise price of RM0.21 per ordinary shares.

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

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the year apart from the issue of options pursuant to the Employees' Share Option Scheme (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 Bye-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,

Options granted over unissued shares (continued)

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 proceeding 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 some 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:

		Number of options over ordinary shares of RM0.10 each				
Date of offer	**Exercise price (RM)**	**At 1.8.2010**	**Granted**	**(Exercised)**	**(Forfeited)**	**At 31.7.2011**
13 October 2006	0.21	2,588,000	-	(1,841,100)	(335,000)	411,900

The Company has extended its existing ESOS for a further period of three (3) years, to 12 October 2012, in accordance with the terms of the ESOS Bye-Laws. The ESOS extension is not subject to any approvals from Bursa Malaysia Securities Berhad, Securities Commission or the shareholders of the Company.

Other statutory information

Before the statements of financial position and statements of comprehensive income 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 it necessary to write off any bad debts or provide for any doubtful debts, 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, the financial performance of the Group and of the Company for the financial year ended 31 July 2011 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.

Auditors

The auditors, Messrs KPMG, have indicated their willingness to accept re-appointment.

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 2011

STATEMENTS OF FINANCIAL POSITION
As at 31 July 2011

	Note	Group 31.7.2011 RM	Group 31.7.2010 RM restated	Group 1.8.2009 RM restated	Company 31.7.2011 RM	Company 31.7.2010 RM
Assets						
Property, plant and equipment	3	19,254,346	17,124,043	14,462,981	2,637	-
Intangible assets	4	13,747	15,677	17,033	-	-
Prepaid lease payments	5	664,470	669,389	680,369	-	-
Investments in subsidiaries	6	-	-	-	15,765,486	12,273,998
Investments in associate	7	580,345	591,295	330,000	-	-
Other investments	8	2,000,000	-	-	-	-
Total non-current assets		22,512,908	18,400,404	15,490,383	15,768,123	12,273,998
Trade and other receivables	9	10,532,797	8,748,441	4,285,231	14,263,127	3,182,238
Inventories	10	8,007,955	6,027,234	5,077,632	-	-
Current tax assets		1,140,284	1,621,050	1,607,552	51,981	16,935
Cash and cash equivalents	11	14,201,185	12,989,463	14,465,996	4,985,067	5,360,921
Total current assets		33,882,221	29,386,188	25,436,411	19,300,175	8,560,094
Total assets		56,395,129	47,786,592	40,926,794	35,068,298	20,834,092
Equity						
Share capital	12	16,684,110	16,500,000	16,500,000	16,684,110	16,500,000
Reserves	12	29,796,144	25,557,358	20,707,818	18,363,829	4,329,092
Total equity attributable to owners of the Company		46,480,254	42,057,358	37,207,818	35,047,939	20,829,092

STATEMENTS OF FINANCIAL POSITION
As at 31 July 2011 (continued)

	Note	Group 31.7.2011 RM	Group 31.7.2010 RM restated	Group 1.8.2009 RM restated	Company 31.7.2011 RM	Company 31.7.2010 RM
Liabilities						
Borrowings	13	303,047	57,732	42,940	-	-
Deferred tax liabilities	14	1,506,519	1,492,509	1,393,916	-	-
Total non-current liabilities		1,809,566	1,550,241	1,436,856	-	-
Trade and other payables	16	7,890,608	4,063,170	2,164,019	20,359	5,000
Borrowings	13	214,701	115,823	118,101	-	-
Total current liabilities		8,105,309	4,178,993	2,282,120	20,359	5,000
Total liabilities		9,914,875	5,729,234	3,718,976	20,359	5,000
Total equity and liabilities		56,395,129	47,786,592	40,926,794	35,068,298	20,834,092

The notes on page 42 to 88 are an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME
for the year ended 31 July 2011

	Note	Group 2011 RM	Group 2010 RM	Company 2011 RM	Company 2010 RM
Revenue	17	48,239,090	38,493,758	22,093,177	3,585,000
Cost of sales		(30,659,563)	(22,579,578)	-	-
Gross profit		17,579,527	15,914,180	22,093,177	3,585,000
Other income		818,729	603,885	200	-
Distribution expenses		(1,093,638)	(1,339,251)	-	-
Administrative expenses		(7,023,352)	(5,248,142)	(572,276)	(300,212)
Other expenses		(790,997)	(490,700)	-	-
Results from operating activities		9,490,269	9,439,972	21,521,101	3,284,788
Finance costs		(86,030)	(67,035)	(35)	(65)
Interest income		182,671	286,022	94,618	165,083
Operating profit		9,586,910	9,658,959	21,615,684	3,449,806
Share of loss in associate (net)		(10,950)	(8,705)	-	-
Profit before tax	18	9,575,960	9,650,254	21,615,684	3,449,806
Income tax expense	20	(2,191,987)	(2,325,946)	(4,446,130)	(322)
Profit for the year		7,383,973	7,324,308	17,169,554	3,449,484
Other comprehensive income, net of tax					
Foreign currency translation differences for foreign operations		(10,370)	232	-	-
Total other comprehensive income for the year		(10,370)	232	-	-
Total comprehensive income for the year		7,373,603	7,324,540	17,169,554	3,449,484
Basic earnings per ordinary share (sen):	21	4.43	4.44		
Diluted earnings per ordinary share (sen):	21	4.41	4.38		

The notes on page 42 to 88 are an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY
for the year ended 31 July 2011

Group	Note	Share capital RM	Share premium RM	Share option reserve RM	Translation reserve RM	Retained earnings RM	Total equity RM
		Attributable to owners of the Company					
		Non-distributable				*Distributable*	
At 1 August 2009		16,500,000	3,168,484	197,709	10,138	17,331,487	37,207,818
Total comprehensive income for the year		-	-	-	232	7,324,308	7,324,540
Dividends to owners of the Company	22	-	-	-	-	(2,475,000)	(2,475,000)
At 31 July 2010/1 August 2010		16,500,000	3,168,484	197,709	10,370	22,180,795	42,057,358
Total comprehensive income for the year		-	-	-	(10,370)	7,383,973	7,373,603
Share options exercised		184,110	343,171	(166,242)	-	-	361,039
Dividends to owners of the Company	22	-	-	-	-	(3,311,746)	(3,311,746)
At 31 July 2011		16,684,110	3,511,655	31,467	-	26,253,022	46,480,254
		Note 12	Note 12	Note 12	Note 12		

Company	Note	Share capital RM	Share premium RM	Share option reserve RM	Retained earnings RM	Total equity RM
		Attributable to owners of the Company				
		Non–distributable			*Distributable*	
At 1 August 2009		16,500,000	3,168,484	197,709	(11,585)	19,854,608
Total comprehensive income for the year		-	-	-	3,449,484	3,449,484
Dividends to owners of the Company	22	-	-	-	(2,475,000)	(2,475,000)
At 31 July 2010/ 1 August 2010		16,500,000	3,168,484	197,709	962,899	20,829,092
Total comprehensive income for the year		-	-	-	17,169,554	17,169,554
Share options exercised		184,110	343,171	(166,242)	-	361,039
Dividends to owners of the Company	22	-	-	-	(3,311,746)	(3,311,746)
At 31 July 2011		16,684,110	3,511,655	31,467	14,820,707	35,047,939
		Note 12	Note 12	Note 12		

The notes on page 42 to 88 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS
for the year ended 31 July 2011

	Group		Company	
	2011 RM	2010 RM restated	2011 RM	2010 RM
Cash flows from operating activities				
Profit before tax	9,575,960	9,650,254	21,615,684	3,449,806
Adjustments for:				
Amortisation of intangible assets	3,460	1,356	-	-
Amortisation of prepaid lease payments	20,474	16,351	-	-
Depreciation of property, plant and equipment	2,174,836	1,439,307	163	-
Dividend income	-	-	(22,093,177)	(3,585,000)
Finance costs	86,030	67,035	35	65
Gain on disposal of property, plant and equipment (net)	(90,151)	(158,418)	-	-
Interest income	(182,671)	(286,022)	(94,618)	(165,083)
Property, plant and equipment written off	9,444	11,939	-	-
Share of loss in associate (net)	10,950	8,705	-	-
Operating profit/(loss) before changes in working capital	11,608,332	10,750,507	(571,913)	(300,212)
Changes in working capital:				
Inventories	(1,980,721)	(949,602)	-	-
Trade and other payables	3,827,438	170,463	15,359	(20,462)
Trade and other receivables	(1,784,356)	(2,725,360)	(11,080,889)	(673,762)
Cash generated from/(used in) operations	11,670,693	7,246,008	(11,637,443)	(994,436)
Interest paid	(61,794)	(54,006)	(35)	(65)
Income taxes paid	(3,042,434)	(2,539,832)	(3,000)	(1,800)
Income taxes refunded	1,345,223	298,978	-	180
Net cash from/(used in) operating activities	9,911,688	4,951,148	(11,640,478)	(996,121)

STATEMENTS OF CASH FLOWS
for the year ended 31 July 2011 (continued)

	Note	Group 2011 RM	Group 2010 RM	Company 2011 RM	Company 2010 RM
Cash flows from investing activities					
Acquisition of property, plant and equipment	(ii)	(4,150,941)	(4,032,343)	(2,800)	-
Acquisition of intangible assets		(1,530)	-	-	-
Acquisition of prepaid lease payments		(15,555)	(5,371)	-	-
Acquisition of other investments		(2,000,000)	-	-	-
Addition of investment in subsidiary		-	-	(3,491,488)	-
Addition of investment in associate		-	(270,000)	-	-
Increase in pledged deposits placed with licensed banks		(304,279)	(687,568)	-	
Dividend received		-	-	17,615,001	3,585,000
Interest received		182,671	286,022	94,618	165,083
Proceeds from disposal of subsidiary		-	1	-	-
Proceeds from disposal of property, plant and equipment		506,509	270,455	-	-
Net cash (used in)/ from investing activities		(5,783,125)	(4,438,804)	14,215,331	3,750,083
Cash flows from financing activities					
Dividends paid to shareholders of the Company		(3,311,746)	(2,475,000)	(3,311,746)	(2,475,000)
Interest paid		(24,236)	(13,029)	-	-
Issuance of shares capital		361,039	-	361,039	-
Repayment of finance lease liabilities		(235,807)	(179,486)	-	-
Net cash used in financing activities		(3,210,750)	(2,667,515)	(2,950,707)	(2,475,000)
Effect of exchange rate fluctuation on cash held		(10,370)	(8,930)	-	-
Net increase/(decrease) in cash and cash equivalents		907,443	(2,164,101)	(375,854)	278,962
Cash and cash equivalents at 1 August	(i)	11,236,748	13,400,849	5,360,921	5,081,959
Cash and cash equivalents at 31 July	(i)	12,144,191	11,236,748	4,985,067	5,360,921

STATEMENTS OF CASH FLOWS
for the year ended 31 July 2011 (continued)

i) Cash and cash equivalents

Cash and cash equivalents included in the cash flow statements comprise the following amounts at the end of the reporting period:

	Group		Company	
	2011	**2010**	**2011**	**2010**
	RM	**RM**	**RM**	**RM**
Deposits with licensed banks	5,565,693	9,557,684	3,375,693	5,332,212
Cash and bank balances	8,635,492	3,431,779	1,609,374	28,709
	14,201,185	12,989,463	4,985,067	5,360,921
Less: Deposits pledged	(2,056,994)	(1,752,715)	-	-
	12,144,191	11,236,748	4,985,067	5,360,921

ii) Acquisition of property, plant and equipment

During the year, the Group and the Company acquired property, plant and equipment with an aggregate cost of RM4,730,941 and RM2,800 (2010: RM4,224,343 and RM Nil) of which RM580,000 and RM Nil (2010: RM192,000 and RM Nil) were acquired by means of finance lease plans.

The notes on page 42 to 88 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Greenyield Berhad is a public limited liability company incorporated and domiciled in Malaysia and is listed on the ACE 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
Level 18, The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Malaysia

The consolidated financial statements of the Company as at and for the year ended 31 July 2011 comprise the Company and its subsidiaries and the Group's interest in associate (together referred to as the Group). The financial statements of the Company as at and for the year ended 31 July 2011 do not include other entities.

The Company is principally engaged in investment holding while the other Group entities are primarily involved in manufacturing, marketing and distribution of agricultural systems and products, plastic-related products and project management of a plantation.

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

The financial statements were approved by the Board of Directors on 11 November 2011.

1. Basis of preparation

(a) Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standards (FRSs), generally accepted accounting principles and the Companies Act, 1965 in Malaysia.

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

The Group and the Company have not applied the following accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the Group and the Company:

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2011

- Amendments to FRS 1, *First-time Adoption of Financial Reporting Standards*
  - *Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters*
  - *Additional Exemptions for First-time Adopters*
- Amendments to FRS 2, *Group Cash-settled Share Based Payment*
- Amendments to FRS 7, *Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments*
- IC Interpretation 4, *Determining whether an Arrangement contains a Lease*
- IC Interpretation 18, *Transfers of Assets from Customers*
- Improvements to FRSs (2010)

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2011

- FRS 124, *Related Party Disclosures (revised)*
- IC Interpretation 19, *Extinguishing Financial Liabilities with Equity Instruments*
- Amendments to IC Interpretation 14, *Prepayments of a Minimum Funding Requirement*

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2012

- Improvements to FRSs
- IC Interpretation 15, *Agreements for the Construction of Real Estate*

The Group and the Company plan to apply the abovementioned standards, amendments and interpretations:

- from the annual period beginning 1 August 2011 for those standards, amendments or interpretations that will be effective for annual periods beginning on or after 1 January 2011 and 1 July 2011, except for IC Interpretation 4, IC Interpretation 18 and IC Interpretation 19 ; and

- from the annual period beginning 1 August 2012 for those standards, amendments or interpretations that will be effective for annual periods beginning on or after 1 January 2012, except for IC Interpretation 15 which are not applicable to the Group and the Company.

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

The initial application of a standard, an amendment or an interpretation, which will be applied prospectively or which requires extended disclosures, is not expected to have any financial impacts to the current and prior periods financial statements upon their first adoption.

The initial applications of the other standards, amendments and interpretations are not expected to have any material impact on the financial statements of the Group and the Company.

Following the announcement by the MASB on 1 August 2008, the Group and the Company's financial statements will be prepared in accordance with the International Financial Reporting Standards (IFRS) framework for annual periods beginning on 1 August 2012.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except 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 financial statements in conformity with FRSs 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 estimate is 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.

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 the Group entities, other than those disclosed in the following notes:

- Note 2(c) - Financial instruments
- Note 2(e) - Leased assets

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including unincorporated entities, controlled by the Group. Control exists when the Group has the ability to exercise its power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. Subsidiaries are consolidated using the purchase method of accounting.

Under the purchase method of accounting, the financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Investments in subsidiaries are stated in the Company's statement of financial position at cost less any impairment losses.

(ii) Associate

Associate is an entity, including unincorporated entity, in which the Group has significant influence, but not control, over the financial and operating policies.

Investment in associate is 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 equity accounted 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.

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(ii) Associate (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 investee.

Investment in associate is measured in the Company's statement of financial position at cost less any impairment losses. The cost of the investment includes transaction costs.

(iii) 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.

(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 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 cash flow hedge of currency risk, which are recognised in other comprehensive income.

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 Ringgit Malaysia (RM), are translated to RM at exchange rates at the end of the reporting period. 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 foreign currency translation reserve (FCTR). When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to profit or loss as part of the profit or loss on disposal.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a 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 FCTR within equity.

(c) Financial instruments

Arising from the adoption of FRS 139, *Financial Instruments: Recognition and Measurement*, with effect from 1 August 2010, financial instruments are categorised and measured using accounting policies as mentioned below. Before 1 August 2010, different accounting policies were applied. Significant changes to the accounting policies are discussed in Note 28.

(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.

2. Significant accounting policies (continued)

(c) Financial instruments (continued)

(ii) Financial instrument categories and subsequent measurement

The Group and the Company categorise financial instruments as follows:

Financial assets

(a) Loans and receivables

Loans and receivables category comprises debt instruments that are not quoted in an active market, 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.

(b) Available-for-sale financial assets

Available-for-sale category comprises investment in equity and debt securities instruments that are not held for trading.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. Other financial assets categorised as available-for-sale are subsequently measured at their fair values with the gain or loss recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses arising from monetary items and gains and losses of hedged items attributable to hedge risks of fair value hedges which are recognised in profit or loss. On derecognition, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss. Interest calculated for a debt instrument using the effective interest method is recognised in profit or loss.

All financial assets, except for those measured at fair value through profit or loss, are subject to review for impairment (see Note 2(j)(i)).

Financial liabilities

All financial liabilities are subsequently measured at amortised cost.

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 the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. 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 stated 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 gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within “other income” or “other operating expenses” respectively in the profit or loss.

2. Significant accounting policies (continued)

(d) Property, plant and equipment (continued)

(ii) Subsequent costs

The cost of replacing part 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 part will flow to the Group or the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. 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 is not depreciated.

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

• Leasehold buildings	6 - 50 years
• Plant and machinery	10 years
• Motor vehicles	6 - 10 years
• Renovation	10 years
• Factory and office fittings and equipments:	
- Computer and mould	3 - 5 years
- Furniture and fittings, office equipment, air-conditioner, empty cylinder and electrical installation	5 - 10 years
- Project site fittings	6 years

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

2. Significant accounting policies (continued)

(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. On initial recognition of 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.

(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 in the statement of financial position of the Group or the Company.

In the previous years, a leasehold land that normally had an indefinite economic life and title was not expected to pass to the lessee by the end of the lease term was treated as an operating lease. The payment made on entering into or acquiring a leasehold land that was accounted for as an operating lease represents prepaid lease payments.

The leasehold land is amortised on a straight-line basis over the lease term of forty eight (48) to eighty two (82) years.

The Group has adopted the amendment made to FRS 117, *Leases* in 2010 in relation to the classification of lease of land. Leasehold land which in substance is a finance lease has been reclassified and measured as such retrospectively.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. 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.

2. Significant accounting policies (continued)

(f) Intangible assets

(i) Trademarks

Trademarks that are acquired by the Group 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 is recognised in profit or loss as incurred.

(iii) Amortisation

Intangible assets with indefinite useful lives are not amortised but are tested for impairment annually and whenever there is an indication that they may be impaired.

Other intangible assets are amortised from the date that they are available for use.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets.

The estimated useful lives is 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) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out (FIFO) principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of work in progress and manufactured inventories, 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.

2. Significant accounting policies (continued)

(h) Receivables

Prior to 1 August 2010, receivables were initially recognised at their costs and subsequently measured at cost less allowance for doubtful debts.

Following the adoption of FRS 139, trade and other receivables are categorised and measured as loans and receivables in accordance with Note 2(c).

(i) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of pledged deposits.

Cash and cash equivalents are categorised and measured as loans and receivables in accordance with policy Note 2(c).

(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 equity instrument, a significant or prolonged decline in the fair value below its cost is an objective evidence of impairment.

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.

An impairment loss in respect of available-for-sale financial assets is recognised in profit or loss and is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and the asset's current fair value, less any impairment loss previously recognised. Where a decline in the fair value of an available-for-sale financial asset has been recognised in the other comprehensive income, the cumulative loss in other comprehensive income is reclassified from equity and recognised to profit or loss.

2. Significant accounting policies (continued)

(j) Impairment (continued)

(i) Financial assets (continued)

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 deferred tax asset) 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 groups of assets (the "cash-generating unit").

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.

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

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

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 year in which the reversals are recognised.

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 issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Preference share capital

Preference share capital is classified as equity if it is non-redeemable, or is redeemable but only at the Company's option, and any dividends are discretionary. Dividends thereon are recognised as distributions within equity.

Preference share capital is classified as liability if it is redeemable on a specific date or at the option of the equity holders, or if dividend payments are not discretionary. Dividends thereon are recognised as interest expense in profit or loss.

(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.

The Group's contribution to statutory pension fund is charged to the income statements in the year to which they relate. Once the contributions have been paid, the Group has no further payment obligations.

(ii) 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 options. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest.

2. Significant accounting policies (continued)

(l) Employee benefits (continued)

(ii) Share-based payment transactions (continued)

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.

(m) Revenue and other income

(i) Goods sold

Revenue from the sale of goods is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, 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.

(ii) Dividend income

Dividend income is recognised in profit or loss, when the right to receive payment is established.

(iii) Interest income

Interest income is recognised as it accrues using the effective interest method.

2. Significant accounting policies (continued)

(m) Revenue and other income (continued)

(iv) Project management

As soon as the outcome of a project management contract can be estimated reliably, contract revenue and expenses are recognised in the income statement in proportion to the stage of completion of the contract. Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably.

The stage of completion is assessed by reference to surveys of work. When the outcome of a contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in the income statement.

(n) Income tax

Income tax expense comprises current and deferred tax. Income tax expense is 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 on the taxable income 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 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 apply 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.

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.

2. Significant accounting policies (continued)

(n) Income tax (continued)

A tax incentive that is not a tax base of an asset is recognised as a reduction of tax expense in profit or loss as and when it is granted and claimed. 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.

(o) Earnings per 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.

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

(p) Operating segments

All 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. An operating segment's operating 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.

3. Property, plant and equipment

Group	Freehold land and building* RM	Leasehold land RM	Leasehold buildings RM	Plant and machinery RM	Motor vehicles RM	Renovations RM	Factory and office fittings, equipment and project site fittings RM	Total RM
Cost								
At 1 August 2009	1,490,000	-	4,921,806	4,144,239	2,193,608	762,183	2,637,680	16,149,516
Effect of adoption of FRS 117	-	1,670,062	-	-	-	-	-	1,670,062
At 1 August 2009, *restated*	1,490,000	1,670,062	4,921,806	4,144,239	2,193,608	762,183	2,637,680	17,819,578
Additions	-	-	1,712,286	1,051,325	363,786	-	1,096,946	4,224,343
Disposals	-	-	-	(170,671)	(379,230)	-	(23,369)	(573,270)
Write-off	-	-	-	(85)	-	-	(59,336)	(59,421)
At 31 July 2010/1 August 2010, *restated*	1,490,000	1,670,062	6,634,092	5,024,808	2,178,164	762,183	3,651,921	21,411,230
Additions	-	-	98,714	1,936,274	1,432,286	238,000	1,025,667	4,730,941
Disposals	-	-	-	(1,325,994)	(547,488)	-	(59,736)	(1,933,218)
Write-off	-	-	-	(22,368)	-	(4,150)	(214,026)	(240,544)
At 31 July 2011	1,490,000	1,670,062	6,732,806	5,612,720	3,062,962	996,033	4,403,826	23,968,409
Depreciation								
At 1 August 2009,	-	-	415,354	1,028,746	503,804	246,055	983,740	3,177,699
Effect of adoption of FRS 117	-	178,898	-	-	-	-	-	178,898
At 1 August 2009, *restated*	-	178,898	415,354	1,028,746	503,804	246,055	983,740	3,356,597
Depreciation for the year	-	18,479	104,571	475,688	260,470	82,878	497,221	1,439,307
Disposals	-	-	-	(117,029)	(332,658)	-	(11,548)	(461,235)
Write-off	-	-	-	(32)	-	-	(47,450)	(47,482)
At 31 July 2010/1 August 2010, *restated*	-	197,377	519,925	1,387,373	431,616	328,933	1,421,963	4,287,187
Depreciation for the year	-	18,479	217,556	594,483	338,031	90,812	915,475	2,174,836
Disposals	-	-	-	(1,237,979)	(255,550)	-	(23,331)	(1,516,860)
Write-off	-	-	-	(20,628)	-	(4,150)	(206,322)	(231,100)
At 31 July 2011	-	215,856	737,481	723,249	514,097	415,595	2,107,785	4,714,063
Carrying amounts								
At 1 August 2009, *restated*	1,490,000	1,491,164	4,506,452	3,115,493	1,689,804	516,128	1,653,940	14,462,981
At 31 July 2010/1 August 2010, *restated*	1,490,000	1,472,685	6,114,167	3,637,435	1,746,548	433,250	2,229,958	17,124,043
At 31 July 2011	1,490,000	1,454,206	5,995,325	4,889,471	2,548,865	580,438	2,296,041	19,254,346

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

Motor vehicle acquired under finance lease plan

The carrying amounts of motor vehicle acquired under finance lease plans are RM840,336 (2010: RM389,939).

3. Property, plant and equipment (continued)

Company	**Fittings 2011 RM**
Cost	
At 1 August	-
Addition	2,800
At 31 July	2,800
Depreciation	
At 1 August	-
Depreciation for the year	163
At 31 July	163
Carrying amounts	
At 31 July	2,637

3.1 Land

Included in the carrying amounts of leasehold land are:

	Group 2011 RM	**Group 2010 RM restated**
Leasehold land with unexpired lease period of more than 82 years	1,454,206	1,472,685

The carrying amounts of land at 1 August 2009 and 31 July 2010 have been adjusted following the adoption of the amendments to FRS 117, *Leases*, where leasehold land, in substance is a finance lease, has been reclassified from prepaid lease payments to property, plant and equipment.

4. Intangible assets

	Trademarks 2011 RM	Trademarks 2010 RM
Cost		
At 31 July/ 1 August	24,822	24,822
Additional	1,530	-
At 31 July	26,352	24,822
Amortisation		
At 1 August	9,145	7,789
Amortisation for the year	3,460	1,356
At 31 July	12,605	9,145
Carrying amounts		
At 31 July	13,747	15,677

5. Prepaid lease payments

	2011 RM
Cost	
At 1 August 2009	2,366,455
Effect of adoption amendments to FRS 117	(1,670,062)
At 1 August 2009, *restated*	696,393
Addition	5,371
At 1 August 2010, *restated*	701,764
Addition	15,555
At 1 August 2009/31 July 2010, *restated*/31 July 2011	717,319

5. Prepaid lease payments (continued)

	2011 RM
Amortisation	
At 1 August 2009	194,923
Effect of adoption amendments to FRS 117	(178,899)
At 1 August 2009, *restated*	16,024
Amortisation for the year	34,830
Effect of adoption amendments to FRS 117	(18,479)
Amortisation for the year, *restated*	16,351
At 31 July 2010/1 August 2010	32,375
Amortisation for the year	20,474
At 1 August 2009/31 July 2010, *restated*/31 July 2011	52,849
Carrying amounts	
At 1 August 2009, *restated*	680,369
At 31 July 2010/1 August 2010, *restated*	669,389
At 31 July 2011	664,470

6. Investments in subsidiaries

	Company	
	2011 RM	2010 RM
At cost:		
Unquoted shares	15,766,486	12,273,998

6. Investments in subsidiaries (continued)

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest 2011 %	2010 %
Greenyield Industries (M) Sdn. Bhd.	Malaysia	Manufacturing and marketing of agricultural systems and products, plastic related products	100	100
Gim Triple Seven Sdn. Bhd. and its subsidiary:-	Malaysia	Marketing and distribution of agricultural related systems and products	100	100
Givnflow Company Limited*	Vietnam	Manufacturing and distribution of agricultural systems and products, plastic related products	100	100
Gimflow Sdn. Bhd.	Malaysia	Marketing and distribution of agricultural related systems and products and project management of a plantation	100	100
RCP Technologies Sdn. Bhd.	Malaysia	Trading of agricultural and plantation tools and providing technical and consultancy services	100	100

* Not audited by KPMG and consolidated based on management accounts.

7. Investment in associate

	Group 2011 RM	2010 RM
At cost:		
Unquoted shares*	600,000	600,000
Share of post-acquisition reserves	(19,655)	(8,705)
	580,345	591,295

7. Investment in associate (continued)

Summary financial information on associate:

Group

2011	**Country of incorporation**	**Effective ownership interest %**	**Loss (100%) RM'000**	**Total assets (100%) RM'000**	**Total liabilities (100%) RM'000**
Melati Aman Sdn. Bhd.	Malaysia	30	26,290	9,783,229	8,848,365
2010					
Melati Aman Sdn. Bhd.	Malaysia	30	27,652	3,343,021	2,372,036

The associate is yet to generate any revenue and accordingly no revenue to be disclosed.

* The Associate is not audited by KPMG. Equity accounted based on management accounts.

8. Other investments

	Total RM	**Shares Unquoted RM**
Non-current		
Available-for-sale financial assets	2,000,000	2,000,000
Representing item at cost	2,000,000	2,000,000

9. Trade and other receivables

		Group		Company	
		2011	2010	2011	2010
	Note	RM	RM	RM	RM
Trade					
Trade receivables		9,041,070	7,734,903	-	-
Non-trade					
Amount due from subsidiaries	9.1	-	-	14,194,750	3,173,238
Amount due from associate	9.1	191,500	465,000	-	-
Other receivables		821,354	333,079	57,398	-
Deposits		193,406	70,417	1,000	1,500
Prepayments		285,467	145,042	9,979	7,500
		1,491,727	1,013,538	14,263,127	3,182,238
		10,532,797	8,748,441	14,263,127	3,182,238

9.1 Amount due from subsidiaries and associate

The amount due from subsidiaries and associate are unsecured, interest free and repayable on demand.

10. Inventories

	Group	
	2011	2010
	RM	RM
At cost:		
Raw materials	3,924,824	1,893,527
Work-in-progress	719,536	1,555,883
Agricultural parts	310,742	1,474,050
Packaging materials	361,312	269,276
Finished goods	2,691,541	834,498
	8,007,955	6,027,234
Recognised in profit or loss:		
Inventories recognised as cost of sales	30,659,563	22,579,578

11. Cash and cash equivalents

		Group		Company	
		2011	2010	2011	2010
	Note	RM	RM	RM	RM
Deposits with licensed banks	11.1	5,565,693	9,557,684	3,375,693	5,332,212
Cash and bank balances		8,635,492	3,431,779	1,609,374	28,709
		14,201,185	12,989,463	4,985,067	5,360,921

11.1 Deposits with licensed banks pledged for bank facilities

Included in deposits placed with licensed banks is RM2,056,994 (2010: RM1,752,715) pledged for bank facilities granted to subsidiaries.

12. Share capital and reserves

Share capital	Company			
	Amount 2011 RM	Number of shares 2011	Amount 2010 RM	Number of shares 2010
Authorised				
Ordinary shares of RM0.10 each	25,000,000	250,000,000	25,000,000	250,000,000
Issued and fully paid				
Ordinary shares of RM0.10 each				
At 1 August	16,500,000	165,000,000	16,500,000	165,000,000
Issue of shares under the Employee Share Option Scheme	184,110	1,841,100	-	-
At 31 July	16,684,110	166,841,100	16,500,000	165,000,000

12. Share capital and reserves (continued)

Reserves	Note	Group 2011 RM	Group 2010 RM	Company 2011 RM	Company 2010 RM
Non-distributable					
Share premium reserve	12.2	3,511,655	3,168,484	3,511,655	3,168,484
Share option reserve	12.3	31,467	197,709	31,467	197,709
Translation reserve	12.4	-	10,370	-	-
		3,543,122	3,376,563	3,543,122	3,366,193
Distributable					
Retained earnings		26,253,022	22,180,795	14,820,707	962,899
		29,796,144	25,557,358	18,363,829	4,329,092

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

12.1 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.

12.2 Share premium reserve

This reserve comprises the premium paid on subscription of shares in the Company over and above the par value of the shares.

12.3 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 15.

12.4 Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations as well as from the translation of liabilities that hedge the Company's net investment in a foreign subsidiary.

13. Borrowings

	Group 2011 RM	Group 2010 RM
Non-current		
Finance lease liabilities	303,047	57,732
Current		
Finance lease liabilities	214,701	115,823

Finance lease liabilities

Finance lease liabilities are payable as follows:

Group	Future minimum lease payments 2011 RM	Interest 2011 RM	Present value of minimum lease payments 2011 RM	Future minimum lease payments 2010 RM	Interest 2010 RM	Present value of minimum lease payments 2010 RM
Less than one year	231,293	16,592	214,701	123,117	7,294	115,823
Between one and five years	316,100	13,053	303,047	59,182	1,450	57,732
	547,393	29,645	517,748	182,299	8,744	173,555

14. Deferred tax liabilities

Deferred tax liabilities are attributable to the following:

	Group	
	2011	**2010**
	RM	**RM**
Property, plant and equipment		
- capital allowances	960,829	939,091
- revaluation	584,040	591,768
Others	(38,350)	(38,350)
	1,506,519	1,492,509

Movement in temporary differences during the year

Group	**At 1.8.2009 RM**	**Recognised in profit or loss RM (Note 20)**	**At 31.7.2010 RM**	**Recognised in profit or loss RM (Note 20)**	**At 31.7.2011 RM**
Property, plant and equipment					
- capital allowances	794,420	144,671	939,091	21,738	960,829
- revaluation	599,496	(7,728)	591,768	(7,728)	584,040
Others	-	(38,350)	(38,350)	-	(38,350)
	1,393,916	98,593	1,492,509	14,010	1,506,519

15. 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 2011 RM	Number of options 2011	Weighted average exercise price 2010 RM	Number of options 2010
Outstanding at 1 August	0.21	2,588,000	0.21	2,595,000
Forfeited during the year	0.21	(335,000)	0.21	(7,000)
Exercised during the year	0.21	(1,841,100)	0.21	-
Outstanding at 31 July	0.21	411,900	0.21	2,588,000
Exercisable at 31 July	0.21	411,900	0.21	2,588,000

16. Trade and other payables

	Note	Group 2011 RM	Group 2010 RM	Company 2011 RM	Company 2010 RM
Trade					
Trade payables		3,477,658	2,648,406	-	-
Non-trade					
Other payables		4,407,351	1,383,742	20,359	-
Accrued expenses		-	25,355	-	5,000
Amount due to Directors	16.1	5,599	5,667	-	-
		4,412,950	1,414,764	20,359	5,000
		7,890,608	4,063,170	20,359	5,000

16.1 Amounts due to Directors

The amounts due to Directors are unsecured, interest free and repayable on demand.

17. Revenue

	Group 2011 RM	Group 2010 RM	Company 2011 RM	Company 2010 RM
Dividend income	-	-	22,093,177	3,585,000
Sale of goods	48,239,090	38,493,758	-	-
	48,239,090	38,493,758	22,093,177	3,585,000

18. Profit for the year

	Group 2011 RM	Group 2010 RM restated	Company 2011 RM	Company 2010 RM
Profit for the year is arrived at after charging:				
Amortisation of trademarks (Note 4)	3,460	1,356	-	-
Amortisation of prepaid lease (Note 5)	20,474	16,351	-	-
Auditors' remuneration:				
- Auditors of the Company	84,000	75,000	17,000	15,000
- Other auditors	6,300	16,146	-	-
- Other services by auditors of the Company	110,400	9,000	110,400	9,000
Depreciation of property, plant and equipment (Note 3)	2,174,836	1,439,307	163	-
Interest expense on:				
- Hire purchase	24,236	13,029	-	-
- Others	61,794	54,006	35	65
Net realised foreign exchange loss	-	64,932	-	-
Personnel expenses (including key management personnel):				
Contribution to Employees' Provident Fund	414,710	367,391	-	-
Wages, salaries and others	5,369,784	4,369,067	-	-
Property, plant and equipment written off	9,444	11,939	-	-
Rental of premises	282,839	232,040	-	-
and after crediting:				
Gain on disposal of property, plant and equipment	90,151	158,418	-	-
Interest income on fixed deposits	182,671	286,022	94,618	165,083
Net realised foreign exchange gain	47,174	-	-	-

19. Key management personnel compensation

The key management personnel compensations are as follows:

	Group		Company	
	2011	2010	2011	2010
	RM	RM	RM	RM
Directors' emoluments				
- Fees	46,500	36,000	46,500	36,000
- Remuneration	1,376,101	1,176,175	-	-
- Contribution to Employees' Provident Fund	116,491	106,489	-	-
Other short term employee benefits (including estimated monetary value of benefits-in-kind)	11,252	10,531	10,300	9,800
	1,550,344	1,329,195	56,800	45,800

20. Income tax expense

Recognised in profit or loss

	Group		Company	
	2011	2010	2011	2010
	RM	RM	RM	RM
Current tax expense				
Malaysian - current year	2,248,815	2,155,829	4,459,633	3,105
- prior year	(70,838)	71,524	(13,503)	(2,783)
	2,177,977	2,227,353	4,446,130	322
Deferred tax expense				
Origination and reversal of temporary differences	48,674	213,507	-	-
Under provision in prior years	(34,664)	(114,914)	-	-
	14,010	98,593	-	-
	2,191,987	2,325,946	4,446,130	322

20. Income tax expense (continued)

Reconciliation of effective tax expense

	Group 2011 RM	Group 2010 RM	Company 2011 RM	Company 2010 RM
Profit before tax	9,575,960	9,650,254	21,615,684	3,449,806
Tax calculated using Malaysian tax rate of 25%	2,393,990	2,412,564	5,403,921	862,451
Tax incentives	(373,882)	(192,330)	-	-
Non-deductible expenses	480,942	200,289	123,678	56,802
Non assessable income	(203,561)	(19,175)	(1,067,966)	(916,148)
Other items	-	(32,012)	-	-
	2,297,489	2,369,336	4,459,633	3,105
Over provision in prior years	(105,502)	(43,390)	(13,503)	(2,783)
	2,191,987	2,325,946	4,446,130	322

21. Earnings per share

Basic earnings per share

The calculation of basic earnings per ordinary share at 31 July 2011 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding calculated as follows:

	Group 2011 RM	Group 2010 RM
Profit attributable to ordinary shareholders	7,383,973	7,324,308
Weighted average number of ordinary shares:		
Issued ordinary shares at beginning and end of the year	166,841,100	165,000,000
Basic earnings per share (in sen)	4.43	4.44

21. Earnings per share (continued)

Diluted earnings per share

The calculation of diluted earnings per ordinary share at 31 July 2011 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	
	2011	**2010**
	RM	**RM**
Profit attributable to ordinary shareholders (diluted)	7,383,973	7,324,308
Weighted average number of ordinary shares at 31 July	166,841,100	165,000,000
Effects of share options on issue	411,900	2,588,000
Weighted average number of ordinary shares (diluted) at 31 July	167,253,000	167,588,000
Diluted earnings per share (in sen)	4.41	4.38

22. Dividends

Dividends recognised in the current year by the Company are:

	Sen per share (net of tax)	**Total amount RM**	**Date of payment**
2011			
Final 2010 ordinary	2.0	3,311,746	07 January 2011
2010			
Final 2009 ordinary	1.5	2,475,000	07 January 2010

The final dividend recommended by the Directors in respect of the year ended 31 July 2011 is 1.0 sen per share totalling RM3,337,400.

23. 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 strategy. For each of the strategic business unit, the Group's Managing Director reviews internal management reports on at least a quarterly basis. The following summary describes the operation in each Group's reportable segments.

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

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

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

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.

	Plantation		Non-plantation		Eliminations		Consolidated	
	2011 RM	2010 RM	2011 RM	2010 RM	2011 RM	2010 RM	2011 RM	2010 RM
Business segments								
Revenue from external customers	35,275,430	26,273,891	12,963,660	12,219,867	-	-	48,239,090	38,493,758
Inter-segment revenue	10,751,794	8,528,619	23,245,716	3,585,000	(33,997,510)	(12,113,619)	-	-
Total segment revenue	46,027,224	34,802,510	36,209,376	15,804,867	(33,997,510)	(12,113,619)	48,239,090	38,493,758
Segment results*							17,579,527	15,914,180
Unallocated income							818,729	603,885
Unallocated expenses							(8,907,987)	(7,078,093)
Operating profit							9,490,269	9,439,972
Finance costs							(86,030)	(67,035)
Interest income							182,671	286,022
Share of loss in associate (net)							(10,950)	(8,705)
Tax expense							(2,191,987)	(2,325,946)
Profit for the year							7,383,973	7,324,308

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

23. Operating Segment (continued)

Geographical segments

The plantation and non-plantation products segment are managed on a worldwide basis but operate manufacturing facilities and sales offices in Malaysia and Vietnam.

In presenting information on the basis on geographical segments, segments' revenue is based on geographical location of customers. Segment assets are based on the geographical location of the assets. The amount of non-current assets do not include financial instrument (including investment in associate).

Geographical information

2011	**Revenue RM**	**Non-current assets RM**
Malaysia	11,406,498	19,285,536
South East Asia other than Malaysia	12,030,420	2,647,027
United States of America	4,100,251	-
Europe	15,284,019	-
Africa	3,858,456	-
Others	1,559,446	-
	48,239,090	21,932,563
2010		
Malaysia	5,837,027	15,103,003
South East Asia other than Malaysia	12,606,135	2,706,106
United States of America	4,880,845	-
Europe	10,602,459	-
Africa	3,545,388	-
Others	1,021,904	-
	38,493,758	17,809,109

23. Segment reporting (continued)

Major customers

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

Group	Revenue 2011 RM	Revenue 2010 RM	Segment
All common control companies of:			
- Customer A	9,817,740	5,948,474	Non-plantation
- Customer B	2,738,389	4,504,508	Non-plantation
- Customer C	5,017,508	4,498,401	Plantation
- Customer D	3,631,986	3,958,843	Plantation
	21,205,623	18,910,226	

24. Financial instruments

Certain comparative figures have not been presented for 31 July 2010 by virtue of the exemption given in paragraph 44AA of FRS 7.

24.1 Categories of financial instruments

The table below provides an analysis of the various categories of financial instruments:

(a) Loans and receivables (L&R);
(b) Available-for-sale financial assets (AFS); and
(c) Other financial liabilities measured at amortised cost (OL).

	Carrying amount RM'000	L&R RM'000	AFS RM'000
2011			
Financial assets			
Group			
Other investments	2,000	-	2,000
Trade and other receivables	10,247	10,247	-
Cash and cash equivalents	14,201	14,201	-
	26,448	24,448	2,000

24. Financial instruments (continued)

24.1 Categories of financial instruments (continued)

	Carrying amount RM'000	L&R RM'000	AFS RM'000
2011			
Financial assets			
Company			
Trade and other receivables	14,253	14,253	-
Cash and cash equivalents	4,985	4,985	-
	19,238	19,238	-

2011	Carrying amount RM'000	OL RM'000
Financial liabilities		
Group		
Borrowings	518	518
Trade and other payables	7,891	7,891
	8,409	8,409
Company		
Trade and other payables	20	20

24.2 Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

24. Financial instruments (continued)

24.3 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 and investment securities. The Company's exposure to credit risk arises principally from loans and 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

At the end of reporting date, there were no significant concentrations of credit risk other than 24% of the Company's trade debts owed by two (2) customers (2010 – 60% by three (3) customers). The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement 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, which are deemed to have higher credit risk, are monitored individually.

The ageing of receivables as at the end of the reporting period was:

	Gross RM'000	Individual impairment RM'000	Net RM'000
2011			
Not past due	4,281	-	4,281
Past due 0 - 30 days	1,895	-	1,895
Past due 31 - 120 days	2,044	-	2,044
Past due more than 121 days	821	-	821
	9,041	-	9,041

24. Financial instruments (continued)

24.3 Credit risk (continued)

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

Included in the past due balances are two significant customers of which, one of the customer has made payments in full subsequent to the financial year end and another customer has agreed a new repayment schedule and is expected to make due all outstanding amounts within the next financial year. This particular customer is a government link Company.

Impairment losses

There is no allowance for impairment losses of receivables during the year.

Investments and other financial assets

Risk management objectives, policies and processes for managing the risk

Investments are allowed only with counterparties that have a good credit rating.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the Group has only invested in domestic equity. The maximum exposure to credit risk is represented by the carrying amounts in the statement of financial position.

In view of the sound credit rating of counterparties, management does not expect any counterparty to fail to meet its obligations.

The investments and other financial assets are unsecured.

Inter company balances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured loans and advances to subsidiaries and associates which are repayable on demand. The Company monitors the results of the subsidiaries and associates 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 their carrying amounts in the statement of financial position.

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

24. Financial instruments (continued)

24.4 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 and bank facilities 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.

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:

Group	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000	Over 1 year RM'000
2011					
Non-derivative financial liabilities					
Finance lease liabilities	518	3.65	547	215	303
Trade and other payables	7,891	-	7,891	7,891	-
	8,409	3.65	8,438	8,106	303

24.5 Market risk

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

24. Financial instruments (continued)

24.5 Market risk (continued)

24.5.1 Currency risk

The Group is exposed to foreign currency risk on sales, purchases and borrowings 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) and Euro Dollar (EUR)*.

Risk management objectives, policies and processes for managing the risk

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

As at 31 July 2011, the Company did not have any hedging contracts or arrangement for any foreign currency.

Exposure to foreign currency risk

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

	Denominated in	
Group	***USD***	***EUR***
	RM'000	**RM'000**
2011		
Trade receivables	4,678	1,534
Trade payables	(989)	-
Cash and cash equivalents	4,470	7
Exposure in the statement of financial position	8,159	1,541

24. Financial instruments (continued)

24.5 Market risk (continued)

24.5.1 Currency risk (continued)

Currency risk sensitivity analysis

A 10% strengthening of the USD and EUR against the following currencies at the end of the reporting period would have increased (decreased) equity and post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

Group	Equity RM'000	Profit or loss RM'000
2011		
USD	612	612
EUR	116	116
	=====	=====

A 10% weakening of USD and EUR 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.

24.5.2 Interest rate risk

The Company's exposure to a risk of change in their fair value due to changes in interest rates relates primarily to the finance lease liabilities. Investments in short term receivables and payables are not significantly exposed to interest rate risk.

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 was:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Fixed rate instruments				
Fixed deposits	5,566	9,557	3,376	5,332
Finance lease liabilities	518	174	-	-
	6,084	9,731	3,376	5,332
	=====	=====	=====	=====

24. Financial instruments (continued)

24.5 Market risk (continued)

24.5.2 Interest rate risk (continued)

Interest rate risk sensitivity analysis

(a) Fair value sensitivity analysis for fixed rate instruments

The Group has only one (1) fixed-rate fixed deposits which are deposited within not more than 12 months. Accordingly, the exposure to interest rate risk of the Group is not material and hence, sensitivity analysis is not presented.

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.

24.6 Fair value of financial instruments

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

25. 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 2011, the Group's strategy, which was unchanged from 2010, was to maintain an optimal debt-to-equity ratio.

	Group	
	2011	**2010**
	RM'000	**RM'000**
Total borrowings (Note 13)	518	174
Less: Cash and cash equivalents (Note 11)	(14,201)	(12,989)
Net debt	(13,683)	(12,815)
Total equity	46,480	42,057

25. Capital management (continued)

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

Under the requirement of Bursa Malaysia Practice Note No. 17/2005, the Company is required to maintain a consolidated shareholders' equity equal to or not less than the 25 percent of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40 million. The Company has complied with this requirement.

26. Capital commitment

	Group	
	2011	**2010**
	RM	**RM**
Property, plant and equipment		
Contracted but not provided for		
Payable within one year	-	72,167
	=====	=====

27. Subsequent and significant events

1. On 26 July 2011, the Company announced to Bursa Malaysia Securities Berhad the following:

   i) Its application in relation to the listing of and quotation for new ordinary shares of RM0.10 each in Greenyield to be issued pursuant to the Proposed Bonus Issue of up to 178,791,000 new ordinary shares and Proposed Special Issue of up to 10% of the issued and paid-up capital of Greenyield to Bumiputera investors falling within the ambit of schedules 6 and 7 of The Capital Markets and Services Act 2007 ("Bumiputera Investors").

   ii) Its application in relation to the proposed increase in the authorised share capital of Greenyield from RM25,000,000 comprising 250,000,000 shares to RM50,000,000 comprising 500,000,000 shares.

   iii) Its application in relation to the proposed transfer of the listing of and quotation of the entire issued and paid up share capital of Greenyield from the ACE Market to Main Market of Bursa Malaysia Securities Berhad.

2. On 8 November 2011, the Company announced to Bursa Malaysia Securities Berhad on the completion of the listing of and quotation for 166,870,000 new ordinary shares on the ACE Market pursuant to the Proposed Bonus Issue.

28. Significant changes in accounting policies

28.1 FRS 139, *Financial Instruments: Recognition and Measurement*

The adoption of FRS 139 has resulted in several changes to accounting policies relating to recognition and measurement of financial instruments. Significant changes in accounting policies are as follows:

Investments in equity securities

Prior to the adoption of FRS 139, investments in non-current equity securities, other than investments in subsidiaries and associates were measured at cost less allowance for diminution in value which is other than temporary. With the adoption of FRS 139, quoted investments in non-current equity securities, other than investments in subsidiaries and associates are now categorised and measured as fair value through profit or loss, or as available-for-sale as detailed in Note 2(c).

Prior to the adoption of FRS 139, current investments were carried at the lower of cost and market value, determined on an aggregate portfolio basis by category of investments. With the adoption of FRS 139, current investments are now categorised and measured as fair value through profit or loss as detailed in Note 2(c).

Impairment of trade and other receivables

Prior to the adoption of FRS 139, an allowance for doubtful debts was made when a receivable is considered irrecoverable by the management. With the adoption of FRS 139, an impairment loss is recognised for trade and other receivables 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.

These changes in accounting policies have been made in accordance with the transitional provisions of FRS 139. In accordance to the transitional provisions of FRS 139 for first-time adoption, adjustments arising from remeasuring the financial instruments at the beginning of the financial year were recognised as adjustments of the opening balance of retained earnings or another appropriate reserve. Comparatives are not adjusted.

Consequently, the adoption of FRS 139 does not affect the basic and diluted earnings per ordinary share for prior periods. It is not practicable to estimate the impact arising from the adoption of FRS 139 to the current year's basic and diluted earnings per share.

28. Significant changes in accounting policies (continued)

28.2 FRS 101, *Presentation of Financial Statements* (revised)

The Group applies FRS 101 (revised) which became effective as of 1 August 2010. As a result, the Group presents all non-owner changes in equity in the consolidated statement of comprehensive income.

Comparative information has been re-presented so that it is in conformity with the revised standard. Since the change only affects presentation aspects, there is no impact on earnings per share.

28.3 FRS 117, *Leases*

The Group has adopted the amendment to FRS 117. The Group has reassessed and determined that all leasehold land of the Group which are in substance is finance leases and has reclassified the leasehold land to property, plant and equipment. The change in accounting policy has been made retrospectively in accordance with the transitional provisions of the amendment.

The reclassification does not affect the basic and diluted earnings per ordinary share for the current and prior periods.

29. Comparative figures

29.1 FRS 101, *Presentation of Financial Statements* (revised)

Arising from the adoption of FRS 101 (revised), income statements for the year ended 31 July 2010 have been re-presented as statement of comprehensive income. All non-owner changes in equity that were presented in the statement of changes in equity are now included in the statement of comprehensive income as other comprehensive income. Consequently, components of comprehensive income are not presented in the statement of changes in equity.

29.2 FRS 117, *Leases*

Following the adoption of IC Interpretation 10 and adoption of the amendment to FRS 117, certain comparatives have been re-presented as follows:

	Group			
	31.7.2010		1.8.2009	
	As restated RM'000	As previously stated RM'000	As restated RM'000	As previously stated RM'000
Cost				
Property, plant and equipment	17,124	15,651	14,463	12,972
Prepaid lease payments	669	2,142	680	2,171
	======	======	======	======

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

On 25 March 2010, Bursa Malaysia Securities Berhad ("Bursa Malaysia") issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Bursa Malaysia further issued another directive on the disclosure and the prescribed format of presentation.

The breakdown of the retained earnings of the Group and of the Company as at 31 July 2011, into realised and unrealised profits, pursuant to the directive, is as follows:

	2011	
	Group RM'000	**Company RM'000**
The retained profits of the Company and its subsidiaries:		
- Realised	36,020	14,821
- Unrealised	(1,036)	-
	34,984	14,821
The share of retained profits from associate:		
- Realised	(20)	-
	34,964	14,821
Less: Consolidation adjustments	(8,711)	-
Total group retained profits as per consolidated accounts	26,253	14,821

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/ STATUTORY DECLARATION

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 35 to 87 are drawn up in accordance with the Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial positions of the Group and of the Company as of 31 July 2011 and of their financial performances and cash flows for the year then ended.

In the opinion of the Directors, the information set out in Note 30 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 2011

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

I, **Wong Kok Fong**, the officer primarily responsible for the financial management of Greenyield Berhad, do solemnly and sincerely declare that the financial statements set out on pages 35 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 11 November 2011.

....
Wong Kok Fong

Before me:

INDEPENDENT AUDITORS' REPORT
To the Members of Greenyield Berhad

Report on the Financial Statements

We have audited the financial statements of Greenyield Berhad, which comprise the statements of financial position as at 31 July 2011 of the Group and of the Company, and the statements of 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 35 to 87.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia, and for such internal control as the Directors determine are 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 have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial positions of the Group and of the Company as of 31 July 2011 and of their financial performances and cash flows for the year then ended.

INDEPENDENT AUDITORS' REPORT
To the Members of Greenyield Berhad (continued)

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 the auditors' reports of the subsidiary of which we have not acted as auditors, which are indicated in Notes 6 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.

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 30 to the financial statements has been compiled by the Company as required by the Bursa Malaysia Securities Berhad Listing Requirements. 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

Lee Yee Keng
Approval Number: 2880/04/13(J)
Chartered Accountant

Petaling Jaya,
Date: 11 November 2011

LIST OF PROPERTIES

Registered Owner & Address of Property	Title	Date of Acquisition (A)/ Revaluation (R)	Age of Building (Years)	Tenure	Existing Use	Land Area / Build-Up Area	Audited Net Book Value As At 31.07.2011 (RM)
Greenyield Industries (M) Sdn. Bhd. No. 116, Jalan Lapan Kompleks Perabot Olak Lempit Tg. Duabelas, 42700 Banting Selangor Darul Ehsan	Land and building held under PT 4055, H.S. (M) 5725 Mukim of Tg Duabelas District of Kuala Langat Selangor Darul Ehsan	31.01.1995 (A) 23.03.2004 (R)	10	Leasehold (Expiry on 26.09.2087)	Factory	130,680 sq ft / 75,110 Sq ft*	3,707,260
Gim Triple Seven Sdn. Bhd. No. 21 & 23 Jalan Seksyen 3/7 Taman Kajang Utama 43000 Kajang Selangor Darul Ehsan	PT 35634 & PT 35635 Mukim of Kajang District of Hulu Langat Selangor Darul Ehsan	24.01.1997 (A)	14	Freehold	Office Building	3,728 sq ft	1,401,984
Givnflow Company Limited (Vietnam) No. 10, VSIP II, Street 7 Vietnam Singapore Industrial Park II, Binh Duong Industry-Service-Urban Complex, Hoa Phu Ward, Thu Dau Mot Town, Binh Duong Province, Vietnam	Land Lot 282	04.03.2008 (A)	3	Leasehold (Expiry on 16.10.2055)	Office Building and Factory	6,800 sqm (73,195 Sq ft)	1,672,142

Note : * Building only

ANALYSIS OF SHAREHOLDINGS
As at 11 November 2011

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	0.195	40	0.000
100 – 1,000	23	2.248	8,200	0.002
1,001 – 10,000	309	30.205	1,744,500	0.522
10,001 – 100,000	524	51.221	20,014,900	5.997
100,001 to less than 5% of issued shares	163	15.933	117,266,740	35.137
5% and above of issued shares	2	0.195	194,705,620	58.340
Total	1,023	100.00	333,740,000	100.00

LIST OF TOP 30 HOLDERS

No.	Name	No. of Shares Held	% of Issued Shares
1	Greenyield Holdings Sdn. Bhd.	175,543,060	52.598
2	Twong Yoke Peng	19,062,560	5.711
3	Tham Foo Keong	10,973,160	3.287
4	Tham Foo Choon	8,099,160	2.426
5	Fu Ah Kiow @ Oh (Fu) Soon Guan	6,278,000	1.881
6	Tham Fau Sin	5,377,020	1.611
7	Tham Chong Sing	5,277,220	1.581
8	Mayban Securities Nominees (Asing) Sdn. Bhd. (Exempt an for UOB Kay Hian Pte. Ltd)	4,920,200	1.474
9	Saw Kee Thiam	2,434,000	0.729
10	Tay Kim Chai	2,371,460	0.710
11	Saw Kee Thiam	2,307,000	0.691
12	Phang Sun Wah	2,240,000	0.671
13	Sivakumaran A/L Seenivasagam	2,201,420	0.659
14	Tham Kin Wai	2,172,000	0.650
15	Lim Seng Keong	1,920,000	0.575
16	Chang Mun Lin	1,800,000	0.539
17	Tham Kin Leet	1,706,000	0.511
18	Tham Kinyiq	1,652,000	0.494
19	JF Apex Nominees (Tempatan) Sdn. Bhd. (Pledged Securities Account for Teo Siew Lai)	1,640,200	0.491
20	Chi Bee Chin	1,382,000	0.414
21	Ang Lip Chee	1,357,800	0.406
22	Tham Chui Ping	1,292,000	0.387
23	Lee Beng Chuan	1,263,600	0.378
24	Teo Kwee Hock	1,197,700	0.358
25	Pang Chong Yong	1,180,000	0.353

ANALYSIS OF SHAREHOLDINGS
As at 11 November 2011 (continued)

LIST OF TOP 30 HOLDERS (continued)

No.	Name	No. of Shares Held	% of Issued Shares
26	Er Wan Inn	1,151,800	0.345
27	Ang Lip Chee	1,023,200	0.306
28	Citigroup Nominees (Asing) Sdn. Bhd. (Pershing LLC for Gregory Alexander)	1,000,000	0.299
29	Foo Peng Boon	986,200	0.295
30	Yeoh Oon Cheng	946,000	0.283
	Total	270,754,760	81.127

DIRECTORS' SHAREHOLDINGS

	No. of Shares Held			
Name of Directors	Direct	%	Indirect	%
Tham Foo Keong	10,973,160	3.29	194,705,620[a]	58.34
Tham Foo Choon	8,099,160	2.43	175,543,060[b]	52.60
Dr Sivakumaran A/L Seenivasagam	2,201,420	0.66	-	-
Tham Kin Wai	2,172,000	0.65	-	-
Dr Zainol Bin Md Eusof	210,000	0.06	-	-
Yong Swee Lin	-	-	-	-
Mahbob Bin Abdullah	270,000	0.08	-	-

Note:
(a) *Deemed interested via his substantial shareholdings in Greenyield Holdings Sdn. Bhd. and shareholding held by his spouse.*
(b) *Deemed interested via his substantial shareholdings in Greenyield Holdings Sdn. Bhd.*

SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

	No. of Shares Held			
Name of Substantial Shareholders	Direct	%	Indirect	%
Greenyield Holdings Sdn. Bhd.	175,543,060	52.60	-	-
Twong Yoke Peng	19,162,560	5.74	-	-
Tham Foo Keong[a]	10,973,160	3.29	194,705,620[b]	58.34
Tham Foo Choon[a]	8,099,160	2.43	175,543,060[c]	52.60
Tham Fau Sin[a]	5,377,020	1.61	175,543,060[c]	52.60
Tham Chong Sing[a]	5,277,220	1.58	175,543,060[c]	52.60

Notes
[a] *Brothers*
[b] *Deemed interested via his substantial shareholdings in Greenyield Holdings Sdn. Bhd. and shareholding held by his spouse.*
[c] *Deemed interested via their substantial shareholdings in Greenyield Holdings Sdn. Bhd.*

PROXY FORM

GREENYIELD BERHAD
(Company No. 582216-T)
(Incorporated in Malaysia)

No. of shares held

I/We, ... (NRIC/Company No. ....)

of ....

being a member of **GREENYIELD BERHAD**, hereby appoint ....

.... (NRIC/Company No. ....)

of ....

or failing him/her, ... (NRIC/Company No. ....)

of ....
as my/our proxy to vote for me/us and on my/our behalf at the Ninth Annual General Meeting of the Company to be held at Cempaka Room, Level 3, Hotel Equatorial Bangi-Putrajaya, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor Darul Ehsan on Thursday, 22 December 2011 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 2011 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 of an amount not exceeding RM72,000.00 for the financial year ended 31 July 2011.	1		
3.	To approve the aggregate Directors' fees payable to the Directors of the Company for an amount not exceeding RM72,000.00 for the financial year ending 31 July 2012.	2		
4.	To declare a single tier final dividend of 1.0 sen per ordinary share for the financial year ended 31 July 2011 as recommended by the Directors.	3		
5.	To re-elect Tham Kin Wai who retires pursuant to Article 74 of the Company's Articles of Association.	4		
6.	To re-elect Dr Zainol Bin Md Eusof who retires pursuant to Article 74 of the Company's Articles of Association.	5		
7.	To re-appoint Messrs KPMG as Auditors of the Company and to authorise the Directors to fix their remuneration.	6		
SPECIAL BUSINESS				
8.	Authority under Section 132D of the Companies Act, 1965 for the Directors to issue Shares.	7		
9.	Proposed Renewal of Authority for the Share Buy-Back	8		

[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 .... 2011.

....
Signature / Common Seal of Shareholder

NOTES :

1. *A member entitled to attend and vote at the meeting is entitled to appoint two (2) or more proxies to attend and vote in his stead. A proxy may but need not be a member of the Company.*
2. *Where a member appoints two (2) or more proxies, the appointment shall be invalid unless the member specifies the proportions of his shareholdings to be represented by each proxy.*
3. *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 its Common Seal or under the hand of an officer or attorney duly authorised.*
4. *The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 18, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not less than 48 hours before the time for holding the meeting.*

PLEASE FOLD HERE

Affix
stamp

The Company Secretary
GREENYIELD BERHAD (582216-T)
Level 18, The Gardens North Tower,
Mid Valley City, Lingkaran Syed Putra,
59200 Kuala Lumpur

PLEASE FOLD HERE