

**GREENYIELD BERHAD**

Company No. 200201014553 (582216-T)

# ANNUAL REPORT

# 2021





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# NOTICE OF NINETEENTH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Nineteenth Annual General Meeting of **GREENYIELD BERHAD** will be held at Melati Room, Level 2, Bangi Resort Hotel, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor Darul Ehsan on Wednesday, 08 June 2022 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 December 2021 together with the Reports of the Directors and Auditors thereon.                        | <b>[Please refer to Explanatory Note 1]</b> |
| 2. To approve the payment of a Single Tier Final Dividend of 0.30 sen per share for the financial year ended 31 December 2021.   | <b>Resolution 1</b>                         |
| 3. To approve the aggregate Directors' fees payable to the Directors of the Company for an amount not exceeding RM135,000 per annum for the financial year ending 31 December 2022.  | <b>Resolution 2</b>                         |
| 4. To approve the payment of Directors' benefits for an amount not exceeding RM32,000 for the period from 09 June 2022 until the next Annual General Meeting ("AGM") of the Company. | <b>Resolution 3</b>                         |
| 5. To re-elect the following Directors who retire pursuant to Clause 76(3) of the Constitution of the Company:-<br>i. Tham Foo Keong<br>ii. Yong Swee Lin                            | <b>Resolution 4<br/>Resolution 5</b>        |
| 6. To re-elect Supramaniam A/L R.Ramasamy who retires pursuant to Clause 78 of the Constitution of the Company.  | <b>Resolution 6</b>                         |
| 7. To re-appoint Grant Thornton Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.  | <b>Resolution 7</b>                         |

### Special Business

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

- |  |                     |
|--|---------------------|
| 8. <b>Ordinary Resolution I</b><br><b>Authority to allot and issue shares</b>  | <b>Resolution 8</b> |
| <p>"<b>THAT</b> subject always to the Companies Act 2016 ("the Act"), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Act, to allot shares in the Company from time to time at such price, upon such terms and conditions, and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares issued pursuant to this Resolution does not exceed 10% of the total number of issued shares of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares so issued on the Bursa Securities AND FURTHER THAT such authority shall continue in force until the conclusion of the next AGM of the Company."</p> |                     |
| 9. <b>Ordinary Resolution II</b><br><b>Proposed Renewal of the Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature</b>   | <b>Resolution 9</b> |
| <p>"<b>THAT</b> subject to Main Market Listing Requirements of Bursa Securities, approval be and is hereby given for the Company and its subsidiaries ("Greenyfield Group") to enter into recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.5 of the Circular to the Shareholders dated 28 April 2022 which are necessary for day-to-day operations and are carried out in the ordinary course of business on terms which are not more favourable to the related parties than those generally available to the public and are undertaken on arms' length basis and not to the detriment of minority shareholders of the Company;</p>  |                     |

## NOTICE OF NINETEENTH ANNUAL GENERAL MEETING (CONTINUED)

**AND THAT** the authority conferred by such mandate shall commence upon the passing of this resolution and continue to be in full force until:

- a. the conclusion of the next AGM of the Company at which time this shareholders' mandate will lapse, unless by a resolution passed at the next AGM, the mandate is renewed;
- b. the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the The Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- c. revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is the earlier;

**AND THAT** the Board of Directors be and is hereby authorised to complete and do all such acts and things as it may consider expedient or necessary (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this mandate."

### 10. Ordinary Resolution III Continuing in Office as Independent Non-Executive Directors

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

**Resolution 10**

"**THAT** subject to passing of Resolution 5, approval be and is hereby given to Yong Swee Lin, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company and to hold office until the conclusion of the next AGM of the Company."

**Resolution 11**

11. To transact any other business of the Company of which due notice shall be given.



## NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

**NOTICE IS HEREBY GIVEN THAT** subject to the approval of the members at the Nineteenth AGM to be held on 08 June 2022, a Single Tier Final Dividend of 0.30 sen per share in respect of the financial year ended 31 December 2021, will be paid on 4 July 2022. The entitlement date for the dividend is 23 June 2022.

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

- (a) Shares transferred into the Depositor's Securities Account on or before 4:30 p.m. on 23 June 2022 in respect of transfers; and
- (b) Shares bought on Bursa Securities on a cum entitlement basis according to the Rules of the Bursa Securities.

### BY ORDER OF THE BOARD

#### JOANNE TOH JOO ANN

SSM PC NO. 202008001119 (LS 0008574)

#### WONG PEIR CHYUN

SSM PC NO. 202008001742 (MAICSA 7018710)

#### WONG WAI FOONG

SSM PC NO. 202008001472 (MAICSA 7001358)

Company Secretaries  
Kuala Lumpur  
Date: 28 April 2022

## NOTICE OF NINETEENTH ANNUAL GENERAL MEETING (CONTINUED)

### NOTES :

#### (i) NOTES ON APPOINTMENT OF PROXY

1. For the purpose of determining who shall be entitled to attend this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 01 June 2022. Only a member whose name appears on this Record of Depositors shall be entitled to attend this General Meeting or appoint a proxy to attend, speak and vote on his/her/its behalf.
2. A member entitled to attend and vote at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.
4. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.
5. Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. The appointment of a proxy may be made in a hard copy form and submit to the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur. In case of an electronic appointment, the proxy form must be submitted electronically via TIIH Online website at <https://tiih.online>. Please refer to the Administrative Guide for the 19<sup>th</sup> AGM on the procedure for electronic lodgement of proxy form via TIIH Online. All proxy form submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote.
9. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
10. Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
11. Last date and time for lodging the Proxy Form is Monday, 06 June 2022 at 11.00 a.m.
12. Please bring an ORIGINAL of the following identification papers (where applicable) and present it to the registration staff for verification:
  - (a) Identity card (NRIC) (Malaysian), or
  - (b) Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
  - (c) Passport (Foreigner).
13. For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please bring the ORIGINAL certificate of appointment executed in the manner as stated in the proxy form if this has not been lodged at the Company's registered office earlier.

#### (ii) EXPLANATORY NOTES

##### 1. **Item 1 of the Agenda - Ordinary Business** **Audited Financial Statements for the financial year ended 31 December 2021**

The Audited Financial Statements is meant for discussion only as an approval from shareholders is not required pursuant to the provision of Section 340(1)(a) of the Companies Act 2016. Hence, this item on the Agenda is not put forward for voting by shareholders of the Company.

##### 2. **Items 3 and 4 of the Agenda - Ordinary Business** **Payment of Directors' Fees and Benefits**

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the directors and any benefits payable to the directors shall be approved at a general meeting.

The Ordinary Resolution proposed under Resolution 2 is to facilitate the payment of Directors' Fees on a current financial year basis, calculated based on the current board size. The Ordinary Resolution proposed under Resolution 3 is benefits payable to the Directors such as meeting allowance. Meeting allowance is calculated based on the current Board size and the number of scheduled Board and Committee meetings for the period from 09 June 2022 up to next AGM. In the event the proposed amount is insufficient (e.g. due to more meetings or enlarged Board size), approval will be sought at the next AGM for the shortfall.

##### 3. **Item 5(ii) of the Agenda - Ordinary Business** **Re-election of Independent Director**

The Nomination Committee and the Board had undertaken an annual assessment on the independence of Yong Swee Lin who is seeking for re-election at the forthcoming Nineteenth AGM. The annual assessment had been disclosed in the Corporate Governance Overview Statement of the Company's 2021 Annual Report.

## NOTICE OF NINETEENTH ANNUAL GENERAL MEETING (CONTINUED)

**4. Item 8 of the Agenda - Special Business**  
**Ordinary Resolution I**  
**Authority to allot and Issue Shares**

*The Proposed Resolution 8 is for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors to issue shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total issued 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 AGM.*

*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 Eighteenth AGM. The Company did not issue any shares pursuant to the mandate granted because there were no investment(s), acquisition(s) or working capital that required fund raising activity.*

**5. Item 9 of the Agenda - Special Business**  
**Ordinary Resolution II**  
**Proposed Renewal of the Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

*Please refer to the Circular to Shareholders dated 28 April 2022 for further details.*

**6. Item 10 of the Agenda - Special Business**  
**Ordinary Resolution III**  
**Continuing in Office as Independent Non-Executive Directors**

*Pursuant to the Malaysian Code on Corporate Governance, the Board of Directors had via the Nomination Committee assessed the Independence of Dr Zainol Bin Md Eusof and Yong Swee Lin who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years, and recommended them to continue to act as Independent Non-Executive Directors of the Company.*

*The Nomination Committee and the Board have determined that Dr Zainol Bin Md Eusof and Yong Swee Lin fulfil the criteria of Independent Director pursuant to the Main Market Listing Requirements of Bursa Securities. They have remained objective and independent in expressing their views and in participating in deliberations and decision making of the Board and Board Committees. The length of their services on the Board does not in any way interfere with his exercise of independent judgment and ability to act in the best interests of the Company.*

*The Ordinary Resolutions proposed under Resolutions 10 and 11 if passed, will authorise the continuity in office of the Directors as Independent Non-Executive Directors of the Company.*



## STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

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

There are no individuals standing for election/appointment as Directors at the Nineteenth AGM.

The Directors who are standing for re-election are Tham Foo Keong, Yong Swee Lin and Supramaniam A/L R.Ramasamy whose profiles are set out on pages 13, 14 and 16 respectively of the 2021 Annual Report.

The Board of Directors had via the Nomination Committee assessed the retiring Directors, Mr. Tham Foo Keong and Mr. Yong Swee Lin, and was satisfied that both Directors have met the performance criteria set out in the assessments in the discharge of their duties and responsibilities. The NC had also assessed Mr Supramaniam A/L R.Ramasamy, who is due to retire at the forthcoming 19<sup>th</sup> AGM, and was satisfied that he would provide his valuable input and views to the Group based on his background, skills and vast experience in the plantation industry. In this connection the Board supports the re-election of the abovementioned Directors.

# ADMINISTRATIVE GUIDE

FOR THE NINETEENTH ANNUAL GENERAL MEETING (“19<sup>TH</sup> AGM”)

Day and Date	:	Wednesday, 8 June 2022
Time	:	11.00 a.m.
Venue	:	Melati Room, Level 2, Bangi Resort Hotel, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor Darul Ehsan

## MEASURES TO MINIMISE RISKS OF CORONAVIRUS DISEASE 2019 (“COVID-19”) INFECTION

In view of the COVID-19 situation, the following steps will be taken for shareholders, proxies and others who will be attending the 19<sup>th</sup> AGM in order to minimize the risks of spreading the COVID-19 virus:

1. All person attending the 19<sup>th</sup> AGM would have to check-in with their MySejahtera before entering the meeting venue.
2. Any person who had recent travel history to overseas or any red zone areas in Malaysia during the last 14 days prior to the 19<sup>th</sup> AGM or have been in contact with a suspected or confirmed COVID-19 patient during the last 14 days prior to the 19<sup>th</sup> AGM, irrespective of nationality, will not be permitted to attend the 19<sup>th</sup> AGM.
3. Any person with a body temperature of above 37.5 degrees Celsius and/or exhibit flu-like symptoms will not be allowed to attend the 19<sup>th</sup> AGM. Shareholders/proxies who are feeling unwell are strongly advised not to attend the 19<sup>th</sup> AGM.
4. All persons must practice proper hygiene including the use of hand sanitizer and must wear a face mask before the entering the meeting venue.
5. To enhance social distancing measures, the seats allocated for shareholders/proxies at the 19<sup>th</sup> AGM venue will be maintained at a certain distance from one another as per the guidelines and/or standing operating procedure provided by the relevant governmental and/or health authorities.
6. In view of the COVID-19 outbreak, physical attendance at the 19<sup>th</sup> AGM may present a risk to the shareholders. As such, shareholders are strongly encouraged to appoint the Chairman of the meeting as their proxy to attend and vote at the 19<sup>th</sup> AGM on their behalf or submit their proxy forms with predetermined voting instruction for the Chairman of the meeting to represent them.
7. Shareholders are advised to check the Company’s website at <https://greenyield.com.my> and Bursa’s website at [www.bursamalaysia.com](http://www.bursamalaysia.com) from time to time for any changes to the administration of the 19<sup>th</sup> AGM that may be necessitated by changes to the directives, safety and precautionary requirements and guidelines prescribed by the Government of Malaysia, the Ministry of Health, the Malaysian National Security Council, Securities Commission Malaysia and/or other relevant authorities.

## PRE-REGISTRATION TO ATTEND THE 19<sup>TH</sup> AGM

Shareholders are required to register ahead of the 19<sup>th</sup> AGM to allow the Company to make the necessary arrangements in relation to the meeting i.e. infrastructure, logistics and meeting venue(s) to accommodate the meeting participants and to ensure compliance with the directives or guidelines on public gathering issued by the relevant government authorities.

Please do read and follow the following procedures to pre-register your physical attendance at the 19<sup>th</sup> AGM via the TIH Online website at <https://tiih.online>.

- Login to TIH Online website with your user name (i.e. e-mail address) and password under the “e-Services”.
- If you have not registered as a user of TIH Online, please refer to the tutorial guide posted on the homepage for assistance to sign up.
- Select the corporate event: “**(REGISTRATION) GREENYIELD BERHAD 19<sup>TH</sup> AGM**”.
- Read and agree to the Terms & Conditions and confirm the Declaration.
- Select “Register for Physical Attendance at Meeting Venue”.
- Review your registration and proceed to register.
- System will send an e-mail to notify that your registration for Physical Attendance at Meeting Venue is received and will be verified.
- After verification of your registration against the General Meeting Records of Depositors as at **1 June 2022**, the system will send you an e-mail after **6 June 2022** to approve or reject your registration to attend physically at the Meeting Venue.



## ADMINISTRATIVE GUIDE (CONTINUED)

## PROXY

You may submit your proxy form at the Share Registrar of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively to submit your proxy form electronically via TIIH Online website at <https://tiih.online> not less than forty-eight (48) hours before the time appointed for holding the 19<sup>th</sup> AGM or any adjournment thereof, otherwise the proxy form shall not be treated as valid. Please do read and follow the procedures below to submit proxy form electronically.

## ELECTRONIC LODGMENT OF PROXY FORM

The procedures to lodge your proxy form electronically via Tricor's TIIH Online website are summarised below:

Procedure	Action
<b>i. Steps for Individual Shareholders</b>	
Register as a User with TIIH Online	<ul style="list-style-type: none"> <li>Using your computer, please access the website at <a href="https://tiih.online">https://tiih.online</a>. Register as a user under the “e-Services”. Please refer to the tutorial guide posted on the homepage for assistance.</li> <li>If you are already a user with TIIH Online, you are not required to register again.</li> </ul>
Proceed with submission of form of proxy	<ul style="list-style-type: none"> <li>After the release of the Notice of Meeting by the Company, login with your username (i.e. email address) and password.</li> <li>Select the corporate event: <b>GREENYIELD BERHAD 19<sup>TH</sup> AGM - SUBMISSION OF PROXY FORM</b>.</li> <li>Read and agree to the Terms and Conditions and confirm the Declaration.</li> <li>Insert your CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf.</li> <li>Appoint your proxy/proxies and insert the required details of your proxy/proxies or appoint the Chairman as your proxy.</li> <li>Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide on your votes.</li> <li>Review and confirm your proxy(s) appointment.</li> <li>Print the form of proxy for your record.</li> </ul>
<b>ii. Steps for corporate or institutional shareholders</b>	
Register as a User with TIIH Online	<ul style="list-style-type: none"> <li>Access TIIH Online at <a href="https://tiih.online">https://tiih.online</a></li> <li>Under e-Services, the authorised or nominated representative of the corporate or institutional shareholder selects <b>“Create Account by Representative of Corporate Holder”</b>.</li> <li>Complete the registration form and upload the required documents.</li> <li>Registration will be verified, and you will be notified by email within one (1) to two (2) working days.</li> <li>Proceed to activate your account with the temporary password given in the email and re-set your own password.</li> </ul> <p>Note: The representative of a corporate or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.</p>
Proceed with submission of form of proxy	<ul style="list-style-type: none"> <li>Login to TIIH Online at <a href="https://tiih.online">https://tiih.online</a></li> <li>Select the corporate event: <b>“GREENYIELD BERHAD 19<sup>TH</sup> AGM – SUBMISSION OF PROXY FORM”</b></li> <li>Agree to the Terms &amp; Conditions and Declaration.</li> <li>Proceed to download the file format for “Submission of Proxy Form” in accordance with the Guidance Note set therein.</li> <li>Prepare the file for the appointment of proxies by inserting the required data.</li> <li>Login to TIIH Online, select corporate event: <b>“GREENYIELD BERHAD 19<sup>TH</sup> AGM - Submission of Proxy Form”</b>.</li> <li>Proceed to upload the duly completed proxy appointment file.</li> <li>Select “Submit” to complete your submission.</li> <li>Print the confirmation report of your submission for your record.</li> </ul>

## ADMINISTRATIVE GUIDE (CONTINUED)

**GENERAL MEETING RECORD OF DEPOSITORS**

For the purpose determining who shall be entitled to attend the 19<sup>th</sup> AGM, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 1 June 2022 and only a depositor whose name appears on such Record of Depositors shall be entitled to attend or appoint proxies to attend, speak and/or vote on his/her behalf at the said meeting.

**NO RECORDING OR PHOTOGRAPHY**

No recording or photography of the 19<sup>th</sup> AGM proceedings is allowed without prior written permission of the Company.

**ENQUIRY**

If you have any enquiry prior to the meeting, you may contact the Share Registrar at:

<b>Tricor Investor &amp; Issuing House Services Sdn Bhd</b>		
Telephone Number	General Line	603-2783 9299
Contact Person	Ms Nur Qaisara Naaila	603-2783 9272 Nur.Qaisara.Naaila@my.tricorglobal.com
	Ms Nor Faeayzah	603-2783 9274 Nor.Faeayzah@my.tricorglobal.com
Fax Number	603-2783 9222	
Email	is.enquiry@my.tricorglobal.com	

## CORPORATE INFORMATION

## BOARD OF DIRECTORS

**DR. ZAINOL BIN MD EUSOF** *Independent Non-Executive Chairman*

**THAM FOO KEONG** *Group Managing Director*

**THAM FOO CHOON** *Deputy Group Managing Director*

**THAM KIN WAI** *Executive Director*

**THAM KIN-ON** *Executive Director*

**YONG SWEE LIN** *Senior Independent Non-Executive Director*

**SUHNYYLA KAUR KLER** *Independent Non-Executive Director*

**SUPRAMANIAM A/L R.RAMASAMY** *Independent Non-Executive Director*  
(Appointed on 24 January 2022)

**MAHBOB BIN ABDULLAH** *Independent Non-Executive Director*  
(Resigned on 31 December 2021)

## AUDIT COMMITTEE

*Chairman :*  
**YONG SWEE LIN**

*Member :*  
**SUHNYYLA KAUR KLER**  
**DR ZAINOL BIN MD EUSOF**

## OPTION COMMITTEE

*Chairman :*  
**THAM FOO KEONG**

*Member :*  
**THAM FOO CHOON**  
**DR ZAINOL BIN MD EUSOF**

## REMUNERATION COMMITTEE

*Chairman :*  
**YONG SWEE LIN**

*Member :*  
**DR ZAINOL BIN MD EUSOF**

## NOMINATION COMMITTEE

*Chairman :*  
**YONG SWEE LIN**

*Member :*  
**DR ZAINOL BIN MD EUSOF**

## REGISTERED OFFICE

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

## CORPORATE OFFICE

No. 1-19, MKH Boulevard,  
Jalan Bukit, 43000 Kajang,  
Selangor Darul Ehsan.  
Tel : 03 - 8736 8777  
Fax : 03 - 8737 0723  
E-mail : investors@greenfield.com.my

## COMPANY SECRETARIES

**Joanne Toh Joo Ann**  
(LS 0008574)  
SSM PC NO. 202008001119

**Wong Peir Chyun**  
(MAICSA 7018710)  
SSM PC NO. 202008001742

**Wong Wai Foong**  
(MAICSA 7001358)  
SSM PC NO. 202008001472

## AUDITORS

**Grant Thornton Malaysia PLT**  
(201906003682 & LLP0022494-LCA)  
Chartered Accountants (AF: 0737)  
Level 11, Sheraton Imperial Court,  
Jalan Sultan Ismail,  
50250 Kuala Lumpur.  
Tel : 03 - 2692 4022  
Fax : 03 - 2691 5119

## WEBSITE

[www.greenfield.com.my](http://www.greenfield.com.my)

## REGISTRAR

**Tricor Investor & Issuing House  
Services Sdn. Bhd.**  
[Company No. 197101000970 (11324-H)]

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

**Customer Service Centre**  
Unit G-3, Ground Floor, Vertical Podium,  
Avenue 3, Bangsar South,  
No. 8, Jalan Kerinchi,  
59200 Kuala Lumpur.  
Tel : 03 - 2783 9299  
Fax : 03 - 2783 9222

## SOLICITOR

**Chooi & Company + Cheang & Ariff**  
39 Court @ Loke Mansion,  
273A, Jalan Medan Tuanku,  
50300 Kuala Lumpur.  
Tel : 03 - 2691 0803  
Fax : 03 - 2693 4475

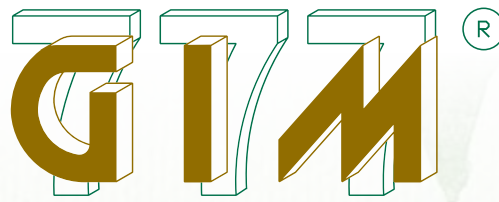
## LISTING

Main Market of  
Bursa Malaysia Securities Berhad  
Stock Name : **GREENYB**  
Stock Code : **0136**

## PRINCIPAL BANKERS

Public Bank Berhad  
HSBC Bank Malaysia Berhad  
United Overseas Bank (Malaysia) Berhad  
CIMB Islamic Bank Berhad  
Bank Pertanian Malaysia Berhad

## CORPORATE STRUCTURE



**GREENYIELD BERHAD**

Company No. 200201014553 (582216-T)

**100%**

**Gimflow Sdn. Bhd.**

[199301003125 (257862-K)]

**100%**

**Greenfield Industries (M) Sdn. Bhd.**

[198801003239 (170596-A)]

**100%**

**Tigantara Plantations Sdn. Bhd.**

[200901030968 (874075-T)]

**100%**

**RCP Technologies Sdn. Bhd.**

[199701019425 (434922-M)]

**100%**

**Gim Triple Seven Sdn. Bhd.**

[199001010530 (202100-T)]

**100%**

**Givnflow Co. Ltd. (Vietnam)**

(VAT. No. 3700858102)

**100%**

**SND Teguh Enterprise Sdn. Bhd.**

[201201013161 (986678-H)]

**100%**

**Pullah PC Daud Sdn. Bhd.**

[201201013162 (986679-T)]

**100%**

**Greenyield (Cambodia) Pte. Ltd.**

(2946 E/2013)

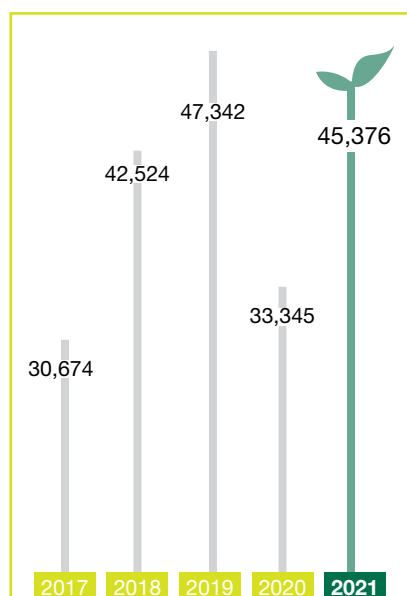
## FINANCIAL HIGHLIGHTS

	31.7.2017 (RM'000)	31.7.2018 (RM'000)	31.12.2019 (RM'000) (17 months)	31.12.2020 (RM'000)	31.12.2021 (RM'000)
Turnover	30,674	42,524	47,342	33,345	<b>45,376</b>
Earnings Before Interest, Depreciation, Amortisation and Tax	2,730	2,726	8,288	9,507	<b>9,672</b>
Profit Before Tax	557	151	4,543	6,887	<b>7,502</b>
Tax expense	335	548	278	1,501	<b>2,060</b>
Profit/(Loss) After Tax and Non-controlling Interest	222	(397)	4,265	5,386	<b>5,442</b>
Net Profit/(Loss) Margin (%)	0.72	(0.93)	9.01	16.15	<b>11.99</b>
Net Tangible Assets	55,812	54,338	53,995	59,352	<b>65,027</b>
Net Tangible Assets Per Share (sen)	16.72	16.28	16.18	17.78	<b>19.48</b>
Net Earnings/(Loss) Per Share (sen)	0.07	(0.12)	1.28	1.61	<b>1.63</b>
Gross Dividend (sen)	0.30	-	0.20	-	<b>0.30</b>
Total Borrowings	17,038	17,235	18,016	14,276	<b>12,878</b>
Cash and Cash Equivalents	8,866	5,608	10,646	13,531	<b>16,206</b>
Shareholders' Fund	55,875	54,417	58,026	63,285	<b>68,859</b>
Gearing Ratio (%)	30.49	31.67	31.05	22.56	<b>18.70</b>
Fully Paid-Up Share Capital ('000 units)	333,740	333,740	333,740	333,740	<b>333,740</b>
Weighted Average Share Capital ('000 units)	333,740	333,740	333,740	333,740	<b>333,740</b>

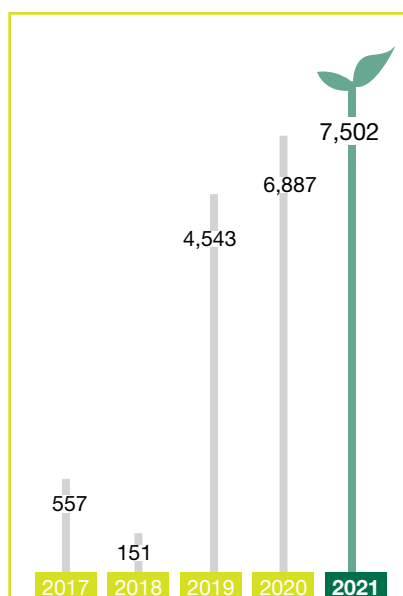
## Notes:-

\* The Group had on 30 May 2019 changed its financial year end from 31 July 2019 to 31 December 2019. The financial period 2019 was made up of results for 17 months covering the period from 1 August 2018 to 31 December 2019.

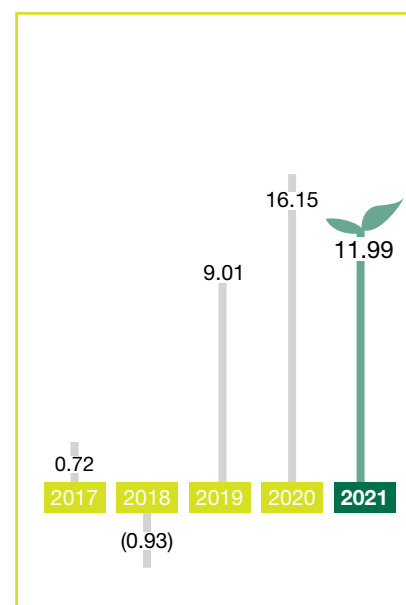
**Turnover**  
(RM'000)



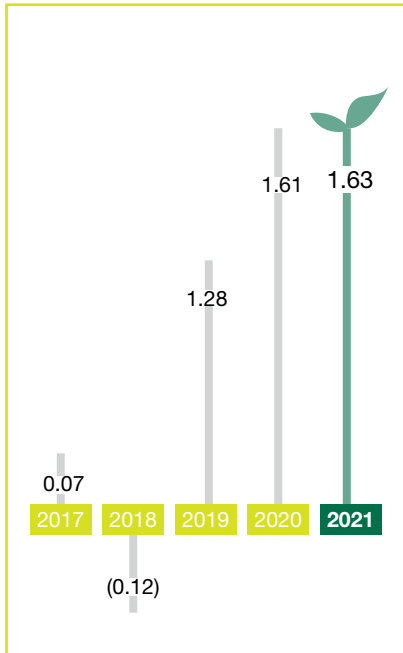
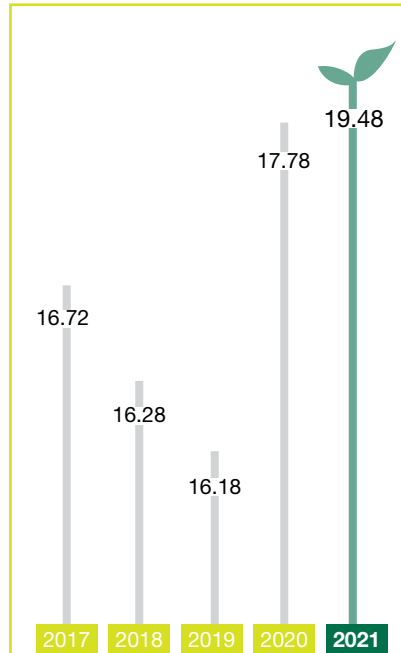
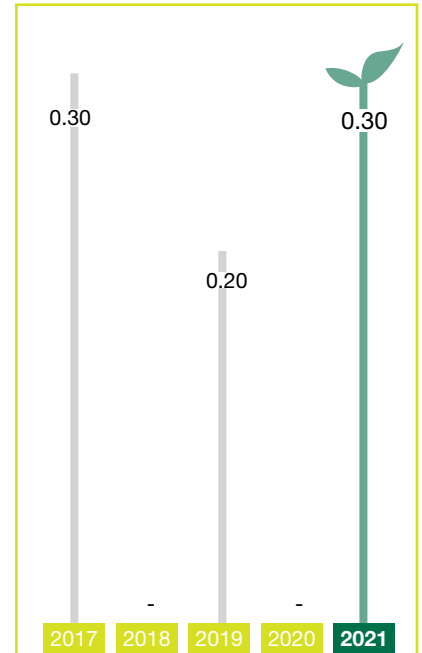
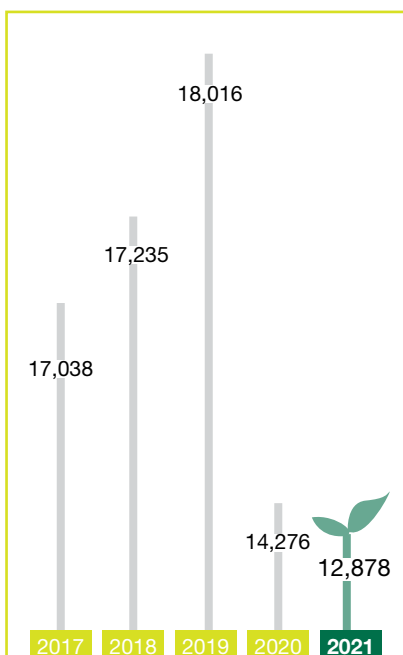
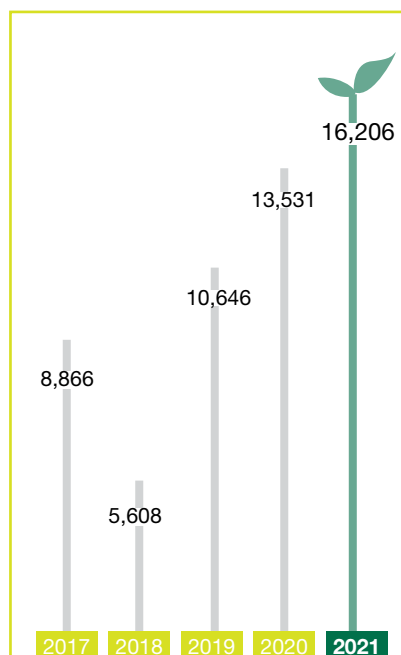
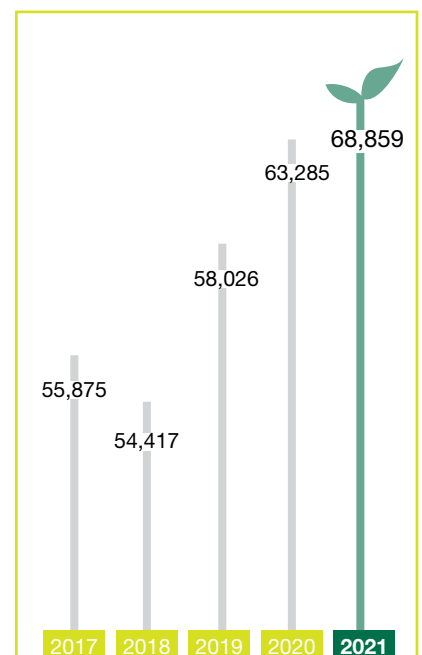
**Profit Before Tax**  
(RM'000)



**Net Profit/(Loss) Margin**  
(%)



## FINANCIAL HIGHLIGHTS (CONTINUED)

**Net Earnings/(Loss) Per Share**  
(Sen)**Net Tangible Assets Per Share**  
(Sen)**Gross Dividend**  
(sen)**Total Borrowings**  
(RM'000)**Cash and Cash Equivalents**  
(RM'000)**Shareholders' Fund**  
(RM'000)

## PROFILE OF DIRECTORS

### DR. ZAINOL BIN MD EUSOF

*Independent Non-Executive Chairman*

Male

72

Malaysian

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

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

He was attached to the Rubber Research Institute of Malaysia ("RRIM") 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.

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 Petroliaam Nasional Berhad and an external examiner for the Ph.D programme of Universiti Putra Malaysia.

Dr. Zainol has wide experience in soil survey, technical diligence and feasibility studies of rubber plantations, and has carried out consultancy projects in Cambodia, Indonesia, Laos, Vietnam, Ivory Coast, Gabon and Nigeria. In Malaysia, Dr. Zainol has carried out technical assessment of plantations under RISDA, SAFODA, Tabung Haji and FELDA.

He has no family relationship with any Director and/or major shareholder of the Company, has no conflict of interest with the Company and has no conviction for any offences within the past five years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year. He does not hold any directorship in other public companies and listed issuers. He attended all the 6 Board Meetings which were held in financial year ended 31 December 2021.

### THAM FOO KEONG

*Group Managing Director*

Male

66

Malaysian

**Mr Tham Foo Keong**, is the Group Managing Director of Greenyfield. He was appointed to the Board of Greenyfield on 26 March 2005. He is also the Chairman of the Option Committee of the Company.

He graduated with a Bachelor of Science degree in Production Engineering from Leeds Polytechnic, United Kingdom. He started his career in 1981 as a Production Planning Engineer in ASEA Manufacturing Sdn. Bhd. He

joined Scientex Industries Berhad as a Planning and Maintenance Manager in 1983, before moving to Brown Boveri Corporation (M) Sdn. Bhd. as Factory Manager in 1985 and subsequently, he was promoted to Divisional Manager.

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

He is brother of Mr Tham Foo Choon and deemed substantial shareholders, namely Mr Tham Chong Sing and Mr Tham Fau Sin. He is the spouse of substantial shareholder, Madam Twong Yoke Peng and father of Mr Tham Kin-On, Director of the Company. He is also the uncle of Mr Tham Kin Wai. He has no conflict of interest with the Company and has no conviction for any offences within the past five years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year. He does not hold any directorship in other public companies and listed issuers. He attended all the 6 Board Meetings which were held in financial year ended 31 December 2021.



## PROFILE OF DIRECTORS (CONTINUED)

**THAM FOO CHOON***Deputy Group Managing Director*

Male  
62  
Malaysian

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

He is a businessman with over 20 years of experience in the agriculture related industry. He started his involvement in the agricultural related industry soon after completing his secondary education, assisting the family business. Through his hard work, he has generated success for the companies. He assumes an active role in the implementation of the marketing and operational strategy and activities of the companies within the Greenyfield Group.

He is brother of Mr Tham Foo Keong and deemed substantial shareholders,

namely Mr Tham Chong Sing and Mr Tham Fau Sin. He is also the uncle of Mr Tham Kin Wai and Mr Tham Kin-On, Directors of the Company. He has no conflict of interest with the Company and has no conviction for any offences within the past five years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year. He does not hold any directorship in other public companies and listed issuers. He attended all the 6 Board Meetings which were held in financial year ended 31 December 2021.

**THAM KIN WAI***Executive Director*

Male  
54  
Malaysian

**Mr Tham Kin Wai**, is an Executive Director of Greenyfield. He was appointed to the Board of Greenyfield on 23 January 2009.

He graduated with a Bachelor of Science degree in Business Administration from National College, United States

of America. He started his career after graduation in 1994 as a Finance and Administrative Executive in Greenyfield Industries (M) Sdn. Bhd. ("GYI") and subsequently, he rose to the rank of General Manager of GYI in 2001. Thereafter, he was appointed as an Executive Director of Greenyfield in 2009.

He is responsible for managing overall factory operations, the quality & environment management system of the factory, and all marketing activities. Furthermore, he is also involved in product and market development for existing and new customers, and planning and participating in trade fairs.

He is the son of deemed substantial shareholder, namely, Mr Tham Chong Sing. He is also the nephew of Mr Tham Foo Keong and Mr Tham Foo Choon. He is also the cousin of Mr Tham Kin-On, Director of the Company. He has no conflict of interest with the Company and has no conviction for any offences within the past five years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year. He does not hold any directorship in other public companies and listed issuers. He attended all the 6 Board Meetings which were held in financial year ended 31 December 2021.

**YONG SWEE LIN***Senior Independent  
Non-Executive Director*

Male  
54  
Malaysian

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

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

He started his career with KK Chow & Wong in 1988, and subsequently he joined Loh & Co in 1991 and left in 1993 to join Adab Trading Sdn. Bhd. Then he left Adab Trading Sdn. Bhd and was self-employed from January 1995 to June 1997. He then joined Horwarth Mok & Poon as Audit Senior Assistant from 1997 to 1999. Then, he was appointed as an Audit Manager at L.H.Loo & Co and left in 2018. Currently, he was attached to YPLSL Management Services PLT.

He has no family relationship with any Director and/or major shareholder of the Company, has no conflict of interest with the Company and has no conviction for any offences within the past five years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year. He does not hold any directorship in other public companies and listed issuers. He attended all the 6 Board Meetings which were held in financial year ended 31 December 2021.



## PROFILE OF DIRECTORS (CONTINUED)

**MR THAM KIN-ON***Executive Director*

Male  
34  
Malaysian

**Mr Tham Kin-On**, is an Executive Director of Greenyfield Berhad. He was appointed to the Board of Greenyfield on 20 December 2016.

He graduated with a Bachelor of Commerce (Honours) degree in Economics and Finance from University of Melbourne, Australia, and is a CFA Charterholder.

He started his career with Khazanah Nasional Bhd in 2012 as an Associate in the Investments division. Prior to that, he also interned with Credit Suisse, Hong Leong Investment Bank, and KPMG. Mr Tham Kin-On joined Greenyfield in 2014. He oversees the Corporate Finance, Finance, and Human Resources & Administration teams in Greenyfield and is also responsible for the development of the Groups strategies and businesses.

He is the son of Mr Tham Foo Keong, the Group Managing Director and substantial shareholder, namely Madam Twong Yoke Peng. He is also the nephew of Mr Tham Foo Choon, the Deputy Group Managing Director and deemed

substantial shareholders, namely Mr Tham Chong Sing and Mr Tham Fau Sin. He is also the cousin of Mr Tham Kin Wai, Director of the Company.

He has no conflict of interest with the Company and has no conviction for any offences within the past five years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year. He does not hold any directorship in other public companies and listed issuers. He attended all the 6 Board Meetings which were held in financial year ended 31 December 2021.

**SUHNLYLLA KAUR KLER***Independent Non-Executive Director*

Female  
55  
Malaysian

**Ms Suhnylla Kaur Kler**, is an Independent Non-Executive Director of Greenyfield Berhad. She was appointed to the Board of Greenyfield on 28 March 2019 and also appointed as Audit Committee Member of Greenyfield on 19 January 2022.

She graduated with a Bachelor of Science (Economics) in Monetary Economics from the London School of Economics (LSE) and subsequently studied Japanese at the School of Oriental and African Studies (SOAS) also in London. Her membership includes that with Persatuan Forex Malaysia ("PFM").

Ms Suhnylla is a Fellow of the Association of Chartered Certified Accountants ("FCCA") as well as a member of the Global 100 women in Hedge Funds, an association of

professional women who have built financial services careers in and around the hedge fund industry. She has previously worked with Rating Agency Malaysia Berhad ("RAM") as Course Director and FTC Kaplan Asia Pacific as Course Director in financial modelling (CFA Level II and III), and derivatives including specialized areas tied to "fair value accounting".

She started her early career with KPMG Peat Marwick, Sabah in 1992 as a Team Head - Senior Auditor. She subsequently extended her experience in the financial services sector (on both asset and liability management) by joining AMMB International (L) Ltd, Labuan Offshore Bank in 1996. By 1998 she joined HSBC Bank Malaysia Berhad as Manager - Debt Capital Markets, being one of 3 pioneer members to set up the debt and derivatives desk. ABN Amro Bank Berhad subsequently took her on to similarly set up a debt and derivatives desk, as pioneer member from 1999 to 2002. She subsequently took on other endeavours including the American Program Bureau Incorporated as Managing Director/ External Advisor, Asia Pacific and TGN

Dataworks Sdn. Bhd. as Independent Consultant/Vice President-Business and Product Development. Trading and asset management opportunities arose with Commerz Capital International Pte Ltd, Singapore and Futures Capital Holdings Ltd until the year 2005. Her other endeavours include those related to oil and gas which she subsequently joined - Sabah International Petroleum Sdn. Bhd. Group of Companies for five (5) years. Currently she is Chief Executive Officer of SDB Asset Management Sdn. Bhd., Sabah.

She has no family relationship with any Director and/or major shareholder of the Company, has no conflict of interest with the Company and has no conviction for any offences within the past five years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year. She does not hold any directorship in other public companies and listed issuers. She attended 5 Board Meetings which were held in financial year ended 31 December 2021.



## PROFILE OF DIRECTORS (CONTINUED)

**SUPRAMANIAM A/L  
R.RAMASAMY***Independent Non-Executive Director*

64

Male

Malaysian

**Mr Supramaniam A/L R.Ramasamy**, is an Independent Non-Executive Director of Greenyield Berhad. He was appointed to the Board of Greenyield on 24 January 2022.

He graduated with a Master Science in Plantation Management and obtained his Bachelor Science of Agriculture from the Agricultural University of Malaysia. He has studied a Plantation Management Course at Malaysian Institute of Management and Executive Management at University of Chicago, Graduate School of Business.

Mr Supramaniam is a member of Incorporated Society of Planters as well as a member of Malaysian Society of Soil Science.

He started his career with Kumpulan Guthrie Sdn. Bhd. in 1984 and joined PT Agro Indomas Group & Agro Hope Sdn. Bhd. as General Manager for Plantations and appointed as Director Operations from 2003 to 2010. He joined Felda Global Ventures from 2010 to 2011. Then, he was appointed as President & Global Head of Plantations in year 2010 until 2019 at Olam International Ltd, after which was appointed as Advisor for Olam International Ltd (Palm & Rubber Upstream) from 2019 to 2021. Currently, he is attached to Palmiss Sdn. Bhd. as Managing Director. He has deep expertise in green field development, manufacturing of plantation processing plants and management of rubber, palm oil

plantations and cocoa in Malaysia, Indonesia and Africa.

He has no family relationship with any Director and/or major shareholder of the Company, has no conflict of interest with the Company and has no conviction for any offences within the past five years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year. He does not hold any directorship in other public companies and listed issuers



## PROFILE OF KEY SENIOR MANAGEMENT

### CHAN WEN HONG

*Head of Corporate Finance*

Male  
42  
Malaysian

**Mr Chan Wen Hong**, is Head of Corporate Finance in Greenfield Berhad since April 2017. He is a Chartered Accountant of the Malaysian Institute of Accountants (“MIA”) and is a Fellow member of the Association of Chartered Certified Accountants (“ACCA”). He also holds an MBA and Bachelor of Accounting (Honours) qualifications.

He started off his career with the Big 4 accounting firms in the areas of external audit and financial advisory in Kuala Lumpur

and London. He later joined Khazanah Nasional Bhd in 2011 as an Assistant Vice President in the Investments Division. He was subsequently nominated in 2014 to assume the position of Financial Controller at Ideate Media Sdn. Bhd., a media content company jointly owned by Rhizophora Ventures Sdn. Bhd. (a wholly owned company of Khazanah Nasional Bhd) and Astro Overseas Limited.

He does not hold any directorship in public companies and listed issuers, has no family relationship with any Director and/or major shareholder of the Company, has no conflict of interest with the Company and has no conviction for any offences within the past five years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



### WONG MAY YAN

*Manager,  
Human Resource and Administration*

Female  
49  
Malaysian

**Ms Wong May Yan**, is the Human Resource and Administration Manager of Greenfield Berhad since May 2020. She graduated with Master of Business Administration in Human Resource Management from University of Wales, UK.

She has more than twenty (20) years’ experience in human resource and administration in various companies, mainly in manufacturing.

She does not hold any directorship in public companies and listed issuers, has no family relationship with any Director and/or major shareholder of the Company, has no conflict of interest with the Company and has no conviction for any offences within the past five years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



### THAM KIN SHUN

*Senior Manager, Sales & Marketing*

Male  
29  
Malaysian

**Mr Tham Kin Shun**, is the Senior Manager, Sales & Marketing in Greenfield Berhad since October 2021. He graduated with Bachelor of Engineering (Honors) from Monash University and he started his career in the construction industry in Australia, focusing on areas such building designs and customer relations. He later joined Bombardier transportation in Victoria, Australia in 2018, involving in process management, labor management and customer relations.

He does not hold any directorship in public companies and listed issuers. He is the son of Mr Tham Foo Choon. He is also the nephew of Mr Tham Foo Keong and deemed substantial shareholders, namely Mr Tham Chong Sing and Mr Tham Fau Sin. He is also the cousin of Mr Tham Kin-On and Mr Tham Kin Wai. He has no conflict of interest with the Company and has no conviction for any offences within the past five years (other than traffic offences, if any) and there was no sanction or penalty imposed by the relevant regulatory bodies during the financial year.

# CHAIRMAN'S STATEMENT

## *Dear Valued Shareholders*

On behalf of the Board of Directors of Greenyield Berhad and its Subsidiaries ("Greenyield" or the "Group"), it gives me pleasure to present to you the Annual Report and Audited Financial Statements for the financial year ended 31 December 2021 ("FYE2021").

### **ECONOMIC REVIEW**

For FYE2021, the Group recorded a net profit of RM5.44 million (FYE2020: RM5.39 million) supported by sales from household goods and plantation inputs operating segments. The business environment remains challenging due to continued disruptions arising from the COVID-19 pandemic. Nevertheless, the Directors, management team and staff will remain vigilant and are working hard towards resolving and mitigating negative factors.

### **FINANCIAL PERFORMANCE**

For FYE2021, the Group recorded a revenue of RM45.38 million over 12 months compared to FYE2020 of RM33.34 million. The profit before tax in FYE2021 was RM7.50 million (FYE2020: RM6.89 million).

The revenue from the plantation inputs segment in FYE2021 was RM18.63 million (FYE2020: RM9.39 million), rubber estate segment RM1.41 million (FYE2020: RM1.00 million), and household goods segment RM25.34 million (FYE2020: RM22.95 million).

### **BUSINESS OUTLOOK AND PROSPECTS**

The Board is cautiously optimistic of growth prospects in 2022 due to the successful roll out of the COVID-19 vaccination programme and the reopening of Malaysia's international borders from 1 April 2022 which is expected to boost business and consumer sentiment and demand. However, the Russia-Ukraine crisis creates uncertainties and volatilities which can be detrimental to world economic growth.

The recent strengthening of commodity prices including natural rubber prices provides opportunities to improve plantation inputs sales. The rubber estate segment is also expected to benefit from progressive opening of rubber trees for tapping and higher cup lump prices.

The Group will continue to look for growth opportunities while managing costs to ensure the viability of the business.

### **DIVIDEND**

The Board of Directors has proposed a single tier final dividend of 0.30 sen per ordinary share for the financial year ended 31 December 2021 for approval of the shareholders at the forthcoming Nineteenth Annual General Meeting of the Company. Going forward, the Board of Directors will review the Group's cash flow affordability in recommending dividends to shareholders.

### **CORPORATE DEVELOPMENTS**

On 21 March 2022, the Group announced a proposal to acquire the Greenyield Rubber Holdings (M) Ltd ("GRHM") Group which owns and develops 15,313 hectares of land suitable for planting rubber and coconut in Papua New Guinea. This proposal is in line with the Company's long-term strategy of expanding into the plantations business, which is expected to provide a stable source of recurring income to the Group.

### **ACKNOWLEDGEMENT**

I wish to acknowledge the employees whose dedication and perseverance have contributed to the sustained operations of the Group during the COVID-19 pandemic, hence ensuring the Group's reputation as a trusted and reliable partner to the companies we serve globally.

On behalf of the Board, I would like to express our thanks and appreciation to our shareholders, customers, business associates, financiers, suppliers, and regulatory authorities for their continued support and understanding extended to us during the financial year.

*Dr Zainol Bin Md Yusof*  
Independent Chairman

# MANAGEMENT DISCUSSION AND ANALYSIS

The following Management Discussion and Analysis (“MD&A”) for Greenyield Berhad and its subsidiaries (“Greenyield” or the “Group”) should be read in conjunction with the annual audited consolidated Financial Statements and the accompanying notes on pages 46 to 93 of this Annual Report that are prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”).

## OVERVIEW

Greenyield Berhad is a company listed on the Main Market of Bursa Securities under the Consumer Products and Services Sector, with a sub-sector of Agricultural Products. The Company has an issued share capital of RM33,374,000 comprising 333,740,000 shares.

## OPERATIONS REVIEW

The Group turnover for the financial year ended 31 December 2021 (“FYE2021”) was RM45.38 million (financial year ended 31 December 2020 (“FYE2020”): RM33.34 million). Meanwhile, for FYE2021, the Group’s recorded a profit before tax of RM7.50 million (FYE2020: RM6.89 million).

### Growth and Strategy

Management is cautiously optimistic of growth prospects as major economies around the world start to recover from COVID-19 pandemic lock down restrictions in tandem with vaccination roll outs. The reopening of Malaysia’s international borders from 1 April 2022 is also expected to be positive for the country’s economy. Developed economies where the Group exports most of its household goods to are expected to record positive growth rates. The World Bank January 2022 report mentions expected 2022 and 2023 output growth of 3.7% and 2.6% in the United States and 4.2% and 2.1% in the Euro Area. However, the Russia-Ukraine crisis creates uncertainties and volatilities which can be detrimental to world economic growth. The Group will remain vigilant and take proactive steps to mitigate any risks to the business operations of the Group.

The recent strengthening of commodity prices including natural rubber prices will provide new opportunities for the Group’s plantation inputs and rubber estates segments.

The Group continues its existing business strategies to push for growth which include, in the near term:

- i. Growing sales of Artstone and ArtLumin plant pots in export markets via new and existing distributors;
- ii. Building a retail/consumer brand, Jardin Craft, for gardening products in the Malaysia market; and
- iii. Progressive opening of rubber trees in the Kelantan estates for tapping to produce cup lumps for sale.

On 21 March 2022, the Group announced a proposal to acquire the Greenyield Rubber Holdings (M) Ltd (“GRHM”) Group which owns and develops 15,313 hectares of land suitable for planting rubber and coconut in Papua New Guinea. This proposal is in line with the Company’s long-term strategy of expanding into the plantations business, which is expected to provide a stable source of recurring income to the Group.

In 2019, the Company obtained shareholder approval to diversify its principal activities to include rubber plantations and the corporate proposal is consistent with this diversification strategy.

To note, pursuant to approval from shareholders for Recurrent Related Party Transactions obtained on 17 June 2021, the Group had during FYE2021 purchased RM6.92 million of rubber and sold RM1.18 million of goods to the GRHM Group.

### Business Risks

#### Foreign Currency

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

#### Global Economy

The management expects the world economy to continue its recovery from the COVID-19 pandemic. However, the Russia-Ukraine crisis and subsequent shocks to the global commodities and financial markets pose significant risks to the world economy.

#### Commodity Prices

The Group provides inputs to plantations and is impacted by fluctuation in commodity prices. The increase in commodity prices including natural rubber as the world economy recovers will open up new demand from plantations. Hence, the Group will continue pushing sales and developing products which are value added and differentiated from its competitors in order to capitalise on higher natural rubber prices.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

**Financial Results**

The Group's key financial information for the FYE2021 and FYE2020 is summarised as follows:

	<b>FYE2021 RM Million</b>	<b>FYE2020 RM Million</b>
Turnover	45.38	33.34
Earnings Before Interest, Depreciation, Amortisation and Tax (EBITDA)	9.67	9.51
Profit Before Tax	7.50	6.89
Tax expense	2.06	1.50
Profit After Tax and Non-controlling Interest	5.44	5.39
Net Tangible Assets	65.03	59.35
Net Profit Margin (%)	11.99	16.15

**Turnover**

The Group's turnover is derived from three key business segments – (i) plantation inputs comprising plantation related products such as chemicals and fertilizers, tools and equipment, technical support services, consultancy services, rubber; (ii) rubber estate comprising the production and sale of rubber cup lumps; and (iii) household goods primarily comprising plant pots. For FYE2021, the Group's turnover was RM45.38 million.

**Plantation Inputs**

During FYE2021, the Group's plantation inputs segment turnover was RM18.63 million (FYE2020: RM9.39 million). The increase in turnover was largely a result of higher sales of plantation inputs due to higher demand.

**Rubber Estate**

During FYE2021, the Group's rubber estate products provided a turnover of RM1.41 million (FYE2020: RM1.00 million). The increase in turnover was mainly due to increased number of rubber trees being tapped during the financial year which resulted in higher sales of rubber cup lumps.

**Household Goods**

During FYE2021, the Group's household goods business segment provided a turnover of RM25.34 million (FYE2020: RM22.95 million). The increase in turnover was primarily due to higher orders from key buyers in United States, Australia, and Japan during the year.

**Profit**

During the FYE2021, profit before tax was RM7.50 million (FYE2020: RM6.89), mainly due to strong sales from the household goods and plantation inputs operating segments.

**Investment**

During the FYE2021, the Group invested RM1.27 million on plantation development expenditure for the Group's rubber estates in Kelantan.

**Financing and Expansion**

The Group will continue to be on the lookout for potential investments in viable assets which are expected to generate future revenue streams.

**CONCLUSION**

Management is optimistic that various business opportunities exist and will proceed cautiously to ensure sustainability of the business while seeking new growth areas.

# SUSTAINABILITY STATEMENT



The Board of Directors of Greenyield is pleased to present the Sustainability Statement of the Group in respect of financial year ended 31 December 2021, which has been prepared based on the Bursa Malaysia Sustainability Reporting Guide and toolkits. The Board also acknowledges that effective management of material economic, environmental and social (“EES”) risks and opportunities of the Company and its subsidiaries can improve business performance and operational efficiencies and create sustainable value.

## ECONOMIC



The Group is committed to increase value for shareholders in the longer term. We are not only focusing on the core business but also look into any opportunity to explore and widen the existing business. We are optimistic with the various business opportunities identified to ensure sustainability of the business while seeking new growth opportunities despite the very challenging economic environment due to the COVID-19 pandemic.

### i) Corporate Governance

The Group continues to be guided by a robust governance framework to ensure the long-term success of the business including sound and sustainable business operations in order to safeguard stakeholders’ value. This is through reviewing the Group’s strategic plans, financial statements, risk management, significant acquisitions and disposals, investments in significant joint ventures, significant property transactions, significant capital expenditure, payment of dividends as well as opportunities for diversification.

For insights into the Group’s corporate governance initiatives, please refer to the Corporate Governance Overview Statement in this Annual Report.

### ii) Corporate Liability Provision

The Group has established and adopted a new Anti-Corruption Policy which incorporates elements of the Malaysian Anti-Corruption Commission Act 2009 (“MACC Act 2009”) from 1 June 2020. The Group is committed to conducting business ethically, as well as complying with all applicable laws, which include compliance with the MACC Act 2009 and the MACC (Amendment) Act 2018 or re-enactments that may be made by the relevant authority from time to time. This Policy provides principles, guidelines and requirements on how to deal with corrupt practices that may arise in the course of daily business and operational activities undertaken by the Group. To ensure that our organisation is fully informed of new developments, the Group has conducted internal briefing and awareness sessions among employees to update our employees on the implementation of the Group’s Anti-Corruption Policy.

## ENVIRONMENT



### i) Solid waste management

During the financial year, the Group continued to encourage separation of waste into paper, plastics, and metal/aluminium products, in its headquarters and factory. Our factory has appointed a licensed collector to ensure proper handling of solid waste collection and disposal.



### ii) Environmental Management System

Greenyield Industries (M) Sdn. Bhd., a subsidiary of the Group continues to maintain the ISO 14001: Environmental Management System certification. The Company formed a Health and Safety Committee to monitor and control the processes related to environmental management to ensure that our Company are continuously aligned and in compliance with the requirements of ISO 14001.

### iii) Save the nature by going green

Employees are encouraged to conserve resources, for example, by reusing paper for notes, minimising energy usage, double sided printing and avoiding printing in colour. Moving towards green practices, we will continue to strive to reduce paper consumption and carbon footprints from year to year.

## SUSTAINABILITY STATEMENT (CONTINUED)

## iv) Managing the COVID-19 Pandemic

In the view of the COVID-19 pandemic outbreak which has continued to affect the health and wellbeing of society and people around the world, the Company is fully committed in ensuring the wellbeing of all its employees during the COVID-19 pandemic. The management was able to take measures to effectively implement all requirements stipulated in the standard operating procedures (SOPs) issued by the Majlis Keselamatan Negara and the guidelines/protocols issued by the respective local councils accordingly.



To ensure full compliance with the relevant SOPs, we have taken several measures including performing body temperature monitoring and recording activities, physical distancing practices, use of the MySejahtera tracing application and wearing of face masks at all times. Our main entrance is also equipped with infrared thermal scanners while hand sanitisers are provided at each entrance located at different levels of the office building. We also closely monitor and record the body temperature of all our personnel including visitors. Awareness posters are also put up for employees and visitor's self-reminder.

In terms of hygiene and safety, all our office buildings are also sanitised daily with emphasis on common areas and key touch points such as washrooms, lifts, and door knobs to ensure improved hygiene and safety levels for everyone. The Group also organised fogging and sanitising for whole office area three (3) times a week. COVID-19 self-test also has been arranged for all employees twice a month to ensure the safety of the workforce.

The Group has also introduced and implemented the work from home arrangement for the safety of all employees and to minimise the risk of COVID-19 transmission in the office especially to those employees who have been identified as close contact to COVID-19 patient(s). When employees are required to work in the office, all employees must adhere to established SOPs. Conducting online meetings (both internal and external with third parties) is encouraged and is increasingly becoming common practice. The Group will continue to practice recommended health and safety measures and will periodically assess if additional measures are required.

## SOCIAL



Greenyield's Sustainability principles are shared with employees as they are encouraged to perform their duties with an awareness of social responsibilities. Eligible employees are also provided with training and development opportunities.

## 1) Employees

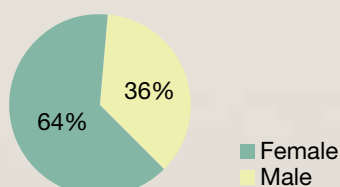
## i) Workplace diversity

The Group encourages diversity at the workplace and is committed to ensure fair and equal opportunities for its employees. Diversity in our workplace means that a company's workforce includes people of varying gender, age, ethnicity, cultural background, religion, languages, education and abilities. Furthermore, we do not allow any form of discriminatory practices inside our workplace.

People with different backgrounds tend to have different experiences and thus different perspectives. Exposure to a variety of different perspectives and views leads to diverse solutions being proposed, hence existing work flow may benefit from better problem-solving.

## a. Gender diversity

As at 31 December 2021, the Group recorded a male to female ratio of 36:64 for all 126 Malaysians within its workforce.

**Workforce in terms of Gender**

Source: Management





SUSTAINABILITY STATEMENT (CONTINUED)

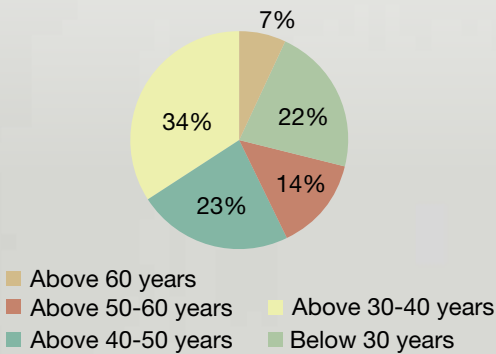
b. Age diversity

As at 31 December 2021, the largest age group is those aged “below 30-40 years’ old” at 34%. Meanwhile, 23% of our employees belong to the age group of “above 40 to 50 years old” representing the second largest age group. The Group also provides employment opportunities to older employees with specific skill sets and are still able to contribute their expertise and experience.

The Group has a very strict employment policy against the hiring of minors and underage workers which is consistent with the related labour laws of the country.

The Group’s age demographics broadly reflected the demographics in Malaysia where younger employees form the majority of the workforce.

**Workforce in term of Age**

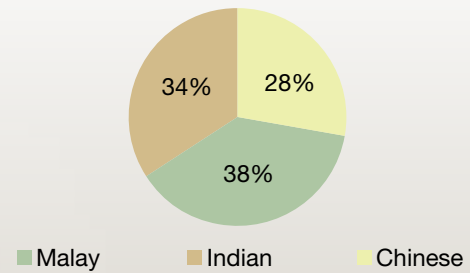


Source: Management

c. Ethnic diversity

As at 31 December 2021, the largest ethnic group based on the total Malaysian workforce in our Company would be Malay at 38% while 34% of the workforce are of Indian descent. Staff of Chinese descent forms 28% of the total workforce. The ethnic diversity in the workforce is important in order to service a multi-racial society.

**Workforce in term of Ethnicity**



Source: Management

ii) Training and learning

In support of continuous learning and development, we enroll employees on various training programmes. We believe that the training provided to our employees will upgrade their skill set and job knowledge, leading to higher quality of work output and increased efficiencies in processes, hence benefitting the Group as a whole.

During the financial year, our employees participated in trainings relating to:

- Safety & Health;
- Environment;
- Accounting system; and
- Corporate Governance.



## SUSTAINABILITY STATEMENT (CONTINUED)

### iii) **Healthy and Safe Working Environment**

The Group continuously strives to provide a healthier and safer working environment for our employees. The Group has fulfilled its responsibility to provide employees with a workplace that is free from recognised hazards that cause or are likely to cause serious physical injury or death, and to maintain working conditions that are safe and healthy for our employees. Regular workplace inspection has been done by Management to ensure work places are neat, tidy and safe. We have conducted training on fire and safety drills to ensure that employees are well prepared in the event of an emergency.

## 2) **Society**

The Group offered internships and industrial training opportunities to undergraduates from local colleges and universities as part of its efforts to groom future leaders in the industry.

### i) **Internships**

We provide internship opportunities to students and graduates of local universities and colleges. Through the internship programme, our young generation can gain practical experience and enhance their knowledge of the real working environment. During the financial year, the Group took in one (1) intern from a local university to work in the Finance Department.

## **CONCLUSION**

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Notwithstanding the various initiatives disclosed in this section, the Group will also take into consideration other areas of sustainability focussing on economic, environmental and social matters. Moving forward, the Group is committed to understanding and implementing sustainable practices for the benefit of the business whilst attempting to achieve the right balance between the needs of the wider community, the requirements of shareholders and stakeholders.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

The Board is pleased to present this statement of corporate governance which outlines how the Company applied the Principles and Best practices set out in the MCCG for the financial year ended 31 December 2021. Where there are gaps in the Company’s observation of any of the Best Practices of the MCCG, they are disclosed herein with explanations. The detailed application by the Company for each practices set out in the MCCG during the financial year is disclosed in the Corporate Governance Report (“CG Report”) in the Bursa Securities’ website. The CG Report is also available at [www.greenfield.com.my](http://www.greenfield.com.my).

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### I. BOARD RESPONSIBILITIES

#### FUNCTIONS OF THE BOARD

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

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

#### DUTIES AND RESPONSIBILITIES OF THE BOARD

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

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

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

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

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)****I. BOARD RESPONSIBILITIES (CONTINUED)****CODE OF ETHIC AND CONDUCT**

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

The Board has also formalised in writing the Company's Whistle-Blowing Policy, which provides appropriate communication and feedback channels to facilitate whistle-blowing. In addition, the Board has formalised in writing the Company's Anti Corruption Policy which provides principles, guidelines and requirements on how to deal with corrupt practices that may arise in the course of daily business and operational activities undertaken by the Company. The Code of Conduct, Whistle-Blowing Policy and Anti Corruption Policy are available for reference at the Company's website at [www.greenyield.com.my](http://www.greenyield.com.my).

**STRATEGIES PROMOTING SUSTAINABILITY**

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

**ACCESS TO INFORMATION AND ADVICE**

The Directors have access to timely and accurate information which enables the Directors to discharge their duties effectively and efficiently. At Board Meetings, the agenda and board papers are distributed in advance to enable Directors to have sufficient time to review the board papers and to obtain further explanation or clarification to facilitate the decision-making process. Representatives from the Management and external advisors may also be invited to attend meetings to provide insights and professional views, advice and explanation on specific items on the meeting agenda.

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

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

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

**QUALIFIED AND COMPETENT COMPANY SECRETARIES**

Directors have direct access to the advice and services of the Group's Company Secretary. The Company Secretaries are qualified to act in accordance with the requirements of the Companies Act 2016. The Board is advised and updated on statutory and regulatory requirements pertaining to their duties and responsibilities as well as appropriate procedures for management of meetings. The Board is supported to ensure adherence to board policies and procedures, rules, relevant laws and best practices on Corporate Governance.

The Company Secretary also has undertaken the following functions, among others:-

- (i) advise and remind the Directors of their obligations to disclose their interest in securities, any conflict of interest and related party transactions;
- (ii) advise the Directors of their duties and responsibilities;
- (iii) advise and remind the Directors on the prohibition on dealing in securities during closed period and the restriction on disclosure of price sensitive information;
- (iv) prepare agenda items of meetings for Board and Board Committees and send to the respective Board and Board Committees; and
- (v) attend all Board and Board Committees meetings and to ensure that meetings are properly convened, and that accurate and proper records of the proceedings and resolution passed are made and maintained accordingly.

The Company Secretaries are suitably qualified and have attended relevant trainings and seminars to keep abreast with the statutory and regulatory requirements' updates.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)****I. BOARD RESPONSIBILITIES (CONTINUED)****BOARD CHARTER**

The Company's Board Charter clearly identifies the respective roles and responsibilities of the Board, Board Committees, and individual directors including Independent Non-Executive Chairman, Independent Non-Executive Director, Group Managing Director and Executive Directors. It also clearly identifies the issues and decision reserved for the Board. The Board Charter will be periodically reviewed and the details of the Board Charter are available for reference at [www.greenfield.com.my](http://www.greenfield.com.my).

Any amendment to the Board Charter can only be approved by the Board. The Board Charter was last reviewed on 21 June 2018.

**TIME COMMITMENT**

The Board meets at least four (4) times a year at quarterly intervals, with additional meetings convened as and when deemed necessary. During the financial year, six (6) Board Meetings were held. The attendance at Board Meetings of the Directors during the financial year under review is set out hereunder:-

<b>Directors</b>	<b>Position</b>	<b>Reflect the number of Board Meetings scheduled during the time the Director held office</b>	<b>Percentage of Attendance (%)</b>
Dr Zainol Bin Md Eusof	Independent Non-Executive Chairman	6/6	100
Tham Foo Keong	Group Managing Director	6/6	100
Tham Foo Choon	Deputy Group Managing Director	6/6	100
Tham Kin Wai	Executive Director	6/6	100
Yong Swee Lin	Senior Independent Non-Executive Director	6/6	100
Mahbob Bin Abdullah (resigned on 31 December 2021)	Independent Non-Executive Director	6/6	100
Tham Kin-On	Executive Director	6/6	100
Suhnnylla Kaur Kler	Independent Non-Executive Director	5/6	83

Newly appointed directors are expected to declare their time commitment to the Board. If they sit in other listed corporations as a director, they shall notify the Chairman of the Board or the Company Secretary before accepting any new directorship. The notification shall include an indication of time that will be spent on the new appointment.

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

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

**DIRECTORS' TRAINING AND CONTINUING EDUCATION PROGRAMME**

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

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

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)****I. BOARD RESPONSIBILITIES (CONTINUED)****DIRECTORS' TRAINING AND CONTINUING EDUCATION PROGRAMME (CONTINUED)**

During the financial year ended 31 December 2021, the Directors have attended trainings, conferences, seminars, site visits and/or workshops as listed below:-

<b>Directors</b>	<b>Training/Seminar/Conference</b>	<b>Date</b>
Dr. Zainol Bin Md Eusof	1. Webinar Rubber forum 2021	09 March 2021
	2. AOB Conversation with Audit Committees	29 November 2021
Tham Foo Keong	1. Webinar Rubber forum 2021	09 March 2021
	2. CommoPlast Webinar - English Session	27 April 2021
	3. Webinar on Carbon Black in Malaysia Rubber Industry: Building Awareness, Managing Concerns.	07 July 2021
	4. Standard Soliciting Opinions Session - Malaysian Durian	15 October 2021
	5. BPI SGX Joint Rubber Webinar	15 October 2021
Tham Foo Choon	1. Webinar Rubber forum 2021	09 March 2021
	2. Webinar on Carbon Black in Malaysia Rubber Industry: Building Awareness, Managing Concerns.	07 July 2021
	3. Webinar on Standards for Rubber and Rubber Products	14 September 2021
	4. 100x Greentech Venture Forum : Business and Investment Opportunity in Renewable Energy	30 September 2021
	5. Standard Soliciting Opinions Session - Malaysian Durian	15 October 2021
	6. BPI SGX Joint Rubber Webinar	15 October 2021
Tham Kin Wai	1. Enduring the Pandemic Asian Petrochemical Sector	27 April 2021
Yong Swee Lin	1. MIA Webinar Series: Corporate Tax Strategies	28 April 2021
	2. Detecting Red Flags in Creative Accounting	14 September 2021
	3. AOB Conversation with Audit Committees	29 November 2021
	4. MIA Webinar Series: Managing Income Tax Audit Challenges Effectively - a practical approach with case studies	23 December 2021
Tham Kin-On	1. Webinar Rubber forum 2021	09 March 2021
	2. BPI SGX Joint Rubber Webinar	15 October 2021
Suhnylla Kaur Kler	1. SC Guidance Note on Provision of Investment Advice - Cautionary Note (Webinar)	01 April 2021
	2. Digital Transformation and the Rise of Gig Economy (Webinar)	24 June 2021
	3. Transfer Pricing: A Better Understanding to Avoid Being Heavily Penalised (Webinar)	19 July 2021
	4. Financial Crime and Market Misconduct Post Covid-19 and Beyond (Webinar)	29 July 2021
	5. Gearing Up Board of Directors: Sabah Maju Jaya (Webinar)	17 August 2021
	6. Case Discussion: Post Section 17A Malaysian Anti-Corruption Commission (MACC) Implementation (Webinar)	06 October 2021
	7. Gearing Up Board of Directors: Sabah Maju Jaya (Webinar)	12 October 2021

The Board is also briefed by the Company Secretary of any significant changes in laws and regulations that are relevant. The Directors continue to undergo other relevant training programs that can further enhance their knowledge in the latest development relevant to the Group, especially in areas of corporate governance and regulatory development, to carry out their responsibilities effectively.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)****II. BOARD COMPOSITION**

The Board of the Company comprises eight (8) Directors, four (4) of whom are Executive Directors and the balance four (4) are Independent Non-Executive Directors, who fulfil the prescribed Listing Requirement that a minimum one-third (1/3) of the Board members be independent. The current composition also meets with the MCCG's recommendation that the Board should comprise 50% of independent directors. The Board has reviewed its size and composition and is satisfied that its current size and composition are effective for the proper functioning of the Group. The profiles of each Director are set out in the Profile of the Board of Directors on pages 13 to 16 of this Annual Report.

The Board, through the Nomination Committee ("NC") review and assess annually the structure, size and composition of the Board. Details of the functions, composition, membership and summary of work of the NC during the financial year ended 31 December 2021 are contained in the NC Report on pages 38 to 39 of this Annual Report.

**SEPARATION OF POSITIONS OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

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

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

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

**III. REMUNERATION****REMUNERATION POLICIES AND PROCEDURES**

The Remuneration Committee ("RC") comprises exclusively of Independent Non-Executive Directors. The members of the RC are as follows:-

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

The duties of the RC are:-

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

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

## III. REMUNERATION (CONTINUED)

## REMUNERATION POLICIES AND PROCEDURES (CONTINUED)

## Details of the Directors' Remuneration

The remuneration of the Non-Executive Directors is generally fixed and any adjustment has to be approved by the shareholders during the Annual General Meeting. The determination of remuneration packages of Non-Executive Directors, should be a matter for the Board as a whole. The individuals concerned have abstained from discussing their own remuneration.

The RC meets at least once a year. The RC held two (2) meetings during the financial year ended 31 December 2021 with full attendance.

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

The aggregate remuneration of Directors received from the Company and on Group basis for the financial year ended 31 December 2021 is as follows:-

For FYE 2021 - In RM'000						
Category	Fees	Salaries	Bonuses and Other Emoluments	EPF and SOCSO	BIK	Total
<b>Received from the Company:</b>						
<b><u>Non-Executive Directors</u></b>						
Dr. Zainol Bin Md Eusof	60	-	5	-	-	65
Mr. Yong Swee Lin	24	-	5	-	-	29
Mr. Mahbob Bin Abdullah	24	-	4	-	-	28
Ms Suhnylla Kaur Kler	24	-	2	-	-	26
<b>Total</b>	<b>132</b>	<b>-</b>	<b>16</b>	<b>-</b>	<b>-</b>	<b>148</b>
<b>Received on Group basis:</b>						
<b><u>Executive Directors</u></b>						
Mr. Tham Foo Keong	-	460	29	59	-	548
Mr. Tham Foo Choon	-	386	24	50	-	460
Mr. Tham Kin Wai	-	273	17	35	-	325
Mr. Tham Kin-On	-	265	17	35	-	317
<b>Total</b>	<b>-</b>	<b>1,384</b>	<b>87</b>	<b>179</b>	<b>-</b>	<b>1,650</b>
<b>Grand Total</b>	<b>132</b>	<b>1,384</b>	<b>103</b>	<b>179</b>	<b>-</b>	<b>1,798</b>

## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

## I. AUDIT COMMITTEE

The Audit Committee ("AC") of the Company comprises three (3) Independent Non-Executive Directors. The AC is chaired by the Senior Independent Non-Executive Director, Mr Yong Swee Lin. It is an existing practice for the AC to require a former key audit partner to observe a cooling-off period of at least two (2) years before being appointed as a member of the AC and such practice was formalised and incorporated in the Terms of Reference of AC since June 2018.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

**PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)****I. AUDIT COMMITTEE (CONTINUED)**

The Board noted the MCCG's recommendation to observe the cooling-off period of at least three (3) years before being appointed as a member of the AC. The Board will look into amending the Terms of Reference of the AC to meet the recommendation. Currently, none of the AC members are former partner of the external audit firm.

Details of the functions, composition, membership and summary of work of the AC during the financial year ended 31 December 2021 are contained in the AC Report on pages 36 to 37 of this Annual Report.

**ASSESSMENT OF SUITABILITY AND INDEPENDENCE OF EXTERNAL AUDITORS**

The Group through the AC, maintains an active, transparent and professional relationship with its External Auditors in seeking professional advice and ensuring compliance with the accounting standards in Malaysia and the requirements of the Companies Act 2016.

The AC met the External Auditors once during the current financial year and whenever deemed necessary without the presence of the Executive Directors and/or the Management of the Company to discuss its audit plan, annual financial statements, and audit findings. This encourages a greater exchange of free and honest views and opinion between both parties.

The composition and summary of work of the AC are discussed in the AC Report set out on pages 36 to 37 of this Annual Report.

The AC, assisted by the management, undertakes an annual assessment of the suitability and independence of the External Auditors. The assessment of the External Auditor was conducted by completing personalised evaluation form as guided by the Corporate Governance Guide on Evaluation of External Auditors Performance and Independence checklist. The factors considered by the AC in its assessment include, adequacy of professionalism and experience of the staff, the resources of the external auditors, the fees and the independence of and the level of non-audit services rendered to the Group. The AC has assessed and is satisfied with the suitability and the confirmation provided by the external auditors that they have complied with the ethical requirements regarding independence with respect to the audit of the Group in accordance with all relevant professional and regulatory requirements. The AC has recommended to the Board the re-appointment of Grant Thornton Malaysia PLT as the External Auditors.

The total fees paid to the External Auditors for the financial year ended 31 December 2021 are as follows:-

## 1) Audit Fees

The total audit fees (including both statutory and non-statutory audits) charged by the External Auditors for the Group and the Company, exclusive of expenses and applicable taxes, amounted to RM154,000 and RM28,000 respectively for the financial year ended 31 December 2021.

## 2) Non-Audit Fees

The total non-audit fees charged by the External Auditors for other services performed for the Company, exclusive of expenses and applicable taxes, amounted to RM7,000 for the financial year ended 31 December 2021.

A report on the AC which includes the AC's role in relation to the External Auditors is set out on Pages 36 to 37 of this Annual Report.

**II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK****UPHOLD INTEGRITY IN FINANCIAL REPORTING**

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

Timely release of announcements to Bursa Securities on quarterly results, financial statements and the annual report reflect the Board's commitment to provide transparent and up-to-date disclosures to the public. The Board is assisted by the AC in overseeing the Group's financial reporting process and the quality of its financial reporting. The AC will review and discuss significant matters and unusual transactions, if any, prior to submission to the Board for consideration and approval.

**CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)****PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)****II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONTINUED)****UPHOLD INTEGRITY IN FINANCIAL REPORTING (CONTINUED)**

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

The Board will obtain assurance from the AC to ensure that the preparation and fair presentation and disclosure in the financial statements are in accordance with applicable Malaysian Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

In addition, the AC assists the Board by reviewing the findings of the internal audit reports including the recommendations made by the internal auditors and management's comments. Management's progress in improving specific areas of internal controls are also reviewed by the AC.

**STATEMENT OF DIRECTORS' RESPONSIBILITY IN RESPECT OF FINANCIAL STATEMENTS**

The Directors are required by the Companies Act 2016 to prepare financial statements for each financial year which have been made out in accordance with the Malaysian Financial Reporting Standards and International 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 December 2021, the Directors have:-

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

The Directors are responsible for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial positions of the Group and Company and which enable them to ensure that the financial statements comply with the Companies Act 2016.

**STATE OF INTERNAL CONTROLS**

The Statement on Risk Management and Internal Control pursuant to Paragraph 15.26 (b) of the Main Market Listing Requirements of Bursa Securities is set out on Pages 34 to 35 of this Annual Report.

**SOUND FRAMEWORK TO MANAGE RISK**

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

**INTERNAL AUDIT FUNCTION**

The Board and AC have appointed Talent League Sdn. Bhd. for an independent internal audit function which is in compliance with the Main Market Listing Requirements of Bursa Securities.

**CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)****PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP****I. COMMUNICATION WITH STAKEHOLDERS****ENSURE TIMELY AND HIGH QUALITY DISCLOSURE**

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

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

**LEVERAGE ON INFORMATION TECHNOLOGY FOR EFFECTIVE DISSEMINATION OF INFORMATION**

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

These information include:-

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

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

**II. CONDUCT GENERAL MEETING****ENCOURAGE SHAREHOLDERS' PARTICIPATION AT GENERAL MEETINGS**

The Board regards that AGMs and EGMs are the primary forum for communication by the Company with its shareholders and for shareholders' participation.

Pursuant to the Main Market Listing Requirements of Bursa Securities, any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, must be voted by poll. Hence, voting for all resolutions as set out in the notice of general meeting will be conducted by poll. An independent scrutineer will be appointed to validate the votes cast at the general meetings.

Prior to AGMs and EGMs, shareholders will be provided with the notices of meetings and accompanying explanatory material such as notes, Annual Report and/or Circulars to enable shareholders to exercise their rights. Notices of AGMs and EGMs will be issued in accordance with the requirements of the Companies Act 2016 and the Main Market Listing Requirements of Bursa Securities. The Board endeavors to serve earlier notice than the minimum notice period where practicable. The adequate time given to shareholders allows them to make necessary arrangements to attend and participate in the general meeting. Shareholders who are unable to attend an AGM or EGM, are encouraged to appoint proxy or proxies to attend and vote at meetings for and on their behalf.

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

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

The MCGG requires the Board of Directors of listed companies to maintain a sound risk management framework and internal control system to safeguard shareholders' investments and the Group's assets.

The Board is pleased to present the Statement on Risk Management and Internal Control of the Group for the financial year ended 31 December 2021, which is in compliance with Paragraph 15.26 (b) of the Listing Requirements of Bursa Securities and as guided by the "Statement on Risk Management and Internal Control - Guidelines for Directors of Listed Issuers".

## THE BOARD'S RESPONSIBILITY

The Board affirms its overall responsibility for reviewing the effectiveness, adequacy and integrity of the Group's risk management framework and internal control system. The Board recognises the need to maintain effective risk management practices and that a good system of internal control is a continuing process.

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

## RISK MANAGEMENT FRAMEWORK

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

The Risk Management Committee comprises the Executive Directors and senior management of the Group, and is responsible for the implementation of an appropriate system of controls and strategies in order to mitigate risks. All the Group's risk-related matters were deliberated at the Risk Management Committee's Meetings which are held on a regular basis. A summary of risk matters was tabled to the Board for further deliberation during the financial year. Action plans are prepared on an ongoing basis to address risk and control issues.

## INTERNAL AUDIT

The Group outsources the internal audit function to an independent professional audit firm. The internal auditors are also independent of the Board and management, and have a direct reporting responsibility to the AC. The engagement of the independent internal auditor will assist the AC in conducting an independent assessment on the adequacy, efficiency and effectiveness of the internal control system and in ensuring operational compliance with standard operating procedures within the Group.

During the financial year ended 31 December 2021, the internal auditors carried out reviews in accordance to the approved Internal Audit Plan. The internal audit review covered areas related to the Plantation Management for SND Teguh Enterprise Sdn. Bhd.; and review of the Business Continuity Management and MACC Section 17A of MACC Act ("MACC S17A") Corporate Liability for Greenyeld Group. In addition, the internal auditors conducted follow-up review on the Inventory Management and Security Management for Greenyeld Industries (M) Sdn. Bhd.. Follow-up review on the purchasing, sales, inventory management and security management for GIM Triple Seven Sdn. Bhd. and RCP Technologies Sdn. Bhd. were also performed. The internal audit reviews covered the assessment on the adequacy and effectiveness of internal controls on key processes of the Group. Upon completion of the internal audit reviews, the internal audit observations, recommendations and management comments were reported to the AC. Issues arising thereon were reviewed, deliberated, and acted upon by the AC for remedial action to address, mitigate, manage, and address the identified risks.

Periodic updates on the remedial actions were reported to the AC to ensure that issues raised in the internal audit report were satisfactorily resolved. During the financial year under review, as a result of the internal audit recommendations, the Plantation Management for SND Teguh Enterprise Sdn. Bhd. and the Business Continuity Management and MACC S17A Corporate Liability for Greenyeld Group were improved. The Board is ultimately responsible for the implementation and maintenance of the Group's internal processes and procedures. The Board is conscious of the fact that the systems of internal control and risk management practices must continuously evolve to support the Group's operations. Therefore, the Board, in striving for continuous improvement, will put in place appropriate action plans, where necessary, to further enhance the Group's system of internal control and risk management.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

### OTHER KEY ELEMENTS OF INTERNAL CONTROL

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

- The Executive Directors are closely involved in the running of the day to day business and operations of the Group by attending monthly meetings both at management and operational levels. The Executive Directors report to the Board on significant changes in the business and external environment, which affect the operations of the Group;
- Review of statutory annual financial statements and quarterly reports by evaluating the reasons for unusual variances noted by the Board and AC before the announcement to Bursa Securities;
- Review of internal audit reports, which highlight audit issues, recommendations and Management's responses and discussed with Management the appropriate remedial actions taken to improve the system of internal controls;
- An organisational structure with defined lines of responsibilities, proper segregation of duties, and delegation of authority. The Board established hierarchical reporting which provides for a documented and auditable trail of accountability;
- Standard Operating Procedures in key business processes and support functions which include sales and marketing, purchasing, credit control, logistics, and payment;
- Timely submissions of monthly financial reports and key performance indicators to the Management for decision making;
- Group human resources policies and publication of the Employees Handbook which highlights policies on health and safety, training and development, staff performance and serious misconduct. These policies help management with internal controls;
- Policies and procedures published in the Company website, such as the Board Charter, Anti-Corruption Policy, Code of Conduct and Whistle-Blowing Policy;
- Systematic performance appraisal system for all levels of staffs and directors; and
- 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 9001:2015 Certifications. In addition, Greenyield Industries (M) Sdn. Bhd. is also in compliance with the requirements of the ISO 14001:2015 Certification. The various certifications serve as an assurance to customers on the quality of products and services by the Group.

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

### REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement on Risk Management and Internal Control in accordance with International Standard on Assurance Engagements ("ISAE") 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information as adopted by the Malaysian Institute of Accountants and Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the annual report issued by Malaysian Institute of Accountants for inclusion in the annual report of the Group for the financial year ended 31 December 2021, and reported to the Board that nothing has come to their attention that causes them to believe that the Statement on Risk Management and Internal Control has not been prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or is factually inaccurate.

ISAE 3000 (Revised) and AAPG 3 does not require the External Auditors to consider whether the Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and Management thereon. External Auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report of the Company will, in fact, remedy the problems and not required to perform any procedures by way of audit, review or verification of the underlying records or other sources from which the Statement on Risk Management and Internal Control was extracted.

### CONCLUSION

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

The Board has received assurance from the Group Managing Director and Head of Corporate Finance that the Group's system of risk management and internal controls is operating adequately and effectively, in all material aspects, based on the framework adopted by the Group. The Group's system of internal control applies to the Group and its subsidiaries only.

This statement has been made in accordance with a resolution passed by the Board on 07 April 2022.

## AUDIT COMMITTEE REPORT

The Board of Directors of Greenyfield Berhad is pleased to present the AC Report of the Board for the financial year ended 31 December 2021.

### COMPOSITION OF AUDIT COMMITTEE

The AC comprises the following three (3) Independent non-executive directors:-

Name	Designation
<b>Yong Swee Lin</b>	Chairman, Senior Independent Non-Executive Director
<b>Dr. Zainol Bin Md. Eusof</b>	Member, Independent Non-Executive Director
<b>Mahbob Bin Abdullah</b>	Member, Independent Non-Executive Director (resigned on 31 December 2021)

### Terms of Reference

The details of the terms of reference of the AC is available for reference at the Company's website at <http://www.greenyfield.com.my>.

### Attendance of AC Meetings

For the financial year ended 31 December 2021, the attendance of AC members is as follows:-

Audit Committee Members	Attendance at the Audit Committee Meeting
<b>Yong Swee Lin</b> (Chairman) <i>Senior Independent Non-Executive Director</i>	5/5
<b>Dr. Zainol Bin Md. Eusof</b> <i>Independent Non-Executive Director</i>	5/5
<b>Mahbob Bin Abdullah</b> (resigned on 31 December 2021) <i>Independent Non-Executive Director</i>	5/5

### SUMMARY OF THE WORK OF THE COMMITTEE

The AC carried out the following work in the discharge of its functions and duties through review and deliberation during AC meetings for the financial year ended 31 December 2021 held on 25 February 2021, 8 April 2021, 27 May 2021, 26 August 2021 and 25 November 2021:-

#### Financial Reporting

- Reviewed the unaudited quarterly results and audited financial statements of the Group and discussed significant matters and unusual transactions, if any, prior to submission to the Board of Directors for consideration and approval;
- In conjunction with the results and reports, reviewed the Company's compliance with the Main Market Listing Requirements, Malaysian Accounting Standards Board ("MASB") and applicable regulatory requirements; and
- Reviewed the related party transactions and recurrent related party transactions of the Group.

#### External Audit

- Reviewed the external auditors' audit plan and scope of work for the financial year ended 31 December 2021 and the proposed audit fees;
- Reviewed the external auditors' performance and conducted assessment of their independence; and
- The AC met with the external auditors once during the year without the presence of management, to review key issues within their interest and responsibility.

## AUDIT COMMITTEE REPORT (CONTINUED)

### SUMMARY OF THE WORK OF THE COMMITTEE (CONTINUED)

#### Internal Audit

- Reviewed the internal audit reports on the Plantation Management for SND Teguh Enterprise Sdn. Bhd.; and reviewed the Business Continuity Management and MACC S17A Corporate Liability for Greenyeld Group including recommendations made by the internal auditors and management's comments;
- Reviewed the Corrective and Preventive Action Plan ("CAPA") and follow up management's progress in improving specific areas of internal controls; and
- Reviewed the effectiveness of the audit process and assessed the performance of the overall Internal Audit Function.

#### Malaysian Code on Corporate Governance

- Reviewed the Statement on Risk Management and Internal Control of the Group;
- Reviewed the Corporate Governance Overview Statement; and
- Reviewed the AC Report.

#### Recurrent Related Party Transactions ("RRPT")

- Reviewed the proposed shareholder's mandate for RRPT of a revenue or trading nature to be entered into by the Company and its subsidiaries and subsequently recommended to the Board to proceed in seeking shareholders' approval.

### INTERNAL AUDIT FUNCTION

The Company is aware that an internal audit function is essential to ensure the effectiveness of the Group's systems of internal control and is an integral part of the risk management process. During the financial year ended 31 December 2021, the Group outsourced the internal audit function to an independent professional audit firm to provide an assurance on the adequacy, efficiency and integrity of the Group's system of internal control. In line with good corporate governance practices, the outsourced internal audit function is independent of the activities and operations of the Group. The professional audit firm conducting the internal audit function reports directly to the AC and thereafter to the Board of Directors.

The cost incurred by the Company in connection with the outsourced internal audit function for the financial year ended 31 December 2021 amounted to RM26,741.

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

## NOMINATION COMMITTEE REPORT

The Board of Directors of Greenyield Berhad is pleased to present the NC Report for the financial year ended 31 December 2021.

### COMPOSITION OF NOMINATION COMMITTEE

The NC comprises exclusively of Independent Non-Executive Directors. The members of the NC are as follows:-

Name	Designation
<b>Yong Swee Lin</b>	Chairman, Senior Independent Non-Executive Director
<b>Dr. Zainol Bin Md. Eusof</b>	Member, Independent Non-Executive Director

### Terms of Reference

The Terms of Reference of the NC are available on the Company's website at [www.greenyield.com.my](http://www.greenyield.com.my).

### Attendance of Nomination Committee Meetings

For the financial year ended 31 December 2021, the attendance of NC members is as follows:-

Nomination Committee Members	Attendance at the Nomination Committee Meeting
<b>Yong Swee Lin</b> (Chairman) <i>Senior Independent Non-Executive Director</i>	2/2
<b>Dr. Zainol Bin Md. Eusof</b> <i>Independent Non-Executive Director</i>	2/2

### SUMMARY OF THE WORK OF THE COMMITTEE

The NC carried out the following work in discharging its duties for the financial year ended 31 December 2021:-

#### Composition of the Board and Board Committees

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

One of the recommendations of the MCCG states that the board should comprises at least 30% women directors. The Board currently has one (1) women Director out of eight (8) Directors which only represents 12.50% female representation of the entire Board. The NC will take steps to identify more female candidates subject to appropriate due diligence on the candidate's compatibility, competency, character, time commitment, integrity and experience, to meet the recommendation.

#### Retirement and Re-election

The NC is responsible for recommending to the Board, the Directors who are due for retirement and re-appointment and are eligible to stand for the re-election and re-appointment accordingly.

The NC and the Board, on 7 April 2022, undertook an annual assessment on Tham Foo Keong, Yong Swee Lin and Supramaniam A/L R.Ramasamy, who are seeking for re-election pursuant to Clauses No. 76(3) and 78 of the Constitution of the Company, at the forthcoming Nineteenth Annual General Meeting.

#### Annual Performance Assessment

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

- Performance Evaluation on Directors

### SUMMARY OF THE WORK OF THE COMMITTEE (CONTINUED)



## NOMINATION COMMITTEE REPORT (CONTINUED)

### Annual Performance Assessment (continued)

The NC is satisfied that each Director has performed and discharged their duties within their respective portfolios well.

- Effectiveness of the Board as a whole and Board Committees

The NC is satisfied with the size of the Company's Board and that there is an appropriate mix of knowledge, skills, attributes and core competencies in the composition of the Board. The Board Committees had carried out their duties and discharged their responsibilities effectively in accordance with the Listing Requirements of Bursa Securities and their respective Terms of Reference.

### Annual Assessment of Independence

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

The NC and Board are of the view that all four (4) Independent Non-Executive Directors continue to remain objective and independent in expressing their views and in participating in deliberations and decision making actions of the Board and the Board Committees, and that no individual or small group of individuals dominates the Board's decision-making process. All evaluations carried on the independence of the Independent Directors were tabled to the Board and are properly documented.

The Board is satisfied with the level of independence and acknowledged the contribution by the respective Independent Directors that they had acted in the best interest of the Company.

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

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

One of the recommendations of the MCCG states that the tenure of an independent director should not exceed a cumulative term of nine (9) years. If the Board wishes to retain an independent director beyond nine (9) years, the board should provide justification and seek annual shareholders' approval through a two-tier voting process.

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

The Board has recommended Dr. Zainol Bin Md Eusof and Yong Swee Lin to continue to act as Independent Non-Executive Directors of the Company based on the following justifications, which will be tabled for shareholders' approval at the forthcoming Nineteenth Annual General Meeting of the Company:-

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

Based on the reason and justification as provided above, the Board has decided not to adopt the two-tier voting process as recommended by MCCG for the retention of Independent Non-Executive Directors at the forthcoming Nineteenth Annual General Meeting of the Company.

## ADDITIONAL COMPLIANCE INFORMATION

### 1. UTILISATION OF PROCEEDS

There were no proceeds raised from any corporate proposal during the financial year ended 31 December 2021.

### 2. MATERIAL CONTRACTS

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

### 3. MATERIAL CONTRACTS RELATING TO LOANS

During the financial year ended 31 December 2021, there were no material contracts relating to loans involving directors and/or major shareholders.

### 4. RECURRENT RELATED PARTY TRANSACTIONS ("RRPT")

At the Annual General Meeting ("AGM") held on 17 June 2021, the Company obtained a shareholders' mandate to allow the Group to enter into recurrent related party transactions of a revenue or trading nature ("RRPT").

In accordance with Practice Note 12 of the the MMLR, details of RRPT for the financial year ended 31 December 2021 pursuant to the shareholders' mandate were as follows:-

Related Party	Company(ies) within our Group	Nature of transactions	Amount transacted (RM)
Galley Reach Holdings Ltd	Gim Triple Seven Sdn. Bhd.	Sale of plantation related products and services by Company within our Group to Related Parties	1,183,314
Galley Reach Holdings Ltd	Gim Triple Seven Sdn. Bhd., Tigantara Plantations Sdn. Bhd.	Purchase of rubber and plantation related products and services by Companies within our Group from Related Parties	6,922,147

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# DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2021.

## PRINCIPAL ACTIVITIES

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

## RESULTS

	<b>Group RM</b>	<b>Company RM</b>
Profit for the financial year	5,441,655	3,578,562

## RESERVES AND PROVISIONS

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

## DIVIDENDS

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year.

The Directors recommend a final single tier dividend of 0.30 sen per share in respect of the current financial year for the shareholders' approval at the forthcoming Annual General Meeting. The current financial statements does not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2022.

## DIRECTORS OF THE COMPANY AND SUBSIDIARIES

The name of the Directors of the Company and subsidiaries in office during the financial year and during the period commencing from the end of the financial year to the date of this report are as follows:-

Tham Foo Keong\*  
 Tham Foo Choon\*  
 Dr. Zainol Bin Md. Eusof  
 Tham Kin Wai\*  
 Yong Swee Lin  
 Tham Kin-On\*  
 Suhnylla Kaur Kler  
 Supramaniam A/L R.Ramasamy (Appointed on 24 January 2022)  
 Mahbob Bin Abdullah (Resigned on 31 December 2021)

\* Directors of the Company and its subsidiary(ies).

Except as disclosed above, the name of the Directors of subsidiaries in office during the financial year and during the period commencing from the end of the financial year to the date of this report are as follows:-

Tham Kin Hoe

## DIRECTORS' REPORT (CONTINUED)

## DIRECTORS' REMUNERATION AND BENEFITS

During the financial year, the fees and remuneration received and receivable by the Directors of the Company are as follows:-

	Incurring by the Company RM	Incurring by the subsidiaries RM	Group RM
Directors' fees	132,000	-	132,000
Directors' remuneration	16,100	1,650,153	1,666,253
	148,100	1,650,153	1,798,253

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

## DIRECTORS' INTERESTS

The interests and deemed interests in the ordinary shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year (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:-

	At 1.1.2021	Number of ordinary shares		At 31.12.2021
		Bought	Sold	
<b>Interests in the Company:</b>				
<b>Greenfield Berhad</b>				
Tham Foo Keong				
- own	8,973,160	-	1,500,000	7,473,160
Tham Foo Choon				
- own	6,099,160	-	-	6,099,160
Dr. Zainol Bin Md. Eusof	210,000	-	-	210,000
Tham Kin Wai	2,172,000	-	172,000	2,000,000
Yong Swee Lin	20,000	-	-	20,000
Tham Kin-On	2,000,000	-	1,500,000	500,000
<b>Deemed interests in the Company:</b>				
<b>Greenfield Berhad</b>				
Tham Foo Keong				
- others*	19,162,560	-	-	19,162,560
Tham Foo Choon				
- others*	1,903,900	-	1,000,000	903,900
<b>Deemed interests in the Company via its ultimate holding company:</b>				
<b>Greenfield Holdings Sdn. Bhd.</b>				
Tham Foo Keong	162,121,320	-	-	162,121,320
Tham Foo Choon	162,121,320	-	-	162,121,320

\* In accordance with Section 59(11)(c) of the Companies Act 2016, the deemed interests of the spouses and a child of Tham Foo Keong and Tham Foo Choon in shares of the Company shall be treated as the interests of Tham Foo Keong and Tham Foo Choon respectively.

By virtue of their direct interests in shares of the Company, Tham Foo Keong and Tham Foo Choon are also deemed to have interest in shares of the Company and of its related corporations to the extent of that interest under Section 8 of the Companies Act 2016.

**DIRECTORS' REPORT (CONTINUED)****ISSUE OF SHARES AND DEBENTURES**

There were no new issuance of shares or debentures during the financial year.

**OTHER STATUTORY INFORMATION**

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

- i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and adequate provision had been made for doubtful debts; and
- ii) any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company 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) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- ii) which 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 would 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 which 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 which has arisen since the end of the financial year and which secures the liabilities of any other person; or
- ii) any contingent liability of the Group or of the Company which 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 December 2021 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.

**HOLDING COMPANY**

The holding company is Greenyfield Holdings Sdn. Bhd., a company incorporated and domiciled in Malaysia.

**DIRECTORS' REPORT (CONTINUED)****INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS**

There is no indemnity coverage and insurance premium paid for the Directors and Officers of the Group and the Company during the financial year.

**SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE REPORTING PERIOD**

The significant events during the financial year and subsequent to the reporting period are disclosed in Note 27 to the financial statements.

**AUDITORS**

The Auditors' remuneration of the Group and of the Company are disclosed in Note 18 to the financial statements.

The Company has agreed to indemnify the Auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia. No payment has been made to indemnify Grant Thornton Malaysia PLT for the financial year ended 31 December 2021.

The Auditors, Grant Thornton Malaysia PLT, have expressed their willingness to continue in office.

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

**Tham Foo Keong**

Kajang, Selangor Darul Ehsan

Date: 7 April 2022

**Tham Foo Choon**

# STATEMENTS OF FINANCIAL POSTION

AS AT 31 DECEMBER 2021

	Note	Group		Company	
		2021 RM	2020 RM	2021 RM	2020 RM
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	3	39,599,023	39,444,339	33,725	48,714
Right-of-use assets	4	9,636,277	9,643,223	-	-
Investment properties	5	3,998,379	4,083,839	-	-
Intangible assets	6	3,831,988	3,932,929	-	-
Investment in subsidiaries	7	-	-	39,613,146	38,788,146
Cash and cash equivalents	8	1,328,728	1,292,047	-	-
<b>Total non-current assets</b>		<b>58,394,395</b>	<b>58,396,377</b>	<b>39,646,871</b>	<b>38,836,860</b>
<b>Current assets</b>					
Inventories	9	8,333,550	7,149,248	-	-
Trade and other receivables	10	7,448,531	6,418,764	4,800,829	929,841
Tax recoverable		95,531	43,247	2,202	1,587
Cash and cash equivalents	8	14,877,332	12,238,766	76,896	335,928
<b>Total current assets</b>		<b>30,754,944</b>	<b>25,850,025</b>	<b>4,879,927</b>	<b>1,267,356</b>
<b>Total assets</b>		<b>89,149,339</b>	<b>84,246,402</b>	<b>44,526,798</b>	<b>40,104,216</b>
<b>Equity</b>					
Share capital	11	33,374,000	33,374,000	33,374,000	33,374,000
Reserves	11	381,359	248,513	-	-
Retained earnings	11	35,104,115	29,662,460	8,489,798	4,911,236
<b>Total equity attributable to the owners of the Company</b>		<b>68,859,474</b>	<b>63,284,973</b>	<b>41,863,798</b>	<b>38,285,236</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Borrowings	12	10,638,231	12,049,296	-	-
Lease liabilities	13	368,978	452,090	-	-
Deferred tax liabilities	14	2,370,025	2,243,985	-	-
<b>Total non-current liabilities</b>		<b>13,377,234</b>	<b>14,745,371</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>					
Trade and other payables	15	3,435,046	3,556,469	2,663,000	1,818,980
Contract liabilities	16	1,392,060	670,357	-	-
Borrowings	12	1,583,913	1,528,154	-	-
Lease liabilities	13	286,603	246,020	-	-
Tax payable		215,009	215,058	-	-
<b>Total current liabilities</b>		<b>6,912,631</b>	<b>6,216,058</b>	<b>2,663,000</b>	<b>1,818,980</b>
<b>Total liabilities</b>		<b>20,289,865</b>	<b>20,961,429</b>	<b>2,663,000</b>	<b>1,818,980</b>
<b>Total equity and liabilities</b>		<b>89,149,339</b>	<b>84,246,402</b>	<b>44,526,798</b>	<b>40,104,216</b>

The accompanying notes form an integral part of the financial statements.



**STATEMENTS OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME**  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note	Group		Company	
		2021 RM	2020 RM	2021 RM	2020 RM
<b>Revenue</b>	17	45,376,172	33,344,733	4,500,000	2,400,000
Cost of sales		(29,447,741)	(22,871,883)	-	-
<b>Gross profit</b>		15,928,431	10,472,850	4,500,000	2,400,000
Other income		424,512	6,261,081	-	-
Distribution expenses		(168,625)	(290,156)	-	-
Administrative expenses		(8,480,225)	(9,096,809)	(924,581)	(338,649)
Reversal/(Loss) on impairment of financial asset		31,005	(40,280)	-	-
Other expenses		(3,450)	(37,642)	-	-
<b>Results from operating activities</b>		7,731,648	7,269,044	3,575,419	2,061,351
Interest expense		(363,090)	(491,572)	-	-
Interest income		133,482	109,736	3,143	5,756
<b>Net interest (expense)/income</b>		(229,608)	(381,836)	3,143	5,756
<b>Profit before tax</b>	18	7,502,040	6,887,208	3,578,562	2,067,107
Tax expense	19	(2,060,385)	(1,501,461)	-	-
<b>Profit for the financial year</b>		5,441,655	5,385,747	3,578,562	2,067,107
<b>Other comprehensive income/(loss) for the financial year, net of tax Items that are or may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences for foreign operations		132,846	(126,805)	-	-
		132,846	(126,805)	-	-
<b>Total comprehensive income for the financial year</b>		5,574,501	5,258,942	3,578,562	2,067,107
<b>Earnings per ordinary share (cent):</b>	20				
- Basic		1.63	1.61		
- Diluted		-	-		

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	← <i>Attributable to owners of the Company</i> →			Total equity RM
	← <i>Non-distributable</i> →		<i>Distributable</i>	
	Share capital RM	Translation reserve RM	Retained earnings RM	
<b>Group</b>				
<b>At 1 January 2020</b>	33,374,000	375,318	24,276,713	58,026,031
Foreign currency translation differences for foreign operations	-	(126,805)	-	(126,805)
Profit for the financial year	-	-	5,385,747	5,385,747
Total comprehensive income for the financial year	-	(126,805)	5,385,747	5,258,942
<b>At 31 December 2020</b>	33,374,000	248,513	29,662,460	63,284,973
Foreign currency translation differences for foreign operations	-	132,846	-	132,846
Profit for the financial year	-	-	5,441,655	5,441,655
Total comprehensive income for the financial year	-	132,846	5,441,655	5,574,501
<b>At 31 December 2021</b>	33,374,000	381,359	35,104,115	68,859,474

	← <i>Attributable to owners of the Company</i> →		
	<i>Non-distributable</i>		<i>Distributable</i>
	Share capital RM	Retained earnings RM	Total equity RM
<b>Company</b>			
<b>At 1 January 2020</b>	33,374,000	2,844,129	36,218,129
Profit and total comprehensive income for the financial year	-	2,067,107	2,067,107
<b>At 31 December 2020</b>	33,374,000	4,911,236	38,285,236
Profit and total comprehensive income for the financial year	-	3,578,562	3,578,562
<b>At 31 December 2021</b>	33,374,000	8,489,798	41,863,798

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note	Group		Company	
		2021 RM	2020 RM	2021 RM	2020 RM
<b>Cash flows from operating activities</b>					
Profit before tax		7,502,040	6,887,208	3,578,562	2,067,107
<b>Adjustments for:-</b>					
Amortisation of intangible assets		15,714	14,475	-	-
Amortisation of investment properties		85,460	58,421	-	-
Bad debts written off		12,613	3,341	-	-
Depreciation of property, plant and equipment		1,518,776	1,834,535	14,989	14,988
Depreciation of right-of-use assets		320,746	331,384	-	-
Dividend income		-	-	(4,500,000)	(2,400,000)
Interest expense		363,090	491,572	-	-
Interest income		(133,482)	(109,736)	(3,143)	(5,756)
Inventories written off		444	-	-	-
Gain on disposal of property, plant and equipment		(13,053)	(194,990)	-	-
Gain on disposal of right-of-use assets		-	(108,529)	-	-
Gain on disposal of assets held for sales		-	(5,480,966)	-	-
(Reversal)/Loss on impairment of financial asset		(31,005)	40,280	-	-
Property, plant and equipment written off		1,952	159,198	-	-
Right-of-use assets written off		-	942,354	-	-
Unrealised (gain)/loss on foreign exchange		(27,222)	645	-	-
<b>Operating profit/(loss) before changes in working capital</b>					
		9,616,073	4,869,192	(909,592)	(323,661)
Changes in:-					
Inventories		(1,184,746)	1,087,614	-	-
Contract liabilities		721,703	441,668	-	-
Trade and other receivables		(965,535)	(663,049)	(9,857,988)	56
Trade and other payables		(134,324)	(1,865,964)	1,384,020	(3,000)
<b>Cash from/(used in) operations</b>					
		8,053,171	3,869,461	(9,383,560)	(326,605)
Tax paid		(1,986,641)	(1,430,786)	(615)	(622)
Tax refunded		-	148,729	-	-
<b>Net cash from/(used in) operating activities</b>					
		6,066,530	2,587,404	(9,384,175)	(327,227)
<b>Cash flows from investing activities</b>					
Acquisition of property, plant and equipment	(i)	(1,471,599)	(2,125,008)	-	-
Acquisition of right-of-use assets	(ii)	(73,800)	(47,490)	-	-
Acquisition of intangible assets		(6,700)	(7,750)	-	-
Proceeds from disposal of property, plant and equipment		75,000	265,009	-	-
Proceeds from disposal of assets held for sales		-	7,332,408	-	-
Proceeds from disposal of right-of-use assets		-	108,529	-	-
Placement of deposits with licensed banks		(36,681)	(42,941)	-	-
Additional investment in a subsidiary		-	-	(825,000)	(6,559,000)
Dividend received		-	-	4,500,000	2,400,000
Interest received		133,482	109,736	3,143	5,756
Repayment from subsidiaries		-	-	5,987,000	5,987,000
<b>Net cash (used in)/from investing activities</b>					
		(1,380,298)	5,592,493	9,665,143	1,833,756
<b>Cash flows from financing activities</b>					
Dividends paid to owners of the Company		-	(667,480)	-	(667,480)
Interests paid		(536,923)	(681,961)	-	-
Repayment to subsidiaries		-	-	(540,000)	(540,000)
Repayment to Directors		(2,007)	(2,895)	-	-
Repayment of term loans		(1,355,306)	(3,684,827)	-	-
Repayment of lease liabilities		(282,529)	(229,832)	-	-
<b>Net cash used in financing activities</b>					
		(2,176,765)	(5,266,995)	(540,000)	(1,207,480)

**STATEMENTS OF CASH FLOWS (CONTINUED)**  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note	Group		Company	
		2021 RM	2020 RM	2021 RM	2020 RM
Net changes in cash and cash equivalents		2,509,467	2,912,902	(259,032)	299,049
Effect of exchange rate fluctuation on cash and cash equivalents		129,099	(71,336)	-	-
Cash and cash equivalents at beginning of financial year		12,238,766	9,397,200	335,928	36,879
<b>Cash and cash equivalents at end of financial year</b>	(iii)	14,877,332	12,238,766	76,896	335,928

**NOTES TO THE STATEMENTS OF CASH FLOWS**

(i) *Acquisition of property, plant and equipment*

	2021 RM	Group		Company	
		2021 RM	2020 RM	2021 RM	2020 RM
Total addition of property, plant and equipment	1,706,838	2,353,685	-	-	
Depreciation of property, plant and equipment included in additions of immature bearer plant (Note 3.2)	(143,312)	(137,022)	-	-	
Amortisation of intangible assets included in additions of immature bearer plant (Note 3.2)	(91,927)	(91,655)	-	-	
Total cash payment	1,471,599	2,125,008	-	-	

(ii) *Acquisition of right-of-use assets*

	2021 RM	Group		Company	
		2021 RM	2020 RM	2021 RM	2020 RM
Total addition of right-of-use assets	313,800	221,490	-	-	
Acquired under lease arrangements	(240,000)	(174,000)	-	-	
Total cash payment	73,800	47,490	-	-	

(iii) *Cash and cash equivalents*

Cash and cash equivalents included in the statements of cash flows comprise the following items:-

	2021 RM	Group		Company	
		2021 RM	2020 RM	2021 RM	2020 RM
Deposits with licensed banks	7,654,253	3,415,641	7,200	7,050	
Cash and bank balances	8,551,807	10,115,172	69,696	328,878	
	16,206,060	13,530,813	76,896	335,928	
Less: Deposits pledged	(1,328,728)	(1,292,047)	-	-	
	14,877,332	12,238,766	76,896	335,928	

The deposits with licensed banks of the Group amounted to RM1,328,728 (2020: RM1,292,047) have been pledged as security for banking facility granted to subsidiaries and hence, are not available for general use.

The accompanying notes form an integral part of the 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 Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are as follows:-

## Principal place of business

1-19, MKH Boulevard  
Jalan Bukit  
43000 Kajang, Selangor

## Registered office

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

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2021 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”). The financial statements of the Company as at and for the financial year ended 31 December 2021 do not include other entities.

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

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

These financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 7 April 2022.

## 1. Basis of preparation

### (a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards (“IFRSs”) and the requirements of the Companies Act 2016 in Malaysia.

#### (i) Adoption of new standards/amendments/improvements to MFRSs

The Group and the Company have consistently applied the accounting policies set out in Note 2 to all periods presented in these financial statements.

At the beginning of current financial year, the Group and the Company adopted new standards/amendments/improvements to MFRSs which are mandatory for the financial periods beginning on or after 1 June 2020.

The initial application of the new standards/amendments/improvements to the standards did not have a material impact on the financial statements.

#### (ii) Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group’s and of the Company’s financial statements are disclosed below. The Group and the Company intend to adopt these new and amended standards and interpretations, if applicable, when they become effective.

*Amendment to MFRS effective for annual periods beginning on or after 1 April 2021*

Amendment to MFRS 16

Leases: COVID-19 - Related rent concessions beyond 30 June 2021

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**1. Basis of preparation (continued)****(a) Statement of compliance (continued)****(ii) Standards issued but not yet effective (continued)**MFRSs and amendments to MFRSs effective for annual periods beginning on or after 1 January 2022

Amendments to MFRS 3	Business combinations: Reference to the conceptual framework
Amendments to MFRS 116	Property, plant and equipment: Proceeds before intended use
Amendments to MFRS 137	Provisions, contingent liabilities and contingent assets: Onerous contracts - cost of fulfilling a contract
Annual improvements to MFRS standards 2018 - 2020	

MFRSs and amendments to MFRSs effective for annual periods beginning on or after 1 January 2023

MFRS 17*	Insurance contracts
Amendments to MFRS 17*	Insurance contracts
Amendments to MFRS 17*	Insurance contracts: Initial application of MFRS 17 and MFRS 9 - Comparative information
Amendments to MFRS 4*	Insurance contracts: Extension of the temporary exemption from applying MFRS 9
Amendments to MFRS 101	Presentation of financial statements: Classification of liabilities as current or non-current
Amendments to MFRS 101	Presentation of financial statements: Disclosure of accounting policies
Amendments to MFRS 108	Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates
Amendments to MFRS 112	Income taxes: Deferred tax related to assets and liabilities arising from a single transaction

Amendments to MFRSs effective for a date yet to be confirmed

Amendments to MFRS 10 and MFRS 128*	Consolidated financial statements and investments in associates and joint ventures: Sale or contribution of assets between an investor and its associate or joint venture
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\* Not applicable to the Group's and the Company's operation

The initial application of the above applicable standards and amendments are not expected to have any material financial impact to the financial statements.

**(b) Basis of measurement**

The financial statements have been prepared under the historical cost convention other than as disclosed in Note 2.

**(c) Functional and presentation currency**

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

**(d) Significant accounting estimates and judgements**

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and of the Company's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by the management, and will seldom equal the estimated results.

Information about significant judgements, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**1. Basis of preparation (continued)****(d) Significant accounting estimates and judgements (continued)**Key sources of estimation uncertainties

Key assumptions concerning the future and accounting estimates at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

**Depreciation of property, plant and equipment, right-of-use assets and investment properties**

Property, plant and equipment, right-of-use assets and investment properties are depreciated on a straight-line basis over their useful life. However, significant judgement is involved in estimating the useful life and residual value of property, plant and equipment, right-of-use assets and investment properties which are subjected to technological development and level of usage. Therefore, residual values of these assets and future depreciation and amortisation charges may vary.

**Impairment of property, plant and equipment, right-of-use assets and investment properties**

The Group and the Company carried out impairment tests where there are indications of impairment based on a variety of estimation including value-in-use of cash-generating unit to which the property, plant and equipment, right-of-use assets and investment properties are allocated. Estimating the value-in-use requires the Group and the Company to make an estimate of the expected future cash flows from cash-generating unit and also to choose a suitable discount rate in order to calculate present value of those cash flows.

**Impairment of intangible asset**

The Group determines the impairment of intangible asset with finite lives by amortising the assets over their useful lives. The useful lives of these assets are based on the period over which the assets are able to generate revenue, and are periodically reviewed for continued appropriateness. The Group's management undertakes an impairment review annually, or more frequently if events or changes in circumstances indicate that the carrying value may not be recoverable. The management is of opinion that there are no instances of application of judgement which are expected to have a significant effect on the amount recognised in the financial statements.

**Income taxes/Deferred tax liabilities**

Significant judgement is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters result is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

**Deferred tax assets**

The assessment of the probability of future taxable income in which deferred tax assets can be utilised is based on the Group's latest approved budget or forecast, which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, especially when it can be utilised without a time limit, that deferred tax asset is usually recognised in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

**Inventories**

Inventories are measured at the lower of cost and net realisable value. In estimating net realisable values, management takes into account the most reliable evidence available at the time the estimates are made. The realisation of these inventories may be affected by market-driven changes that may occur in the future.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**1. Basis of preparation (continued)****(d) Significant accounting estimates and judgements (continued)**Key sources of estimation uncertainties (continued)**Provision for expected credit losses (“ECL”) of trade receivables**

The Group and the Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for grouping of various customer segments that have similar loss patterns such as geography, product type, customer type and rating.

The provision matrix is initially based on the Group’s and the Company’s historical observed default rates. The Group and the Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every quarterly reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed rates, forecast economic conditions and ECL is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group’s and the Company’s historical credit loss experience and forecast of economic conditions may also not be representative of customers’ actual default rate in the future.

Significant management judgements

The following items in financial statements are significantly affected by management judgements in the application of accounting policies:-

**Deferred tax assets**

Deferred tax assets are recognised for all deductible temporary differences, unabsorbed tax losses and unutilised capital allowances to the extent that it is probable that taxable profit will be available against which all deductible temporary differences, unabsorbed tax losses and unutilised capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with future tax planning strategies.

**2. Significant accounting policies**

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

**(a) Basis of consolidation****(i) Subsidiaries**

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

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

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



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 2. Significant accounting policies (continued)

#### (a) Basis of consolidation (continued)

##### (ii) Business combinations

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

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

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

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

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

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

Where goodwill forms part of a cash-generating unit (or group of cash-generating units) and part of the operations within that unit is disposed off, the goodwill associated with the operations disposed off is included in the carrying amount of the operations when determining the gain or loss on disposal of the operations. Goodwill disposed of in these circumstances is measured based on the relative values of the operations disposed of and portion of the cash-generating unit retained.

##### (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.

Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Temporary differences arising from the elimination of profits and losses resulting from intragroup transactions will be treated in accordance to Note 2(r) of the financial statements.

#### (b) Foreign currency

##### (i) Foreign currency transaction and balances

Transactions in foreign currencies are initially recorded at the functional currency rates prevailing at the date of the transaction.

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

All differences are taken to the profit or loss with the exception of all monetary items that forms part of a net investment in a foreign operation. These are recognised in other comprehensive income until the disposal of the net investment, at which time they are reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

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.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**2. Significant accounting policies (continued)****(b) Foreign currency (continued)****(i) Foreign currency transaction and balances (continued)**

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

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

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

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

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

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

**(c) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**(i) Financial assets****Initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI"), and fair value through profit or loss ("FVTPL").

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the Group and the Company initially measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost or FVTOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**2. Significant accounting policies (continued)****(c) Financial instruments (continued)****(i) Financial assets (continued)****Initial recognition and measurement (continued)**

The Group's and the Company's business model for managing financial assets refers to how they manage their financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at FVTOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group and the Company commit to purchase or sell the asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at FVTOCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at FVTOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at FVTPL.

The Group and the Company only have the financial assets at amortised cost on their statements of financial position.

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's and the Company's financial assets at amortised cost include trade receivables, most of other receivables, cash and cash equivalents.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

When the Group and the Company have transferred their rights to receive cash flows from an asset or have entered into a passthrough arrangement, they evaluate if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**2. Significant accounting policies (continued)****(c) Financial instruments (continued)****(i) Financial assets (continued)****Impairment**

The Group and the Company recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

*Impairment for trade receivables*

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

To measure ECLs, trade receivables are grouped into categories. The categories are differentiated by the different business risks and are subject to different credit assessments.

*Impairment for financial assets other than trade receivables*

The Group and the Company consider the probability of default upon initial recognition of the asset and whether there have been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The assessment considers available, reasonable and supportable forward-looking information.

*Credit impaired*

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. The Group and the Company consider a receivable as credit impaired when one or more events that have a detrimental impact on the estimated cash flows have occurred. These instances include adverse changes in the financial capability of the debtor and default or significant delay in payments.

**(ii) Financial liabilities****Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**2. Significant accounting policies (continued)****(c) Financial instruments (continued)****(ii) Financial liabilities (continued)****Subsequent measurement**

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss; or
- Financial liabilities at amortised cost.

The Group and the Company only have financial liabilities at amortised cost on their statements of financial position.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statements of profit or loss.

The Group's and the Company's financial liabilities at amortised cost include trade payables, most of other payables and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statements of profit or loss.

**(iii) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**(d) Property, plant and equipment****(i) Recognition and measurement**

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

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which it is located. All other repair and maintenance costs are recognised in the profit or loss as incurred.

Bearer plants are classified as property, plant and equipment that include cost of plantation expenditure on new planting and replanting of bearer plants and assets in the course of constructions.

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

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**2. Significant accounting policies (continued)****(d) Property, plant and equipment (continued)****(ii) Subsequent costs**

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

**(iii) Depreciation**

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

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group and the Company will obtain ownership by the end of the lease term. Freehold land and buildings are not depreciated. Depreciation commences when the bearer plants mature or where the assets are ready for use. No depreciation is provided on capital work-in-progress until it is completed and ready for their intended used.

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

• Leasehold land	50 - 82 years
• Buildings	14 - 50 years
• Plant and machinery	10 years
• Motor vehicles	6 - 10 years
• Renovations	10 years
• Mature bearer plant	20 years
• Factory, office fittings and equipments:	
- Computers and mould	3 - 5 years
- Furniture and fittings, office equipments, air-conditioners, empty cylinders and electrical installation	5 - 10 years
- Project and nursery site fittings	5 - 6 years

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

**(e) Investment property**

Investment property is property which is owned or held to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment property is treated as long-term investment and are measured at cost, including transaction costs less any accumulated depreciation and impairment losses. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Freehold land are not depreciated.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**2. Significant accounting policies (continued)****(e) Investment property (continued)**

The principal annual amortisation rate used are as follows:-

Building	2%
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Investment property is derecognised when either it is disposed of or when it is permanently withdrawn from use and no future economic benefit is expected from the disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in the profit or loss in the financial year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change. When an item of property, plant and equipment is transferred to investment property following a change in its use, property is accounted for in accordance with the accounting policy for property, plant and equipment up to the date of change in use.

**(f) Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an indentified asset for a period of time in exchange for consideration.

**As a lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**Right-of-use assets**

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:-

Leasehold land	Over remaining lease term
Buildings	Over remaining lease term
Motor vehicles	6 - 10 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use asset is also subject to impairment as detailed in Note 2(j) to the financial statements.

**Lease liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**2. Significant accounting policies (continued)****(f) Leases (continued)****Lease liabilities (continued)**

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

COVID-19 - related rent concessions

The amendments to MFRS 16 provide relief to lessees from applying MFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether the COVID-19 - related rent concessions from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from COVID-19 - related rent concessions the same way it would account for the change under MFRS 16, if the change were not a lease modification.

During the financial year, the Group and the Company elect to account for a COVID-19 - related rent concessions that meets all of the following conditions in the same way as they would if they were not lease modification:-

- the change in lease payments results in revised consideration for the lease that is substantially the same as or less than, the consideration for the lease immediately preceding the change;
- any reduction in lease payments affects only payments due on or before 30 June 2022; and
- there is no substantive change to other terms and conditions of the lease.

The Group and the Company account for such COVID-19 - related rent concessions in which the event or condition that triggers the reduced payment occurs. The Group and the Company present the impacts of rent concessions within other income.

**Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases of premises and office equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**As a lessor**

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statements of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**2. Significant accounting policies (continued)****(g) Intangible assets****(i) Trademarks**

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

**(ii) Concession rights**

Concession rights acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

**(iii) Subsequent expenditure**

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

**(iv) Amortisation**

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

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

- |                     |          |
|---------------------|----------|
| • Trademarks        | 10 years |
| • Concession rights | 44 years |

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

**(h) Inventories**

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

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

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

**(i) Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand, bank balances and deposits with licensed banks which are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statements of financial position, cash and cash equivalents restricted to be used to settle a liability of 12 months or more after the end of the reporting period are classified as non-current assets. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of deposits pledged.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**2. Significant accounting policies (continued)****(j) Impairment of non-financial assets**

The Group and the Company assess at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group and the Company estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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.

In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly trade subsidiaries or other available fair value indicators.

The Group and the Company base their impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's and the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognised in the profit or loss in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group and the Company estimate the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss has been recognised for asset in prior years. Such reversal is recognised in the profit or loss.

Goodwill is tested for impairment annually as at the end of each reporting period, and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than their carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

**(k) Equity, reserves and distribution to owners**

An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Retained earnings include all current and prior periods' retained earnings.

Interim dividends are simultaneously proposed and declared, because the articles of association of the Company grants the Directors the authority to declare interim dividends. Consequently, interim dividends are recognised directly as a liability when they are proposed and declared.

Final dividends proposed by the Directors are not accounted for in shareholder's equity as an appropriation of retained earnings, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

The distribution of non-cash assets to owners is recognised as a dividend payable when the dividend was approved by shareholders. The dividend payable is measured at the fair value of the shares to be distributed. At the end of the financial year, the Company reviews the carrying amount of the dividend payable, with any changes in the fair value of the dividend payable are recognised in equity. When the Company settles the dividend payable, the difference between the carrying amount of the dividend distributed and the carrying amount of the dividend payable is recognised as a separate line item in profit or loss.

All transactions with the owners of the Company are recorded separately within equity.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**2. Significant accounting policies (continued)****(l) Provisions**

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group and the Company expect some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the profit or loss net of any reimbursement.

If the effect of the time of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**(m) Borrowing costs**

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

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

All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

**(n) Contingencies****(i) Contingent liabilities**

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

**(ii) Contingent assets**

When an inflow of economic benefit of an asset is probable where it arises from past events and where existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, the asset is not recognised in the statements of financial position but is being disclosed as a contingent asset. When the inflow of economic benefit is virtually certain, then the related asset is recognised.

**(o) Employee benefits****(i) Short-term employee benefits**

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

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

**(ii) Defined contribution plan**

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**2. Significant accounting policies (continued)****(p) Revenue and other income****Sales of goods**

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Group and the Company recognise revenue when (or as) they transfer control over a product or services to the customer. An asset is transferred when (or as) the customer obtains control of the asset.

The Group and the Company transfer control of a good or service at a point in time unless one of the following over time criteria is met:-

- (a) the customer simultaneously receives and consumes the benefits provided as the Group or the Company performs;
- (b) the Group's or the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (c) the Group's or the Company's performance does not create an asset with an alternative use and the Group or the Company has an enforceable right to payment for performance completed to date.

**Dividend income**

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

**Interest income**

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

**(q) Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Group and the Company received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group and the Company transfer goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when Group and the Company perform under the contract.

**(r) Tax expense**

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

**(i) Current tax**

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

Current tax for current year and prior years is recognised in the statements of financial position as a liability (or an asset) to the extent that it is unpaid (or refundable).

**(ii) Deferred tax**

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**2. Significant accounting policies (continued)****(r) Tax expense (continued)****(ii) Deferred tax (continued)**

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date, except for investment properties carried at fair value model. Where investment properties are carried at their fair value in accordance with the accounting policy, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale.

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

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

Unutilised reinvestment allowance and investment tax allowance, being tax incentives that are not tax bases of an asset, are recognised as deferred tax assets to the extent that it is probable that the future taxable profits will be available against the unutilised tax incentives can be utilised.

**(s) Sales and service tax**

Expenses and assets are recognised net of the amount of sales and service tax ("SST"), except:

- When the sales and service tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales and service tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of sales and service tax included.

The net amount of sales and service tax payable to taxation authority is included as part of payables in the statements of financial position.

**(t) Value added tax**

Revenue, expenses and assets are recognised net of value added tax ("VAT") except for the VAT in a purchase of assets or services which are not recoverable from the taxation authority, the VAT are included as part of the costs of the assets acquired or as part of the expense item whichever is applicable.

In addition, receivables and payables are stated with the amount of VAT included (where applicable).

The net amount of VAT recoverable from, or payable to taxation authority at the end of reporting date is included in other receivables or other payables in the statements of financial position.

**(u) Earnings per ordinary share**

The Group presents basic and diluted earnings per share 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 year, adjusted for own shares held.

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**2. Significant accounting policies (continued)****(v) Operating segments**

An operating segment is a component of the Group and the Company 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 and the Company's other components. Operating segment results are reviewed regularly by the chief operating decision maker, which in this case is the Managing Director of the Group and the Company, to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

**(w) Fair value measurements**

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

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

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible.

Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:-

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

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

**(x) Related parties**

A related party is a person or entity that is related to the Group and the Company.

- (a) A person or a close member of that person's family is related to the Group if that person:
  - (i) Has control or joint control over the Group;
  - (ii) Has significant influence over the Group; or
  - (iii) Is a member of the key management personnel of the ultimate holding company, or the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
  - (i) The entity and the Group are members of the same group.
  - (ii) The Group is an associate or joint venture of the Group.
  - (iii) Both the Group and the entity are joint ventures of the same third party.
  - (iv) The entity is a joint venture of a third entity and the other entity is an associate of the same third entity.
  - (v) The entity is a post-employment benefit plan for the benefits of employees of either the Group or an entity related to the Group.
  - (vi) The entity is controlled or jointly-controlled by a person identified in (a) above.
  - (vii) A person identified in (a)(i) above has significant influence over the entity or is a member of the key management personnel of the ultimate holding company or the entity.
  - (viii) The entity, or any member of a group of which it is part, provides key management personnel services to the Group.

A related party transaction is a transfer of resources, services or obligations between the Group and its related party, regardless of whether a price is charged.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 3. Property, plant and equipment

Group Cost	Freehold land and building* RM	Buildings RM	Plant and machinery RM	Motor vehicles RM	Reno-vations RM	Mature bearer plant RM	Immature bearer plant RM	Factory, office fittings and equipment RM	Capital work-in-progress RM	Total RM
At 1 January 2020	358,603	4,931,891	8,341,257	1,783,740	1,110,796	1,772,770	26,033,727	10,690,444	791,422	55,814,650
Additions	-	-	283,741	140,410	-	-	1,628,155	224,619	76,760	2,353,685
Borrowing costs capitalised ranging from 5.50% to 6.75% per annum	-	-	-	-	-	-	190,389	-	-	190,389
Disposals	-	-	(310,372)	(234,236)	-	-	-	(290,730)	-	(835,338)
Written off	-	-	(1,650)	-	-	-	-	(438,848)	-	(440,498)
Reclassification	-	-	325,833	-	-	4,155,229	(4,155,229)	-	(325,833)	-
Translation differences	-	-	7,240	3,176	-	-	-	12,637	-	23,053
At 31 December 2020	358,603	4,931,891	8,646,049	1,693,090	1,110,796	5,927,999	23,697,042	10,198,122	542,349	57,105,941
Additions	-	-	250,020	58,830	-	-	1,101,045	172,848	124,095	1,706,838
Borrowing costs capitalised ranging from 5.50% to 6.75% per annum	-	-	-	-	-	-	173,833	-	-	173,833
Disposals	-	-	-	(323,200)	-	-	-	-	-	(323,200)
Written off	-	-	-	-	-	-	-	(8,200)	-	(8,200)
Reclassification	-	352,817	-	-	-	2,073,923	(2,073,923)	-	(352,817)	-
At 31 December 2021	358,603	5,284,708	8,896,069	1,428,720	1,110,796	8,001,922	22,897,997	10,362,770	313,627	58,655,212
<b>Accumulated depreciation</b>										
At 1 January 2020	-	323,764	6,735,789	1,045,883	891,981	44,319	-	7,677,854	-	16,719,590
Depreciation for the financial year	-	78,205	480,931	206,898	-	296,400	-	909,123	-	1,971,557
Disposals	-	-	(272,508)	(218,330)	-	-	-	(274,481)	-	(765,319)
Written off	-	-	(303)	-	-	-	-	(280,997)	-	(281,300)
Translation differences	-	-	6,096	3,176	-	-	-	7,802	-	17,074
At 31 December 2020	-	401,969	6,950,005	1,037,627	891,981	340,719	-	8,039,301	-	17,661,602
Depreciation for the financial year	-	91,714	299,443	176,953	-	400,096	-	693,882	-	1,662,088
Disposals	-	-	-	(261,253)	-	-	-	-	-	(261,253)
Written off	-	-	-	-	-	-	-	(6,248)	-	(6,248)
At 31 December 2021	-	493,683	7,249,448	953,327	891,981	740,815	-	8,726,935	-	19,056,189
<b>Carrying amount</b>										
At 31 December 2021	358,603	4,791,025	1,646,621	475,393	218,815	7,261,107	22,897,997	1,635,835	313,627	39,599,023
At 31 December 2020	358,603	4,529,922	1,696,044	655,463	218,815	5,587,280	23,697,042	2,158,821	542,349	39,444,339

\* The cost and carrying amount of the freehold land and building amounted to RM270,588 (2020: RM270,588) are not segregated from the buildings as required details are not available.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**3. Property, plant and equipment (continued)****3.1 Security****Group**

The carrying amount of RM3,077,423 (2020: RM2,493,690) of certain buildings have been pledged for term loans granted to subsidiaries as stated in Note 12 to the financial statements.

**3.2 Immature bearer plant**

Included in additions of immature bearer plant during the financial year are as follows:-

	<b>2021</b>	<b>Group</b>
	<b>RM</b>	<b>2020</b>
		<b>RM</b>
Land clearing costs	39,600	15,000
Planting costs	25,970	694,611
Depreciation of property, plant and equipment	143,312	137,022
Amortisation of intangible assets	91,927	91,655
Personnel expenses:		
- Wages, salaries and other employee benefits	351,177	306,619
- Defined contribution plan	16,275	13,415
		<hr/>
		<b>Motor vehicles/ Total</b>
		<b>RM</b>
<b>Company</b>		
<b>Cost</b>		
At 1 January 2020/31 December 2020/31 December 2021		149,888
		<hr/>
<b>Accumulated depreciation</b>		
At 1 January 2020		86,186
Depreciation for the financial year		14,988
		<hr/>
At 31 December 2020		101,174
Depreciation for the financial year		14,989
		<hr/>
At 31 December 2021		116,163
		<hr/>
<b>Carrying amount</b>		
At 31 December 2021		33,725
		<hr/>
At 31 December 2020		48,714
		<hr/>

**4. Right-of-use assets**

As a lessee

The Group has leases for leasehold land, buildings and motor vehicles that run between 10 to 99 years.

The Group also has leases of premises and office equipment with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemption for these leases.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 4. Right-of-use assets (continued)

	Leasehold land RM	Buildings RM	Prepaid lease payments RM	Motor vehicles RM	Total RM
<b>Group</b>					
At 1 January 2020	3,660,376	6,152,265	2,510,128	1,118,669	13,441,438
Additions	-	-	-	221,490	221,490
Depreciation for the financial year	(82,454)	(90,430)	(122)	(158,378)	(331,384)
Transfer to investment properties (Note 5)	-	(2,771,320)	-	-	(2,771,320)
Written off	-	(942,354)	-	-	(942,354)
Reclassification	2,510,009	-	(2,510,009)	-	-
Translation differences	-	25,350	3	-	25,353
At 31 December 2020	6,087,931	2,373,511	-	1,181,781	9,643,223
Additions	-	-	-	313,800	313,800
Depreciation for the financial year	(77,854)	(53,132)	-	(189,760)	(320,746)
At 31 December 2021	6,010,077	2,320,379	-	1,305,821	9,636,277

The above motor vehicles are under lease arrangement.

The strata title of the above buildings is yet to be issued by the relevant authority.

The carrying amount of right-of-use assets that have been pledged for term loans granted to subsidiaries as stated in Note 12 to the financial statements are as follows:-

	Group	
	2021 RM	2020 RM
Leasehold land	656,353	665,458
Buildings	1,856,303	2,373,511
	2,512,656	3,038,969

## 5. Investment properties

	Freehold land RM	Building RM	Total RM
<b>Group</b>			
<b>Cost</b>			
At 1 January 2020	532,754	869,230	1,401,984
Transfer from right-of-use assets (Note 4)	-	2,886,793	2,886,793
At 31 December 2020/31 December 2021	532,754	3,756,023	4,288,777
<b>Accumulated amortisation</b>			
At 1 January 2020	-	31,044	31,044
Amortisation for the financial year	-	58,421	58,421
Transfer from right-of-use assets (Note 4)	-	115,473	115,473
At 31 December 2020	-	204,938	204,938
Amortisation for the financial year	-	85,460	85,460
At 31 December 2021	-	290,398	290,398
<b>Carrying amount</b>			
At 31 December 2021	532,754	3,465,625	3,998,379
At 31 December 2020	532,754	3,551,085	4,083,839

The Group's building amounting to RM2,689,528 (2020: RM2,743,943) meet the definition of right-of-use assets but does not required to be reclassified to right-of-use assets.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**5. Investment properties (continued)****5.1 Security**

The investment properties have been pledged for term loan granted to a subsidiary, Gim Triple Seven Sdn. Bhd..

**5.2 Strata title**

The strata title of the above building is yet to be issued by the relevant authority.

**5.3 Fair value**

The fair value of the investment properties is amounted to RM8,175,698 (2020: RM7,380,185). Fair value is estimated by the Directors by reference to the published selling price for property in vicinity location. The investment properties are classified as Level 3 in the fair value hierarchy.

The following items are recognised in profit or loss in respect of investment properties:-

	<b>2021 RM</b>	<b>2020 RM</b>
<b>Group</b>		
Lease income	66,000	60,000
Direct operating expenses:		
- Income generating investment properties	3,789	4,797
- Non-income generating investment properties	5,375	3,312

**6. Intangible assets**

<b>Group</b>	<b>Trademarks RM</b>	<b>Concession rights RM</b>	<b>Total RM</b>
<b>Cost</b>			
At 1 January 2020	143,813	4,044,551	4,188,364
Additions	7,750	-	7,750
At 31 December 2020	151,563	4,044,551	4,196,114
Additions	6,700	-	6,700
Expiration of contracts	(1,530)	-	(1,530)
At 31 December 2021	156,733	4,044,551	4,201,284
<b>Accumulated amortisation</b>			
At 1 January 2020	65,134	91,921	157,055
Amortisation for the financial year	14,475	91,655	106,130
At 31 December 2020	79,609	183,576	263,185
Amortisation for the financial year	15,714	91,927	107,641
Expiration of contracts	(1,530)	-	(1,530)
At 31 December 2021	93,793	275,503	369,296
<b>Carrying amount</b>			
At 31 December 2021	62,940	3,769,048	3,831,988
At 31 December 2020	71,954	3,860,975	3,932,929

Concession rights arising through acquisition of subsidiaries was obtained from the State Government of Kelantan to plant timber latex clone for 50 years.

The amortisation of trademarks is included in administrative expenses while the amortisation of concession rights is capitalised under immature bearer plant in property, plant and equipment.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 7. Investment in subsidiaries

	Company	
	2021 RM	2020 RM
At cost:-		
Unquoted shares		
- Ordinary shares	21,279,146	21,279,146
- Redeemable convertible preference shares	19,874,000	19,049,000
	41,153,146	40,328,146
Less: Impairment losses	(1,540,000)	(1,540,000)
	39,613,146	38,788,146

The movement of the impairment losses is as follows:-

	Company	
	2021 RM	2020 RM
At beginning of financial year/At end of financial year	1,540,000	1,540,000

The impairment losses were recognised to adjust the carrying amount of investment in subsidiaries due to net assets of subsidiary is lower than the cost of investment.

Details of the subsidiaries are as follows:-

Name of subsidiaries	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest	
			2021 %	2020 %
Greenyeld Industries (M) Sdn. Bhd. ("GISB")	Malaysia	Manufacturing and marketing of agricultural related systems and products and plastic related products	100	100
Gim Triple Seven Sdn. Bhd.	Malaysia	Marketing and distribution of agricultural related systems and products	100	100
Givnflow Company Limited*	Vietnam	In member's voluntary liquidation	100	100
Greenyeld (Cambodia) Pte. Ltd.*	Cambodia	In member's voluntary liquidation	100	100
Gimflow Sdn. Bhd.	Malaysia	Marketing and distribution of agricultural related systems and products	100	100
RCP Technologies Sdn. Bhd.	Malaysia	Trading of agricultural and plantation tools and providing technical and consultancy services	100	100
Tigantara Plantations Sdn. Bhd.	Malaysia	Rubber planting and estate management	100	100
SND Teguh Enterprise Sdn. Bhd.	Malaysia	Rubber planting and estate management	100	100
Pullah PC Daud Sdn. Bhd.	Malaysia	Rubber planting and estate management	100	100

\* These subsidiaries are in member's voluntary liquidation and have been consolidated based on unaudited financial statements.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 8. Cash and cash equivalents

	Note	Group		Company	
		2021 RM	2020 RM	2021 RM	2020 RM
<b>Non-current</b>					
Deposits placed with licensed banks	8.1	1,328,728	1,292,047	-	-
<b>Current</b>					
Cash and bank balances		8,551,807	10,115,172	69,696	328,878
Deposits placed with licensed banks	8.2	6,325,525	2,123,594	7,200	7,050
		14,877,332	12,238,766	76,896	335,928
		16,206,060	13,530,813	76,896	335,928

**8.1** The deposits with licensed banks are pledged for banking facilities granted to subsidiaries. The effective interest rates for deposits placed with licensed banks are ranging from 1.89% to 3.10% (2020: 3.10% to 3.60%) per annum.

**8.2** The effective interest rates for deposits placed with licensed banks are ranging from 1.20% to 3.17% (2020: 1.31% to 3.17%) per annum.

## 9. Inventories

	Group	
	2021 RM	2020 RM
Raw materials	3,476,967	3,330,797
Work-in-progress	1,927,804	1,483,975
Packaging materials	759,602	373,091
Finished goods	2,169,177	1,961,385
	8,333,550	7,149,248
<b>Recognised in profit or loss:-</b>		
Inventories recognised as cost of sales	21,924,660	15,225,320
Inventories written off	444	-

## 10. Trade and other receivables

	Note	Group		Company	
		2021 RM	2020 RM	2021 RM	2020 RM
<b>Trade</b>					
Trade receivables	10.1	6,413,064	5,234,679	-	-
Amount due from ultimate holding company	10.2	-	89,259	-	-
		6,413,064	5,323,938	-	-
Less:					
Accumulated impairment losses	10.3	(9,275)	(40,280)	-	-
		6,403,789	5,283,658	-	-

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**10. Trade and other receivables (continued)**

	Note	Group		Company	
		2021 RM	2020 RM	2021 RM	2020 RM
<b>Non-trade</b>					
Amount due from subsidiaries	10.4	-	-	4,796,020	925,000
Other receivables		148,639	78,412	500	500
Deposits		354,900	352,369	4,000	4,000
VAT recoverable		-	216	-	-
Prepayments		541,203	704,109	309	341
		1,044,742	1,135,106	4,800,829	929,841
		7,448,531	6,418,764	4,800,829	929,841

**10.1 Trade receivables**

The trade receivables are non-interest bearing and the normal trade credit terms granted to customers ranged from current to 90 days (2020: current to 90 days). They are recognised at invoice amounts. Included in trade receivables of RM299,113 (2020: RM616,487) is an amount due from a company in which certain Directors have interest which is subject to normal trade terms, unsecured and interest free.

**10.2 Amount due from ultimate holding company**

In previous financial year, the trade amount due from ultimate holding company was unsecured, interest free and subject to normal trade credit term of 30 days.

**10.3 Accumulated impairment losses**

The movement of accumulated impairment losses on trade receivables during the financial year is as follows:-

	Group	
	2021 RM	2020 RM
Brought forward	40,280	-
(Reversal)/Addition during the financial year	(31,005)	40,280
Carried forward	9,275	40,280

**10.4 Amount due from subsidiaries**

The non-trade amount due from subsidiaries are unsecured and interest free.

**11. Share capital and reserves****Share capital**

	Note	Group and Company			
		Amount	Number	Amount	Number
		2021 RM	of shares 2021	2020 RM	of shares 2020
<b>Issued and fully paid with no par value:-</b>					
Ordinary shares	11.1	33,374,000	333,740,000	33,374,000	333,740,000

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 11. Share capital and reserves (continued)

	Note	Group and Company			
		Amount 2021 RM	Number of shares 2021	Amount 2020 RM	Number of shares 2020
<b>Reserves</b>					
<b>Non-distributable</b>					
Translation reserve	11.2	381,359	248,513	-	-
<b>Distributable</b>					
Retained earnings		35,104,115	29,662,460	8,489,798	4,911,236

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

## 11.1 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.

## 11.2 Translation reserve

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

## 12. Borrowings

	2021 RM	Group 2020 RM
<b>Non-current</b>		
Term loans (secured)	10,638,231	12,049,296
<b>Current</b>		
Term loans (secured)	1,583,913	1,528,154
<b>Total borrowings</b>	<b>12,222,144</b>	<b>13,577,450</b>

## 12.1 Security

The term loans are secured over freehold land, leasehold land and building of the Group (see Notes 3, 4 and 5) and corporate guarantees issued by the Company.

The interest is charged at rates ranging from 3.20% to 6.75% (2020: 3.20% to 6.75%) per annum.

## 12.2 Significant covenants

One of the term loans is subject to the fulfilment of the following significant covenants:

- Maintain a debt-to-equity ratio of not more than 2:1 at all times by GISB.
- Dividend payments made by the GISB, a wholly owned subsidiary of the Company does not exceed its respective year's profit after tax.
- Tangible net worth of the Group to be at least RM50,000,000 (2020: RM50,000,000) at all times.

As at the end of reporting period, the Group has complied with above significant covenants.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**13. Lease liabilities**

	<b>Group</b>	
	<b>2021</b>	<b>2020</b>
	<b>RM</b>	<b>RM</b>
Non-current	368,978	452,090
Current	286,603	246,020
	655,581	698,110

The maturity analysis of lease liabilities is disclosed in Note 23.4 to the financial statements.

The expenses relating to payments not included in the measurement of lease liabilities is as follows:-

	<b>Group</b>	
	<b>2021</b>	<b>2020</b>
	<b>RM</b>	<b>RM</b>
Short-term leases	452,996	499,242

The total cash outflows for leases amounted to RM770,101 (2020: RM766,018).

The effective interest rates for the lease liabilities are ranging from 4.06% to 6.25% (2020: 4.22% to 6.25%) per annum.

**14. Deferred tax liabilities**

Deferred tax liabilities are attributable to the following:-

	<b>Group</b>	
	<b>2021</b>	<b>2020</b>
	<b>RM</b>	<b>RM</b>
Property, plant and equipment:		
- capital allowances	3,188,835	3,211,775
- fair value adjustments	1,246,080	1,246,080
Right-of-use assets	567,787	566,050
Unabsorbed business losses	(1,489,671)	(1,640,924)
Unutilised capital allowances	(1,144,000)	(1,146,068)
Provisions	2,994	17,072
Accumulated impairment losses	(2,000)	(10,000)
	2,370,025	2,243,985

**Movement in temporary differences during the financial year**

	<b>Recognised in profit or loss</b>		<b>Recognised in profit or loss</b>		
	<b>At</b>	<b>or loss</b>	<b>At</b>	<b>or loss</b>	<b>At</b>
	<b>1.1.2020</b>	<b>(Note 19)</b>	<b>31.12.2020</b>	<b>(Note 19)</b>	<b>31.12.2021</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Group</b>					
Property, plant and equipment:					
- capital allowances	3,198,252	13,523	3,211,775	(22,940)	3,188,835
- fair value adjustments	1,792,675	(546,595)	1,246,080	-	1,246,080
Right-of-use assets	-	566,050	566,050	1,737	567,787
Unabsorbed business losses	(1,376,173)	(264,751)	(1,640,924)	151,253	(1,489,671)
Unutilised capital allowances	(1,318,169)	172,101	(1,146,068)	2,068	(1,144,000)
Provisions	210,512	(193,440)	17,072	(14,078)	2,994
Accumulated impairment losses	-	(10,000)	(10,000)	8,000	(2,000)
	2,507,097	(263,112)	2,243,985	126,040	2,370,025

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**14. Deferred tax liabilities (continued)****Unrecognised deferred tax assets**

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

	<b>Group</b>	
	<b>2021</b>	<b>2020</b>
	<b>RM</b>	<b>RM</b>
Property, plant and equipment	-	328
Unabsorbed business losses	921,842	1,642,085
Unutilised capital allowances	-	38,643
	921,842	1,681,056

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

The unutilised capital allowances do not expire under current tax legislation. Unabsorbed business losses for which no deferred tax assets were recognised expire as follows. Any amounts not utilised upon expiry period of the below year of assessment will be disregarded.

	<b>Group</b>	
	<b>2021</b>	<b>2020</b>
	<b>RM</b>	<b>RM</b>
Year of assessment 2028	861,995	1,609,283
Year of assessment 2029	4,000	4,000
Year of assessment 2030	28,802	28,802
Year of assessment 2031	27,045	-
	921,842	1,642,085

**15. Trade and other payables**

		<b>Group</b>		<b>Company</b>	
	<b>Note</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
		<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Trade</b>					
Trade payables	15.1	1,469,304	1,836,805	-	-
Amount due to ultimate holding company	15.2	840	-	-	-
		1,470,144	1,836,805	-	-
<b>Non-trade</b>					
Other payables		1,173,229	587,396	-	-
Accrued expenses		756,685	1,115,340	35,000	35,000
Amount due to subsidiaries	15.3	-	-	2,628,000	1,783,980
Amount due to Directors	15.4	5,297	7,304	-	-
SST payable		29,691	9,624	-	-
		1,964,902	1,719,664	2,663,000	1,818,980
		3,435,046	3,556,469	2,663,000	1,818,980

**15.1 Trade payables**

Normal trade credit period granted by suppliers to the Group ranged from current to 90 days (2020: current to 90 days).



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**15. Trade and other payables (continued)****15.2 Amount due to ultimate holding company**

The trade amount due to ultimate holding company is unsecured, interest free and subject to normal trade credit term of 30 days.

**15.3 Amount due to subsidiaries**

The non-trade amount due to subsidiaries are unsecured and interest free.

**15.4 Amount due to Directors**

The non-trade amount due to Directors are unsecured and interest free.

**16. Contract liabilities**

	Group	
	2021 RM	2020 RM
Brought forward	670,357	228,689
Decrease as a result of recognising revenue during the financial year	(670,357)	(228,689)
Increase as a result of receiving deposits from customers upon placing sales orders	1,392,060	670,357
Carried forward	1,392,060	670,357

Contract liabilities comprised of advances received from customers for rendering services.

When the Group receives advances before the sales activity commences, this will give rise to contract liabilities at the start of a contract. The advances will be reversed and recognised as revenue upon satisfying the performance obligation within the contract.

All deposits billing received are expected to be settled within one year.

**17. Revenue**

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
<b>Major products/services transferred at a point in time:-</b>				
Dividend income - gross	-	-	4,500,000	2,400,000
Sale of goods	45,376,172	33,344,733	-	-
	45,376,172	33,344,733	4,500,000	2,400,000

	Group	
	2021 RM	2020 RM
Malaysia	4,849,925	4,520,231
South East Asia other than Malaysia	3,660,758	3,378,821
United States of America	6,698,357	5,563,781
Europe	11,303,566	8,857,585
Africa	2,332,570	2,307,707
Australia	3,778,858	4,303,943
China	331,708	532,792
Japan	2,446,724	1,891,813
Others	9,973,706	1,988,060
	45,376,172	33,344,733

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 18. Profit before tax

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
<b>Profit before tax is arrived at after charging:</b>				
Auditors' remuneration:				
- Audit fees	154,000	147,000	28,000	28,000
- Non-audit fees	7,000	7,000	7,000	7,000
Bad debts written off	12,613	3,341	-	-
Directors' fee	132,000	132,000	132,000	132,000
Interest expense:				
- Borrowings	328,514	454,628	-	-
- Lease liabilities	34,576	36,944	-	-
Unrealised loss on foreign exchange (net)	-	645	-	-
<b>and after crediting:</b>				
Interest income:				
- Fixed deposit	80,319	84,323	-	182
- Bank	53,163	25,413	3,143	5,574
Lease income	78,000	60,000	-	-
Unrealised gain on foreign exchange (net)	27,222	-	-	-
Realised gain on foreign exchange (net)	299,281	371,793	-	-

## 19. Tax expense

## Recognised in profit and loss

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
<b>Current tax expense</b>				
In Malaysia:				
- current financial year	1,950,000	928,000	-	-
- over provision in prior financial year	(15,655)	(18,702)	-	-
	1,934,345	909,298	-	-
Outside Malaysia:				
- current financial year	-	855,275	-	-
	-	855,275	-	-
<b>Deferred tax expense</b>				
Current financial year	137,768	(290,363)	-	-
(Over)/Under recognised in prior financial year	(11,728)	27,251	-	-
	126,040	(263,112)	-	-
Total	2,060,385	1,501,461	-	-

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 19. Tax expense (continued)

## Reconciliation of tax expense

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Profit before tax	7,502,040	6,887,208	3,578,562	2,067,107
Tax calculated using Malaysian tax rate of 24%	1,800,490	1,652,930	858,855	496,106
Non-deductible expenses	718,154	386,275	221,899	81,275
Non-taxable income	(249,302)	(300,943)	(1,080,754)	(577,381)
Different tax rates of subsidiaries in overseas	637	10,439	-	-
Movement of deferred tax assets not recognised	(182,211)	(255,789)	-	-
	2,087,768	1,492,912	-	-
Over provision of tax expense in prior financial year	(15,655)	(18,702)	-	-
(Over)/Under recognised of deferred tax liabilities in prior financial year	(11,728)	27,251	-	-
	2,060,385	1,501,461	-	-

## 20. Earnings per share

## Basic earnings per ordinary share

The calculation of basic earnings per ordinary share at financial year end was based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding calculated as follows:-

	Group	
	2021 RM	2020 RM
Profit attributable to ordinary shareholders	5,441,655	5,385,747
Weighted average number of ordinary shares:- Issued ordinary shares at 31 December	333,740,000	333,740,000
Basic earnings per ordinary share (in cent)	1.63	1.61

## Diluted earnings per ordinary share

There are no diluted earnings per share because the Company does not have any convertible financial instruments as at the end of the financial year.

## 21. Employee benefits expense

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
<b>Staff costs:-</b>				
Salaries, wages and bonuses	7,519,929	7,488,682	-	-
Defined contribution plan	665,256	676,124	-	-
Other employee expenses	463,520	435,470	16,100	13,200
	8,648,705	8,600,276	16,100	13,200

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**21. Employee benefits expense (continued)**

Included in the staff costs is the Directors' emoluments and key management personnel emoluments as below:-

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
<b>Directors' remuneration:-</b>				
Salaries and bonuses	1,470,639	1,536,688	-	-
Defined contribution plan	176,482	184,450	-	-
Other emoluments	19,132	16,503	16,100	13,200
	<u>1,666,253</u>	<u>1,737,641</u>	<u>16,100</u>	<u>13,200</u>
<b>Other key management personnel:-</b>				
Salaries and other emoluments	416,196	370,480	-	-
Defined contribution plan	49,715	44,334	-	-
	<u>465,911</u>	<u>414,814</u>	<u>-</u>	<u>-</u>

**22. Operating segment**

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and managing strategies. For each of the strategic business units, the Group's Managing Director reviews internal management reports on at least a quarterly basis.

The following summary describes the operation in each Group's reportable segments.

- Plantation inputs                      Development, manufacturing and marketing of agricultural products and services based on agro-technology.
- Rubber estate                              Rubber planting, estate management and production of rubber cup lumps for sale to rubber processing factories.
- Household goods                          Manufacturing and marketing of plastic-related products.

There are varying levels of integration between the plantation inputs, rubber estate and household goods reportable segments. This integration includes marketing activities and transfer of raw materials. Inter-segment pricing is determined on negotiated basis.

Other non-reportable segment comprises operations related to investment holding as this segment does not meet the quantitative thresholds for reporting segment in 2021 and 2020.

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**

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

**Segment liabilities**

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 22. Operating segment (continued)

	Plantation inputs		Rubber estate		Household goods		Eliminations		Consolidated	
	2021 RM	2020 RM	2021 RM	2020 RM	2021 RM	2020 RM	2021 RM	2020 RM	2021 RM	2020 RM
<b>Business segments</b>										
Revenue from external customers	18,629,509	9,390,628	1,405,115	1,003,262	25,341,548	22,950,843	-	-	45,376,172	33,344,733
Inter-segment revenue	4,460,574	2,242,023	-	-	433,863	533,751	(4,894,437)	(2,775,774)	-	-
<b>Total segment revenue</b>	<b>23,090,083</b>	<b>11,632,651</b>	<b>1,405,115</b>	<b>1,003,262</b>	<b>25,775,411</b>	<b>23,484,594</b>	<b>(4,894,437)</b>	<b>(2,775,774)</b>	<b>45,376,172</b>	<b>33,344,733</b>
<b>Segment results*</b>										
Depreciation and amortisation									15,928,431	10,472,850
Reversal/(Loss) on impairment of financial asset									(1,940,696)	(2,238,815)
Unallocated income									31,005	(40,280)
Unallocated expenses									424,512	6,261,081
									(6,711,604)	(7,185,792)
<b>Results from operating activities</b>									7,731,648	7,269,044
Interest expense									(363,090)	(491,572)
Interest income									133,482	109,736
Tax expense									(2,060,385)	(1,501,461)
<b>Profit for the financial year</b>									<b>5,441,655</b>	<b>5,385,747</b>
* The breakdown of segment results between plantation inputs, rubber estate and household goods are not available.										
<b>Reconciliation of reportable segment revenue</b>									<b>Group</b>	
									<b>2021</b>	<b>2020</b>
									<b>RM</b>	<b>RM</b>
<b>Revenue</b>										
Total reportable segments									45,376,172	33,344,733
Non-reportable segments									4,500,000	2,400,000
Elimination of inter-segment transactions									(4,500,000)	(2,400,000)
<b>Consolidated total</b>									<b>45,376,172</b>	<b>33,344,733</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**22. Operating segment (continued)****Geographical segments**

The plantation inputs, rubber estate and household goods segments are managed on a worldwide basis but manufacturing facilities and sales offices are operated in Malaysia.

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

**Geographical information**

	<b>Revenue 2021 RM</b>	<b>Non- current assets 2021 RM</b>
Malaysia	4,849,925	58,394,395
South East Asia other than Malaysia	3,660,758	-
United States of America	6,698,357	-
Europe	11,303,566	-
Africa	2,332,570	-
Australia	3,778,858	-
China	331,708	-
Japan	2,446,724	-
Others	9,973,706	-
	<u>45,376,172</u>	<u>58,394,395</u>

	<b>Revenue 2020 RM</b>	<b>Non- current assets 2020 RM</b>
Malaysia	4,520,231	58,396,377
South East Asia other than Malaysia	3,378,821	-
United States of America	5,563,781	-
Europe	8,857,585	-
Africa	2,307,707	-
Australia	4,303,943	-
China	532,792	-
Japan	1,891,813	-
Others	1,988,060	-
	<u>33,344,733</u>	<u>58,396,377</u>

**Major customers**

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

	<b>Revenue</b>		<b>Segment</b>
	<b>2021 RM</b>	<b>2020 RM</b>	
<b>Group</b>			
- Customer A	9,687,875	8,423,613	Household goods
- Customer B	6,698,357	5,563,780	Household goods
- Customer C	6,713,521	3,558,868	Household goods
	<u>23,099,753</u>	<u>17,546,261</u>	

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**23. Financial instruments****23.1 Categories of financial instruments**

The table below provides an analysis of financial instruments categories as amortised cost as follows:-

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
<b>Financial assets</b>				
Trade and other receivables	6,907,328	5,714,439	4,800,520	929,500
Cash and cash equivalents	16,206,060	13,530,813	76,896	335,928
	<u>23,113,388</u>	<u>19,245,252</u>	<u>4,877,416</u>	<u>1,265,428</u>
<b>Financial liabilities</b>				
Trade and other payables	(3,405,355)	(3,546,845)	(2,663,000)	(1,818,980)
Borrowings	(12,222,144)	(13,577,450)	-	-
	<u>(15,627,499)</u>	<u>(17,124,295)</u>	<u>(2,663,000)</u>	<u>(1,818,980)</u>

**23.2 Financial risk management**

The Group and the Company have exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

**23.3 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. The Company's exposure to credit risk arises principally from its receivables, advances to subsidiaries, cash and cash equivalents.

**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.

The net carrying amount of receivables is considered a reasonable approximate of fair value.

With credit policy in place to ensure the credit risk is monitored on an ongoing basis, the management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses aging analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than credit terms granted are deemed to have higher credit risk, and are monitored individually.

*Concentration of credit risk*

At the end of reporting date, there were no significant concentrations of credit risk other than 68% (2020: 61%) of the Group's trade receivables owed by 3 (2020: 3) customers. The maximum exposure to credit risk arising from receivables is represented by the carrying amount in the statements of financial position.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 23. Financial instruments (continued)

## 23.3 Credit risk (continued)

## Receivables (continued)

## Impairment losses

	Gross carrying amount RM	Expected credit loss- collectively impaired RM	Net carrying amount RM
<b>Group</b>			
<b>2021</b>			
Not past due	3,229,542	(868)	3,228,674
Past due 1 - 30 days	2,760,062	(3,378)	2,756,684
Past due 31 - 60 days	194,578	(458)	194,120
Past due 61 - 90 days	34,294	(192)	34,102
Past due 91 - 120 days	57,159	(5)	57,154
Past due more than 120 days	137,429	(4,374)	133,055
	6,413,064	(9,275)	6,403,789
<b>2020</b>			
Not past due	3,717,595	(1,221)	3,716,374
Past due 1 - 30 days	656,619	(954)	655,665
Past due 31 - 60 days	303,797	(3,069)	300,728
Past due 61 - 90 days	127,708	(1,667)	126,041
Past due 91 - 120 days	291,667	(6,918)	284,749
Past due more than 120 days	226,552	(26,451)	200,101
	5,323,938	(40,280)	5,283,658

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type and customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 10.

The Group does not hold collateral as security.

**Corporate guarantees***Risk management objectives, policies and processes for managing the risk*

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

*Exposure to credit risk, credit quality and collateral*

The maximum exposure to credit risk amounting to RM12,222,144 (2020: RM13,577,450) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

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



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**23. Financial instruments (continued)****23.3 Credit risk (continued)****Corporate guarantees (continued)**

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

**Inter-company balances**

*Risk management objectives, policies and processes for managing the risk*

The Company's exposure to credit risk arises through its receivables from related companies.

*Exposure to credit risk, credit quality and collateral*

As at the end of the reporting date, the maximum exposure to credit risk is represented by their carrying amount in the statements of financial position.

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

*Impairment losses*

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

**Cash and cash equivalents**

*Risk management objectives, policies and processes for managing the risk*

The Group and the Company's deposits with licensed banks are placed as fixed rate investments and upon which management endeavours to obtain the best rate available in the market.

Cash and cash equivalents of the Group and the Company are placed with licensed financial institutions.

*Exposure to credit risk, credit quality and collateral*

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

*Impairment losses*

The Group and the Company consider that their cash and cash equivalents have low credit risk. Accordingly, no impairment allowance is required.

**23.4 Liquidity risk**

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**23. Financial instruments (continued)****23.4 Liquidity risk (continued)***Maturity analysis*

The summary of the maturity profile based on the contractual undiscounted repayment obligations are as follow:-

	<b>Carrying amount RM</b>	<b>Contractual cash flows RM</b>	<b>Between Under 1 year RM</b>	<b>2 to 5 years RM</b>	<b>Over 5 years RM</b>
<b>Group</b>					
<b>2021</b>					
<i>Non-derivative financial liabilities</i>					
Trade and other payables	3,405,355	3,405,355	3,405,355	-	-
Borrowings	12,222,144	15,076,527	2,027,441	6,107,278	6,941,808
Lease liabilities	655,581	697,195	309,381	387,814	-
	<b>16,283,080</b>	<b>19,179,077</b>	<b>5,742,177</b>	<b>6,495,092</b>	<b>6,941,808</b>
<b>2020</b>					
<i>Non-derivative financial liabilities</i>					
Trade and other payables	3,546,845	3,546,845	3,546,845	-	-
Borrowings	13,577,450	16,840,781	2,027,441	7,679,960	7,133,380
Lease liabilities	698,110	748,739	272,844	475,895	-
	<b>17,822,405</b>	<b>21,136,365</b>	<b>5,847,130</b>	<b>8,155,855</b>	<b>7,133,380</b>
<b>Company</b>					
<b>2021</b>					
<i>Non-derivative financial liabilities</i>					
Trade and other payables	2,663,000	2,663,000	2,663,000	-	-
Corporate guarantees*	-	12,222,144	12,222,144	-	-
	<b>2,663,000</b>	<b>14,885,144</b>	<b>14,885,144</b>	<b>-</b>	<b>-</b>
<b>2020</b>					
<i>Non-derivative financial liabilities</i>					
Trade and other payables	1,818,980	1,818,980	1,818,980	-	-
Corporate guarantees*	-	13,577,450	13,577,450	-	-
	<b>1,818,980</b>	<b>15,396,430</b>	<b>15,396,430</b>	<b>-</b>	<b>-</b>

\* This liquidity risk exposure is included for illustration purpose only as the related corporate guarantee has not been crystallised.

The above amounts reflected the contractual undiscounted cash flows of the financial liabilities, which may differ from carrying value of the liabilities at the end of reporting date.

**23.5 Market risk**

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**23. Financial instruments (continued)****23.5 Market risk (continued)****23.5.1 Currency risk**

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

*Risk management objectives, policies and processes for managing the risk*

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

As at end of reporting date, the contracted underlying principal amount of currency forward contract is RM2,954,106 (2020: RM2,424,316).

The forward foreign currency contracts have not been recognised since the fair value on initial recognition was not material.

*Exposure to foreign currency risk*

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

	USD RM	EUR RM	VND RM	AUD RM	NGN RM	SGD RM	THB RM
<b>Group</b>							
<b>2021</b>							
Trade and other receivables	5,454,597	310,582	4,662	631,888	-	83	-
Trade and other payables	(1,420,531)	(29,996)	(4,909)	-	-	-	-
Cash and cash equivalents	2,954,121	1,031,990	1,785,474	2,143,630	368	-	4,131
Exposure in the statements of financial position	6,988,187	1,312,576	1,785,227	2,775,518	368	83	4,131
<b>2020</b>							
Trade and other receivables	3,281,413	331,961	4,646	815,145	-	250	-
Trade and other payables	(387,730)	-	(27,643)	-	-	-	-
Cash and cash equivalents	4,818,263	310,559	1,705,409	6,769	368	-	4,393
Exposure in the statements of financial position	7,711,946	642,520	1,682,412	821,914	368	250	4,393

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**23. Financial instruments (continued)****23.5 Market risk (continued)****23.5.1 Currency risk (continued)***Currency risk sensitivity analysis*

A 10% (2020: 10%) strengthening of the RM against the following currencies at the end of the reporting date would have decreased equity and post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting date. The analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

	Equity		Profit or loss	
	2021 RM	2020 RM	2021 RM	2020 RM
<b>Group</b>				
USD	(531,102)	(586,108)	(531,102)	(586,108)
EUR	(99,756)	(48,832)	(99,756)	(48,832)
VND	(135,677)	(127,863)	(135,677)	(127,863)
AUD	(210,939)	(62,465)	(210,939)	(62,465)
NGN	(28)	(28)	(28)	(28)
SGD	(6)	(19)	(6)	(19)
THB	(314)	(334)	(314)	(334)

A 10% (2020: 10%) weakening of the RM against the above currencies at the end of the reporting date 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.

**23.5.2 Interest rate risk**

The Group's and Company's exposure to a risk of change in their fair value due to changes in interest rates relates primarily to its deposits with licensed banks, term loans and 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 date were:-

	Group	
	2021 RM	2020 RM
<b>Fixed rate instruments</b>		
Financial assets	7,654,253	3,415,641
Financial liabilities	(655,581)	(698,110)
	<u>6,998,672</u>	<u>2,717,531</u>
<b>Floating rate instrument</b>		
Financial liabilities	(12,222,144)	(13,577,450)
	<u>(12,222,144)</u>	<u>(13,577,450)</u>
	Company	
	2021 RM	2020 RM
<b>Fixed rate instrument</b>		
Financial assets	7,200	7,050
	<u>7,200</u>	<u>7,050</u>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**23. Financial instruments (continued)****23.5 Market risk (continued)****23.5.2 Interest rate risk (continued)**

*Interest rate risk sensitivity analysis*

*Fair value sensitivity analysis for fixed rate instruments*

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

*Cash flow sensitivity analysis for floating rate instruments*

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

	Equity		Profit or loss	
	100 bp increase RM	100 bp decrease RM	100 bp increase RM	100 bp decrease RM
<b>Group</b>				
<b>2021</b>				
Financial liabilities	(92,888)	92,888	(92,888)	92,888
<b>2020</b>				
Financial liabilities	(103,189)	103,189	(103,189)	103,189

**23.6 Fair value measurement**

The carrying amounts of financial assets and financial liabilities of the Group and the Company at the reporting date approximate their fair values due to their short-term nature or they are floating rate instruments re-priced to market interest rates on or near the reporting date.

**23.7 Reconciliation of liabilities arising from financing activities**

	1 January 2020 RM	Cash flows RM	New lease RM	31 December 2020 RM	Cash flows RM	New lease RM	31 December 2021 RM
<b>Group</b>							
Borrowings	17,262,277	(3,684,827)	-	13,577,450	(1,355,306)	-	12,222,144
Lease liabilities	753,942	(229,832)	174,000	698,110	(282,529)	240,000	655,581
Amount due to Directors	10,199	(2,895)	-	7,304	(2,007)	-	5,297
	18,026,418	(3,917,554)	174,000	14,282,864	(1,639,842)	240,000	12,883,022

	1 January 2020 RM	Cash flows RM	31 December 2020 RM	Cash flows RM	31 December 2021 RM
<b>Company</b>					
Amount due to subsidiaries	2,323,980	(540,000)	1,783,980	(540,000)	1,243,980
	2,323,980	(540,000)	1,783,980	(540,000)	1,243,980

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**24. 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 investors, creditors and market confidence and to sustain future development of the business. The Directors monitor and determine to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

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

	Group		GISB	
	2021 RM	2020 RM	2021 RM	2020 RM
Total borrowings	12,877,725	14,275,560	3,508,797	4,628,354
Total equity	68,859,474	63,284,973	17,552,650	16,762,279
Debt-to-equity ratio	0.19	0.23	0.20	0.28

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

GISB, a wholly-owned subsidiary of the Group is also required to maintain a maximum debt-to-equity ratio of 2:1 to comply with a bank covenant, failing which, the bank may call an event of default (see Note 12). At the reporting date, GISB has complied with the bank covenant.

**25. Capital commitment**

	2021 RM	Group 2020 RM
<b>Capital expenditure commitments:-</b>		
<b>Property, plant and equipment</b>		
- Authorised and contracted for	6,300,000	2,100,000

**26. Related parties****Identity of related parties**

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

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

The Group has related party relationship with its ultimate holding company, subsidiaries, Directors and related corporations connected with them.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**26. Related parties (continued)****Significant related party transactions**

Related party transactions have been entered into the normal course of business under normal trade terms. The significant related party transactions of the Group and Company, other than key management personnel compensation as disclosed in Notes 18 and 21, are shown below:-

	Group Transaction amount for the financial year ended		Company Transaction amount for the financial year ended	
	2021 RM	2020 RM	2021 RM	2020 RM
<b>Ultimate holding company</b>				
Sales	-	89,259	-	-
<b>Subsidiary</b>				
Dividend income	-	-	4,500,000	2,400,000
<b>Company in which certain Directors have interests</b>				
Sales	1,183,314	637,572	-	-
Purchases	(6,922,147)	-	-	-
<b>A person connected to certain Directors</b>				
Consultancy fee paid	(180,569)	-	-	-

Significant related party balances related to the above transactions are disclosed in Notes 10 and 15 to the financial statements.

**27. Significant events during the financial year and subsequent to the reporting period**

- (a) The global and domestic economics encountered unprecedented challenges during the financial year ended 31 December 2021 as a result of the continuing COVID-19 pandemic. The Malaysian government implemented several counter-measures by imposing strict lockdowns, movement restriction, four phase National Recovery Plan and closing borders to curb the COVID-19 outbreak in Malaysia. Despite the challenges, the Group and the Company do not expect any material financial impact on the financial statements of the Group and the Company.

As at date of authorisation of the financial statements, the COVID-19 pandemic situation is still evolving and uncertain. The Group and the Company will continue to actively monitor and manage their funds and operations to minimise any impact arising from the COVID-19 pandemic.

- (b) On 21 March 2022, the Company had entered into Conditional Share Sale Agreement with Greenyield Holdings Sdn. Bhd., Premium Commodities Sdn. Bhd., Tham Foo Keong, Tham Foo Choon, Tham Kin-On and Foong Sai Cheong for the proposed acquisition of 65% equity interest in Greenyield Rubber Holdings (M) Ltd for a purchase consideration of up to RM87,809,653 to be fully satisfied in:-
- cash amounting to RM3,000,000;
  - issuance of up to 226,047,962 new ordinary shares in the Company ("Consideration Share(s)") at an issue price of RM0.29 per Consideration Share, amounting up to RM65,553,909, of which up to 18,000,198 Consideration Shares shall be issued at a later date; and
  - issuance of up to 66,399,113 new irredeemable convertible preference shares in the Company ("ICPS") at an issue price of RM0.29 per ICPS amounting up to RM19,255,744, of which up to 19,143,060 ICPS shall be issued at a later date.

## STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

In the opinion of the Directors, the financial statements set out on pages 46 to 93 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021 and of their financial performance and cash flows for the financial year then ended.

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

**Tham Foo Keong**

**Tham Foo Choon**

Kajang, Selangor Darul Ehsan

Date: 7 April 2022

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## STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, **Chan Wen Hong**, the Officer primarily responsible for the financial management of Greenyild Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 46 to 93 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed in Kajang, Selangor Darul Ehsan on 7 April 2022.

**Chan Wen Hong**  
(MIA No: 35521)  
Chartered Accountant

Before me:

**Badlisham Talhah**  
(No: B475)  
Commissioner of Oath



# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GREENFIELD BERHAD  
REGISTRATION NO: 200201014553 (582216-T)  
(INCORPORATED IN MALAYSIA)

## Report on the audit of the financial statements

### Opinion

We have audited the financial statements of Greenfield Berhad, which comprise the statements of financial position as at 31 December 2021 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 46 to 93.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021, and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

### Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and other ethical responsibilities*

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### *Inventory valuation*

### The risk

Refer to Note 9 to the financial statements. The Group holds an amount of inventories that amounted to RM8,333,550 which is subject to a risk that the inventories become slow-moving or obsolete and rendering it not saleable or can only be sold for selling prices that are less than their carrying value. There is inherent subjectivity and estimation involved in determining the accuracy of inventory obsolescence and in making an assessment of its adequacy due to risks of inventories not stated at the lower of cost or market.

### Our response

We tested the methodology for calculating the provisions, assessed the appropriateness and consistency of judgements and assumptions made. In doing so, we obtained the ageing profile of inventories and obtained understanding on the process for identifying specific problem inventory.

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**  
**TO THE MEMBERS OF GREENFIELD BERHAD**  
REGISTRATION NO: 200201014553 (582216-T)  
(INCORPORATED IN MALAYSIA)

**Key audit matters (continued)**

*Allowance for expected credit losses*

**The risk**

Refer to Note 23 to the financial statements. We focused on this area because the Group has trade receivables that are past due but not impaired amounted to RM3,175,115. The key risk was recoverability of billed trade receivables as management judgement is required in determining the completeness of the trade receivables provision and in assessing its adequacy through considering the expected recoverability of the year-end trade receivables.

**Our response**

We have obtained an understanding on how the Group identifies and assesses the allowance for expected credit losses of trade receivables and how the Group makes the accounting estimates for allowance. We have also reviewed the ageing analysis of the trade receivables and tested the reliability thereof and assessed the recoverability of the overdue trade receivables through examination of subsequent year end cash receipts.

There is no key audit matter to be communicated in respect of the audit of the financial statements of the Company.

**Information other than the financial statements and Auditors' report thereon**

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the remaining other information expected to be included in the annual report, which is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining other information expected to be included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Company and take appropriate action.

**Responsibilities of the Directors for the financial statements**

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**  
**TO THE MEMBERS OF GREENFIELD BERHAD**  
REGISTRATION NO: 200201014553 (582216-T)  
(INCORPORATED IN MALAYSIA)

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit is in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicated with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determined those matters that were of most significant in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We described these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**  
TO THE MEMBERS OF GREENYIELD BERHAD  
REGISTRATION NO: 200201014553 (582216-T)  
(INCORPORATED IN MALAYSIA)

**Report on other legal and regulatory requirements**

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 7 to the financial statements.

**Other matter**

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**GRANT THORNTON MALAYSIA PLT**  
(201906003682 & LLP0022494-LCA)  
CHARTERED ACCOUNTANTS (AF 0737)

**LUI LEE PING**  
(NO: 03334/11/2023(J))  
CHARTERED ACCOUNTANT

Kuala Lumpur  
7 April 2022

## LIST OF PROPERTIES

Location	Registered/ Beneficial Owner	Existing use/ Description of property	Tenure/ Expiry date	Age of Building (Years)	Land Area/ Built-up Area	Date of Acquisition (A)/ Valuation (V)	Audited Net Book Value As At 31.12.2021 (RM)
No. 116, Jalan Lapan Kompleks Perabot Olak Lempit Tg. Duabelas 42700 Banting Selangor Darul Ehsan	Greenyield Industries (M) Sdn. Bhd.	Factory and land; Single storey factory with a 3-storey office annexe	Leasehold expiring on 26.09.2087	19	128,801 sq.ft/ *75,110 sq.ft	31.01.1995 (A) /23.03.2004 (V)	3,733,776
No. 21 & 23 Jalan Seksyen 3/7 Taman Kajang Utama 43000 Kajang Selangor Darul Ehsan	Gim Triple Seven Sdn. Bhd.	Land and office building; 4-storey shophouses	Freehold	23	3,728 sq.ft/ *14,098 sq.ft	24.01.1997 (A)	1,308,852
No. 18 Jalan Bukit Puteri 9/12 Bandar Puteri Jaya 08000 Sungai Petani Kedah Darul Aman	Gimflow Sdn. Bhd.	Office building; 2-storey shophouses	Freehold	9	1,400 sq.ft/ *2,660 sq.ft	02.03.2012 (A)	270,588
PN 92538 Lot 4, Seksyen 2 Pekan Bukit Changgang Daerah Kuala Langat Selangor Darul Ehsan	Greenyield Industries (M) Sdn. Bhd.	Industrial land	Leasehold expiring on 30.12.2098	6	114,743 sq.ft	10.09.2014 (A)	3,414,070
No. G-19, No. 1-19 No. 2-19, No. 3-19 No. 3A-19 and No. 5-19 MKH Boulevard Jalan Bukit 43000 Kajang Selangor Darul Ehsan	Gim Triple Seven Sdn. Bhd.	Office building; 6-storey shophouses	Leasehold expiring on 05.10.2111	3	*10,421 sq.ft	20.06.2017 (A)	5,009,907

Note: \* Building only

## ANALYSIS OF SHAREHOLDINGS

AS AT 31 MARCH 2022

Issued Share Capital : RM33,374,000.00 comprising 333,740,000 Ordinary Shares  
 Class of Shares : Ordinary Shares  
 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	11	0.539	302	0.000
100 – 1,000	260	12.757	126,942	0.038
1,001 – 10,000	889	43.621	5,676,496	1.700
10,001 – 100,000	718	35.230	24,686,400	7.396
100,001 to less than 5% of issued shares	158	7.752	121,965,980	36.545
5% and above of issued shares	2	0.098	181,283,880	54.318
<b>Total</b>	<b>2,038</b>	<b>100.000</b>	<b>333,740,000</b>	<b>100.000</b>

### LIST OF TOP 30 HOLDERS

NO.	NAME	No. of Shares Held	% of Issued Shares
1	GREENYIELD HOLDINGS SDN.BHD.	162,121,320	48.577
2	TWONG YOKE PENG	19,162,560	5.741
3	THAM FOO KEONG	7,473,160	2.239
4	UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN (HONG KONG) LIMITED ( A/C CLIENTS )	7,000,000	2.097
5	THAM FOO CHOON	6,099,160	1.827
6	CHAN POY LENG	3,750,000	1.123
7	FOONG SAI CHEONG	3,750,000	1.123
8	THAM CHONG SING	3,277,220	0.981
9	IFAST NOMINEES (TEMPATAN) SDN BHD VOON SZE LIN	3,016,300	0.903
10	THAM FAU SIN	2,977,020	0.892
11	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR FOO PENG BOON (8115339)	2,920,000	0.874
12	VOON JYE WAH	2,839,800	0.850
13	PM NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN AH NYOKE (B)	2,453,200	0.735
14	GV ASIA FUND LIMITED	2,401,700	0.719
15	VOON JYE WAH	2,314,200	0.693
16	SIVAKUMARAN A/L SEENIVASAGAM	2,201,420	0.659
17	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR VOON SZE LIN (M55045)	2,095,900	0.628
18	THAM KIN WAI	2,000,000	0.599
19	THAM KINFUEI	2,000,000	0.599
20	LEE CHAY YEW	1,770,900	0.530
21	FOO PENG BOON	1,655,000	0.495
22	ANG YOOK CHU @ ANG YOKE FONG	1,601,800	0.479
23	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ANG YOOK CHU @ ANG YOKE FONG (8076574)	1,565,800	0.469

**ANALYSIS OF SHAREHOLDINGS (CONTINUED)**  
AS AT 31 MARCH 2022

**LIST OF TOP 30 HOLDERS (CONTINUED)**

NO.	NAME	No. of Shares Held	% of Issued Shares
24	TAN KA LIAN	1,525,000	0.456
25	VOON SZE LIN	1,500,000	0.449
26	ANG LIP CHEE	1,257,800	0.376
27	JF APEX NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GV ASIA FUND LIMITED (STA 1)	1,256,000	0.376
28	LIN SENG KEONG	1,130,100	0.338
29	CHEW KEE FOO	1,120,000	0.335
30	THAM KINYIQ	1,050,000	0.314
	<b>Total</b>	255,285,360	76.492

**DIRECTORS' SHAREHOLDINGS AS PER REGISTER OF DIRECTORS' SHAREHOLDINGS**

Name of Directors	No. of Shares Held			
	Direct	%	Indirect	%
Tham Foo Keong	7,473,160	2.239	181,783,880 <sup>(i)</sup>	54.469
Tham Foo Choon	6,099,160	1.827	163,025,220 <sup>(ii)</sup>	48.848
Tham Kin Wai	2,000,000	0.599	-	-
Dr Zainol Bin Md Eusof	210,000	0.063	-	-
Yong Swee Lin	20,000	0.006	-	-
Tham Kin-On	500,000	0.150	-	-
Suhnylla Kaur Kler	-	-	-	-
Supramaniam A/L R.Ramasamy	-	-	-	-

## Note:

- <sup>(i)</sup> Deemed interested through shares held by Greenyield Holdings Sdn. Bhd. pursuant to Section 8 of the Companies Act, 2016 and shareholding held by spouse and child.
- <sup>(ii)</sup> Deemed interested through shares held by Greenyield Holdings Sdn. Bhd. pursuant to Section 8 of the Companies Act, 2016 and shareholding held by spouse.

**SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS**

Name of Directors	No. of Shares Held			
	Direct	%	Indirect	%
Greenyield Holdings Sdn. Bhd.	162,121,320	48.577	-	-
Tham Foo Keong <sup>(a)</sup>	7,473,160	2.239	181,783,880 <sup>(b)</sup>	54.469
Tham Foo Choon <sup>(a)</sup>	6,099,160	1.827	163,025,220 <sup>(c)</sup>	48.848
Tham Chong Sing <sup>(a)</sup>	3,277,220	0.982	162,121,320 <sup>(d)</sup>	48.577
Tham Fau Sin <sup>(a)</sup>	2,977,020	0.892	162,121,320 <sup>(d)</sup>	48.577
Twong Yoke Peng	19,162,560	5.741	-	-

## Note:

- <sup>(a)</sup> Brothers
- <sup>(b)</sup> Deemed interested through shares held by Greenyield Holdings Sdn. Bhd. pursuant to Section 8 of the Companies Act, 2016 and shareholding held by spouse and child.
- <sup>(c)</sup> Deemed interested through shares held by Greenyield Holdings Sdn. Bhd. pursuant to Section 8 of the Companies Act, 2016 and shareholding held by spouse.
- <sup>(d)</sup> Deemed interested through shares held by Greenyield Holdings Sdn. Bhd. pursuant to Section 8 of the Companies Act, 2016.

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# PROXY FORM

CDS Account No.
No. of Shares held

I/We ..... Tel No. ....  
(Full name in block and NRIC No. / Company No.)

of .....  
(address)

being a member of Greenfield Berhad, hereby appoint(s):-

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and / or\* (\*delete as appropriate)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him, the Chairperson of the meeting as my/our proxy to vote for me/us on my/our behalf at the Nineteenth Annual General Meeting of the Company to be held at Melati Room, Level 2, Bangi Resort Hotel, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor Darul Ehsan on Wednesday, 08 June 2022 at 11.00 a.m. or any adjournment thereof, and to vote as indicated below:-

Resolution		Ordinary Resolution	For	Against
1.	Payment of Single Tier Final Dividend for the financial year ended 31 December 2021.	1		
2.	Payment of Directors' Fees for the financial year ending 31 December 2022.	2		
3.	Payment of Director's Benefits for the period from 09 June 2022 until the next Annual General Meeting.	3		
4.	Re-election of Tham Foo Keong as Director.	4		
5.	Re-election of Yong Swee Lin as Director.	5		
6.	Re-election of Supramaniam A/L R.Ramasamy as Director.	6		
7.	Re-appointment of Grant Thornton Malaysia PLT as auditors of the Company and authorise the Board of Directors to fix their remuneration.	7		
8.	Authority for Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016.	8		
9.	Approval for renewal of Shareholders' Mandate for Recurrent Related Party Transaction of Revenue or Trading Nature.	9		
10.	Approval for Dr Zainol Bin Md Eusof to continue in office as Independent Non-Executive Director.	10		
11.	Approval for Yong Swee Lin to continue in office as Independent Non-Executive Director.	11		

Please indicate with an 'X' in the space provided whether you wish your votes to be cast for or against the resolution. In the absence of specific direction, your proxy may vote or abstain as he thinks fit.

Signed this .....

Signature\*  
Member

\* Manner of execution:

- If you are an individual member, please sign where indicated.
- If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
- If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
  - at least two (2) authorised officers, of whom one shall be a director; or
  - any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.



Notes:-

1. For the purpose of determining who shall be entitled to attend this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 01 June 2022. Only a member whose name appears on this Record of Depositors shall be entitled to attend this General Meeting or appoint a proxy to attend, speak and vote on his/her/its behalf.
2. A member entitled to attend and vote at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.
4. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.
5. Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. The appointment of a proxy may be made in a hard copy form and submit to the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur. In case of an electronic appointment, the proxy form must be submitted electronically via TIH Online website at <https://tjih.online>. Please refer to the Administrative Guide for the 19<sup>th</sup> AGM on the procedure for electronic lodgment of proxy form via TIH Online. All proxy form submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote.
9. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
10. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
11. Last date and time for lodging the proxy form is Monday, 06 June 2022 at 11.00 a.m.
12. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
  - (a) Identity card (NRIC) (Malaysian), or
  - (b) Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
  - (c) Passport (Foreigner).
13. For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please bring the **ORIGINAL** certificate of appointment executed in the manner as stated in the proxy form if this has not been lodged at the Company's registered office earlier.

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Affix  
stamp

**GREENFIELD BERHAD**  
[Company No. 200201014553 (582216-T)]

**c/o Tricor Investor & Issuing House Services Sdn. Bhd.**  
Unit 32-01, Level 32, Tower A,  
Vertical Business Suite, Avenue 3,  
Bangsar South, No. 8, Jalan Kerinchi,  
59200 Kuala Lumpur.

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No. 1-19, MKH Boulevard, Jalan Bukit,  
43000 Kajang, Selangor Darul Ehsan, Malaysia.

☎ : +603-8736 8777

☎ : +603-8735 0167



[www.greenyield.com.my](http://www.greenyield.com.my)