

## Introduction

Rimbunan Sawit Berhad (“RSB” or “the Company”) wishes to announce that RSB had on 15 January 2015 subscribed five (5) million new ordinary shares of RM1.00 each in Borneo Edible Oils Sdn. Bhd. (“BEO”) for investment purpose (“Subscription”):

### (1) Information on BEO

BEO was incorporated on 30 July 1979 and has its registered office at 3rd Floor, No. 66-78, Pusat Suria Permata, Jalan Upper Lanang, 96000 Sibu, Sarawak. Currently, the business activity carried out by BEO is refinery.

The directors and substantial shareholders of BEO and their respective shareholdings are as follows:

Name	Shareholding (Direct)		Shareholding (Deemed)	
	No. of ordinary share	%	No. of ordinary share	%
Director and Substantial shareholder:				
Tan Sri Datuk Sir Tiong Hiew King	Nil	Nil	30,000,000	100%

### (2) Basis of consideration and source of funding

The Subscription of RM5 million (“Consideration”) was determined based on the par value of BEO’s shares of RM1.00 each and it shall be funded by utilising internal generated funds.

### (3) Effect of the Subscription

The Subscription is not expected to have a material effect on the earnings per share, net assets per share, gearing, share capital and substantial shareholders’ shareholding of the Company.

### (4) Prospects and risk factors

RSB is of the view that the prospect of the Subscription is positive and manageable. RSB does not envisage any specific risk to be associated with the Subscription.

### (5) Particulars of all liabilities including contingent liabilities and guarantees to be assumed by the Company, arising from the Subscription

There is no liability including contingent liability to be assumed by the Company, arising from the Subscription.

### (6) Whether the Subscription is subject to the approval of shareholders and the relevant government authorities and the estimated time frame for submission of the application to the relevant authorities

The Subscription is not subject to the approval of the shareholders and the relevant government authorities.

### (7) The nature and extent of the interests of the directors and/or major shareholder

YBhg. Tan Sri Datuk Sir Tiong Hiew King is the major shareholder of RSB and also a director and shareholder of BEO. YBhg. Tan Sri Datuk Sir Tiong Hiew King is also the father of RSB’s Managing Director, Mr. Tiong Chiong Ong and a brother to RSB’s Non Executive Director, Mr. Tiong Kiong King.

Save for the above, none of the directors or major shareholders of RSB or persons

connected with them has any interest, direct or indirect, in the Subscription.

- (8) **Rationale for the Subscription including any benefit which is expected to accrue to RSB as a result of the Subscription**  
The Subscription is as investment for potential growth prospects of BEO and potential appreciation in share value of BEO.
- (9) **The relevant documents for Subscription and the time and place where the documents may be inspected**  
The relevant documents in connection with the Subscription are available for inspection at the registered office of RSB at No. 85 & 86, Pusat Suria Permata, Jalan Upper Lanang 12A, 96000 Sibu, Sarawak during normal business hours, for a period of three (3) months from the date of this announcement.
- (10) **The date on which the terms of the Subscription were agreed upon**  
The terms of the Subscription were agreed upon on 16 January 2015.
- (11) **Statement by the Audit Committee**  
Having considered the rationale and all other aspects of the Subscription, the Audit Committee of RSB was of the opinion that the Subscription is in the best interests of the RSB Group and the terms of the Subscription is fair, reasonable and on normal commercial terms and hence not detrimental to the interest of the minority shareholders.
- (12) **Statement by the Board of Directors**  
Having considered the rationale and all other aspects of the Subscription and on the recommendation made by the Audit Committee, the Board of Directors of RSB was of the opinion that the Subscription is in the best interests of the RSB Group.
- (13) **Estimated timeframe for completion of the Subscription**  
The Subscription is completed on 16 January 2015.
- (14) **Highest percentage ratio of the Subscription**  
The highest percentage ratio applicable to the Subscription pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements is 0.58%.
- (15) **Total amount transacted with BEO for the preceding 12 months**  
No transaction has been entered into with BEO for the preceding 12 months.

This announcement is dated 16 January 2015.