



RIMBUNAN SAWIT BERHAD

(Company No. 691393-U)

No. 85 & 86, Pusat Suria Permata, Jalan Upper Lanang 12A, 96000 Sibul, Sarawak, Malaysia

Telephone No.: 084-218555

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Interim Financial Statements

For the 3rd Quarter Ended 30 September 2014

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Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
 For the 3rd Quarter Ended 30 September 2014

	Individual Quarter 3-month Period Ended		Cumulative Quarter 9-month Period Ended	
	30.9.2014 RM'000	30.9.2013 RM'000	30.9.2014 RM'000	30.9.2013 RM'000
REVENUE	61,981	82,051	185,796	203,715
COST OF SALES	(50,724)	(59,918)	(146,470)	(195,060)
GROSS PROFIT	11,257	22,133	39,326	8,655
OTHER INCOME	136	205	664	712
DISTRIBUTION COSTS	(2,082)	(3,076)	(5,681)	(8,459)
ADMINISTRATIVE AND OTHER EXPENSES	(5,153)	(4,812)	(15,379)	(13,290)
SHARE OF RESULTS IN AN ASSOCIATE, NET OF TAX	(492)	145	(563)	(1,553)
FINANCE COSTS	(2,702)	(2,872)	(8,164)	(8,350)
PROFIT/(LOSS) BEFORE TAXATION	964	11,723	10,203	(22,285)
INCOME TAX EXPENSE	(334)	1,056	(3,147)	5,501
PROFIT/(LOSS) AFTER TAXATION	630	12,779	7,056	(16,784)
OTHER COMPREHENSIVE INCOME				
<u>Items that may be reclassified subsequently to profit or loss</u>				
Available-for-sale financial assets:-				
- fair value changes	-	-	-	102
- transfer to profit or loss upon reinvestment	-	-	-	(102)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	630	12,779	7,056	(16,784)



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Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Cont'd)

For the 3rd Quarter Ended 30 September 2014

	Individual Quarter 3-month Period Ended		Cumulative Quarter 9-month Period Ended	
	30.9.2014 RM'000	30.9.2013 RM'000	30.9.2014 RM'000	30.9.2013 RM'000
PROFIT/(LOSS) AFTER TAXATION ATTRIBUTABLE TO:-				
- Owners of the Company	746	11,104	7,737	(13,379)
- Non-controlling interests	(116)	1,675	(681)	(3,405)
	<u>630</u>	<u>12,779</u>	<u>7,056</u>	<u>(16,784)</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-				
- Owners of the Company	746	11,104	7,737	(13,379)
- Non-controlling interests	(116)	1,675	(681)	(3,405)
	<u>630</u>	<u>12,779</u>	<u>7,056</u>	<u>(16,784)</u>
EARNINGS/(LOSS) PER SHARE (SEN):-				
- Basic	0.04	0.54	0.38	(0.66)
- Diluted	N/A	N/A	N/A	N/A

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

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Condensed Consolidated Statement of Financial Position

As at 30 September 2014

	As at 30.9.2014 (Unaudited) RM'000	As at 31.12.2013 (Audited) RM'000
ASSETS		
NON-CURRENT ASSETS		
Investment in an associate	24,292	24,855
Property, plant and equipment	648,934	654,023
Intangible assets	24,380	24,364
Biological assets	775,482	762,247
Goodwill	64,746	64,740
Deferred tax assets	5,140	5,416
	<u>1,542,974</u>	<u>1,535,645</u>
CURRENT ASSETS		
Inventories	32,312	36,507
Trade receivables	11,575	16,186
Other receivables, deposits and prepayments	23,763	21,237
Tax refundable	2,886	2,033
Fixed deposits	100	-
Cash and bank balances	11,398	2,268
	<u>82,034</u>	<u>78,231</u>
TOTAL ASSETS	<u>1,625,008</u>	<u>1,613,876</u>

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Condensed Consolidated Statement of Financial Position (Cont'd)

As at 30 September 2014

	As at 30.9.2014 (Unaudited) RM'000	As at 31.12.2013 (Audited) RM'000
EQUITY AND LIABILITIES		
Share capital	751,239	751,239
Reserves	126,039	118,302
<hr/>		
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	877,278	869,541
NON-CONTROLLING INTERESTS	72,320	73,001
<hr/>		
TOTAL EQUITY	949,598	942,542
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NON-CURRENT LIABILITIES		
Borrowings	299,364	291,515
Deferred tax liabilities	148,802	149,709
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	448,166	441,224
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CURRENT LIABILITIES		
Trade payables	33,166	25,957
Other payables, deposits and accruals	34,986	39,999
Borrowings:-		
- bank overdrafts	20,840	42,555
- other borrowings	136,904	121,555
Provision for taxation	1,348	44
<hr/>		
	227,244	230,110
<hr/>		
TOTAL LIABILITIES	675,410	671,334
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TOTAL EQUITY AND LIABILITIES	1,625,008	1,613,876
<hr/>		
NET ASSETS PER SHARE (RM)	0.58	0.58
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The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

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Condensed Consolidated Statement of Changes in Equity
For the Nine Months Period Ended 30 September 2014

	< ----- Non-distributable ----- >					Distri- butable Retained Profits RM'000	Attri- butable to Owners of the Company RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Share Capital		Share Premium RM'000	Merger Reserve RM'000	Fair Value Reserve RM'000				
Ordinary Shares RM'000	Preference Shares RM'000								
Balance at 1.1.2014	654,252	96,987	15,447	(53,066)	-	155,921	869,541	73,001	942,542
Profit after taxation/ Total comprehensive income for the period	-	-	-	-	-	7,737	7,737	(681)	7,056
Balance at 30.9.2014	654,252	96,987	15,447	(53,066)	-	163,658	877,278	72,320	949,598



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Condensed Consolidated Statement of Changes in Equity (Cont'd)
 For the Nine Months Period Ended 30 September 2014

	< ----- Non-distributable ----- >					Distri- butable Retained Profits RM'000	Attri- butable to Owners of the Company RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Share Capital		Share Premium RM'000	Merger Reserve RM'000	Fair Value Reserve RM'000				
	Ordinary Shares RM'000	Preference Shares RM'000							
Balance at 1.1.2013	654,252	96,987	15,447	(53,066)	-	168,750	882,370	77,089	959,459
Loss after taxation for the period	-	-	-	-	-	(13,379)	(13,379)	(3,405)	(16,784)
Other comprehensive income for the period:-									
- fair value changes of available-for-sale financial assets	-	-	-	-	102	-	102	-	102
- transfer to profit or loss upon reinvestment	-	-	-	-	(102)	-	(102)	-	(102)
Total comprehensive income for the period	-	-	-	-	-	(13,379)	(13,379)	(3,405)	(16,784)
Distributions to owners of the Company:-									
- dividends	-	-	-	-	-	(15,025)	(15,025)	-	(15,025)
Balance at 30.9.2013	654,252	96,987	15,447	(53,066)	-	140,346	853,966	73,684	927,650

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.



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Condensed Consolidated Statement of Cash Flows
For the Nine Months Period Ended 30 September 2014

	9-month Period Ended	
	30.9.2014	30.9.2013
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	10,203	(22,285)
Adjustments for:-		
Amortisation of biological assets	22,061	20,319
Amortisation of intangible assets	547	414
Depreciation of property, plant and equipment	21,885	20,924
(Gain)/loss on disposal of property, plant and equipment	(4)	63
Interest expense	8,164	8,350
Interest income	(48)	(212)
Share of results in an associate	563	1,553
Operating profit before working capital changes	63,371	29,126
Decrease in inventories	4,195	1,113
Decrease/(increase) in trade and other receivables	2,085	(5,942)
Increase/(decrease) in trade and other payables	2,194	(10,804)
CASH FROM OPERATIONS	71,845	13,493
Income tax paid	(3,327)	(6,207)
Income tax refunded	-	627
Interest paid	(3,830)	(2,733)
Interest received	48	212
NET CASH FROM OPERATING ACTIVITIES	64,736	5,392
CASH FLOWS FOR INVESTING ACTIVITIES		
Acquisition of subsidiaries, net of cash and cash equivalents acquired	*	-
Costs incurred on biological assets	(22,398)	(44,660)
Proceeds from disposal of property, plant and equipment	77	365
Purchase of intangible assets	(564)	(418)
Purchase of property, plant and equipment	(21,074)	(30,504)
NET CASH FOR INVESTING ACTIVITIES	(43,959)	(75,217)
BALANCE CARRIED FORWARD	20,777	(69,825)

* denotes RM414



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Condensed Consolidated Statement of Cash Flows (Cont'd)

For the Nine Months Period Ended 30 September 2014

	9-month Period Ended	
	30.9.2014	30.9.2013
	RM'000	RM'000
BALANCE BROUGHT FORWARD	20,777	(69,825)
CASH FLOWS FROM FINANCING ACTIVITIES		
Deposits and bank balances held on trust for Islamic securities investors	-	1,023
Dividend paid	-	(15,025)
Drawdown of term loans	39,280	55,479
Net of drawdown/(repayment) of bankers' acceptance	(7,237)	1,427
Net of drawdown/(repayment) of revolving credit	20,510	41,991
Net of drawdown/(repayment) of unsecured loans	(19,500)	-
Payment of interest on long-term borrowings	(13,030)	(12,330)
Repayment of hire purchase obligations	(1,626)	(2,625)
Repayment of Islamic securities	-	(23,000)
Repayment of term loans	(8,229)	(6,327)
NET CASH FROM FINANCING ACTIVITIES	10,168	40,613
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	30,945	(29,212)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	(40,287)	(4,047)
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	(9,342)	(33,259)

Cash and cash equivalents included in the Condensed Consolidated Statement of Cash Flows comprise:-

	As at	
	30.9.2014	30.9.2013
	RM'000	RM'000
Cash and bank balances	11,398	5,619
Fixed deposits	100	-
Bank overdrafts	(20,840)	(38,878)
	(9,342)	(33,259)

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.



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Part A – Explanatory Notes Pursuant to FRS 134

A1 Basis of Preparation

The unaudited interim financial statements have been prepared in accordance with FRS 134 *Interim Financial Reporting* and Chapter 9 Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2013. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2013.

The significant accounting policies and methods of computation adopted by the Group in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2013, except for the adoption of the following new accounting standards and interpretations (including the consequential amendments) that are effective on 1 January 2014:-

FRSs and IC Interpretations (including the Consequential Amendments)

Amendments to FRS 10, FRS 12 and FRS 127 (2011): Investment Entities

Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities

Amendments to FRS 136: Recoverable Amount Disclosures for Non-financial Assets

Amendments to FRS 139: Novation of Derivatives and Continuation of Hedge Accounting

IC Interpretation 21 Levies

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Group's financial statements.



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Part A – Explanatory Notes Pursuant to FRS 134 (Cont'd)

A1 Basis of Preparation (Cont'd)

MASB has issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (“MFRSs”), that are to be applied by all entities other than private entities; with the exception of entities that are within the scope of MFRS 141 *Agriculture* and IC Interpretation 15 *Agreements for Construction of Real Estate*, including its parent, significant investor and venturer (herein called “transitioning entities”).

As announced by MASB on 2 September 2014, the transitioning entities are allowed to defer the adoption of MFRSs to annual periods beginning on or after 1 January 2017.

Accordingly, as a transitioning entity as defined above, the Group has chosen to defer the adoption of MFRSs and will only prepare its first set of MFRS financial statements for the financial year ending 31 January 2017. The Group is currently assessing the possible financial impact that may arise from the adoption of MFRSs and the process is still ongoing.

A2 Comments about Seasonality or Cyclicity of Operations

The prices for the Group’s products are not within the control of the Group but are determined by the global supply and demand situation for edible oils.

Crop production is affected by weather conditions and age of palms.

The prices obtainable for the Group’s products as well as the volume of production will determine the profits for the Group.

A3 Unusual Items Due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the period under review.

A4 Changes in Estimates

There were no changes in estimates that have had a material effect on the results of the Group for the period under review.



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Part A – Explanatory Notes Pursuant to FRS 134 (Cont'd)

A5 Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the period under review.

A6 Dividends Paid

There were no dividends paid during the current quarter.

A7 Segment Information

Information about operating segment is not reported separately as the Group's profit or loss, assets and liabilities are mainly confined to a single operating segment, namely the oil palm plantation and operation of palm oil mill.

A8 Property, Plant and Equipment

(a) Acquisitions and Disposals

During the 9-month period ended 30 September 2014, the Group acquired assets at a cost of RM21.1 million.

Assets with a carrying amount of RM76,000 were disposed of by the Group during the 9-month period ended 30 September 2014, resulting in a gain on disposal of RM4,000, which is included in other income in the statement of profit or loss and other comprehensive income.

(b) Impairment Losses

Neither losses from impairment of property, plant and equipment nor reversal of such impairment losses were recognised for the period under review.

(c) Valuations

The Group did not have any revalued assets.

A9 Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the period under review that have not been reflected in the financial statements.

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Part A – Explanatory Notes Pursuant to FRS 134 (Cont'd)**A10 Changes in the Composition of the Group**

On 23 January 2014, the Company acquired 100,000 ordinary shares of RM1.00 each in the share capital of Sibul Garden And Leisure (M) Sdn Bhd (“SGLMSB”), representing 100% of its total issued and paid-up share capital, for a total cash consideration of RM77.98.

On the same date, the Company acquired 200,000 ordinary shares of RM1.00 each in the share capital of Rajang Builders Sdn Bhd (“RBSB”), representing 100% of its total issued and paid-up share capital, for a total cash consideration of RM238.20.

The fair values of the identifiable assets and liabilities of SGLMSB and RBSB as at the date of acquisition were:-

	Carrying Amount RM'000	Fair Value Recognised RM'000
Cash and bank balances	1	1
Other payables and accruals	(7)	(7)
Net identifiable assets and liabilities	<u>(6)</u>	<u>(6)</u>
Add: Goodwill		6
Total cost of business combination		<u>*</u>

The effect of the acquisitions on cash flows is as follows:-

	RM'000
Total cost of business combination	*
Less: Cash and cash equivalents of subsidiaries acquired	<u>(1)</u>
Net cash inflows for acquisition of subsidiaries	<u>^</u>

* denotes RM316

^ denotes RM414

A11 Changes in Contingent Liabilities or Contingent Assets

There were no changes in contingent liabilities or contingent assets since the last reporting date as at 31 December 2013.



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Part A – Explanatory Notes Pursuant to FRS 134 (Cont'd)

A12 Capital Commitments

The amount of capital commitments not provided for in the financial statements as at 30 September 2014 was as follows:-

	RM'000
Property, plant and equipment:-	
- Contracted but not provided for	52,271
- Authorised but not contracted for	-
	52,271

A13 Significant Related Party Transactions

The Group carried out the following significant transactions with the related parties during the period under review:-

	Individual Quarter 3-month Period Ended		Cumulative Quarter 9-month Period Ended	
	30.9.2014 RM'000	30.9.2013 RM'000	30.9.2014 RM'000	30.9.2013 RM'000
Administrative fee received	130	-	294	-
Contract charges	1,000	6,432	5,276	18,709
Insurance paid	493	334	1,162	1,094
Interest paid	235	269	714	771
Management fee	766	656	2,105	1,924
Purchase of fertilisers and chemicals	867	10,486	1,708	42,272
Purchase of fresh fruit bunches	854	6,657	4,115	14,094
Purchase of property, plant and equipment	5	110	2,262	377
Purchase of seedlings	111	94	114	910
Purchase of sundry stores and consumables	1,367	1,895	3,867	6,349
Recruitment charges	-	-	-	319
Rental paid	14	110	57	594
Repairs and maintenance	118	429	316	823
Sale of fertilisers and chemicals	-	-	243	-
Sale of fresh fruit bunches	19,349	24,201	53,824	52,538
Sale of seedlings	-	35	254	496
Transportation and accommodation charges	737	2,089	2,228	5,665
	737	2,089	2,228	5,665



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Part B – Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

B1 Review of Performance

Revenue

The Group's revenue decreased by 24.5% to RM62.0 million for the current quarter from RM82.1 million in the corresponding quarter in 2013, mainly due to the lower sales volume for crude palm oil ("CPO"), palm kernel ("PK") and fresh fruit bunches ("FFB") despite a slight improvement in the selling prices for the quarter under review.

Sales volume of CPO and PK decreased by 39.4% and 42.8% respectively for the current quarter as compared to the preceding corresponding quarter. The drop in sales volume was attributable to the lower production and high closing stock at the reviewed quarter end.

On a 9-month basis, the Group recorded revenue of RM185.8 million in 2014. This was compared to RM203.7 million in the corresponding period in 2013, representing a decrease of 8.8%. The decrease was mainly due to the lower sales volume for CPO and PK.

Cost of sales

The Group's cost of sales registered a 15.3% drop to RM50.7 million for the current quarter as compared to RM59.9 million in the preceding corresponding quarter, mainly due to the lower estate operating costs, especially manuring, lower FFB processed and lower CPO and PK production.

On a 9-month basis, the Group's cost of sales was RM146.5 million in 2014, which was compared to RM195.1 million in the corresponding period in 2013. The decrease of 24.9% was mainly due to the lower operating costs of plantation estates, lower FFB processed and lower CPO and PK production.



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Part B – Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

B1 Review of Performance

Gross Profit and Gross Profit Margin

The Group's gross profit recorded a decrease of 49.1% to RM11.3 million for the current quarter from RM22.1 million in the corresponding quarter in 2013. The gross profit margin was 18.2% in 2014 as compared to 27.0% in the corresponding quarter in 2013. The weaken in gross profit as well as gross profit margin was mainly due to the lower sales volume for CPO, PK and FFB.

On a 9-month basis, however, the Group recorded a gross profit of RM39.3 million in 2014, an increase of 354.4% from RM8.7 million in the preceding corresponding period. The gross profit margin was 21.2% in 2014 as compared to 4.2% in the corresponding period in 2013.

Profit/(Loss) Before Taxation

The Group recorded a pre-tax profit of RM0.9 million for the 3-month period ended 30 September 2014 as compared to RM11.7 million in the preceding corresponding quarter. The deterioration in pre-tax results was mainly due to the decrease in gross profit as a result of lower sales volume for CPO, PK and FFB during the current quarter.

On a 9-month basis, the RM32.5 million rise in pre-tax results to profit of RM10.2 million in 2014 from loss of RM22.3 million in the corresponding period in 2013 was in tandem with the increase in gross profit.

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Part B – Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Cont'd)

B2 Material Change in the Profit Before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter

	Current Quarter RM'000	Immediate Preceding Quarter RM'000	Increase/ (Decrease) RM'000
Revenue	61,981	64,665	(2,684)
Gross profit	11,257	14,361	(3,104)
Profit before taxation	964	5,326	(4,362)

The decline in revenue was mainly due to the lower sales volume for CPO, PK and FFB. The weakened gross profit and pre-tax results was mainly due to the lower selling prices for CPO, PK and FFB.

B3 Commentary on Prospects

The Group's prospects for the future performance are strongly dependent on the development in the world edible oil and related markets, world economic movement, production and operation efficiency and as well the prices of CPO and PK.

B4 Profit Forecasts

The Group has not issued any profit forecasts for the period under review.

**RIMBUNAN SAWIT BERHAD**

(Company No. 691393-U)

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Part B – Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Cont'd)

B5 Income Tax Expense

	Individual Quarter 3-month Period Ended		Cumulative Quarter 9-month Period Ended	
	30.9.2014 RM'000	30.9.2013 RM'000	30.9.2014 RM'000	30.9.2013 RM'000
Current tax	1,415	1,959	3,778	2,546
Deferred tax	(1,081)	(3,015)	(631)	(8,047)
	<u>334</u>	<u>(1,056)</u>	<u>3,147</u>	<u>(5,501)</u>

B6 Corporate Proposals

There were no corporate proposals announced but not completed as at 13 November 2014, being the latest practicable date.

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Part B – Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Cont'd)

B7 Group Borrowings

	As at	
	30.9.2014	31.12.2013
	RM'000	RM'000
Long-term borrowings:-		
Hire purchase obligations	99	490
Term loans, secured	299,265	291,025
	<hr/>	<hr/>
	299,364	291,515
	<hr/>	<hr/>
Short-term borrowings:-		
Bank overdrafts, secured	12,905	22,803
Bank overdrafts, unsecured	7,935	19,752
Bankers' acceptance, unsecured	4,992	12,229
Hire purchase obligations	732	1,967
Islamic securities and obligations under Ijarah arrangements	7,650	7,650
Revolving credit, secured	46,991	51,481
Revolving credit, unsecured	30,000	5,000
Term loans, secured	43,519	20,708
Unsecured loans	3,020	22,520
	<hr/>	<hr/>
	157,744	164,110
	<hr/>	<hr/>
Total borrowings	457,108	455,625
	<hr/>	<hr/>

The Group's borrowings were denominated in Ringgit Malaysia.

B8 Material Litigation

The Group has no outstanding material litigation which might materially and adversely affect the position or business of the Group as at 13 November 2014, being the latest practicable date.

B9 Dividends

No interim dividend has been declared for the financial year ending 31 December 2014.

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Part B – Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Cont'd)

B10 Earnings/(Loss) Per Share

	Individual Quarter		Cumulative Quarter	
	3-month Period Ended 30.9.2014	30.9.2013	9-month Period Ended 30.9.2014	30.9.2013
Profit/(loss) attributable to owners of the Company (RM'000)	746	11,104	7,737	(13,379)
Weighted average number of ordinary shares ('000):- Issued ordinary shares at 1 January	1,308,505	1,308,505	1,308,505	1,308,505
Effect of conversion of ICPS	733,217	733,217	733,217	733,217
Weighted average number of ordinary shares at 31 March	2,041,722	2,041,722	2,041,722	2,041,722
Basic earnings/(loss) per share (sen)	0.04	0.54	0.38	(0.66)

The diluted earnings per share was not applicable as there were no dilutive potential ordinary shares outstanding at the end of the reporting period.

B11 Audit Report of the Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2013 was not subject to any qualification.

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Part B – Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Cont'd)

B12 Profit/(Loss) Before Taxation

Profit/(loss) before taxation is arrived at after charging/(crediting):-

	Individual Quarter 3-month Period Ended		Cumulative Quarter 9-month Period Ended	
	30.9.2014 RM'000	30.9.2013 RM'000	30.9.2014 RM'000	30.9.2013 RM'000
Amortisation of biological assets	7,352	6,773	22,061	20,319
Amortisation of intangible assets	188	135	547	414
Depreciation of property, plant and equipment	7,277	6,853	21,885	20,924
(Gain)/loss on disposal of property, plant and equipment	(4)	3	(4)	63
Interest expense	2,702	2,872	8,164	8,350
Interest income	(27)	(54)	(48)	(212)
Share of results in an associate	492	(145)	563	1,553

B13 Derivatives

(a) Nature of outstanding derivatives

There were no outstanding derivatives as at the end of the reporting period.

(b) Risks and Policies of Derivatives

The Group did not enter into any derivatives during the 9-month period ended 30 September 2014.

(c) Gains/losses Arising from Fair Value Changes of Financial Liabilities

The Group did not have any financial liabilities measured at fair value through profit or loss as at 30 September 2014 and 31 December 2013.

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Part B – Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Cont'd)

B14 Disclosure of Realised and Unrealised Profits or Losses

The breakdown of the retained profits of the Group into realised and unrealised profits or losses are analysed as follows:-

	As at	
	30.9.2014	31.12.2013
	RM'000	RM'000
Total retained profits:-		
- realised	229,547	210,489
- unrealised	(51,170)	(47,530)
	<hr/>	<hr/>
	178,377	162,959
Total share of retained profits of associate:-		
- realised	(284)	279
- unrealised	(561)	(561)
	<hr/>	<hr/>
	177,532	162,677
Less: Consolidation adjustments	(13,874)	(6,756)
	<hr/>	<hr/>
At 30 September/31 December	163,658	155,921
	<hr/>	<hr/>

B15 Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 20 November 2014.