

RIVERVIEW RUBBER ESTATES, BERHAD
(Company No. : 820-V)
(Incorporated in Malaysia)

Interim Financial Report
30 June 2024

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Condensed Consolidated Statement of Comprehensive Income
30 June 2024
(the figures have not been audited)

| | Current quarter ended | | Cummulative 6 months ended | |
|-------------------------------------------------|-----------------------|------------|----------------------------|------------|
| | 30.06.2024 | 30.06.2023 | 30.06.2024 | 30.06.2023 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 8,299 | 8,167 | 15,226 | 16,809 |
| Cost of sales | (3,988) | (4,809) | (8,114) | (9,665) |
| Gross profit | 4,311 | 3,358 | 7,112 | 7,144 |
| Items of expense | | | | |
| Administrative expenses | (1,394) | (1,441) | (2,320) | (2,267) |
| | 2,917 | 1,917 | 4,792 | 4,877 |
| Items of income | | | | |
| Interest income | 204 | 309 | 415 | 649 |
| Other income | 1 | 41 | 4 | 49 |
| | 3,122 | 2,267 | 5,211 | 5,575 |
| Other items | | | | |
| Depreciation of bearer plants | (225) | (222) | (451) | (444) |
| Depreciation of property, plant & equipment | (353) | (336) | (699) | (688) |
| Gain on disposal of property, plant & equipment | - | - | - | - |
| Fair value changes in agriculture produce | 547 | 799 | 759 | 1,050 |
| Results from operating activities | 3,091 | 2,508 | 4,820 | 5,493 |
| Foreign exchange loss | - | - | - | - |
| Profit before tax for the period | 3,091 | 2,508 | 4,820 | 5,493 |
| Taxation | (772) | (713) | (1,277) | (1,456) |
| Profit for the year | 2,319 | 1,795 | 3,543 | 4,037 |
| Other comprehensive income, net of tax | | | | |
| NCI share of capital reduction of a subsidiary | - | - | (4) | - |
| Other comprehensive income for the period | - | - | (4) | - |
| Total comprehensive income for the period | 2,319 | 1,795 | 3,539 | 4,037 |
| Profit attributable to: | | | | |
| Equity holders of the Company | 2,265 | 1,795 | 3,489 | 3,912 |
| Non-controlling interests | 54 | - | 54 | 125 |
| | 2,319 | 1,795 | 3,543 | 4,037 |
| Total comprehensive income attributable to: | | | | |
| Equity holders of the Company | 2,265 | 1,795 | 3,489 | 3,912 |
| Non-controlling interests | 54 | - | 50 | 125 |
| | 2,319 | 1,795 | 3,539 | 4,037 |
| Earnings per share (sen) | | | | |
| Basic | 3.49 | 2.77 | 5.38 | 6.03 |

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the annual financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Financial Position
30 June 2024
(the figures have not been audited)

| | As at end of current quarter 30.06.2024 RM'000 | As at preceding financial year end 31.12.2023 RM'000 |
|----------------------------------------------|---------------------------------------------------------------|---------------------------------------------------------------------|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 294,209 | 294,284 |
| Right-of-use assets | 24,529 | 24,654 |
| Bearer plants | 27,851 | 23,252 |
| Goodwill on consolidation | 2,732 | 2,732 |
| Deferred taxation | 149 | 149 |
| | <u>349,470</u> | <u>345,071</u> |
| Current assets | | |
| Inventories | 792 | 186 |
| Agriculture produce | 3,022 | 2,263 |
| Trade and other receivables | 8,761 | 7,137 |
| Cash and cash equivalents | 14,352 | 4,693 |
| Deposits with financial institutions | 23,621 | 39,944 |
| | <u>50,548</u> | <u>54,223</u> |
| TOTAL ASSETS | <u>400,018</u> | <u>399,294</u> |
| EQUITY AND LIABILITIES | | |
| Current liabilities | | |
| Trade and other payables | 3,939 | 6,746 |
| NET CURRENT ASSETS | <u>46,609</u> | <u>47,477</u> |
| Non-current liabilities | | |
| Deferred taxibilities | 25,551 | 25,551 |
| Provision for retirement benefits | 786 | 794 |
| | <u>26,337</u> | <u>26,345</u> |
| TOTAL LIABILITIES | <u>30,276</u> | <u>33,091</u> |
| NET ASSETS | <u>369,742</u> | <u>366,203</u> |
| Equity attributable to owners of the Company | | |
| Share capital | 64,850 | 64,850 |
| Reserves | 212,733 | 212,733 |
| Retained earnings | 82,795 | 79,306 |
| | <u>360,378</u> | <u>356,889</u> |
| Non-controlling interests | 9,364 | 9,314 |
| TOTAL EQUITY | <u>369,742</u> | <u>366,203</u> |
| TOTAL EQUITY AND LIABILITIES | <u>400,018</u> | <u>399,294</u> |
| Net Assets per share (RM) | <u>5.56</u> | <u>5.50</u> |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the annual financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

Riverview Rubber Estates, Berhad
(Company No. 820 - V)
(Incorporated in Malaysia)

Condensed Consolidated Statement of Changes in Equity
30 June 2024
(the figures have not been audited)

| | Share capital RM '000 | Capital reserve RM '000 | Retained profits RM'000 | Total RM'000 | Non- controlling interests RM'000 | Total equity RM'000 |
|-----------------------------------|-----------------------------|-------------------------------|-------------------------------|-----------------|--------------------------------------------|---------------------------|
| As at 1 January 2023 | 64,850 | 212,699 | 89,272 | 366,821 | 9,139 | 375,960 |
| Total comprehensive income | - | 34 | 6,247 | 6,281 | 175 | 6,456 |
| <i>Profit or loss</i> | - | - | 6,247 | 6,247 | 159 | 6,406 |
| <i>Other comprehensive income</i> | - | 34 | - | 34 | 16 | 50 |
| Transactions with owners | - | - | (16,213) | (16,213) | - | (16,213) |
| <i>Dividends</i> | - | - | (16,213) | (16,213) | - | (16,213) |
| Transfers | - | - | - | - | - | - |
| As at 31 December 2023 | <u>64,850</u> | <u>212,733</u> | <u>79,306</u> | <u>356,889</u> | <u>9,314</u> | <u>366,203</u> |
| As at 1 January 2024 | 64,850 | 212,733 | 79,306 | 356,889 | 9,314 | 366,203 |
| Total comprehensive income | - | - | 3,489 | 3,489 | 50 | 3,539 |
| <i>Profit or loss</i> | - | - | 3,489 | 3,489 | 54 | 3,543 |
| <i>Other comprehensive income</i> | - | - | - | - | (4) | (4) |
| Transactions with owners | - | - | - | - | - | - |
| <i>Dividends</i> | - | - | - | - | - | - |
| As at 30 June 2024 | <u>64,850</u> | <u>212,733</u> | <u>82,795</u> | <u>360,378</u> | <u>9,364</u> | <u>369,742</u> |

The condensed consolidated statement of changes in equity should be read in conjunction with the annual financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Cash Flows
30 June 2024
(the figures have not been audited)

| | Group | |
|--------------------------------------------------------------------|----------------------|----------------------|
| | 30.06.2024 RM'000 | 30.06.2023 RM'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 4,820 | 5,493 |
| Adjustments for: | | |
| Amortisation | 451 | 444 |
| Depreciation | 699 | 688 |
| Interest income | (415) | (649) |
| Fair value changes in agriculture produce | (759) | (1,050) |
| Operating cashflow before working capital changes | <u>4,796</u> | <u>4,926</u> |
| Changes in working capital: | | |
| Inventories | (614) | (509) |
| Receivables | (898) | 17 |
| Payables | 435 | 780 |
| Cash generated from operating activities | <u>3,719</u> | <u>5,214</u> |
| Taxes (paid)/refunded | (2,002) | (1,579) |
| Net cash generated from operating activities | <u>1,717</u> | <u>3,635</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (499) | (180) |
| Addition of bearer plants | (5,050) | (2,754) |
| Interest received | 415 | 649 |
| Net cash generated used in investing activities | <u>(5,134)</u> | <u>(2,285)</u> |
| CASH FLOWS FROM FINANCING ACTIVITY | | |
| Dividends paid | (3,243) | (12,970) |
| Capital reduction paid to non-controlling interest of a subsidiary | (4) | - |
| Net cash used in financing activities | <u>(3,247)</u> | <u>(12,970)</u> |
| Net decrease in cash and cash equivalents | (6,664) | (11,620) |
| Cash and cash equivalents at beginning of period | <u>44,637</u> | <u>69,389</u> |
| Cash and cash equivalents at end of period | <u>37,973</u> | <u>57,769</u> |
| Cash and cash equivalents comprise: | | |
| Cash on hand and at banks | 14,352 | 4,152 |
| Deposits with financial institutions | 23,621 | 53,617 |
| | <u>37,973</u> | <u>57,769</u> |
| | - | - |

The condensed consolidated cash flow statement should be read in conjunction with the annual financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

Riverview Rubber Estates, Berhad

(Company No. 820-V)

(Incorporated in Malaysia)

Part A : Explanatory Notes Pursuant to FRS 134

A1. Basis of preparation

The unaudited interim financial statements have been prepared under the historical cost convention unless otherwise indicated in the significant accounting policies and in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

These financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2023. 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 year ended 31 December 2023.

The financial statements of the Group have been prepared in accordance with Financial Reporting Standards ("FRS"), generally accepted accounting principles and the Companies Act, 2016 in Malaysia.

A2. Significant accounting policies

The financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRS") and the provisions of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company are prepared under the historical cost convention unless otherwise indicated in the summary of significant accounting policies.

The accounting policies applied by the Group and the Company are consistent with those applied in the previous financial year other than the application of the amendments to MFRSs as disclosed below.

Application of New MFRS and Amendments to MFRSs

During the financial year, the Group and the Company have applied the following new MFRS and amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") which are effective from the beginning of the current financial year :-

MFRS 17, Insurance Contracts

Amendments to MFRS 17 – Initial Application of MFRS 17 and MFRS 9 – Comparative Information

Amendments to MFRS 101 and MFRS Practice Statement 2 – Disclosure of Accounting Policies

Amendments to MFRS 108 – Definition of Accounting Estimates

Amendments to MFRS 112 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Amendments to MFRS 112 - International Tax Reform - Pillar Two Model Rules

Other than as disclosed, initial application of the new MFRS and amendments to MFRSs did not have any significant impact on the Group's and the Company's financial statements for the current and prior financial periods.

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

A2. Significant accounting policies (cont'd)

Amendments to MFRS 101 and MFRS Practice Statement 2 - Disclosure of Accounting Policies

The Group and the Company have adopted the Amendments from 1 January 2023. The Amendments changed the requirements in MFRS 101 to disclose 'material accounting policy information' rather than 'significant accounting policies' and must be of entity-specific. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The Amendments have also added guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the disclosure of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's and in the Company's financial statements.

Amendments to MFRSs That Are In Issue But Not Yet Effective

The Group and the Company have not early adopted the following amendments to MFRSs that have been issued by the MASB but are not yet effective:

Effective for annual periods beginning on or after 1 January 2024

Amendments to MFRS 16, Lease Liability in a Sale and Leaseback

Amendments to MFRS 101 - Classification of Liabilities as Current or Non-Current and Non-Current liabilities with Covenants

Amendments to MFRS 107 and MFRS 7 - Supplier Finance Arrangements

Effective for annual periods beginning on or after 1 January 2025

Amendments to MFRS 121 - Lack of Exchangeability

Effective for annual periods beginning on or after a date to be determined by MASB

Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associates and Joint Ventures

Effective for annual periods beginning on or after 1 January 2024

Amendments to MFRS 16, Lease Liability in a Sale and Leaseback

The Amendments to MFRS 16 clarifies how companies should subsequently measure the leaseback liability that arise in a sale and leaseback transaction. Although MFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place, it has not specified how to measure the sale and leaseback transaction when reporting after that date.

Other than described, the initial application of the amendments to MFRSs are not expected to have any significant impact on the financial statements of the Company and the Group.

A3. Comparatives

The have been no material changes to the comparative figures.

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

A4. Seasonal or cyclical factors

Turnover is also dependent on price fluctuations of Crude Palm Oil (“CPO”) which are not within the Company’s control but are determined by the global supply and demand for edible oils.

Production of fresh fruits bunches of oil palms (“FFB”) is affected by weather conditions, the age of the palms and seasonal biological stress.

A5. Items affecting assets, liabilities, equity, net income or cash flows

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

A6. Change in estimates

There were no changes in estimates that have a material effect in the current quarter.

A7. Debt and equity securities

There was no issuance, cancellations, repurchase, resale and repayments of debt and equity securities in the current quarter.

A8. Dividend paid

None paid in the current quarter.

A9. Segment information

| | | Group | | | |
|-------------------------------|----------------|---------------------------|-------------------|-----------------|-------------|
| | | Cumulative Quarter | | | |
| | | 30.06.2024 | 30.06.2023 | Variance | |
| | | RM '000 | RM '000 | RM '000 | % |
| Revenue | | | | | |
| - Malaysia | : Plantation | | | | |
| | - Company | 9,542 | 11,070 | (1,528) | (14) |
| | - Subsidiaries | 5,684 | 5,739 | (55) | (1) |
| | | <u>15,226</u> | <u>16,809</u> | <u>(1,583)</u> | <u>(9)</u> |
| Profit before taxation | | | | | |
| - Malaysia | : Plantation | | | | |
| | - Company | 3,031 | 3,599 | (568) | (16) |
| | - Subsidiaries | 1,789 | 1,894 | (105) | (6) |
| | | <u>4,820</u> | <u>5,493</u> | <u>(673)</u> | <u>(12)</u> |

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

A10. Related party transactions

There were no significant related party transactions of the Company for the current quarter.

A11. Changes in composition

Dato Roslan bin Hamir was appointed as an Independent Non-Executive Director of the Company on 4 June 2024.

Dr. Leong Tat Thim retired as an as an Independent Non-Executive Director of the Company on 4 June 2024.

A12. Changes in contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets as at the last annual balance sheet date and the latest practicable date.

A13. Capital commitments

There are no material capital commitments as at 30 June 2024.

(i) Acquisitions and Disposals

Details of acquisitions and disposals of the Group during the financial period are as follows:

Acquisition

| | Cost RM '000 |
|-------------------------------|-------------------------|
| Property, plant and equipment | 499 |
| Bearer plants | <u>5,050</u> |

(ii) Impairment of property, plant and equipment

There was no material impairment nor reversal of such impairment during the current three-month financial period.

(iii) Valuations

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

A14. Events subsequent to the balance sheet date

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

Part B : Explanatory notes pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

B1. Analysis of performance against preceding year

| | | Group Cumulative Quarter | | Variance | |
|-------------------------------|--------------------------|-------------------------------------|-------------------|-------------------|-------------|
| | | 30.06.2024 | 30.06.2023 | RM '000 | % |
| | | RM '000 | RM '000 | RM '000 | % |
| Revenue | | | | | |
| - Malaysia | : Plantation | | | | |
| | - Company | 9,542 | 11,070 | (1,528) | (14) |
| | - Subsidiaries | 5,684 | 5,739 | (55) | (1) |
| | | <u>15,226</u> | <u>16,809</u> | <u>(1,583)</u> | <u>(9)</u> |
| Profit before taxation | | | | | |
| - Malaysia | : Plantation | | | | |
| | - Company | 3,031 | 3,599 | (568) | (16) |
| | - Subsidiaries | 1,789 | 1,894 | (105) | (6) |
| | | <u>4,820</u> | <u>5,493</u> | <u>(673)</u> | <u>(12)</u> |
| | | RM | RM | RM | % |
| | Average FFB price per MT | 835 | 799 | 36 | 4% |
| | FFB cost per MT | 445 | 460 | 15 | 3% |
| | | Metric Ton | Metric Ton | Metric Ton | % |
| | Production | 18,237 | 21,027 | (2,790) | 13 |
| | Yield per hectare | 11.61 | 10.98 | 0.63 | 6 |

The Group registered plantation revenue of RM15.23 million for the period to-date, a decrease of 9% compared to the preceding year corresponding period. The decrease in revenue is due to a decrease a decrease in the production of FFB by 13%, this was offset by an increase in the average FFB price of 4%.

The drop in production is due to the replanting being carried out by the Group, despite the drop in production, yield per hectare increased by 6%.

The Group also recorded a plantation pre-tax profit for the period to-date of RM4.82 million against pre-tax profit of RM5.49 million compared to the preceding year corresponding period, a decrease of RM0.67 million. The decrease in pre-tax profit as is primarily due to the lower production.

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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. Variation of results against preceding quarter

| | 3 Months Ended | | Variance | |
|-------------------------------|-------------------|-------------------|--------------|----|
| | <u>30.06.24</u> | <u>31.03.24</u> | | |
| | RM '000 | RM '000 | RM '000 | % |
| Revenue | | | | |
| - Malaysia : Plantation | | | | |
| - Company | 5,300 | 4,242 | 1,058 | 25 |
| - Subsidiaries | <u>2,999</u> | <u>2,685</u> | <u>314</u> | 12 |
| | <u>8,299</u> | <u>6,927</u> | <u>1,372</u> | 20 |
| Profit before taxation | | | | |
| - Malaysia : Plantation | | | | |
| - Company | 1,958 | 1,073 | 885 | 82 |
| - Subsidiaries | <u>1,133</u> | <u>656</u> | <u>477</u> | 73 |
| | <u>3,091</u> | <u>1,729</u> | <u>1,362</u> | 79 |
| | RM | RM | | |
| Average FFB price per MT | 844 | 825 | 19 | 2 |
| FFB cost per MT | 406 | 491 | 85 | 17 |
| | Metric Ton | Metric Ton | | |
| Production | 9,838 | 8,399 | 1,439 | 17 |
| Yield per hectare | 6.27 | 5.35 | 1.78 | 33 |

The current quarter's recorded pre-tax profit of RM3.09 million on revenue of RM8.30 million as compared to pre-tax profit of RM1.73 million on revenue of RM6.93 million posted in the immediate preceding quarter.

The increase in revenue and profit is primarily due to the increase in both the production and average price of FFB.

B3. Prospects

The prospects are very much dependent on weather conditions, the global edible oil and its related markets, global economic conditions and how they impact production of FFB and CPO prices.

The operating results are expected to remain satisfactory and that the cash flow position is adequate to meet the Group's requirements.

Management will continue to monitor developments and take the required remedial actions where necessary. The Group will continue its operations taking into cognisance the health and safety of its employees and stakeholders.

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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)

B4. Profit forecast

Not applicable as no profit forecast was published.

B5. Tax expense

| | <u>months ended</u> | |
|----------------|---------------------|-----------------|
| | <u>30.06.24</u> | <u>30.06.23</u> |
| | RM'000 | RM'000 |
| Taxation | | |
| - Income tax | 1,277 | 1,456 |
| - Deferred tax | - | - |
| | <u>1,277</u> | <u>1,456</u> |

The effective tax rate of the Group is higher than the statutory rate of taxation primarily due to certain expenses not allowed for taxation purposes.

B6. Status of corporate proposal announced

There is no corporate proposal as at the latest practicable date.

B7. Borrowing and debt securities

There are no borrowing and debt securities as at 30 June 2024.

B8. Derivative financial instruments

There were no derivative financial instruments with off balance sheet risk as at the latest practicable date.

B9. Changes in material litigation

There was no pending material litigation as at the latest practicable date.

B10. Dividends

No dividend declared in the current quarter.

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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)

B11. Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the financial period is based on the net profit attributable to equity holders of the Company of RM3.49 million and the weighted average number of ordinary shares in issue during the current quarter of 64,850,448 shares.

Diluted earnings per shares

Not applicable.

B12. Auditor's report on preceding annual financial statements

The auditor's report on the audited annual financial statements for the year ended 31 December 2023 was not qualified.

B13. Authorised for Issue

The interim financial statements were authorised for issue by the Board of Directors as resolved at the Board of Directors Meeting held on 13 August 2024.