

RIMBUNAN SAWIT BERHAD
(Company No. 691393-U)
No. 85 & 86, Pusat Suria Permata, Jalan Upper Lanang 12A, 96000 Sibu, Sarawak, Malaysia Telephone No.: 084-218555 Facsimile No.: 084-219555 Email: rsb@rsb.com.my

# **Interim Financial Statements**

For the Quarter Ended 31 May 2007

	Page
Condensed Consolidated Income Statements	1
Condensed Consolidated Balance Sheet	2
Condensed Consolidated Statement of Changes in Equity	4
Condensed Consolidated Cash Flow Statement	5
Explanatory Notes	7
Part A – Explanatory Notes Pursuant to FRS 134	7
Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements	
of Bursa Malaysia Securities Berhad	12



(Company No. 691393-U)

No. 85 & 86, Pusat Suria Permata, Jalan Upper Lanang 12A, 96000 Sibu, Sarawak, Malaysia Telephone No.: 084-218555 Facsimile No.: 084-219555 Email: rsb@rsb.com.my

# **Condensed Consolidated Income Statements**

For the Quarter Ended 31 May 2007

	3 months ended 31.05.2007 31.05.2006 RM'000 RM'000		31.05.2007 31.05.2006 3		31.05.2007 31.05.2006		31.05.2007 31.05.2		9 month 31.05.2007 RM'000	as ended 31.05.2006* RM'000
Revenue Cost of sales	34,191 (24,201)	25,147 (18,684)	102,964 (74,585)	30,707 (22,660)						
Gross profit	9,990	6,463	28,379	8,047						
Other operating income Distribution costs Administrative and other expenses Finance costs	873 (1,934) (1,254) (2,109)	909 (1,098) (297) (1,926)	3,090 (6,339) (3,552) (6,292)	1,185 (1,355) (365) (2,369)						
Profit before taxation	5,566	4,051	15,286	5,143						
Income tax expense	(1,430)	(1,030)	(4,117)	(1,322)						
Profit for the period	4,136	3,021	11,169	3,821						
Earnings per share (sen): -										
Basic earnings per share	3.22	2.74	8.71	8.37						
Diluted earnings per share	N/A	N/A	N/A	N/A						

<sup>\*</sup> The comparative consolidated figures for the preceding year's corresponding period showed only the post-acquisition results from 8 February 2006 to 31 May 2006.

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 31 August 2006 and the accompanying explanatory notes attached to the interim financial statements.



RIMBUNAN SAWIT BERHAD
(Company No. 691393-U)
No. 85 & 86, Pusat Suria Permata, Jalan Upper Lanang 12A, 96000 Sibu, Sarawak, Malaysia Telephone No.: 084-218555 Facsimile No.: 084-219555 Email: rsb@rsb.com.my

# **Condensed Consolidated Balance Sheet**

As At 31 May 2007

	(Unaudited) As at 31.05.2007 RM'000	(Audited) As at 31.08.2006 RM'000
ASSETS		
Non-current assets Property, plant and equipment Biological assets Prepaid lease rental	51,251 56,098 11,011	51,350 56,781 10,843
Deferred tax assets	107	1,337
	118,467	120,311
Current assets		
Inventories	3,846	10,273
Trade receivables	5,953	3,185
Other receivables, deposits and prepayments Tax refundable	3,236 24	2,967 30
Short term investment	15,000	30
Cash and bank balances	4,271	1,323
Fixed deposits	108,157	111,994
	140,487	129,772
TOTAL ASSETS	258,954	250,083
EQUITY AND LIABILITIES		
Equity	C4 122	64 122
Share capital Reserves	64,133 28,145	64,133 20,824
	-	
Total equity	92,278	84,957
Non-current liabilities	02.000	02.000
Borrowings Deferred tax liabilities	93,000	93,000
Deferred tax habilities	8,023 101,023	8,825 101,825
	101,023	101,623
Current liabilities	<b>7</b> 044	0.055
Trade payables	7,844	9,066
Other payables and accruals	7,048 50,000	3,704 50,000
Borrowings Provision for taxation	50,000 761	50,000
110 vision for taxation	65,653	63,301
Total liabilities	166,676	165,126
TOTAL EQUITY AND LIABILITIES	258,954	250,083
-		•

(Company No. 691393-U) No. 85 & 86, Pusat Suria Permata, Jalan Upper Lanang 12A, 96000 Sibu, Sarawak, Malaysia Telephone No.: 084-218555 Facsimile No.: 084-219555 Email: rsb@rsb.com.my

Condensed Consolidated Balance Sheet (Cont'd) As At 31 May 2007  Net assets per share attributable to ordinary equity holders of the parent (RM)  0.72  0.66			
	· /		
	, <u>*</u> ,	0.72	0.66

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 31 August 2006 and the accompanying explanatory notes attached to the interim financial statements.



(Company No. 691393-U)

No. 85 & 86, Pusat Suria Permata, Jalan Upper Lanang 12A, 96000 Sibu, Sarawak, Malaysia Telephone No.: 084-218555 Facsimile No.: 084-219555 Email: rsb@rsb.com.my

# **Condensed Consolidated Statement of Changes in Equity**

For the Nine-Month Period Ended 31 May 2007

	Share capital RM'000	< Non-Di Share premium RM'000	stributable > Reserve on consolidation RM'000	Distributable Retained profits RM'000	Total RM'000
9 months ended 31.05.2007					
At 1 September 2006 As previously stated Prior year adjustment – effects of adopting of FRS 3	64,133	6,866	5,952 (5,952)	8,006 5,952	84,957
At 1 September 2006 (as restated) Final dividend paid Profit for the period	64,133	6,866 - -	- - -	13,958 (3,848) 11,169	84,957 (3,848) 11,169
At 31 May 2007	64,133	6,866		21,279	92,278
9 months ended 31.05.2006					
At 1 September 2005 Issue of ordinary shares:-	#	-	-	(75)	(75)
Acquisition of subsidiaries Arising from acquisition of subsidiaries Profit for the period	55,133	-	-	-	55,133
	-	-	6,614 -	3,821	6,614 3,821
At 31 May 2006 Effects of adopting FRS 3	55,133	-	6,614 (6,614)	3,746 6,614	65,493
At 31 May 2006 (as restated)	55,133	-	-	10,360	65,493

# Denotes RM53

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 August 2006 and the accompanying explanatory notes attached to the interim financial statements.



RIMBUNAN SAWIT BERHAD
(Company No. 691393-U)
No. 85 & 86, Pusat Suria Permata, Jalan Upper Lanang 12A, 96000 Sibu, Sarawak, Malaysia Telephone No.: 084-218555 Facsimile No.: 084-219555 Email: rsb@rsb.com.my

# **Condensed Consolidated Cash Flow Statement**

For the Nine-Month Period Ended 31 May 2007

Cash Flows from Operating Activities         Increase of the property of the p		9 months ended	
Profit before taxation         15,286         5,143           Adjustments for: -		31.05.2007	31.05.2006
Interest expenses   6,292   2,369     Interest income   (2,749)   (813)     Depreciation and amortisation   7,628   3,529     Gain on disposal of property, plant and equipment   (170)   - 7,628     Property, plant and equipment written off   4   - 7     Operating profit before working capital changes   26,291   10,228     Decrease / (Increase) in inventories   6,427   (2,932)     (Increase) in receivables   (3,038)   (6,353)     (Increase) in receivables   (3,038)   (6,353)     (Increase) in payables   2,123   (6,506     Cash generated from operations   31,803   7,449     Interest received   2,749   813     Interest received   (37)   - 7     Tax paid   (4,376)   (968)     Tax refunded   924   - 7     Net cash provided by operating activities   31,063   7,294      Cash Flows from Investing Activities   31,063   7,294     Additions to prepaid lease rental   (294)   - 7     Additions to prepaid lease rental   (294)   - 7     Additions to biological assets   (1,495)   - 7     Proceed from disposal of property, plant & equipment   (57,100)   - 7     Net cash (used in) / provided by investing activities   (15,000)   - 7     Net cash (used in) / provided by investing activities   (21,848)   29,888     Cash Flows from Financing Activities   (2,679)     Net cash (used in) / innancing activities   (1,251)   34,503     Cash and cash equivalents at beginning of financial period   93,722   #	Cash Flows from Operating Activities		
Interest expenses         6,292         2,369           Interest income         (2,749)         (813)           Depreciation and amortisation         7,628         3,529           Gain on disposal of property, plant and equipment         (170)         -           Property, plant and equipment written off         4         -           Operating profit before working capital changes         26,291         10,228           Decrease / (Increase) in inventories         6,427         (2,932)           (Increase) in receivables         (3,038)         (6,353)           Increase in payables         2,123         6,506           Cash generated from operations         31,803         7,449           Interest received         2,749         813           Interest received         2,749         813           Interest paid         (37)         -           Tax paid         (4,376)         (968)           Tax refunded         924         -           Net cash provided by operating activities         31,063         7,294           Cash Flows from Investing Activities         -         32,195           Purchase of property, plant and equipment         (5,730)         (2,307)           Additions to prepaid lease rental	Profit before taxation	15,286	5,143
Interest income         (2,749)         (813)           Depreciation and amortisation         7,628         3,529           Gain on disposal of property, plant and equipment         (170)         -           Property, plant and equipment written off         4         -           Operating profit before working capital changes         26,291         10,228           Decrease / (Increase) in inventories         6,427         (2,932)           (Increase) in receivables         (3,038)         (6,353)           Increase in payables         2,123         6,506           Cash generated from operations         31,803         7,449           Interest received         2,749         813           Interest paid         (3,7)         -           Tax paid         (4,376)         (968)           Tax refunded         924         -           Net cash provided by operating activities         31,063         7,294           Cash Flows from Investing Activities           Acquisition of subsidiaries         -         32,195           Purchase of property, plant and equipment         (5,730)         (2,307)           Additions to biological assets         (1,495)         -           Proceed from disposal of property, plant & equipment	Adjustments for: -		
Decrease / (Increase) in inventories         6,427         (2,932)           (Increase) in receivables         (3,038)         (6,353)           Increase in payables         2,123         6,506           Cash generated from operations         31,803         7,449           Interest received         2,749         813           Interest paid         (37)         -           Tax paid         (4,376)         (968)           Tax refunded         924         -           Net cash provided by operating activities         31,063         7,294           Cash Flows from Investing Activities           Acquisition of subsidiaries         -         32,195           Purchase of property, plant and equipment         (5,730)         (2,307)           Additions to prepaid lease rental         (294)         -           Additions to biological assets         (1,495)         -           Proceed from disposal of property, plant & equipment         671         -           Short-term investment         (15,000)         -           Net cash (used in) / provided by investing activities         (21,848)         29,888           Cash Flows from Financing Activities           Return payments paid         (6,255)         (2,369)	Interest income Depreciation and amortisation Gain on disposal of property, plant and equipment	(2,749) 7,628 (170)	(813)
(Increase) in receivables Increase in payables         (3,038)         (6,353)           Increase in payables         2,123         6,506           Cash generated from operations         31,803         7,449           Interest received         2,749         813           Interest paid         (37)         -           Tax paid         (4,376)         (968)           Tax refunded         924         -           Net cash provided by operating activities         31,063         7,294           Cash Flows from Investing Activities           Acquisition of subsidiaries         -         32,195           Purchase of property, plant and equipment         (5,730)         (2,307)           Additions to biological assets         (1,495)         -           Additions to biological assets         (1,495)         -           Proceed from disposal of property, plant & equipment         671         -           Short-term investment         (15,000)         -           Net cash (used in) / provided by investing activities         (21,848)         29,888           Cash Flows from Financing Activities           Return payments paid         (6,255)         (2,369)           Islamic deposits held on trust for Islamic Securities Investors	Operating profit before working capital changes	26,291	10,228
Interest received         2,749         813           Interest paid         (37)         -           Tax paid         (4,376)         (968)           Tax refunded         924         -           Net cash provided by operating activities         31,063         7,294           Cash Flows from Investing Activities           Acquisition of subsidiaries         -         32,195           Purchase of property, plant and equipment         (5,730)         (2,307)           Additions to prepaid lease rental         (294)         -           Additions to biological assets         (1,495)         -           Proceed from disposal of property, plant & equipment         671         -           Short-term investment         (15,000)         -           Net cash (used in) / provided by investing activities         (21,848)         29,888           Cash Flows from Financing Activities           Return payments paid         (6,255)         (2,369)           Islamic deposits held on trust for Islamic Securities Investors         (363)         (310)           Dividend paid         (3,848)         -           Net cash (used in) financing activities         (10,466)         (2,679)           Net (decrease) / increase in cash and cash equivalent	(Increase) in receivables	(3,038)	(6,353)
Interest paid         (37)         -           Tax paid         (4,376)         (968)           Tax refunded         924         -           Net cash provided by operating activities         31,063         7,294           Cash Flows from Investing Activities           Acquisition of subsidiaries         -         32,195           Purchase of property, plant and equipment         (5,730)         (2,307)           Additions to prepaid lease rental         (294)         -           Additions to biological assets         (1,495)         -           Proceed from disposal of property, plant & equipment         671         -           Short-term investment         (15,000)         -           Net cash (used in) / provided by investing activities         (21,848)         29,888           Cash Flows from Financing Activities           Return payments paid         (6,255)         (2,369)           Islamic deposits held on trust for Islamic Securities Investors         (363)         (310)           Dividend paid         (3,848)         -           Net cash (used in) financing activities         (10,466)         (2,679)           Net (decrease) / increase in cash and cash equivalents         (1,251)         34,503           Cash and ca	Cash generated from operations	31,803	7,449
Cash Flows from Investing Activities  Acquisition of subsidiaries  Acquisition of subsidiaries  Purchase of property, plant and equipment  Additions to prepaid lease rental  Additions to biological assets  (1,495)  Proceed from disposal of property, plant & equipment  Short-term investment  (15,000)  Net cash (used in) / provided by investing activities  Cash Flows from Financing Activities  Return payments paid  (6,255)  Islamic deposits held on trust for Islamic Securities Investors  Dividend paid  Net cash (used in) financing activities  (10,466)  (2,679)  Net (decrease) / increase in cash and cash equivalents  Cash and cash equivalents at beginning of financial period  32,195  32,1	Interest paid Tax paid	(37) (4,376)	-
Acquisition of subsidiaries  Purchase of property, plant and equipment  Additions to prepaid lease rental  Additions to biological assets  Proceed from disposal of property, plant & equipment  Short-term investment  Net cash (used in) / provided by investing activities  Cash Flows from Financing Activities  Return payments paid  Return payments paid  Securities Investors  Dividend paid  Net cash (used in) financing activities  (10,466)  (2,679)  Net (decrease) / increase in cash and cash equivalents  Cash and cash equivalents at beginning of financial period  32,195  (2,307)  (2,307)  (1,294)  (1,295)  (1,290)  (15,000)  (15,000)  (2,369)  (2,369)  (3,848)  (3,848)  (3,848)  (1,251)  (2,679)  (2,679)	Net cash provided by operating activities	31,063	7,294
Acquisition of subsidiaries  Purchase of property, plant and equipment  Additions to prepaid lease rental  Additions to biological assets  Proceed from disposal of property, plant & equipment  Short-term investment  Net cash (used in) / provided by investing activities  Cash Flows from Financing Activities  Return payments paid  Return payments paid  Securities Investors  Dividend paid  Net cash (used in) financing activities  (10,466)  (2,679)  Net (decrease) / increase in cash and cash equivalents  Cash and cash equivalents at beginning of financial period  32,195  (2,307)  (2,307)  (1,295)  (1,295)  (1,296)  (1,251)  (2,369)  (2,369)  (2,369)  (3,848)  (3,848)  (3,848)  (3,848)  (3,848)  (3,848)  (4,251)  (4,251)  (5,730)  (2,307)  (2,307)  (2,369)  (3,848)  (3,848)  (3,848)  (3,848)  (4,251)  (4,251)  (5,730)  (2,307)  (2,307)  (2,307)  (3,848)  (3,848)  (3,848)  (3,848)  (4,251)  (4,251)  (5,730)  (2,307)  (2,307)  (2,307)  (3,848)  (3,848)  (3,848)  (3,848)  (4,251)  (4,251)  (5,730)  (2,307)  (2,307)  (2,307)  (3,848)  (4,251)  (4,251)  (4,251)  (4,251)  (5,730)  (5,730)  (2,307)  (7,30	Cash Flows from Investing Activities		
Cash Flows from Financing Activities  Return payments paid (6,255) (2,369) Islamic deposits held on trust for Islamic Securities Investors (363) (310) Dividend paid (3,848) -  Net cash (used in) financing activities (10,466) (2,679)  Net (decrease) / increase in cash and cash equivalents (1,251) 34,503 Cash and cash equivalents at beginning of financial period 93,722 #	Acquisition of subsidiaries Purchase of property, plant and equipment Additions to prepaid lease rental Additions to biological assets Proceed from disposal of property, plant & equipment	(294) (1,495) 671	
Return payments paid (6,255) (2,369) Islamic deposits held on trust for Islamic Securities Investors (363) (310) Dividend paid (3,848) -  Net cash (used in) financing activities (10,466) (2,679)  Net (decrease) / increase in cash and cash equivalents (1,251) 34,503 Cash and cash equivalents at beginning of financial period 93,722 #	Net cash (used in) / provided by investing activities	(21,848)	29,888
Islamic deposits held on trust for Islamic Securities Investors Dividend paid  (363) (310) (3,848)  Net cash (used in) financing activities  (10,466)  (2,679)  Net (decrease) / increase in cash and cash equivalents Cash and cash equivalents at beginning of financial period  93,722  #	Cash Flows from Financing Activities		
Net (decrease) / increase in cash and cash equivalents Cash and cash equivalents at beginning of financial period  (1,251) 34,503  (2,251) 34,503  (3,251) 4,503	Islamic deposits held on trust for Islamic Securities Investors	(363)	
Cash and cash equivalents at beginning of financial period 93,722 #	Net cash (used in) financing activities	(10,466)	(2,679)
Cash and cash equivalents at end of financial period 92,471 34,503			
	Cash and cash equivalents at end of financial period	92,471	34,503



(Company No. 691393-U)

No. 85 & 86, Pusat Suria Permata, Jalan Upper Lanang 12A, 96000 Sibu, Sarawak, Malaysia Telephone No.: 084-218555 Facsimile No.: 084-219555 Email: rsb@rsb.com.my

# Condensed Consolidated Cash Flow Statement (Cont'd)

For the Nine-Month Period Ended 31 May 2007

Cash and cash equivalents at the end of the financial period comprise the followings: -

	As at 31.05.2007 RM'000	As at 31.05.2006 RM'000
Cash and bank balances Fixed deposits	4,271 108,157	6,716 47,111
	112,428	53,827
Less: Bank balances held on trust for Islamic Securities Investors Islamic deposits held on trust for Islamic Securities Investors Fixed deposits pledged for banking facilities	(1) (19,649) (307)	(1) (19,104) (219)
	92,471	34,503

# Denotes RM53

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 31 August 2006 and the accompanying explanatory notes attached to the interim financial statements.



(Company No. 691393-U)

No. 85 & 86, Pusat Suria Permata, Jalan Upper Lanang 12A, 96000 Sibu, Sarawak, Malaysia Telephone No.: 084-218555 Facsimile No.: 084-219555 Email: rsb@rsb.com.my

#### Part A – Explanatory Notes Pursuant to FRS 134

#### 1. 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 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 August 2006. 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 August 2006.

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 August 2006, except for the adoption of new and revised Financial Reporting Standards ("FRS") issued by the Malaysian Accounting Standard Board ("MASB") that are effective for the financial year beginning 1 September 2006.

Details of the changes in accounting policies resulting from the adoption of new and revised FRS are set out in Note 2.

# 2. Changes in Accounting Policies

The following sets out information on the changes in accounting policies for the financial year beginning 1 September 2006 which have been reflected in this interim financial report.

#### (a) FRS 3: Business Combinations

The adoption of FRS 3 has resulted in the Group ceasing annual goodwill amortisation. Goodwill, which is carried at cost less accumulated impairment losses, is now tested for annual impairment. Any impairment loss is recognised in profit and loss and subsequent reversal is not allowed. Prior to 1 September 2006, goodwill was written off in the financial year it arose. The change in accounting policy had no effect on the interim financial statements as the goodwill had been fully written off as at 1 September 2006.

In addition, under FRS 3, any excess of the Group's interest in the net fair value of acquirees' identifiable assets, liabilities and contingent liabilities over cost of acquisitions (previously referred to as "negative goodwill"), after reassessment, is recognised immediately in profit or loss. Prior to 1 September 2006, the Group reflected the negative goodwill as reserve on consolidation and was amortised over 10 years. In accordance with the transitional provisions of FRS 3, the reserve on consolidation as at 1 September 2006 of RM5,952,000 was derecognised with a corresponding increase in retained earnings.



(Company No. 691393-U)

No. 85 & 86, Pusat Suria Permata, Jalan Upper Lanang 12A, 96000 Sibu, Sarawak, Malaysia Telephone No.: 084-218555 Facsimile No.: 084-219555 Email: rsb@rsb.com.my

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

#### (b) FRS 101: Presentation Of Financial Statements

The adoption of the revised FRS 101 has resulted in the reclassification of plantation development expenditure to biological assets and property, plant and equipment in the consolidated balance sheet.

The presentation of the Group's financial statements for the current period is based on the revised requirements of FRS 101, with the comparatives restated to conform with the current period's presentation.

#### (c) FRS 117: Leases

The early adoption of the revised FRS 117 has resulted in a change in the classification of leasehold land. Prior to 1 September 2006, leasehold land held for own use was classified as property, plant and equipment and was stated at cost less accumulated depreciation. With the adoption of FRS 117, the unamortised carrying amount of leasehold land is reclassified as prepaid lease rental in accordance with the transitional provisions of FRS 117. Such prepaid lease rentals are amortised on a straight line basis over the remaining lease term of the land.

The reclassification of leasehold land as prepaid lease rental has been accounted for retrospectively and the comparatives have been restated to conform with the current period's presentation.

#### (d) Effects of adoption of FRS 101 and FRS 117 on the financial statement

The adoption of FRS 101 and FRS 117 has resulted in restatement of certain comparatives in the consolidated balance sheet of the Group as at 31 August 2006. The changes are presented as follows:

	Previously stated RM'000	Adjustment RM'000	Restated RM'000
Plantation development expenditure	71,277	(71,277)	-
Property, plant & equipment	47,697	3,653	51,350
Biological assets	-	56,781	56,781
Prepaid lease rental	-	10,843	10,843



(Company No. 691393-U)

No. 85 & 86, Pusat Suria Permata, Jalan Upper Lanang 12A, 96000 Sibu, Sarawak, Malaysia Telephone No.: 084-218555 Facsimile No.: 084-219555 Email: rsb@rsb.com.my

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

#### 3. Comments about Seasonality or Cyclicality 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 the 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.

#### 4. Unusual Items due to Their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and the financial period-to-date except as disclosed in Note 6.

#### 5. Changes in Estimates

The Group revised the estimated useful lives of its oil palm plantation from 20 years to 25 years with effect from 1 September 2006. The revisions were accounted for as change in accounting estimates and as a result, the amortisation charges for the current quarter and the current financial period ended 31 May 2007 have been reduced by RM342,258 and RM1,026,775 respectively.

There were no other changes in estimates that have had a material effect in the current quarter and the financial period-to-date results.

# 6. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the 3-month financial period ended 31 May 2007.

#### 7. Dividends Paid

A first and final dividend of 3 sen per ordinary share, tax exempt, on 128,266,800 ordinary shares in respect of the financial year ended 31 August 2006 totalling RM3,848,004 was paid on 19 March 2007.

#### 8. Segmental Information

The Group operates solely in Malaysia and the Group's predominant activities are cultivation of oil palm and milling operations, which are within a single business segment. Therefore, segmental reporting is deemed not necessary.



(Company No. 691393-U)

No. 85 & 86, Pusat Suria Permata, Jalan Upper Lanang 12A, 96000 Sibu, Sarawak, Malaysia Telephone No.: 084-218555 Facsimile No.: 084-219555 Email: rsb@rsb.com.my

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

# 9. Property, Plant and Equipment

#### (a) Acquisitions and Disposals

During the 3-month financial period ended 31 May 2007, the Group acquired items of property, plant and equipment (inclusive of leasehold land) with a total cost of RM2.2 million.

There had been no major disposals of items of property, plant and equipment during the 3-month financial period ended 31 May 2007.

# (b) Impairment Losses

Neither losses from impairment of property, plant and equipment nor reversal of such impairment losses were recognised during the 3-month financial period ended 31 May 2007.

#### (c) Valuations

As at 31 May 2007, the Group did not have any revalued assets.

# 10. Subsequent Events

There were no material events after the period end that had not been reflected in the financial statements for the financial period ended 31 May 2007.

# 11. Changes in Composition of the Group

There were no changes in the composition of the Group during the 3-month financial period ended 31 May 2007.

# 12. Changes in Contingent Liabilities and Contingent Assets

As at 18 July 2007, there were no material contingent liabilities or contingent assets that upon being enforceable, might have a material impact on the financial position or business of the Group.



(Company No. 691393-U)

No. 85 & 86, Pusat Suria Permata, Jalan Upper Lanang 12A, 96000 Sibu, Sarawak, Malaysia Telephone No.: 084-218555 Facsimile No.: 084-219555 Email: rsb@rsb.com.my

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

# 13. Capital Commitment

Save as disclosed below, as at 18 July 2007, there was no material commitment for capital expenditure contracted for or known to be contracted by the Group which might have a material impact on the financial position or business of the Group: -

	KM1′000
Approved and contracted for	140
Approved but not contracted for	521
	661

# 14. Related Party Transactions

	3 months ended		9 months ended		
	31.05.2007 RM'000	31.05.2006 RM'000	31.05.2007 RM'000	31.05.2006 RM'000	
Purchase of fresh fruit bunches	7,082	4,066	17,423	9,268	
Purchase of fertiliser and chemical	2,293	2,053	5,184	6,302	
Purchase of diesel	1,052	1,005	2,867	2,792	
Purchase of spare parts, harvesting and					
weeding tools, repair and maintenance	398	622	1832	1,975	
Insurance premium charged	61	54	237	190	
Sales and purchases of vehicles and					
machineries	1,155	=	1,155	-	



(Company No. 691393-U)

No. 85 & 86, Pusat Suria Permata, Jalan Upper Lanang 12A, 96000 Sibu, Sarawak, Malaysia Telephone No.: 084-218555 Facsimile No.: 084-219555 Email: rsb@rsb.com.my

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

#### 15. Review of Performance

For the current quarter, the Group recorded an increase of 36% in revenue to RM34.2 million from RM25.1 million last year same period. Profit before tax also increased 37% to RM5.6 million as compared to RM4.1 million in the corresponding period last year. The favourable result is mainly attributed to the higher selling price of crude palm oil and palm kernel recorded during the quarter.

# 16. Material Change in Profit Before Taxation For The Quarter Compared To Immediate Preceding Quarter

The Group reported a profit before taxation of RM5.6 million for the current quarter as compared to the profit before taxation of RM4.6 million in the preceding quarter. The increase was mainly attributable to higher crude palm oil and palm kernel price recorded during the quarter.

#### 17. Commentary on Prospects

The Group's financial performance is mainly dependent on the demand for crude palm oil and palm kernel in the world edible oil market and their corresponding prices. Assuming that the current crude palm oil price will sustain, the Group expects its performance to be satisfactory for the financial year ending 31 August 2007 barring unforeseen circumstances.

#### 18. Actual Profit Against Profit Forecast And Profit Guarantee

The Group did not issue any profit forecast and profit guarantee.

# 19. Income Tax Expense

	3 month	3 months ended		s ended
	31.05.2007 RM'000	31.05.2006 RM'000	31.05.2007 31.05.20 RM'000 RM'00	
Current tax	1,099	1,210	3,689	1,540
Deferred tax	331	(180)	428	(218)
Total income tax expense	1,430	1,030	4,117	1,322

# 20. Sales of Unquoted Investments and Properties

There were no sales of unquoted investments and properties for the 3-month financial period ended 31 May 2007.



(Company No. 691393-U)

No. 85 & 86, Pusat Suria Permata, Jalan Upper Lanang 12A, 96000 Sibu, Sarawak, Malaysia Telephone No.: 084-218555 Facsimile No.: 084-219555 Email: rsb@rsb.com.my

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

# 21. Quoted Securities

There was no purchase or disposal of quoted securities for the 3-month financial period ended 31 May 2007.

# 22. Corporate Proposals

# (a) Status of Corporate Proposals

There were no corporate proposals announced as at 18 July 2007.

# (b) Status of Utilisation of Proceeds

The proceeds from Public Issue were approved for the following activities and the status of utilisation of proceeds as at 18 July 2007 is summarised below: -

Purpose	Proposed Utilisation	Actual Utilisation	Intended Timeframe for Utilisation	Deviat	ion	Remarks
	RM'000	RM'000		RM'000	%	
Working capital	15,500	8,089	By End of 2007	7,411	47.8	
Listing expenses	2,500	2,134	Fully utilised	366	14.6	*
	18,000	10,223		7,777		

<sup>\*</sup> Actual expenses for the listing exercise amounted to RM2,134,000. As stated in the Company's prospectus dated 31 May 2006, the excess of RM366,000 will be utilised for working capital requirements.

# 23. Borrowings and Debt Securities

	As at 31.05.2007 RM'000	As at 31.08.2006 RM'000
Current Islamic securities, secured	50,000	50,000
Non-current Islamic securities, secured	93,000	93,000
	143,000	143,000

The Group did not have any borrowings denominated in foreign currency.



(Company No. 691393-U)

No. 85 & 86, Pusat Suria Permata, Jalan Upper Lanang 12A, 96000 Sibu, Sarawak, Malaysia Telephone No.: 084-218555 Facsimile No.: 084-219555 Email: rsb@rsb.com.my

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

#### 24. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at 18 July 2007.

#### 25. Changes in Material Litigation

As at 18 July 2007, neither the Company nor any of its subsidiary companies were engaged in any litigation or arbitration, either as plaintiff or defendant, which had a material effect on the financial position of the Company or any of its subsidiaries and the Board of Directors was not aware of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or any of its subsidiaries.

# 26. Dividend Payable

No interim dividend has been declared for the 3-month financial period ended 31 May 2007.

On 6 December 2006, the Board of Directors proposed a first and final dividend of 3 sen per ordinary share, tax exempt, in respect of the financial year ended 31 August 2006, which was approved by shareholders at the Annual General Meeting on 30 January 2007. The dividend was paid to shareholders on 19 March 2007.

#### 27. Earnings per Share

Basic earnings per share is calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

	3 months ended		9 months ended	
	31.05.2007 RM'000	31.05.2006 RM'000	31.05.2007 RM'000	31.05.2006 RM'000
Profit for the period	4,136	3,021	11,169	3,821
Weighted average number of ordinary shares in issue ('000)	128,267	110,267	128,267	45,462
Basic earnings per share (sen)	3.22	2.74	8.71	8.37

Diluted earnings per share were not computed as the Company did not have any convertible financial instruments as at 31 May 2007.



(Company No. 691393-U)

No. 85 & 86, Pusat Suria Permata, Jalan Upper Lanang 12A, 96000 Sibu, Sarawak, Malaysia Telephone No.: 084-218555 Facsimile No.: 084-219555 Email: rsb@rsb.com.my

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

# 28. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 August 2006 was not subject to any qualification.

#### 29. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 July 2007.