



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 Facsimile No.: 084-219555 Email: rsb@rsb.com.my

Interim Financial Statements

For the 4th Quarter Ended 31 December 2014

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Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

 For the 4th Quarter Ended 31 December 2014

	Individual Quarter 3-month Period Ended		Cumulative Quarter 12-month Period Ended	
	31.12.2014 RM'000	31.12.2013 RM'000	31.12.2014 RM'000	31.12.2013 RM'000
REVENUE	53,678	78,519	239,474	282,234
COST OF SALES	(49,377)	(49,422)	(195,847)	(243,997)
GROSS PROFIT/(LOSS)	4,301	29,097	43,627	38,237
OTHER INCOME	590	282	1,254	1,022
DISTRIBUTION COSTS	(1,898)	(2,759)	(7,579)	(11,217)
ADMINISTRATIVE AND OTHER EXPENSES	(4,894)	(3,210)	(20,273)	(18,781)
SHARE OF RESULTS IN AN ASSOCIATE, NET OF TAX	(434)	(75)	(997)	(1,532)
FINANCE COSTS	(2,898)	(2,714)	(11,062)	(10,622)
PROFIT/(LOSS) BEFORE TAXATION	(5,233)	20,621	4,970	(2,893)
INCOME TAX EXPENSE	1,455	(6,161)	(1,693)	1,001
PROFIT/(LOSS) AFTER TAXATION	(3,778)	14,460	3,277	(1,892)
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	(3,778)	14,460	3,277	(1,892)



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Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Cont'd)
For the 4th Quarter Ended 31 December 2014

	Individual Quarter		Cumulative Quarter	
	3-month Period Ended	3-month Period Ended	12-month Period Ended	12-month Period Ended
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	RM'000	RM'000	RM'000	RM'000
PROFIT/(LOSS) AFTER TAXATION ATTRIBUTABLE TO:-				
- Owners of the Company	(2,461)	15,680	5,275	2,196
- Non-controlling interests	(1,317)	(1,220)	(1,998)	(4,088)
	<u>(3,778)</u>	<u>14,460</u>	<u>3,277</u>	<u>(1,892)</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-				
- Owners of the Company	(2,461)	15,680	5,275	2,196
- Non-controlling interests	(1,317)	(1,220)	(1,998)	(4,088)
	<u>(3,778)</u>	<u>14,460</u>	<u>3,277</u>	<u>(1,892)</u>
EARNINGS/(LOSS) PER SHARE (SEN):-				
- Basic	(0.12)	0.77	0.26	0.11
- 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 PositionAs at 31 December 2014

	As at 31.12.2014 (Unaudited) RM'000	As at 31.12.2013 (Audited) RM'000
ASSETS		
NON-CURRENT ASSETS		
Investment in an associate	23,858	24,855
Property, plant and equipment	656,567	654,023
Intangible assets	24,602	24,364
Biological assets	777,110	762,247
Goodwill	64,746	64,740
Deferred tax assets	5,274	5,416
	<hr/> 1,552,157	<hr/> 1,535,645
CURRENT ASSETS		
Inventories	28,783	36,507
Trade receivables	11,070	16,186
Other receivables, deposits and prepayments	30,405	21,237
Tax refundable	3,660	2,033
Fixed deposits	100	-
Cash and bank balances	12,105	2,268
	<hr/> 86,123	<hr/> 78,231
TOTAL ASSETS	<hr/> 1,638,280	<hr/> 1,613,876

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Condensed Consolidated Statement of Financial Position (Cont'd)

As at 31 December 2014

	As at 31.12.2014 (Unaudited) RM'000	As at 31.12.2013 (Audited) RM'000
EQUITY AND LIABILITIES		
Share capital	751,239	751,239
Reserves	123,577	118,302
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	874,816	869,541
NON-CONTROLLING INTERESTS	68,603	73,001
TOTAL EQUITY	943,419	942,542
NON-CURRENT LIABILITIES		
Borrowings	323,804	291,515
Deferred tax liabilities	146,909	149,709
	470,713	441,224
CURRENT LIABILITIES		
Trade payables	32,669	25,957
Other payables, deposits and accruals	30,949	39,999
Borrowings:-		
- bank overdrafts	21,701	42,555
- other borrowings	137,652	121,555
Provision for taxation	1,177	44
	224,148	230,110
TOTAL LIABILITIES	694,861	671,334
TOTAL EQUITY AND LIABILITIES	1,638,280	1,613,876
NET ASSETS PER SHARE (RM)	0.58	0.58

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 Twelve Months Period Ended 31 December 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	-	-	-	-	-	5,275	5,275	(1,998)	3,277
Distributions to owners of The Company:- - dividends by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	(2,400)	(2,400)
Balance at 31.12.2014	654,252	96,987	15,447	(53,066)	-	161,196	874,816	68,603	943,419



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Condensed Consolidated Statement of Changes in Equity (Cont'd)

For the Twelve Months Period Ended 31 December 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	-	-	-	-	-	2,196	2,196	(4,088)	(1,892)
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	-	-	-	-	-	2,196	2,196	(4,088)	(1,892)
Distributions to owners of The Company:-									
- dividends	-	-	-	-	-	(15,025)	(15,025)	-	(15,025)
Balance at 31.12.2013	654,252	96,987	15,447	(53,066)	-	155,921	869,541	73,001	942,542

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 Twelve Months Period Ended 31 December 2014

	12-month Period Ended	
	31.12.2014	31.12.2013
	RM'000	RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES		
Profit/(loss) before taxation	4,970	(2,893)
Adjustments for:-		
Amortisation of biological assets	29,783	27,093
Amortisation of intangible assets	736	201
Bad debts written off	-	846
Depreciation of property, plant and equipment	29,217	27,916
Interest expense	11,062	10,622
Interest income	(208)	(331)
(Gain)/loss on disposal of property, plant and equipment	(12)	570
Share of results in an associate	997	1,532
	<hr/>	<hr/>
Operating profit before working capital changes	76,545	65,556
Decrease/ (increase) in inventories	7,724	(475)
Decrease/ (increase) in trade and other receivables	(4,052)	(14,083)
Increase / (decrease) in trade and other payables	(2,345)	(17,081)
	<hr/>	<hr/>
CASH FROM OPERATIONS	77,872	33,917
Income tax paid	(4,844)	(6,706)
Income tax refunded	-	2,439
Interest paid	(5,297)	(4,232)
Interest received	208	331
	<hr/>	<hr/>
NET CASH FROM/(FOR) OPERATING ACTIVITIES	67,939	25,749
	<hr/>	<hr/>
CASH FLOWS FOR INVESTING ACTIVITIES		
Acquisition of subsidiaries, net of cash and cash equivalents acquired	*	-
Costs incurred on biological assets	(27,882)	(57,770)
Proceeds from disposal of property, plant and equipment	88	206
Purchase of intangible assets	(974)	(1,783)
Purchase of property, plant and equipment	(37,076)	(40,339)
	<hr/>	<hr/>
NET CASH FOR INVESTING ACTIVITIES	(65,844)	(99,686)
	<hr/>	<hr/>
BALANCE CARRIED FORWARD	2,095	(73,937)
	<hr/>	<hr/>

* denotes RM414



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Condensed Consolidated Statement of Cash Flows (Cont'd)

For the Twelve Months Period Ended 31 December 2014

	12-month Period Ended	
	31.12.2014	31.12.2013
	RM'000	RM'000
BALANCE BROUGHT FORWARD	2,095	(73,937)
CASH FLOWS FROM FINANCING ACTIVITIES		
Deposits and bank balances held on trust for Islamic securities investors	-	1,023
Dividend paid		
- by the Company	-	(15,025)
- by subsidiaries to non-controlling interests	(2,400)	-
Drawdown of term loans	45,082	70,370
Net of drawdown/(repayment) of bankers' acceptance	(828)	2,585
Net of drawdown/(repayment) of revolving credit	49,509	46,287
Net of drawdown/(repayment) of unsecured loans	(19,500)	-
Payment of interest on long-term borrowings	(17,231)	(15,920)
Repayment of advances from related parties	-	(5,100)
Repayment of hire purchase obligations	(1,804)	(3,460)
Repayment of Islamic securities	(7,650)	(30,650)
Repayment of term loans	(16,482)	(12,412)
NET CASH FROM FINANCING ACTIVITIES	28,696	37,698
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	30,791	(36,239)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	(40,287)	(4,048)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	(9,496)	(40,287)

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

	As at	
	31.12.2014	31.12.2013
	RM'000	RM'000
Cash and bank balances	12,105	2,268
Fixed deposits	100	-
Bank overdrafts	(21,701)	(42,555)
	(9,496)	(40,287)

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 December 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 12-month period ended 31 December 2014, the Group acquired assets at a cost of RM37.1 million.

Assets with a carrying amount of RM76,000 were disposed of by the Group during the 12-month period ended 31 December 2014, resulting in a gain on disposal of RM12,000, 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 recognized 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 Rajang Agrisupplies Sdn Bhd (“RASSB”) (formerly known as Sibul Garden And Leisure (M) Sdn Bhd), 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)
	<hr/>	<hr/>
Net identifiable assets and liabilities	(6)	(6)
	<hr/>	
Add: Goodwill		6
		<hr/>
Total cost of business combination		*
		<hr/>

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	(1)
	<hr/>
Net cash inflows for acquisition of subsidiaries	^
	<hr/>

* 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 31 December 2014 was as follows:-

	RM'000
Property, plant and equipment:-	
- Contracted but not provided for	45,483
- Authorised but not contracted for	-
	45,483

A13 Significant Related Party Transactions

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

	Individual Quarter		Cumulative Quarter	
	3-month Period Ended	3-month Period Ended	12-month Period Ended	12-month Period Ended
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	RM'000	RM'000	RM'000	RM'000
Administrative fee received	(71)	-	223	-
Consultant fees	119	-	119	-
Contract charges	1,376	5,070	6,652	23,779
Insurance paid	127	153	1,289	1,247
Interest paid	243	232	957	1,003
Management fee	727	510	2,832	2,434
Purchase of fertilisers and chemicals	830	4,433	2,538	46,705
Purchase of fresh fruit bunches	720	5,690	4,835	19,784
Purchase of property, plant and equipment	(435)	22	1,827	399
Purchase of seedlings	328	178	442	1,088
Purchase of sundry stores and consumables	740	886	4,607	7,235
Recruitment charges	-	38	-	357
Rental paid	17	58	74	652
Repairs and maintenance	113	176	428	999
Sale of fertilisers and chemicals	-	-	240	-
Sale of fresh fruit bunches	15,473	24,068	69,297	76,606
Sale of seedlings	(220)	94	34	590
Transportation and accommodation charges	594	1,121	2,822	6,786
	594	1,121	2,822	6,786



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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 31.6% to RM53.7 million for the current quarter from RM78.5 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 bunch ("FFB") and unfavorable selling price in the quarter under review.

Sales volume of CPO and PK decreased by 24.6% and 35.2% respectively for the current quarter as compared to the preceding corresponding quarter. The drop in sales volume was attributable to lower production and lower sales volume for the quarter under review.

On an annual basis, the Group recorded revenue of RM239.5 million in 2014. This was compared to RM282.2 million in the corresponding period in 2013, representing a decrease of 15.1%. The decrease was mainly due to lower sales volume for CPO and PK.

Cost of sales

The Group's cost of sales registered a 0.1% slight drop to RM49.4 million for the current quarter as compared to RM49.4 million in the preceding corresponding quarter, mainly due to the lower estate operating costs, especially harvesting and transport cost, lower plantation administration cost, lower FFB processed and lower CPO and PK production.

On an annual basis, the Group's cost of sales was RM195.8 million in 2014, which was compared to RM244.0 million in the corresponding period in 2013. The decrease of 19.8% was mainly due to the lower operating costs of plantation estates and lower FFB processed by the mill.



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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 85.2% to RM4.3 million for the current quarter from a gross profit of RM29.1 million in the corresponding quarter in 2013. The gross profit margin was 8.0% in 2014 as compared to a gross profit margin of 37.1% in the corresponding quarter in 2013. The weakening in gross profit as well as gross profit margin was mainly due to lower production efficiency and volume which lead to the higher unit cost, and lower selling price for the quarter under review.

On an annual basis, however, the Group recorded a gross profit of RM43.6 million in 2014, an increase of 14.1% from gross profit of RM38.2 million in the preceding corresponding period. The gross profit margin was 18.2% in 2014 as compared to a gross profit margin of 13.5% in the corresponding period in 2013 due to the deteriorated selling price and low FFB production for the first and second quarters of 2013.

Profit/(Loss) Before Taxation

The Group recorded a pre-tax loss of RM5.2 million for the 3-month period ended 31 December 2014 as compared to a pre-tax profit of RM20.6 million in the preceding corresponding quarter. Deterioration in pre-tax results was mainly due to the decrease in gross profit as a result of lower selling price and sales volume of CPO, PK and FFB during the current quarter.

Similarly on an annual basis, the RM7.8 million rise in pre-tax results to profit of RM4.9 million in 2014 from loss of RM2.9 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	53,678	61,981	(8,303)
Gross profit	4,301	11,257	(6,956)
Profit before taxation	(5,233)	964	(6,197)

The decline in revenue was mainly due to the lower sale volumes of CPO, PK and FFB. The weakening in gross profit and pre-tax results was mainly due to lower selling price and production 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.

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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		Cumulative Quarter	
	3-month Period Ended		12-month Period Ended	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	RM'000	RM'000	RM'000	RM'000
Current tax	572	2,378	4,350	5,075
Deferred tax	(2,027)	3,783	(2,657)	(6,076)
	<u>(1,455)</u>	<u>6,161</u>	<u>1,693</u>	<u>(1,001)</u>

B6 Corporate Proposals

There were no corporate proposals announced but not completed as at 18 February 2015, 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	
	31.12.2014	31.12.2013
	RM'000	RM'000
Long-term borrowings:-		
Hire purchase obligations	167	490
Term loans, secured	323,637	291,025
	<hr/>	<hr/>
	323,804	291,515
	<hr/>	<hr/>
Short-term borrowings:-		
Bank overdrafts, secured	5,678	22,803
Bank overdrafts, unsecured	16,023	19,752
Bankers' acceptance, unsecured	11,401	12,229
Hire purchase obligations	545	1,967
Islamic securities and obligations under Ijarah arrangements	-	7,650
Revolving credit, secured	47,991	51,481
Revolving credit, unsecured	58,000	5,000
Term loans, secured	16,695	20,708
Unsecured loans	3,020	22,520
	<hr/>	<hr/>
	159,353	164,110
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Total borrowings	483,157	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 18 February 2015, 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	3-month Period Ended	12-month Period Ended	12-month Period Ended
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Profit/(loss) attributable to owners of the Company (RM'000)	(2,461)	15,680	5,275	2,196
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)	(0.12)	0.77	0.26	0.11

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		Cumulative Quarter	
	3-month Period Ended	3-month Period Ended	12-month Period Ended	12-month Period Ended
	3.12.2014	31.12.2013	31.12.2014	31.12.2013
	RM'000	RM'000	RM'000	RM'000
Amortisation of biological assets	7,722	6,774	29,783	27,093
Amortisation of intangible assets	189	148	736	201
Bad debts written-off	-	-	-	846
Depreciation of property, plant and equipment	7,332	6,729	29,217	27,916
(Gain)/loss on disposal of property, plant and equipment	(8)	371	(12)	570
Interest expense	2,898	2,714	11,062	10,622
Interest income	(160)	(161)	(208)	(331)
Share of results in an associate	434	75	997	1,532

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 12-month period ended 31 December 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 31 December 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	
	31.12.2014 RM'000	31.12.2013 RM'000
Total retained profits:-		
- realised	226,801	210,489
- unrealised	(50,644)	(47,530)
	<hr/>	<hr/>
	176,157	162,959
Total share of retained profits of associate:-		
- realised	(718)	279
- unrealised	(561)	(561)
	<hr/>	<hr/>
	174,878	162,677
Less: Consolidation adjustments	(13,682)	(6,756)
	<hr/>	<hr/>
At 31 December	161,196	155,921
	<hr/>	<hr/>

B15 Authorization for Issue

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the Directors dated 26 February 2015.