



RIMBUNAN SAWIT BERHAD

(Company No. 691393-U)

North Wing, Menara Rimbunan Hijau, 101, Pusat Suria Permata, Jalan Upper Lanang, 96000 Sibul, Sarawak, Malaysia

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Interim Financial Statements

For the 3rd Quarter Ended 30 September 2015

	Page
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	1
Condensed Consolidated Statement of Financial Position	3
Condensed Consolidated Statement of Changes in Equity	5
Condensed Consolidated Statement of Cash Flows	7
Explanatory Notes	
<i>Part A – Explanatory Notes Pursuant to FRS 134</i>	<i>9</i>
<i>Part B – Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad</i>	<i>14</i>

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Condensed Consolidated Statement of Profit or Loss and Other Comprehensive IncomeFor the 3rd Quarter Ended 30 September 2015

	Individual Quarter 3-month Period Ended		Cumulative Quarter 9-month Period Ended	
	30.9.2015 RM'000	30.9.2014 RM'000	30.9.2015 RM'000	30.9.2014 RM'000
REVENUE	52,185	61,981	129,567	185,796
COST OF SALES	(47,541)	(50,724)	(137,734)	(146,470)
GROSS (LOSS)/PROFIT	4,644	11,257	(8,167)	39,326
OTHER INCOME	731	136	3,567	664
DISTRIBUTION COSTS	(1,750)	(2,082)	(4,177)	(5,681)
ADMINISTRATIVE AND OTHER EXPENSES	(6,998)	(5,153)	(19,655)	(15,379)
SHARE OF RESULTS IN AN ASSOCIATE, NET OF TAX	(485)	(492)	(1,534)	(563)
FINANCE COSTS	(4,059)	(2,702)	(11,287)	(8,164)
(LOSS)/PROFIT BEFORE TAXATION	(7,917)	964	(41,253)	10,203
INCOME TAX EXPENSE	1,678	(334)	9,319	(3,147)
(LOSS)/PROFIT AFTER TAXATION	(6,239)	630	(31,934)	7,056
OTHER COMPREHENSIVE INCOME	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(6,239)	630	(31,934)	7,056

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Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Cont'd)For the 3rd Quarter Ended 30 September 2015

	Individual Quarter		Cumulative Quarter	
	3-month Period Ended	3-month Period Ended	9-month Period Ended	9-month Period Ended
	30.9.2015	30.9.2014	30.9.2015	30.9.2014
	RM'000	RM'000	RM'000	RM'000
(LOSS)/PROFIT AFTER TAXATION ATTRIBUTABLE TO:-				
- Owners of the Company	(4,873)	746	(27,174)	7,737
- Non-controlling interests	(1,366)	(116)	(4,760)	(681)
	<u>(6,239)</u>	<u>630</u>	<u>(31,934)</u>	<u>7,056</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-				
- Owners of the Company	(4,873)	746	(27,174)	7,737
- Non-controlling interests	(1,366)	(116)	(4,760)	(681)
	<u>(6,239)</u>	<u>630</u>	<u>(31,934)</u>	<u>7,056</u>
(LOSS)/EARNINGS PER SHARE (SEN):-				
- Basic	(0.24)	0.04	(1.33)	0.38
- 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 2014 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 2015

	As at 30.9.2015 (Unaudited) RM'000	As at 31.12.2014 (Audited) RM'000
ASSETS		
NON-CURRENT ASSETS		
Investment in an associate	22,555	24,089
Other investment	5,000	-
Property, plant and equipment	689,063	658,640
Intangible assets	23,672	24,569
Biological assets	786,947	778,349
Goodwill	64,746	64,746
Deposits with licensed banks	100	100
Deferred tax assets	5,422	4,929
	<u>1,597,505</u>	<u>1,555,422</u>
CURRENT ASSETS		
Inventories	28,111	28,142
Trade receivables	11,389	11,115
Other receivables, deposits and prepayments	29,949	32,246
Tax refundable	5,155	3,507
Deposits with licensed banks	-	1,050
Cash and bank balances	2,439	11,055
	<u>77,043</u>	<u>87,115</u>
TOTAL ASSETS	<u>1,674,548</u>	<u>1,642,537</u>

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Condensed Consolidated Statement of Financial Position (Cont'd)

As at 30 September 2015

	As at 30.9.2015 (Unaudited) RM'000	As at 31.12.2014 (Audited) RM'000
EQUITY AND LIABILITIES		
Share capital	791,682	751,239
Reserves	55,455	123,072
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TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	847,137	874,311
NON-CONTROLLING INTERESTS	60,443	68,584
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TOTAL EQUITY	907,580	942,895
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NON-CURRENT LIABILITIES		
Borrowings	346,408	311,298
Deferred tax liabilities	137,832	148,405
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	484,240	459,703
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CURRENT LIABILITIES		
Trade payables	42,437	28,757
Other payables, deposits and accruals	42,701	37,583
Borrowings:-		
- bank overdrafts	13,549	21,701
- other borrowings	182,452	150,218
Provision for taxation	1,589	1,680
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	282,728	239,939
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TOTAL LIABILITIES	766,968	699,642
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TOTAL EQUITY AND LIABILITIES	1,674,548	1,642,537
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NET ASSETS PER SHARE (RM)	0.54	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 2014 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 2015

	< ----- 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	Ordinary Shares RM'000	Preference Shares RM'000	Share Premium RM'000					Merger Reserve RM'000
Balance at 1.1.2015		654,252	96,987	15,447	(53,066)	160,691	874,311	68,584	942,895
Loss after taxation/Total comprehensive income for the period		-	-	-	-	(27,174)	(27,174)	(4,760)	(31,934)
Contributions by and distributions to owners of the Company:-									
- conversion of preference shares to ordinary shares		54,992	(14,549)	-	-	(40,443)	-	-	-
- dividends by subsidiaries to non- controlling interests		-	-	-	-	-	-	(3,381)	(3,381)
Balance at 30.9.2015		709,244	82,438	15,447	(53,066)	93,074	847,137	60,443	907,580

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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
	Ordinary Shares RM'000	Preference Shares RM'000	Share Premium RM'000	Merger Reserve 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

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 2014 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 2015

	9-month Period Ended	
	30.9.2015	30.9.2014
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before taxation	(41,253)	10,203
Adjustments for:-		
Amortisation of biological assets	23,353	22,061
Amortisation of intangible assets	505	547
Depreciation of property, plant and equipment	24,731	21,885
Gain on disposal of property, plant and equipment	(1,517)	(4)
Interest expense	11,287	8,164
Interest income	(16)	(48)
Share of results in an associate	1,534	563
Operating profit before working capital changes	18,624	63,371
Decrease in inventories	31	4,195
Decrease in trade and other receivables	2,021	2,085
Increase in trade and other payables	18,798	2,194
CASH FROM OPERATIONS	39,474	71,845
Income tax paid	(3,682)	(3,327)
Income tax refunded	207	-
Interest paid	(6,205)	(3,830)
Interest received	16	48
NET CASH FROM OPERATING ACTIVITIES	29,810	64,736
CASH FLOWS FOR INVESTING ACTIVITIES		
Acquisition of subsidiaries, net of cash and cash equivalents acquired	-	*
Costs incurred on biological assets	(20,487)	(22,398)
Proceeds from disposal of intangible assets	183	-
Proceeds from disposal of property, plant and equipment	3,626	77
Purchase of intangible assets	-	(564)
Purchase of investment	(5,000)	-
Purchase of property, plant and equipment	(55,684)	(21,074)
NET CASH FOR INVESTING ACTIVITIES	(77,362)	(43,959)
BALANCE CARRIED FORWARD	(47,552)	20,777

* denotes RM414



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Condensed Consolidated Statement of Cash Flows (Cont'd)

For the Nine Months Period Ended 30 September 2015

	9-month Period Ended	
	30.9.2015 RM'000	30.9.2014 RM'000
BALANCE BROUGHT FORWARD	(47,552)	20,777
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid by subsidiaries to non-controlling interests	(3,381)	-
Drawdown of term loans	49,416	39,280
Net of drawdown/(repayment) of bankers' acceptance	2,172	(7,237)
Net of drawdown/(repayment) of revolving credit	31,076	20,510
Net of drawdown/(repayment) of unsecured loans	-	(19,500)
Payment of interest on long-term borrowings	(12,848)	(13,030)
Repayment of hire purchase obligations	(121)	(1,626)
Repayment of term loans	(20,266)	(8,229)
NET CASH FROM FINANCING ACTIVITIES	46,048	10,168
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,504)	30,945
CASH AND CASH EQUIVALENTS AT 1 JANUARY	(9,596)	(40,287)
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	(11,100)	(9,342)

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

	As at	
	30.9.2015 RM'000	30.9.2014 RM'000
Cash and bank balances	2,449	11,398
Deposits with licensed banks	100	100
Bank overdrafts	(13,549)	(20,840)
	(11,000)	(9,342)
Less: Deposits pledged to licensed banks	(100)	-
	(11,100)	(9,342)

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 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 2014. 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 2014.

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 2014, except for the adoption of the following new accounting standards and interpretations (including the consequential amendments) that are effective on 1 January 2015:-

FRSs and IC Interpretations (including the Consequential Amendments)

Amendments to FRS 119: Defined Benefit Plans – Employee Contributions

Annual Improvements to FRSs 2010 – 2012 Cycle

Annual Improvements to FRSs 2011 – 2013 Cycle

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

Save as disclosed below, there were no unusual items affecting assets, liabilities, equity, net income or cash flows for the period under review:-

On 25 February 2015, the ICPS holders of the Company converted 28,976,880 ICPSs of RM0.50 each in the Company into 109,532,607 new ordinary shares of RM0.50 each in the Company. On 13 March 2015, they further converted 119,048 ICPSs of RM0.50 each into 450,000 new ordinary shares of RM0.50 each. After the two conversions, the numbers of ICPSs and ordinary shares in the Company, with a nominal value of RM0.50 each, are 164,876,929 and 1,418,487,551 respectively.



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

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.

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 2015, the Group acquired assets at a cost of RM60.8 million.

Assets with a carrying amount of RM2.1 million were disposed of by the Group during the 9-month period ended 30 June 2015, resulting in a gain on disposal of RM1.5 million, 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.



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

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.

A10 Changes in the Composition of the Group

There were no changes in the composition of the Group for the period under review.

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 2014.

A12 Capital Commitments

The amount of capital commitments not provided for in the financial statements as at 30 September 2015 was as follows:-

	RM'000
Property, plant and equipment:-	
- Contracted but not provided for	41,857
- Authorised but not contracted for	-
	<hr/>
	41,857
	<hr/>

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Part A – Explanatory Notes Pursuant to FRS 134 (Cont'd)**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	9-month Period Ended	9-month Period Ended
	30.9.2015	30.9.2014	30.9.2015	30.9.2014
	RM'000	RM'000	RM'000	RM'000
Administrative fee received	-	130	-	294
Consultancy fees	93	-	523	-
Contract charges	2,221	1,000	12,262	5,276
Insurance paid	319	493	1,031	1,162
Interest paid	40	235	2,937	714
Interior design and renovation	128	-	3,025	-
Management fee	1,166	766	4,341	2,105
Purchase of fertilisers and chemicals	34	867	807	1,708
Purchase of fresh fruit bunches	887	854	2,423	4,115
Purchase of property, plant and equipment	-	5	4,041	2,262
Purchase of seedlings	126	111	363	114
Purchase of sundry stores and consumables	296	1,367	1,004	3,867
Recruitment charges	-	-	-	-
Rental paid	458	14	1,192	57
Repairs and maintenance	156	-	263	316
Sale of fertilisers and chemicals	29	118	31	243
Sale of fresh fruit bunches	18,939	19,349	45,246	53,824
Sale of seedlings	15	-	15	254
Transportation and accommodation charges	248	737	923	2,228



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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 15.8% to RM52.2 million for the current quarter from RM62.0 million in the corresponding quarter in 2014, mainly due to the lower sales volume for crude palm oil ("CPO"), palm kernel ("PK") and fresh fruit bunches ("FFB") and also the unfavorable selling prices of CPO for the quarter under review.

Sales volume of CPO and PK decreased by 5.9% and 18.6% respectively for the current quarter as compared to the preceding corresponding quarter. The drop in sales volume was mainly attributable to the lower FFB processed. Average selling prices of CPO and PK decreased by 11.4% and 14.2% respectively for the current quarter as compared to the preceding corresponding quarter. The weakening of CPO and PK prices was attributable to the lower global market prices for oil palm products.

On a 9-month basis, the Group recorded a revenue of RM129.6 million in 2015. This was compared to RM185.8 million in the corresponding period in 2014, representing a decrease in revenue of 30.3%. The decrease was mainly due to the unfavorable selling prices and the drop in production for CPO, PK and FFB.

Cost of sales

The Group's cost of sales registered a drop of 6.3% to RM47.5 million for the current quarter as compared to RM50.7 million in the preceding corresponding quarter, mainly due to the decrease in mill processing costs resulting from lower FFB processed.

On a 9-month basis, the Group's cost of sales was RM137.7 million in 2015, as compared to RM146.5 million in the corresponding period in 2014. The decrease of 6% was due to the lower mill processing costs resulting from lower FFB processed and lower FFB price.



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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 (Cont'd)

Gross Profit and Gross Profit Margin

The Group's gross profit recorded a decrease of 58.7% to RM4.6 million for the current quarter from RM11.3 million in the corresponding quarter in 2014. The gross profit margin was 8.9% in 2015 as compared to a gross profit margin of 18.2% in the corresponding quarter in 2014. The weakened gross profit as well as gross profit margin was mainly due to the lower selling price of CPO, lower FFB production, as well as lower FFB processed in the mill for the quarter under review.

On a 9-month basis, the Group recorded a gross loss of RM8.2 million in 2015, a decrease of 120.8% from a gross profit of RM39.3 million in corresponding period in 2014. The gross loss margin was 6.3% in 2015 as compared to a gross profit margin of 21.2% in the corresponding period in 2014.

Profit/(Loss) Before Taxation

The Group recorded a pre-tax loss of RM7.9 million for the 3-month period ended 30 September 2015 as compared to a pre-tax profit of RM1.0 million in the preceding corresponding quarter. The deterioration in the pre-tax results was mainly due to the decrease in gross profit as a result of lower selling prices and sales volume of CPO, PK and FFB as well as the higher administrative expenses and finance costs during the current quarter.

On a 9-month basis, the Group recorded a pre-tax loss of RM41.3 million in 2015, from a pre-tax profit of RM10.2 million in the corresponding period in 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)

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	52,185	43,351	8,834
Gross profit/(loss)	4,644	(5,114)	9,758
Loss before taxation	(7,917)	(15,466)	7,549

The increase in revenue was mainly due to the increase in sales volume of CPO, PK and FFB. The increase in gross profit and pre-tax results was mainly due to the increase in production for CPO and FFB.

B3 Prospects

The Group performance hinges on the moving direction of CPO price and the potential improvement in FFB production. The weakening Ringgit will continue to provide upside support to the price while global demand on palm oil products remain uncertain.

Despite the challenging environment, the Group will focus on revitalising its productivity and managing cost.

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	
	30.9.2015 RM'000	30.9.2014 RM'000	30.9.2015 RM'000	30.9.2014 RM'000
Current tax	1,395	1,415	1,746	3,778
Deferred tax	(3,073)	(1,081)	(11,065)	(631)
	<u>(1,678)</u>	<u>334</u>	<u>(9,319)</u>	<u>3,147</u>

B6 Corporate Proposals

There were no corporate proposals announced but not completed as at 13 November 2015, being the latest practicable date.

B7 Group Borrowings

	As at	
	30.9.2015 RM'000	31.12.2014 RM'000
Long-term borrowings:-		
Hire purchase obligations	4,671	221
Term loans, secured	341,737	311,077
	<u>346,408</u>	<u>311,298</u>
Short-term borrowings:-		
Bank overdrafts, secured	5,208	5,678
Bank overdrafts, unsecured	8,341	16,023
Bankers' acceptance, unsecured	13,573	11,401
Hire purchase obligations	1,105	609
Revolving credit, secured	79,067	47,991
Revolving credit, unsecured	58,000	58,000
Term loans, secured	27,687	29,197
Unsecured loans	3,020	3,020
	<u>196,001</u>	<u>171,919</u>
Total borrowings	<u>542,409</u>	<u>483,217</u>

The Group's borrowings were denominated in Ringgit Malaysia.

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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)

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 2015, being the latest practicable date.

B9 Dividends

No interim dividend has been declared for the financial year ending 31 December 2015.

B10 Earnings/(Loss) Per Share

	Individual Quarter 3-month Period Ended		Cumulative Quarter 9-month Period Ended	
	30.9.2015	30.9.2014	30.9.2015	30.9.2014
(Loss)/profit attributable to owners of the Company (RM'000)	(4,873)	746	(27,174)	7,737
Weighted average number of ordinary shares ('000):- Issued ordinary shares at 1 July/1 January	1,418,487	1,308,505	1,308,505	1,308,505
Effect of conversion of ICPS	623,235	733,217	733,217	733,217
Weighted average number of ordinary shares at 30 September	2,041,722	2,041,722	2,041,722	2,041,722
Basic (loss)/earnings per share (sen)	(0.24)	0.04	(1.33)	0.38

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 2014 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 (Loss)/Profit Before Taxation**

(Loss)/profit before taxation is arrived at after charging/(crediting):-

	Individual Quarter		Cumulative Quarter	
	3-month Period Ended	3-month Period Ended	9-month Period Ended	9-month Period Ended
	30.9.2015	30.9.2014	30.9.2015	30.9.2014
	RM'000	RM'000	RM'000	RM'000
Amortisation of biological assets	6,785	7,352	22,353	22,061
Amortisation of intangible assets	168	188	505	547
Depreciation of property, plant and equipment	8,007	7,277	24,731	21,885
Gain on disposal of property, plant and equipment	(15)	(4)	(1,517)	(4)
Interest expense	4,059	2,702	11,287	8,164
Interest income	(13)	(27)	(16)	(48)
Share of results in an associate	485	492	1,534	563

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 2015.

(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 2015 and 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)

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:-

	30.9.2015	As at 31.12.2014
	RM'000	RM'000
Total retained profits:-		
- realised	155,197	227,339
- unrealised	(43,707)	(51,620)
	<hr/>	<hr/>
	111,490	175,719
Total share of retained profits of associate:-		
- realised	(1,944)	(410)
- unrealised	(638)	(638)
	<hr/>	<hr/>
	108,908	174,671
Less: Consolidation adjustments	(15,834)	(13,980)
	<hr/>	<hr/>
At 30 September/31 December	93,074	160,691
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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 2015.