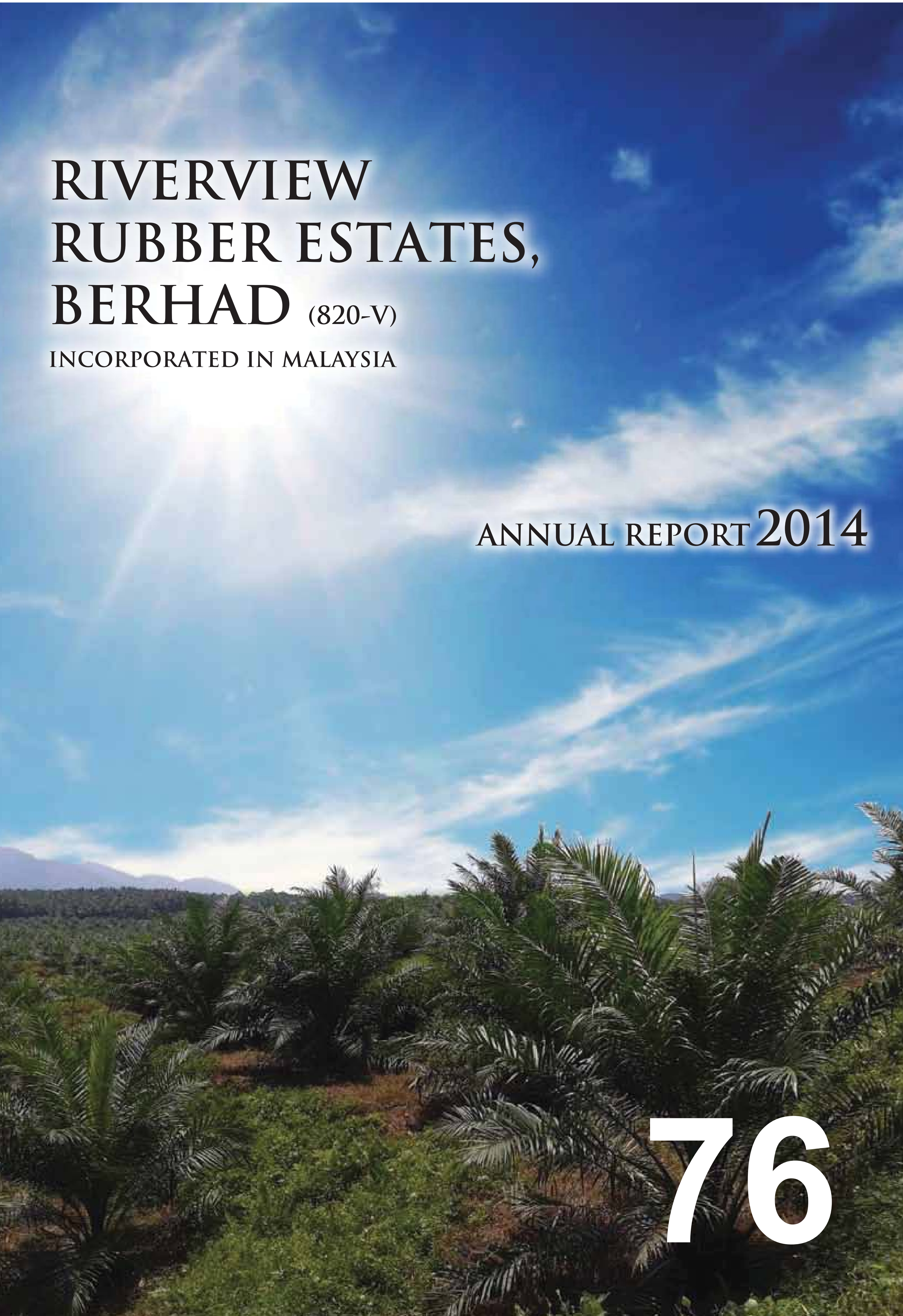
RIVERVIEW RUBBER ESTATES, BERHAD (820-V)

INCORPORATED IN MALAYSIA

ANNUAL REPORT 2014



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2014 Annual Report

76th Annual General Meeting

Riverview Rubber Estates, Berhad

Company No. 820-V — Incorporated In Malaysia

Contents

Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Seventy Sixth Annual General Meeting of Riverview Rubber Estates, Berhad will be held at 33 (1st Floor) Jalan Dato' Maharajalela, 30000 Ipoh, Perak Darul Ridzuan, Malaysia Monday, 15 June 2015 at 10.30 am for the purpose of considering and, if thought fit, passing the following resolutions:

AGENDA
AS ORDINARY BUSINESS

1.	To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2014 together with the Directors' and Auditors' reports thereon.	***(Please refer to Note 5)***
2.	To approve the payment of Directors fees of RM65,000 per annum for each Director, and an additional RM5,000 for the Chairman for the financial year ended 31 December 2015.	**Resolution 1**
3.	To re-appoint Dr Leong Tat Thim as Director of the Company in accordance with Section 129 (2) of the Companies Act, 1965.	**Resolution 2**
4.	To re-elect Timothy John Huntsman who retires in accordance with Article 96 of the Company's Articles of Association and being eligible, offers himself for re-election.	**Resolution 3**
5.	To re-appoint Messrs. Sekhar & Tan as Auditors' of the Company for the ensuing financial year and to authorize the Directors to fix the Auditors' remuneration.	**Resolution 4**

By Order of the Board

Eugene Chow Jan Liang
MIA 23029
Company Secretary

22 May 2015

Notice Of Annual General Meeting (continued)

NOTES

1. A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company and the provision of Section 149 (1) (b) of the Companies Act, 1965 shall not apply to the Company.
2. A member shall not be entitled to appoint more than two (2) proxies. Where a member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
4. The instrument appointing a proxy must be deposited at the Registered Office at 33 (1st Floor), Jalan Dato' Maharajalela, 30000 Ipoh, Perak Darul Ridzuan, Malaysia not less than 48 hours before the time appointed for holding the meeting or at any adjournment thereof.
5. Item 1 of the Agenda is meant for discussion only, as the provision of Section169 (1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.
6. For shares listed on the Bursa Malaysia, only a depositor whose name appears on the Record of Depositors as at 8 June, 2015 shall be entitled to attend the said meeting or appoint a proxy or proxies to attend and/or vote on his/her behalf.

Statement Accompanying Notice Of Annual General Meeting

Six (6) Board Meetings were held during the year.

Date of Meeting	*Hour*	*Place*
27 February 2014	12.05 pm	Ipoh
25 April 2014	12.30 pm	Ipoh
24 June 2014	10.30 am	Ipoh
7 August 2014	5.30 pm	Kuala Lumpur
27 October 2014	12.00 pm	Kuala Lumpur
4 December 2014	12.35 pm	Tanjung Tualang

Details of Directors' attendance at Board Meetings are as follows:

Names of Directors	*Number of meetings held*	*Number of meetings attended*
Dr. Leong Tat Thim *	4	4
Mohd. Razali bin Mohd. Amin **	4	4
Roslan Bin Hamir ^^	6	6
Timothy John Huntsman *	4	4
Oliver John Harold Huntsman **	4	4
Tsen Keng Yam @	3	2
Lim Hu Fang #	2	2
Juliana Manohari Devadason #	2	2
Stephen William Huntsman ^	2	2

*	*Appointed on 20 June 2014.*
**	*Appointed on 25 April 2014*
@	*Resigned on 30 June 2014*
#	*Retired on 20 June 2014*
^	*Resigned on 20 June 2014*
^^	*Resigned on 13 January 2015*

Statement Accompanying Notice Of Annual General Meeting (continued)

Details of Directors' seeking appointment are as follows:

Dr Leong Tat Thim

Age 71 Malaysian. Independent Non-Executive Director and Chairman. Appointed to the Board on 20 June 2014 and elected Chairman on 24 June 2014. Attended all 4 applicable Board Meetings in the financial year. Was a Guthrie Scholar, obtained his Diploma in Agriculture from Serdang College (now known as University Putra Malaysia) in 1968, and obtained his Bachelor of Agriculture Science (Honours) in 1972 and Master of Agriculture Science and Ph.D. in 1982, all from University Malaya. He started as a planting assistant in Kumpulan Guthrie, and was promoted to Head of Rubber Research. Specialised in rubber exploitation and agronomy, developed “Puncture Tapping” technique for rubber tapping. In 1995, joined IOI as Research Controller, overseeing the IOI Research Station, was actively involved in oil palm breeding, DxP seed production, sale of elite DxP planting material, tissue culture, clonal trials, oil palm advisory, leaf sampling, fertiliser recommendation and laboratory services. Also serves on the Board of The Narborough Plantations, PLC. Was a council member in the Malaysian Palm Oil Association and the Malaysia Estate Owners Association, was Chairman of the Malaysian Rubber Producers Council (1998/99). Retired as Chief Executive Officer of United Malacca Berhad in April 2014 after having been in the plantation industry for 42 years. No conflict of interest with Company and is the father of Mr. Leong Yeng Kit who is an Independent Director of Buloh Akar Holdings Sdn Bhd and Sungei Ream Holdings Sdn Bhd. Has not been convicted for any offences within the past ten years.

Timothy John Huntsman

Age 47. Canadian. Non Independent Non Executive Director. Appointed to the Board on 20 June 2014. Attended all 4 applicable Board Meetings in the financial year. Obtained his first degree in Engineering from Memorial University of Newfoundland in Naval Architecture and Ocean Engineering in 1996 and his second degree in Law from the University of New Brunswick in 2002. After being called to the bar in May of 2003 Timothy has practised law in Nanaimo, British Columbia, Canada. He runs his own law practice called Huntsman Law with a current focus on corporate and estate litigation. Also serves on the Board of The Narborough Plantations, PLC. No conflict of interest with the Company, a substantial shareholder of the Company and is the cousin of Oliver John Harold Huntsman. Has not been convicted for any offences within the past ten years.

Board Charter

As a plantation company with a history of more than 75 years, Riverview Rubber Estates, Berhad ("Riverview") ensures that it manages its business, operations and affairs in accordance with the laws and regulations of the jurisdictions in which it operates. In doing so, the Board is guided by the following principles:

- **Rights and equitable treatment of shareholders**
  To respect their rights and helping them to exercise those rights openly and effectively through communication of information and by encouraging participation at general meetings.

- **Interests of other stakeholders**
  Riverview recognises that it has legal, contractual, social, and market driven obligations to non-shareholder stakeholders, including employees, investors, creditors, suppliers, local communities, customers, and policy makers.

- **Role and responsibilities of the board**
  That it has sufficient relevant skills and understanding to review and challenge management performance and that it is of adequate size and displays appropriate levels of independence and commitment.

- **Integrity and ethical behaviour**
  That integrity be a fundamental requirement in choosing corporate officers and board members and that a code of conduct for the directors and executives which promotes ethical and responsible decision making is in place.

- **Disclosure and transparency**
  The roles and responsibilities of board and management are publicly made known to provide stakeholders with a level of accountability; and procedures to independently verify and safeguard the integrity of the company's financial reporting are implemented. Disclosure of material matters concerning the organization is timely and balanced to ensure that all investors have access to clear, factual information.

Corporate Information

BOARD OF DIRECTORS

Dr. Leong Tat Thim *Ph. D, M. Sc. Agri., B. Sc. Agri. Hons, Dip. Agri.* **Chairman**
Mohd Razali bin Mohd Amin *FCMA, CA (M'sia)*
Timothy John Huntsman *B.Eng, LLB*
Oliver John Harold Huntsman *DPA (UK)*

COMPANY SECRETARY

Eugene Chow Jan Liang
MIA 23029

Telephone : 006 05 255 9015
Fax : 006 05 255 9016
Email : eugene.chow@bpo.net.my

REGISTERED OFFICE

33 (1st Floor)
Jalan Dato' Maharajalela
30000 Ipoh, Perak Darul Ridzuan
Malaysia

Telephone : 006 05 255 9015
Fax : 006 05 255 9016

PRINCIPAL PLACE OF BUSINESS

Riverview Estate
31800 Tanjung Tualang
Perak Darul Ridzuan
Malaysia

Telephone : 006 05 360 9201
Fax : 006 05 360 8426

SHARE REGISTRAR

33 (1st Floor)
Jalan Dato' Maharajalela
30000 Ipoh, Perak Darul Ridzuan
Malaysia

Telephone : 006 05 255 9015
Fax : 006 05 255 9016

Corporate Information (continued)

AUDITORS
Sekhar & Tan
Chartered Accountants
Suite 16 - 8, Level 16
Wisma UOA II
21 Jalan Pinang
50718 Kuala Lumpur

Telephone : 006 03 2170 2688
Fax : 006 03 2171 1987

AUDIT COMMITTEE
REMUNERATION COMMITTEE
NOMINATION COMMITTEE
Mohd Razali bin Mohd Amin *FCMA, CA (M'sia)* **Chairman**
Dr. Leong Tat Thim *Ph. D, M. Sc. Agri., B. Sc. Agri. Hons, Dip. Agri.*
Oliver John Harold Huntsman *DPA (UK)*

SENIOR INDEPENDENT DIRECTOR
Mohd Razali bin Mohd Amin *FCMA, CA (M'sia)*

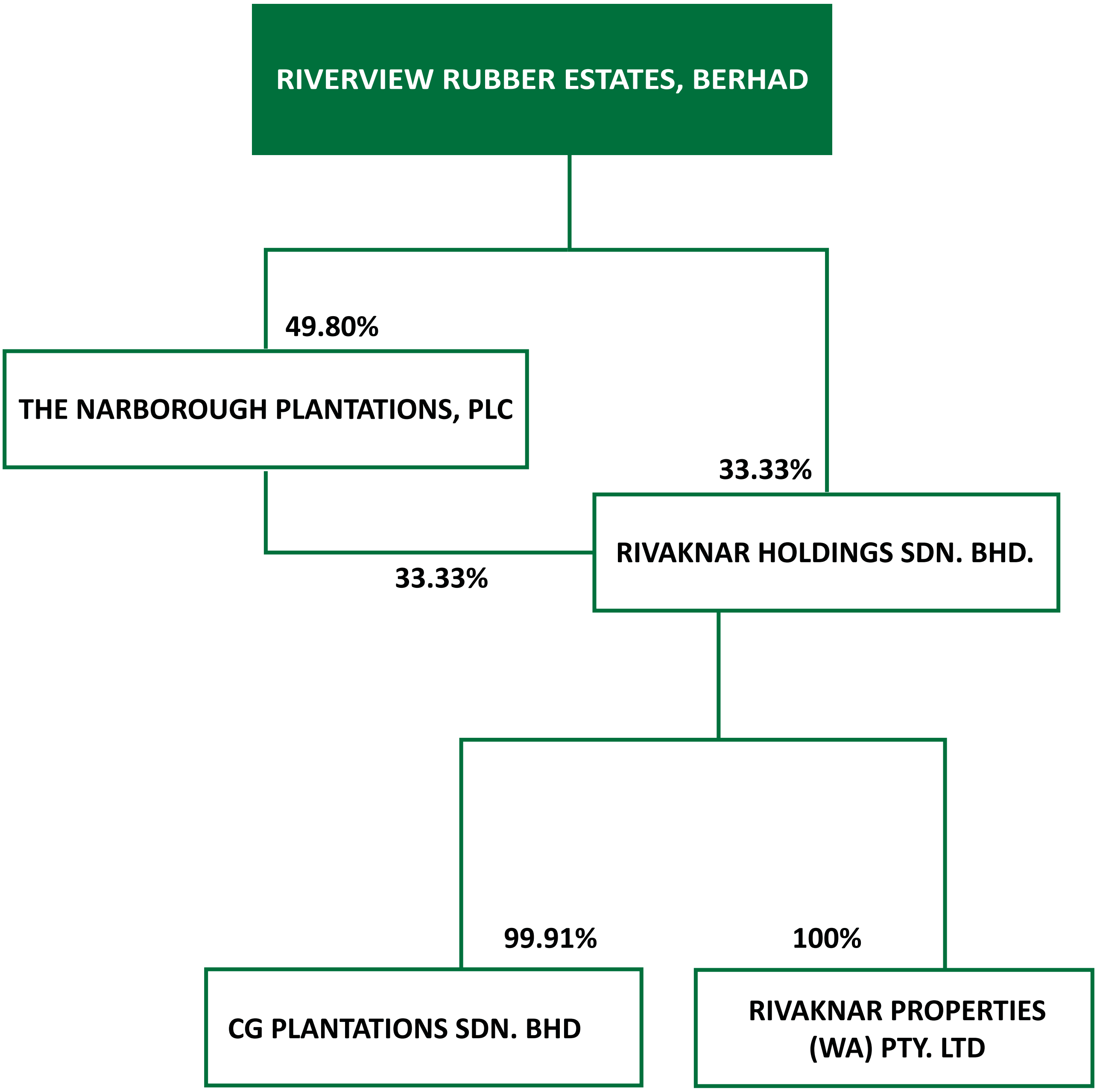
Email : mrma@riverview.com.my

BANKERS
HSBC Bank Malaysia Berhad
AmBank (M) Berhad
UBS AG
CIMB Bank Berhad
Standard Chartered Bank Malaysia Berhad
HSBC Bank Plc
Malayan Banking Berhad

STOCK EXCHANGE LISTING
Main Market of Bursa Malaysia Securities Berhad
Stock Code : 2542
Stock Name : RVIEW

WEBSITE
www.riverview.com.my

Group Structure



Group Plantation Statistics

OIL PALM	2014	2013	2012	2011	2010
Average area in production (hectares)	2,537	2,537	2,539	2,539	2,539
Crop (tonnes FFB)	54,262	54,812	62,852	60,085	60,880
Yield per mature hectare (tonnes FFB)	24.95	24.86	27.48	25.39	25.508
Average price realised (RM per tonne of FFB)	524.70	500.34	585.35	696.83	572.25
Profit per mature hectare	7,173	6,460	10,701	12,602	10,603

AREA STATEMENT as at 31 December

		2014	2013	2012	2011	2010
Oil palm	- mature	2,175	2,204	2,287	2,367	2,388
	- immature	362	333	252	172	152
Total planted hectarage		2,537	2,537	2,539	2,539	2,539
Nursery		5	4	2	2	-
Buildings, sites, gardens, etc		33	34	34	34	35
Ravines and swamps		8	8	8	8	9
Total area (hectares)		2,583	2,583	2,583	2,583	2,583

AGE PROFILE as at 31 December 2014

Age in Years	Hectares	%
Above 25	35	1.40%
21 - 25	481	18.97%
16 - 20	733	28.87%
8 - 15	775	30.53%
3 - 7	151	5.96%
Mature	2,175	85.73%
Immature	362	14.27%
	2,537	100.00%

Financial Calendar

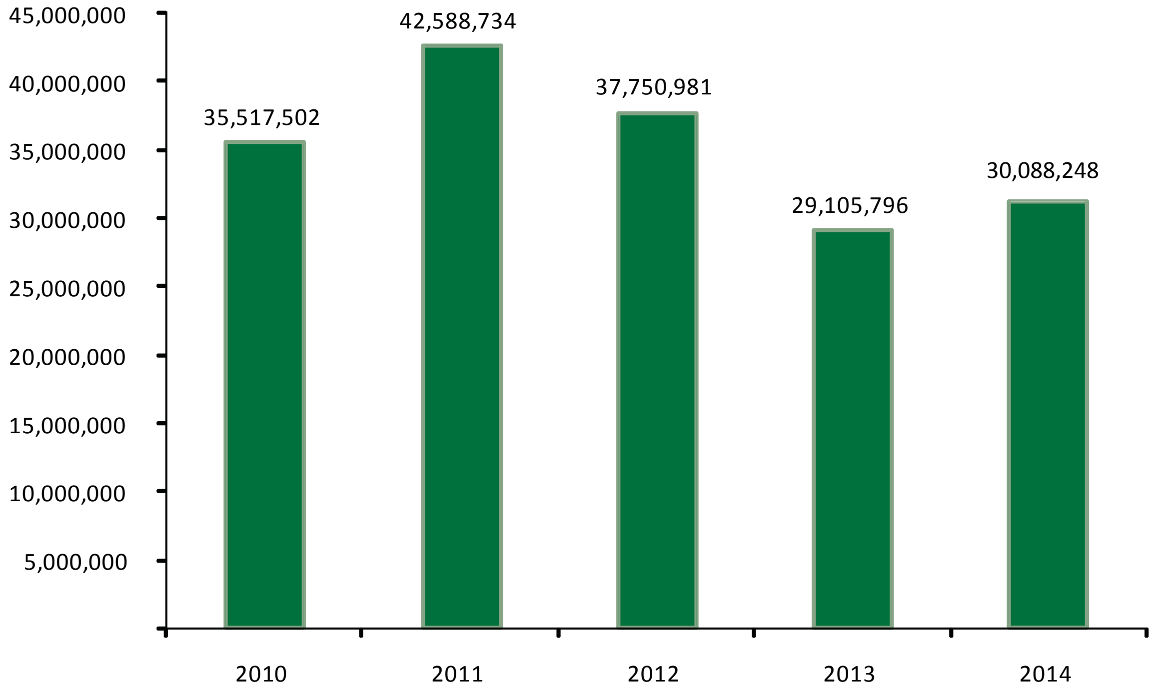
FINANCIAL YEAR END	**31 December 2014**		
ANNOUNCEMENT OF QUARTERLY RESULTS			
First Quarter	25 April 2014		
Second Quarter	11 August 2014		
Third Quarter	28 October 2014		
Fourth Quarter	26 February 2015		
PUBLISHED ANNUAL REPORT			
Despatch Date	22 May 2015		
GENERAL MEETING			
Seventy Sixth Annual General Meeting	15 June 2015		
DIVIDEND			
1st Interim of 10% under the Single Tier System	Declaration date	-	26 May 2014
	Entitlement date	-	20 June 2014
	Payment date	-	18 July 2014

Group Financial Performance

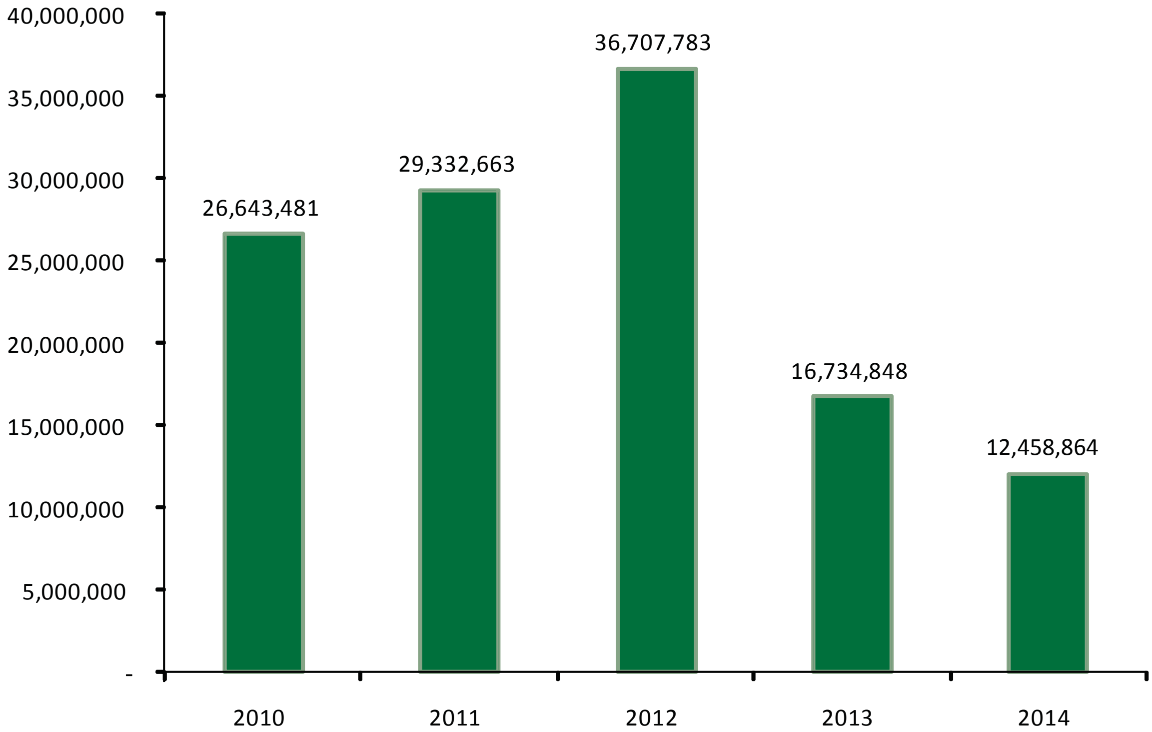
	1st Quarter RM '000	2nd Quarter RM '000	3rd Quarter RM '000	4th Quarter RM '000	2014 RM '000
Revenue	8,202	7,895	8,060	5,931	30,088
Operating profit	4,949	4,846	4,835	3,341	17,971
Profit before tax	3,941	3,784	3,261	1,474	12,459
Taxation	903	1,055	527	543	3,028
Profit attributable to shareholders	2,659	2,160	2,391	625	7,834
Earnings per share (sen)	4.10	3.33	3.69	0.96	12.08
Dividend per share (sen)	-	10.00	-	-	10.00
Net tangible assets per share (RM)	4.58	4.52	4.54	4.57	4.57

Financial Highlights

GROUP REVENUE

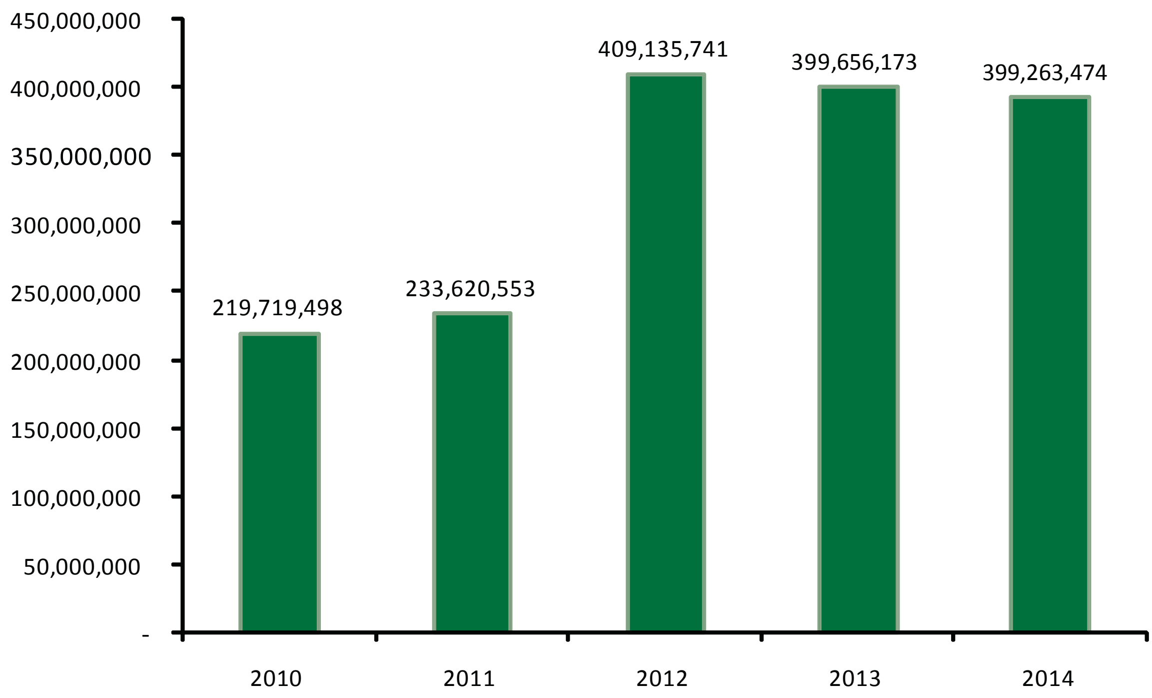


GROUP PROFIT BEFORE TAX

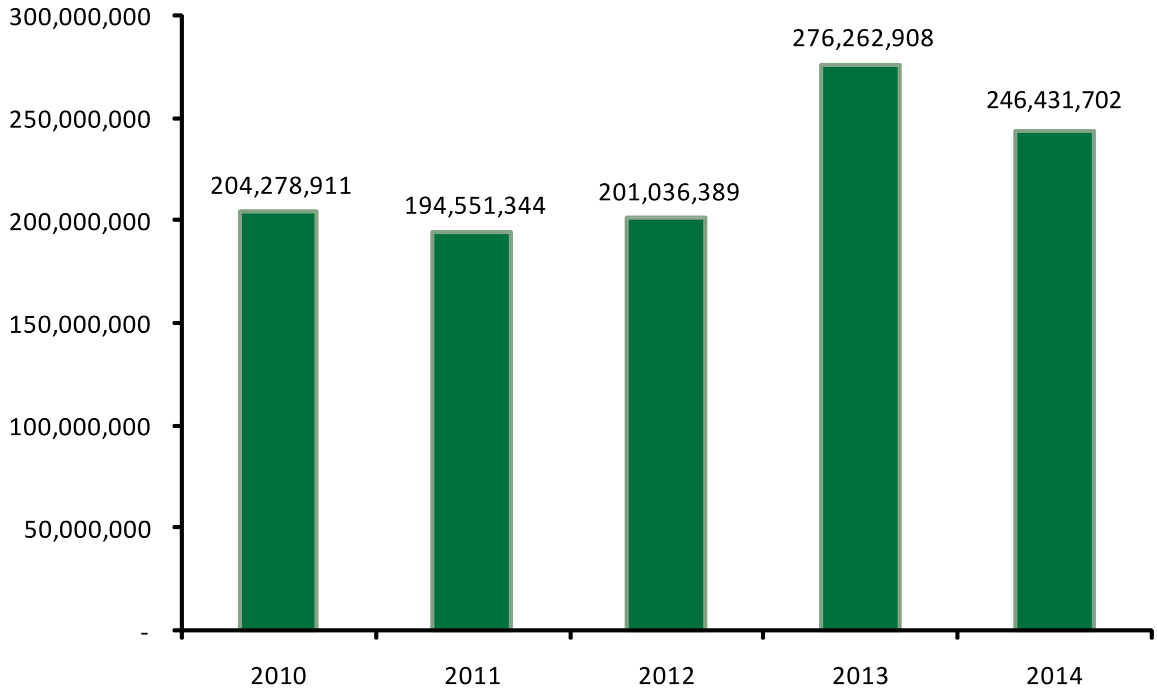


Financial Higlights (continued)

GROUP TOTAL ASSETS

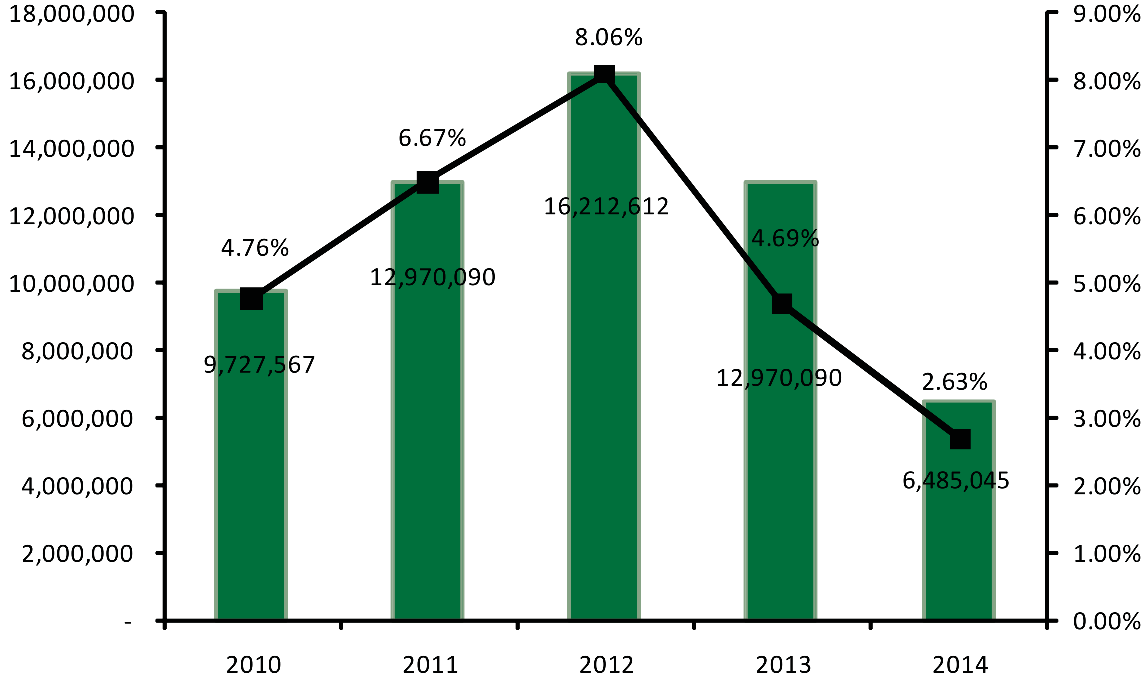


YEAR END MARKET CAPITALISATION



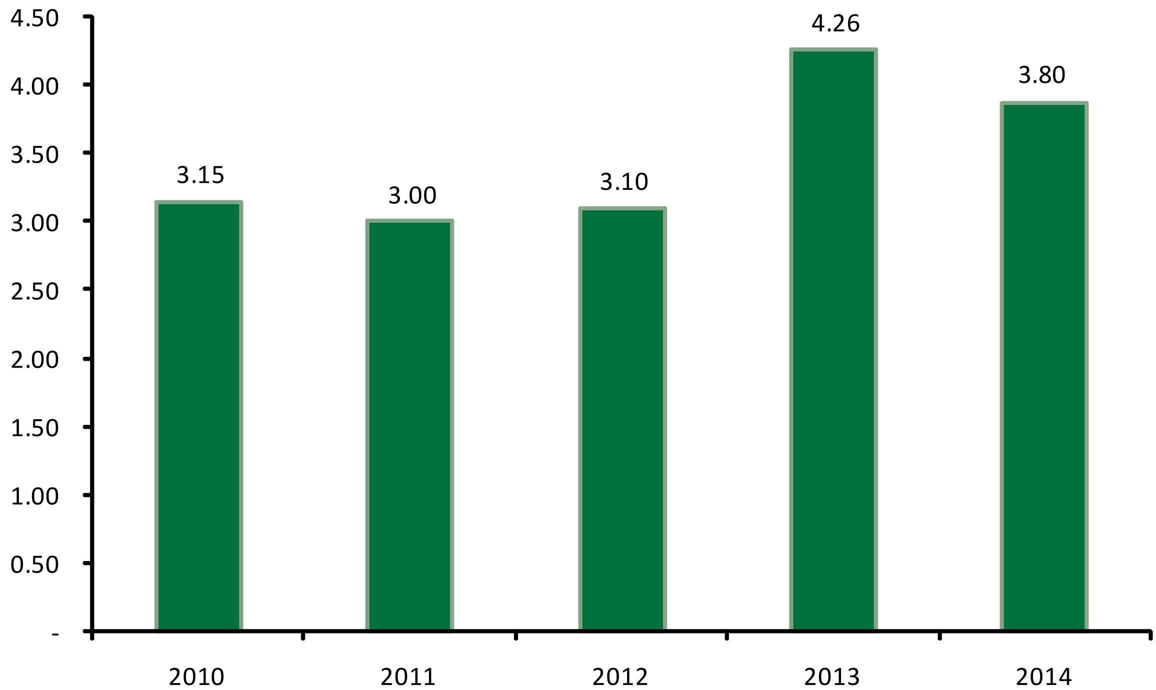
Financial Highlights (continued)

GROSS DIVIDEND YIELD & AMOUNT*



* Yield is based on the year end share price.

YEAR END SHARE PRICE



Analysis of Shareholdings

Authorised Share Capital	:	RM100,000,000
Issued and Fully Paid	:	RM64,850,448
Class of Shares	:	Ordinary Shares of RM1.00 each
Voting Rights	:	One vote per RM1.00 share

DISTRIBUTION OF SHAREHOLDINGS as at 07.05.2015

No. of Holders	Holdings	Total Holdings	%
29	less than 100	1,137	*
511	100 - 1,000	435,155	0.67%
1,453	1,001 - 10,000	6,195,108	9.55%
374	10,001 - 100,000	9,953,156	15.35%
34	101,000 - 1,371,800 **	7,405,800	11.42%
1	1,371,801 and above	40,860,092	63.01%
2,402		64,850,448	100.00%

SUBSTANTIAL SHAREHOLDERS IN THE COMPANY as at 07.05.2015

	No. of shares held			
	Direct	%	Deemed	%
Sungei Ream Holdings Sdn. Bhd. ("SRHSB")	40,860,092	63.00%	-	-
Buloh Akar Holdings Sdn. Bhd. ("BAHSB")	-	-	40,860,092[1]	63.01%
Elizabeth Mary Sheriff	-	-	40,860,092[2]	63.01%
Timothy John Huntsman	1,000	-	40,860,092[3]	63.01%
Oliver John Harold Huntsman	1,000	-	40,860,092[4]	63.01%
Stephen William Huntsman	67,300	0.10%	40,860,092[5]	63.01%

DIRECTORS' SHAREHOLDINGS IN THE COMPANY as at 07.05.2015

	No. of shares held			
	Direct	%	Deemed	%
Dr. Leong Tat Thim	1,000	*	-	-
Mohd. Razali bin Mohd. Amin	1,000	*	-	-
Timothy John Huntsman	1,000	*	40,860,092[3]	63.00%
Oliver John Harold Huntsman	1,000	*	40,860,092[4]	63.00%

Notes :

1 Deemed interested by virtue of its substantial shareholdings in SRHSB. Elizabeth Mary Sheriff and Timothy John Huntsman are deemed to be substantial shareholders of BAHSB by virtue of the shares held by Rockwill Trustees Berhad ("Rockwill") as custodian trustees. Stephen William Huntsman is deemed to be a substantial shareholder of BAHSB by virtue of the shares held by Keniocowdy Nominees Sdn. Bhd. ("Keniocowdy") as custodian trustee. The shares held by the custodian trustees are in the following proportions:

"Elizabeth's Share"	: 458,013 shares in BAHSB held by Rockwill
"Timothy's Share"	: 457,914 shares in BAHSB held by Rockwill
"Stephen's Share"	: 458,013 shares in BAHSB held by Keniocowdy

2 Deemed interested by virtue of her interest in Elizabeth's Share

3 Deemed interested by virtue of his interest in Timothy's Share

4 Deemed interested by virtue of his interest in BAHSB

5 Deemend interested by virtue of his interest in Stephen's Share

* Negligible

** Denotes approximately 2% of the issued share capital

Analysis of Shareholdings (continued)

DIRECTORS' SHAREHOLDINGS IN RELATED CORPORATIONS as at 07.05.2015

The Directors' shareholdings in related corporations are as diclosed in the Directors' Report on pages 72 and 73.

THIRTY LARGEST REGISTERED SHAREHOLDERS as at 07.05.2015

	Name	Holdings	%
1	SUNGEI REAM HOLDINGS SENDIRIAN BERHAD	40,860,092	63.01%
2	NG BEH TONG	1,383,800	2.13%
3	YEO KHEE BEE	619,100	0.95%
4	HSBC NOMINEES (ASING) SDN BHD - BNP PARIBAS SECS SVS PARIS FOR ABERDEEN ASIAN SMALLER INVESTMENT TRUST PLC	470,800	0.73%
5	YEOH CHIN HIN INVESTMENTS SDN BERHAD	442,700	0.68%
6	TAN TZE LIM	386,000	0.60%
7	KAH HIN LOONG SDN BHD	302,400	0.47%
8	CHONG YEAN FONG	254,600	0.39%
9	CIMSEC NOMINEES (ASING) SDN BHD - EXEMPT AN FOR CIMB SECURITIES (SINGAPORE) PTE LTD	181,000	0.28%
10	LEE SIEW PENG	155,000	0.24%
11	GEMAS BAHRU ESTATES SDN. BHD.	153,000	0.24%
11	PARIN D/O LAFFA	153,000	0.24%
12	TAN SEE TONG	151,700	0.23%
13	AFFIN HWANG NOMINEES (ASING) SDN. BHD. - PHILLIP SECURITIES PTE LTD FOR WALKER, CRIPS, WEDDLE, BECK PLC	150,000	0.23%
13	NAM CHOW MINES SDN BHD	150,000	0.23%
14	LEE NYIT FEE	143,600	0.22%
15	WAN POH MINING COMPANY SDN BHD	142,100	0.22%
16	KARTAR SINGH A/L SANTA SINGH	140,000	0.22%
16	WONG LOKE SING	140,000	0.22%
17	LEE WEE YAN	138,600	0.21%
18	CITIGROUP NOMINEES (ASING) SDN BHD - EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED	136,800	0.21%
19	UOB KAY HIAN NOMINEES (ASING) SDN BHD - EXEMPT AN FOR UOB KAY HIAN PTE LTD	133,500	0.21%
20	CHUAH LEE SHYUN	131,800	0.20%
21	CHONG MEOW CHONG	121,000	0.19%
22	HSBC NOMINEES (ASING) SDN BHD - EXEMPT AN FOR CREDIT SUISSE	120,000	0.19%
22	KWOK CHEE YAN	120,000	0.19%
22	YANG YEN FANG	120,000	0.19%
23	LEE NGAN FAH	115,000	0.18%
23	SAI DEZHAO	115,000	0.18%

Analysis of Shareholdings (continued)

THIRTY LARGEST REGISTERED SHAREHOLDERS as at 07.05.2015 (continued)

	Name	Holdings	%
24	HSBC NOMINEES (ASING) SDN BHD - BNP PARIBAS SECS SVS JERSEY FOR BROOKS MACDONALD ASSET MANAGEMENT (INTERNATIONAL) LIMITED	110,000	0.17%
25	LIM KEAN MENG	108,000	0.17%
25	LIM WEI LI	108,000	0.17%
25	ONG ENG HOE	108,000	0.17%
26	CHEW POH MIN	101,000	0.16%
27	MIKDAVID SDN BHD	100,300	0.15%
28	BEH TONG SDN BHD	100,000	0.15%
28	CHANG SIN FONG	100,000	0.15%
28	TAN TONG CHAIT	100,000	0.15%
28	TEH LIAN KIM	100,000	0.15%
28	WONG PAK GOON	100,000	0.15%
29	LEE WEE LOONG	94,500	0.15%
30	LEE JEE ENG	89,400	0.14%
		48,949,792	75.48%

Profile of Directors

Dr Leong Tat Thim

Age 71 Malaysian. Independent Non-Executive Director and Chairman. Appointed to the Board on 20 June 2014 and elected Chairman on 24 June 2014. Attended all 4 applicable Board Meetings in the financial year. Was a Guthrie Scholar, obtained his Diploma in Agriculture from Serdang College (now known as University Putra Malaysia) in 1968, and obtained his Bachelor of Agriculture Science (Honours) in 1972 and Master of Agriculture Science and Ph.D. in 1982, all from University Malaya. He started as a planting assistant in Kumpulan Guthrie, and was promoted to Head of Rubber Research. Specialised in rubber exploitation and agronomy, developed "Puncture Tapping" technique for rubber tapping. In 1995, joined IOI as Research Controller, overseeing the IOI Research Station, was actively involved in oil palm breeding, DxP seed production, sale of elite DxP planting material, tissue culture, clonal trials, oil palm advisory, leaf sampling, fertiliser recommendation and laboratory services. Also serves on the Board of The Narborough Plantations, PLC. Was a council member in the Malaysian Palm Oil Association and the Malaysia Estate Owners Association, was Chairman of the Malaysian Rubber Producers Council (1998/99). Retired as Chief Executive Officer of United Malacca Berhad in April 2014 after having been in the plantation industry for 42 years. No conflict of interest with Company and is the father of Leong Yeng Kit who is an Independent Director of Buloh Akar Holdings Sdn Bhd and Sungei Ream Holdings Sdn Bhd. Has not been convicted for any offences within the past ten years.

Mohd. Razali bin Mohd. Amin

Age 66. Malaysian. Independent Non-Executive Director. Appointed to the Board on 25 April 2014. Attended all 4 applicable Board Meetings in the financial year. A Fellow of the Chartered Institute of Management Accountants and a Chartered Accountant under the Malaysian Institute of Accountants. Started his career in Behn Meyer as Accounts Executive in 1973 and subsequently promoted to Area Manager, Branch Manager and General Manager in 1975, 1978 and 1983 respectively, promoted to Finance and Admin. Director in 1990 and appointed as Managing Director of Behn Meyer Agricare (M) Sdn. Bhd. from 1996 to 2010. Was re-designated in 2011 as Regional Finance Director to be in charge of finance, major corporate and administration matters as well as IT for companies in the region until his retirement in December 2013. Also serves on the Board of The Narborough Plantations. PLC, as well as the Board of Interpac (M) Sdn. Bhd. No conflict of interest with the Company and has no family relationship with any other Director or major shareholder of the Company. Has not been convicted for any offences within the past ten years.

Profile of Directors (continued)

Timothy John Huntsman

Age 47. Canadian. Non Independent Non Executive Director. Appointed to the Board on 20 June 2014. Attended all 4 applicable Board Meetings in the financial year. Obtained his first degree in Engineering from Memorial University of Newfoundland in Naval Architecture and Ocean Engineering in 1996 and his second degree in Law from the University of New Brunswick in 2002. After being called to the bar in May of 2003 Timothy has practised law in Nanaimo, British Columbia, Canada. He runs his own law practice called Huntsman Law with a current focus on corporate and estate litigation. Also serves on the Board of The Narborough Plantations, PLC. No conflict of interest with the Company, a substantial shareholder of the Company and is the cousin of Oliver John Harold Huntsman. Has not been convicted for any offences within the past ten years.

Oliver John Harold Huntsman

Age 59. British. Non Independent Non Executive Director. Appointed to the Board on 25 April 2014. Attended all 4 applicable Board Meetings in the financial year. Obtained a Diploma in Accountancy from the City of London Polytechnic. He then worked for Binder Hamlyn for six years before joining in 1982, Electra Partners, who are the managers of Electra Private Equity , an Investment Trust listed on the London Stock Exchange, specialising in Private Equity transactions. He spent five years doing Venture Capital deals before spending eight years specialising in management buyouts, secondary financings and development capital. He then specialised in portfolio management and has been involved in the refinancing, secondary buyouts, trade sales and floatations across a broad range of industries. In 2011, he started working part time for Electra Partners. He remains regulated by the UK Financial Conduct Authority. Also serves on the Board of The Narborough Plantations, PLC. He was until recently, treasurer of the local church for four years. No conflict of interest with the Company, a substantial shareholder of the Company and is the cousin of Timothy John Huntsman. Has not been convicted for any offences within the past ten years.

Chairman's Statement

Dear Shareholders,

I am pleased to present the Seventy - Sixth Annual Report of Riverview Rubber Estates, Berhad and for the financial year ended 31 December 2014.

The financial year ended 31 December 2014 saw significant changes in the Composition of the Board; some directors chose not to be re-elected at the previous Annual General Meeting while others resigned soon after. I wish to thank you for your support and understanding during this period and on behalf of the Board, wish to thank all former directors for their contributions.

I particularly wish to thank the former Chairman, En. Roslan bin Hamir for graciously vacating the chair. In January 2015, En. Roslan voluntarily tendered his resignation in order to facilitate our Mandatory General Offer of shares of The Narborough Plantations, PLC. He remains on the Board of our subsidiaries.

The New Board – *Left to Right : En. Roslan bin Hamir, En. Mohd. Razali bin Mohd. Amin, Mr. Oliver John Harold Huntsman, Dr. Leong Tat Thim and Mr. Timothy Huntsman.*

Chairman's Statement (continued)

Group Financial Performance

The global economy continued to be challenging; concerns on the slowing Chinese economy remained in the background and it appears that we have reached a plateau as far as the commodity cycle is concerned. The political tensions in Europe and continued economic uncertainty did nothing to alleviate global economic concerns. Fortunately, the United States provided the world with some good news and has helped generate some optimism. Mindful of this, your board remained prudent and continued its disciplined approach in managing production efficiency and controlling costs.

Despite facing stagnant commodity prices, weaker production, adverse weather patterns and the rising costs of production from the increase in labour cost, fertilizer prices and the general cost of living, I am pleased to announce that the Group has managed to turn in another profitable year.

Group plantation revenue increased by 3.82% to RM28.47 million this year due to the increase in the average selling price of oil palm fresh fruit bunches ("FFB"). The average selling price increased from RM500.34 per metric ton in year 2013 to RM524.70 per metric ton in year 2014, an increase of RM24.36 per metric ton or 4.87%. This managed to offset the decrease in production from 54,812 metric tons in 2013 to 54,262 metric tons in 2014, a decrease of 550 metric tons or 1.00%.

***Estate Visit** – Board Members briefed by Estate In-Charge, Mr. Sures Naidu*

Group Financial Performance (continued)

Estate Visit – *Board Members briefed by Estate In-Charge, En. Omar bin Abdul Hamid*

Rental income from the Australian subsidiary decreased by RM0.06 million, a decrease of 3.81%. This is primarily due to changes in the foreign exchange rate compared to the previous financial year. I am pleased to report that all properties are fully rented.

Estate Visit – *Assessing Fruits, Fresh Fruit Bunches seen at the background*

Chairman's Statement (continued)

Group Financial Performance (continued)

Despite the overall increase in the cost of living, production costs have reduced, with costs of sales lower by RM0.84 million or 6.48%. This was achieved through more efficient operating procedures and by making cash and budget forecasting a priority, thus helping to improve our operating margins by about 4%.

The Group also recorded a pre-tax profit of RM12.46 million, decrease of RM4.28 million or 25.55% compared to RM16.74 million in the previous year. This is due to non-recurrent and non-operational charges which offset the improvements seen in the revenue and cost of sales. The non-recurrent and non-operational charges are as follows:

	2014 RM'000	2013 RM'000	Changes RM'000
Professional fees - Mandatory Cash Offer of The Narborough Plantations, PLC	(1,043)	-	(1,043)
Gain on disposal of investment property	-	1,237	(1,237)
Unrealised foreign exchange (loss)/gain	(43)	1,201	(1,244)
Fair value changes to investment properties	466	1,817	(1,351)

Managers' Meeting – *These are held monthly and chaired by Dr. Leong Tat Thim*

The average Crude Palm Oil ("CPO") price was slightly higher than the previous year and traded between a high of RM2,855 per metric ton in March 2014 and a low of RM2,056 per metric ton in September 2014. The average CPO price for 2014 was RM2,384, an increase of RM13 or 0.5% against RM2,371 in 2013. Despite the slight improvement in CPO prices, our average selling price realized for FFB was significantly better. This is primarily due to better extraction rates negotiated for 2014 as well as an improvement in the quality of our crop.

Group Financial Performance (continued)

2014 was a year of adverse and unprecedented weather conditions. The first five months witnessed drought-like conditions which depleted reservoirs and catchment areas in many parts of Peninsular Malaysia. This resulted in an extended period of severe moisture deficit, the results of which could be seen in our weak production in the last five months of the year where production dropped drastically. The last quarter of the year saw the exact opposite with prolonged periods of unprecedented rainfall which resulted in severe flooding throughout the country.

Board Meetings – *A quick lunch at the Estate before re-commencing the Board Meeting*

The lower than expected production in Quarter 1 and Quarter 4 were a direct consequence of these adverse weather conditions. Despite facing such adversities, we managed to recover lost ground during the good months; this is reflected in our overall yield and profitability.

While we have taken precautionary measures which we hope will alleviate the situation, weather conditions remain unpredictable. With the implementation of the Goods and Service Tax effective from 1st April 2015, cost of production is expected to increase. Your Board will continue its efforts in adopting a disciplined approach towards managing production efficiency and controlling costs to ensure that profitability is maintained.

Chairman's Statement (continued)

Review of Operations

The results from the operations for the financial year under review are encouraging given the challenges faced by the Company and measures implemented to improve field conditions and to tighten security have been successful. The Company will continue practising a prudent approach in its operations and will remain guarded against bearish conditions of the world economy which is still struggling to recover.

This year we continue the replanting programme by replanting 20.24 hectares at Narborough Estate. I have conducted a thorough review of the replanting programme and have held discussions with Senior Management with regards to our replanting policy. I am pleased to advise that with effect from 2015, the Group will be adopting the "under planting" methodology.

Narborough Estate – *A visit to the first under-planting site at Narborough Estate*

This methodology enables us to offset replanting costs and loss of revenue during the immature period. This is done by keeping the old palms so that they can continue to yield for another one year while the planted seedlings are growing underneath. An added advantage is that this method is environmentally friendly.

A review of seedlings used, nursery sites, selection of progeny, nursery preparation, planning of roads, manuring and collection methods of FFB has been conducted. All these are expected to bring about better efficiencies in field management and increase future yields.

Chairman's Statement (continued)

Review of Operations (continued)

Mechanisation – *Assessment and Inspection of "Super Bull" for transporting Fresh Fruit Bunches.*

The Company continues to upgrade the living quarters of its employees. We will continue to assess the living conditions and requirements of our workers to ensure that their quality of life is in line with the Company's continued commitment towards corporate social responsibility.

Mechanisation – *"Super Bull" used to transport Fresh Fruit Bunches.*

Chairman's Statement (continued)

Review of Operations (continued)

Despite the many challenges and changes faced this year, we have managed to maintain our operational efficiency. Our yield per hectare of 24.95 metric tons of FFB remains 33.92% and 25.44% higher than that of the National and State average of 18.63 and 19.89 metric tons respectively. It is noteworthy that while the National and State average has dropped by 2.05% and 2.07% respectively, our yield has actually increased by 0.09 metric tons per hectare or by 0.36%.

Security – *New fences being erected to tighten security*

We have conducted a detailed survey of the estates and their boundaries to ensure that security is maintained, closed up unguarded exits along fields boundaries and engaged more security guards to tighten security and to reduce the risk of lost fruits.

Security – *Construction of barbed wired fences in progress*

Market Overview

The oil palm-planted area in 2014 reached 5.39 million hectares, an increase of 3.1% as against 5.23 million hectares recorded in the previous year. This was mainly due to the increase in new planted areas in Sarawak, which recorded an increase of 8.8% or 102,493 hectares.

In 2014, CPO production recorded an increase of 2.3% to 19.67 million tonnes against 19.22 million tonnes recorded in 2013. This was due to the OER increasing by 1.8% to 20.62 percent and an increase in new areas coming into production, especially in Sarawak. CPO production in Sabah and Sarawak increased by 4.8% and 10.5% to 6.06 million tonnes and 3.44 million tonnes respectively. CPO production in Peninsular Malaysia, however, recorded a decline of 1.5% to 10.17 million tonnes.

The FFB yield for 2014 was lower by 2.1% to arrive at 18.63 tonnes per hectare from 19.02 tonnes per hectare achieved in 2013. Sabah accounted for the highest FFB yield, registering an increase of 2.2% to 21.34 tonnes per hectare as 71% of Sabah's oil palm planted area are in the peak production age (8 to 24 years). Peninsular Malaysia and Sarawak, however, recorded declines. FFB yield for Peninsular Malaysia declined by 5.3% to 18.23 tonnes per hectare, while Sarawak declined by 0.6% to register at 16.13 tonnes per hectare.

(Source : The Malaysian Palm Oil Board)

Fresh Fruit Bunches – *FFB, covered, locked and sealed, being weighed before transported to the mill.*

Chairman's Statement (continued)

Current Year's Prospects

At the time of this report, FFB production has begun an upward trend and this augurs well for the current year's prospects. Barring unforeseen events due to the world economy and adverse weather, the prospects of the palm oil industry look bright with strong demand for edible oil and progress in biodiesel development and application.

***Fresh Fruit Bunches –** Harvested FFB are weighed before they are loaded into the ramp.*

The Company has built and will continue to build a solid foundation over the years to ensure the sustainability of oil palm production. Notwithstanding unpredictable factors such as adverse weather conditions and pest attack, the crop is expected to increase in the foreseeable future with a slight drop in the intervening years of replanting. The Company should see another profitable year ahead

***Security –** Trenches being dug around the estate perimeter to strengthen security.*

Current Year's Prospects (continued)

I am also pleased to report that the Mandatory General Offer for shares of The Narborough Plantations, PLC has been successful and that valid acceptances have been received in excess of 90 percent of the Shares to which the Offer relates. Therefore, Riverview will now commence the procedures available to it under section 979 of the Companies Act, United Kingdom to compulsorily acquire those Narborough Shares which it does not already own.

With the completion of this exercise, your Company will have full control of and benefit from the full profits of Narborough.

Narborough Estate – *A view from the estate office*

Dividend

On 26 May 2014, the Company announced a First Interim Dividend of 10% under the Single Tier System amounting to RM6,485,045. This dividend was paid on 18 July 2014.

As announced on 7 November 2014, The Board of Directors decided not to declare a 2nd Interim Dividend for the financial year ending 31 December 2014. This decision was made in contemplation of the current volatility in Crude Palm Oil prices and the Board's view that the recent level of dividend payments was impeding the company's ability to develop a conservative plan for future growth within the Riverview Group.

Your Board is actively exploring possibilities to increase shareholder value, and in order to achieve this goal, we believe that there is a need to preserve funds in order for your Company to seize whatever opportunities that may arise. In conjunction with the anticipated future cost of the remedial measures necessary to enhance future profits, your Board has reviewed the dividend policy. The policy must now reflect a more prudent and conservative approach. The policy must not impede the Group's ability to grow its land base.

Chairman's Statement (continued)

Appreciation

Security – *Timothy Huntsman and Oliver Huntsman on their "Scramblers" which enable them to visit all corners of the estate.*

On behalf of the board, I would like to record our appreciation to the management and employees for their commitment, dedication and loyalty in achieving the results in the financial year under review.

I take this opportunity to thank our valued shareholders, business associates, customers, friends and authorities for their continued trust, confidence, support and guidance.

Finally, I also wish to record the sense of collective responsibility, commitment, professionalism and the wisdom of my fellow Directors on the Board.

DR. LEONG TAT THIM
Chairman

Chairman's Statement (continued)

Hands On – *Timothy Huntsman, Oliver Huntsman and Dr. Leong Tat Thim, testing the "Super Bull" transport units themselves.*

Corporate Governance Statement

The Board of Directors recognises the importance of ensuring high standards of corporate governance, as a public listed company, we are committed to corporate governance and comply with the principles and best practices of the Malaysian Code on Corporate Governance 2012 (the “Code”) and with the requirements of corporate governance set out on Bursa Malaysia Main Listing Requirements

The Board has put in place a framework for corporate governance which is appropriate for the Group to enable the Directors in discharging their responsibilities to protect stakeholders’ interests and to enhance shareholders’ value and the long term financial duties of the Group.

In doing so, the Board strives to adopt the substance behind the Code and not merely its form. The Board is pleased to present a statement on the application of the principles and the extent of compliance with the best practices as set out in the Code.

We have, in 2014, complied with the principles and recommendations of the Code.

As a result of the changes in the composition of the Board during the financial year, there is no Executive Director nor is there a Chief Executive Officer. The Board has taken collective responsibility for the operational decisions to ensure that the Management has the authority to conduct day to day operations. The complex process of recruiting an Executive Officer is being managed by the Board and is in progress.

I. DIRECTORS

Size and Composition

The size and composition of the Board is appropriate given the nature and geographical spread of the Group’s business, and the significant time demands placed on the Non-Executive Directors who also serve as Members of Board Committees.

The 4 Members of the Board are individuals of ability and integrity who possess the necessary skills, knowledge, experience and expertise competencies to address the risks and issues of the Group with the requisite depth and quality in its deliberation and decision making.

The Directors are able to more than adequately deliberate and make decisions which involves reviewing and adopting a strategic plan for business performance, overseeing the proper conduct of the Group’s business, identifying principal risks and ensuring the implementation of systems to manage risks, succession planning, reviewing the adequacy and integrity of the Internal control systems and Management information systems.

The Board is satisfied that the current Board composition fairly reflects the interest of minority shareholders in the Group.

Balance

The Board consist four (4) members, comprising all of whom are Non-Executive Directors, including the Chairman. Two (2) of the Directors on the Board are independent. A profile of each Director is presented on pages 19 and 20.

The presence of Two (2) Independent Non-Executive Directors, which represents more than one-third of the Board, facilitates the unbiased exercise of independent evaluation in Board deliberations and decision making and fulfills a central role in corporate accountability and serves to provide check and balance in the Board.

Independence

The concept of independence adopted by the Board is in line with the definition of an Independent Director in Section 1.01 of the Listing Requirements of Bursa Malaysia Securities Berhad and PN No. 13 (Revised June 2013). The main elements for fulfilling the criteria is the appointment of an Independent Director who is not a member of Management and free from any relationship which could interfere in the exercise of independent judgment or the ability to act in the best interest of the Company. The Board complies with paragraph 15.02 of the Bursa Malaysia Main Market Listing Requirements which requires that at least two Directors or one-third of the Board, whichever is higher, are independent Directors.

The Independent Non-Executive Directors do not participate in the daily management activities and bring an external perspective to constructively challenge as well as assist in developing strategies, scrutinising management performance and monitoring the risk profile of the business and the reporting of monthly business performance.

The Nomination Committee and Board have upon their annual assessment, concluded that each of the Independent Non-Executive Directors had demonstrated conduct and behavior which indicate independence and each of them continue to fulfill the definition of independence as set out in the Code and the Bursa Malaysia Main Market Listing Requirements.

The Code recommends that the tenure of an independent director should not exceed a cumulative term of nine years.

Senior Independent Director

Lim Hu Fang was the Senior Independent Director until 20 June 214, she was replaced by Mohd. Razali bin Mohd. Amin, as such, there was a Senior Independent Director available to shareholders throughout the year should they have concerns that cannot be resolved through normal channels involving either the Executive Director, Senior Management or the Chairman.

Mohd. Razali bin Mohd. Amin can be contacted via email at *mrma@riverview.com.my*

Ethics

As the business environment and laws continue to become more complex, a greater demand for reasonable competence amongst company directors has become increasingly important and this has resulted in a need to establish a standard of competence for corporate accountability which includes standards of professionalism and trustworthiness in order to uphold good corporate integrity. This standard has been practiced long before the Code came to be.

The guiding principles adopted by the Directors are based on moral duty sincerity, integrity and responsibility. The Directors observe a code of ethics in accordance with that expected from each of their respective professional bodies and the Company Directors' Code of Ethics established by the Companies Commission of Malaysia.

These principles include:
- prohibitions on employees using their position for personal gain;
- prohibitions on improper business practices;
- a requirement for compliance with all internal approval and authorisation procedures and legal requirements; and
- a requirement to disclose potential conflicts of interest and potential related party contracts.

The Company Secretary is available for advice on any matter which may give rise to cause for concern in relation to the ethics.

Duties and Responsibilities

The Board of Directors is responsible for the long term success of the Group and must ensure that there is a framework of effective controls, which enables risk to be assessed and managed. While it is responsible for creating a framework within which the Group should be operating, Management is responsible for instituting compliance with laws and regulations including the achievement of the Group's corporate and social objectives. This demarcation of roles complements and reinforces the supervisory role of the Board.

The Board is specifically responsible for:
- approval of the Group's strategy and its budgetary and business plans;
- approval of significant investments and capital expenditure;
- approval of annual and interim results, accounting policies and subject to shareholder approval, the appointment and remuneration of the external auditors;
- declaration and paymentof dividends;
- changes to the Group structure and the issue of any securities;
- establishing and maintaining the Group's risk appetite, system of internal control, governance and approval authorities;
- monitoring executive performance and succession planning;
- reviewing standards of ethics and policy in relation to health, safety, environment and community responsibilities; and
- continuous education programmes for the Directors, management and employees.

Duties and Responsibilities (continued)

The Board entrusts and grants some of it authority to the Management Team as well recognized Committees comprising Non-Executive Directors.

There is clear segregation of responsibilities between the Chairman, who is an Independent Non-Executive Director, Senior Management and the Executive Director to ensure a balance of power and authority, such that no one individual has unfettered powers of decision.

The Chairman is responsible for ensuring the integrity and effectiveness of the governance process of the Board and acts as a facilitator at Board meetings to ensure no Board member dominates discussion and relevant opinions amongst Board members are presented. The Executive Director and Senior Management are supported by the Management team, is responsible for day-to-day Management of the business as well as effective implementation of the strategic plan and policies established by the Board.

The Non-Executive Directors are independent of the Management. Their function is to constructively question the Management and monitor its ability to deliver on targets and business plans within the risk appetite set by the Board. They have free and open interaction with the Management at all levels, and they engage with the external and internal auditors on matters regarding the overseeing of the business and operations

The roles and responsibilities of Non-Executive Directors include the following:
- providing impartial (where the Director is also Independent) and objective views, appraisals and opinions in deliberations of the Board;
- safeguarding the principle of check and balance in proceedings of the Board;
- mitigating occurrences of conflict in interest in policy making and daily operations of the Group; and
- constructively challenging and contributing to the development of the Group.

Meetings

The Board meets a minimum of four (4) times a year and these meetings are scheduled in advance before the end of the current financial year in order to enable the Directors to have ample time to plan ahead; supplementary meeting are held as and when necessary.

Due notice is given of scheduled meetings, all meetings are minuted, including issues discussed and conclusions made. All proceedings are minuted and signed by the Chairman of the meetings.

During the financial year, the Board met on six (6) occasions, where it deliberated upon and considered a variety of matters, these include overall strategy and direction, approval of capital expenditure, consideration of financial matters, monitoring the financial and operating performance as well as annual operating and capital budgets.

Corporate Governance Statement (continued)

Meetings (continued)

The agenda for each Board meeting and papers relating to the agenda are disseminated to all Directors at least seven (7) days before the meeting, this is to ensure that meetings are properly structured and to provide the Directors sufficient review time, and seek clarifications, if any.

Details of the meeting attendance of each Director are as follows:

Directors		Number of meetings attended
Dr. Leong Tat Thim *	Chairman, Independent, Non-Executive	2
Mohd. Razali bin Mohd. Amin **	Independent, Non-Executive	2
Roslan Bin Hamir ^^	Independent, Non-Executive	6
Timothy John Huntsman *	Non Independent, Non-Executive	2
Oliver John Harold Huntsman **	Non Independent, Non-Executive	2
Tsen Keng Yam @	Executive	2
Lim Hu Fang #	Independent, Non-Executive	2
Juliana Manohari Devadason #	Non Independent, Non-Executive	2
Stephen William Huntsman ^	Non Independent, Non-Executive	2

*   Appointed on 20 June 2014
**   Appointed on 25 April 2014
@   Resigned on 30 June 2014
#   Retired on 20 June 2014
^   Resigned on 20 June 2014
^^   Resigned on 13 January 2015

Supply of Information

The Chairman in conjunction with the Group Secretary draws up the agenda, which is circulated together with the relevant support papers, at least seven (7) days prior to each meeting to enable the Directors to have full and timely access to all relevant information to aid their decision-making and to obtain further information, if necessary.

All Directors have unrestricted access to advice and services of the Company Secretary who ensures that the Board receives appropriate and timely information for its decision making, that Board procedures are followed and all the statutory and regulatory requirements are met. The Company Secretary ensures that all Board meetings are properly convened and that accurate and proper records of the proceedings and resolutions passed are recorded and maintained.

The Board believes that the Company Secretary is capable of carrying out his duties to ensure the effective functioning of the Board and his removal from post, if contemplated, is a matter for consideration by the Board as a whole.

All Directors have full and immediate access to information relating to the Group's business and affairs in the discharge of their duties, there is nevertheless a formal procedure sanctioned by the Board in this regard. There is also a formal procedure, whether as a full Board or in their individual capacity, to take independent advice, where necessary, in furtherance of the duties at the Group's expense.

The Audit, Remuneration and Nomination Committees play an important role in channeling pertinent operational, financial and assurance related issues to the Board. The Committees partly function as a filter to ensure that only salient matters are tabled at Board level.

Training and Induction

The Board, through the Committees, ensure a structured orientation and continuous education programme is in place for new and existing members of the Board. This includes, briefings, seminars and updates on issues relevant to the Group and the environment in which it operates.

All Directors have attended the Mandatory Accreditation Programme (MAP) as prescribed by Bursa Malaysia Securities Berhad. The Directors continue to and are encouraged to attend Continuing Education Programme (CEP) and seminars to keep abreast with regulatory development and other development on the marketplace. The Company Secretary circulates updates periodically for the Board's reference.

For new Directors, in addition to the MAP, an induction programme provided. Overall, the aim of the induction programme is to introduce new Directors to the Group's business, its operations, time commitment required and its governance agreements. Such inductions typically include meetings with senior management, visits to the Group's business segments where they receive a thorough briefing on the business. Such inductions are monitored by the Chairman and supported by the Company Secretary, to ensure that new and recently appointed Directors gain sufficient knowledge about the Group to enable them to contribute to deliberations as soon as possible as well as be aware of the expectations required from them.

During the financial year, the seminars, courses and conferences attended by Directors are as follows:

Dr Leong Tat Thim
Mandatory Accreditation Programme – Bursatra Sdn. Bhd.
2015 Budget Seminar – Ernst & Young

Mohd. Razali bin. Mohd. Amin
Mandatory Accreditation Programme – Bursatra Sdn. Bhd.

Timothy John Huntsman
Mandatory Accreditation Programme – Bursatra Sdn. Bhd.

Oliver John Harold Huntsman
Mandatory Accreditation Programme – Bursatra Sdn. Bhd.

Corporate Governance Statement (continued)

Appointments and Re-election

The Nomination Committee established by the Board is responsible for assessing nominees for appointment and thereafter making its recommendations to the Board.

In accordance with Article 88 of the Articles of Association of the Company, any Director appointed shall retain office only until the next General Meeting and shall then be eligible for re¬election.

Re-appointments of an Independent Director who has served for a cumulative term of more than nine years to continue serving in the same capacity requires the Board of Directors to justify, recommend and seek shareholders' approval in order for that individual to continue as such.

Section 129(2) of the Companies Act, 1965 requires Directors over the age of 70 to retire at every Annual General Meeting and offer themselves for re-appointment to hold office until the next Annual General Meeting.

Article 96 of the Articles of Association provide that at each Annual General Meeting, at least one Director shall retire from office, the Director to retire shall be the Director who has been longest in office provided always that all Directors retire once every three years.

To assist shareholders in their decision, sufficient information such as a personal profile and meeting attendance of each Director standing for re-election is furnished in a separate statement accompanying the Notice of the Annual General Meeting.

Remuneration

The Remuneration Committee carries out the annual review of the overall remuneration policy for the Executive Director, Management Officers and Staff and recommends this to the Board for approval.

In determining the remuneration packages and terms of service, the Remuneration Committee has had regard to the size and operations of the Group, the recruitment, retention and incentivisation of high quality Directors, Management and Staff. It must offer rewards which, on the basis of above average performance, offer rewards that are comparable to the industry.

II. BOARD COMMITTEES

The Board decides on all major aspects of the activities of the Company and in common with other listed companies of similar size and organization, it decides upon most such matters as full Board. The Board in discharging its duties is assisted by three Board committees, namely the Audit Committee, Remuneration Committee and Nomination Committee with written terms of reference which define their membership, authorities and responsibilities.

Corporate Governance Statement (continued)

Audit Committee

The Audit Committee comprise exclusively of three (3) Non-Executive Directors, two (2) of which are Independent, as follows:

Mohd. Razali bin Mohd. Amin ***Chairman***
Dr. Leong Tat Thim
Oliver John Harold Huntsman - appointed to the committee on 25 February 2015.

The Board has delegated to the Committee responsibility for overseeing the financial reporting, internal risk management and control functions for making recommendations to the Board in relation to the appointment of the Group's internal and external auditors.

In order to carry out its duties and responsibilities effectively, the Committee relies on information and support from management across the business. The full Audit Committee Report is presented from pages 48 to 52 and the full Terms of Reference of Audit Committee are presented from pages 53 to 55.

The Audit Committee meets at least four (4) times a year and meets with the External and Internal Auditor without the presence of the Executive Director, Senior Management and Officer In-Charge of Finance at least once (1) a year.

The Committee has met four (4) for the financial year under review, other members of the Board and relevant members of the Management, upon invitation of the Chairman of the Committee, attended the meetings.

Details of the meeting attendance of each Director are as follows:

Directors	Number of meetings held	Number of meetings attended
Mohd. Razali bin Mohd. Amin *	2	2
Roslan Bin Hamir ^^	4	4
Dr. Leong Tat Thim **	2	2

* *Appointed on 25 April 2014*
** *Appointed on 20 June 2014*
^^ *Resigned on 13 January 2015*

Remuneration Committee

The Remuneration Committee comprise exclusively of three (3) Non-Executive Directors, two (2) of which are Independent, as follows:

Dr. Leong Tat Thim ***Chairman***
Mohd. Razali bin Mohd. Amin
Oliver John Harold Huntsman - appointed to the committee on 25 February 2015.

The Committee is responsible for developing the remuneration policy for the Executive Director, Management Officers and Staff, in doing so, the Committee carries out the annual review of the overall remuneration policy and recommends this to the Board for approval.

Corporate Governance Statement (continued)

Remuneration Committee (continued)

The terms of reference of the Remuneration Committee include:

- Determining and agreeing with the Board the policy for the remuneration of the Executive Director, Chairman, Management Officers and such members of the staff that it chooses to consider;
- Reviewing remuneration trends across the Group including the salary increases proposed annually for all Group employees;
- Appointment and termination agreements for senior management;
- Determining targets for bonuses;

The Committee's aim is to ensure that the structure of executive remuneration supports the achievement of the Company's performance objectives and, in turn increases shareholder value. The Company's guiding policy on executive remuneration is as follows:

- Executive remuneration packages should take into account the linkage between pay, performance and nature of work by rewarding both effective management and by making the enhancement of shareholder value a critical success factor in setting of incentives, both short and long term; and
- The overall level of salary, incentives pension and other benefits should be competitive when compared with other companies of similar size and within the industry.

Key remuneration elements are as follows:

Type	Description	Purpose
Base Salary	Cash salary based on individual contribution which is reviewed annually. Members of unions are paid in accordance with the respective Collective Agreements. The Base Salary adopted by the Group was last revised in 2010 where it was higher than the minimum wage of RM900 which became effective for the Malaysia on 1st January 2013.	Reflects the competitive market salary level for the role and takes account of personal performance and contribution to corporate performance.
Pension	15% of employee remuneration is contributed by the Company to the Employees Provident Provident Fund. The prescribed statutory rate is 12%.	Provides funds to be saved for retirement.
Annual Bonus	Paid in cash based on the Company's annual financial performance and the individuals personal performance.	Rewards the achievement of meeting annual financial targets.

Remuneration Committee (continued)

In setting salary level, the Committee considers experience, responsibilities and individual performance during the previous year, and takes account of salary levels with other companies of similar size, within the industry and the rates of increases of other employees.

The Committee operates within agreed terms of reference and in respect of directors' remuneration, is responsible for making recommendations to the Board on the performance related packages for the Executive Director and Senior Management as well as directors.

The Executive Director plays no part in deciding his own remuneration. Directors' fees are tabled to the shareholders for approval at the Annual General Meeting prior to payment to the Director.The details of the remuneration of each Director of the Company during the financial year are as follows:

	2014		
	Basic fee RM	Others RM	Total RM
Executive			
Tsen Keng Yam	32,500	46,803	79,303
Non-Executive			
Dr. Leong Tat Thim	32,500	61,200	93,700
Mohd Razali Mohd. Amin	32,500	26,000	58,500
Roslan bin Hamir	70,000	40,800	110,800
Timothy John Huntsman	32,500	37,600	70,100
Oliver John Harold Huntsman	32,500	41,200	73,700
Lim Hu Fang	32,500	16,200	48,700
Juliana Manohari Devadason	32,500	20,000	52,500
Stephen William Huntsman	32,500	16,200	48,700
Grand Total	330,000	306,003	636,003

The Remuneration Committee meets at least once (1) a year.

The Committee has met once (1) for the financial year under review, other members of the Board and relevant members of the Management, upon invitation of the Chairman of the Committee, attended the meetings.

Details of the meeting attendance of each Director are as follows:

Directors	Number of meetings held	Number of meetings attended
Dr. Leong Tat Thim **	1	1
Mohd. Razali bin Mohd. Amin *	1	1
Roslan Bin Hamir ^^	2	2

* *Appointed on 25 April 2014*
** *Appointed on 20 June 2014*
^^ *Resigned on 13 January 2015*

Corporate Governance Statement (continued)

Nomination Committee

The Nomination Committee comprise exclusively of three (3) Non-Executive Directors, two (2) of which are Independent, as follows:

Dr. Leong Tat Thim ***Chairman***
Mohd. Razali bin Mohd. Amin
Oliver John Harold Huntsman - appointed to the committee on 25 February 2015.

The Board has delegated to the Committee responsibility for reviewing and proposing appointments to the Board and for recommending any other changes to the composition of the Board or the Board Committees. The Committee ensures that there is clarity in respect of the role description and capabilities required for such appointments. The Committee is also responsible for the annual evaluation of the Board, its commitments and its Directors.

Appointments to the Board are made on merit, against objective criteria and with due regard for the benefits of diversity on the Board. This process is led by the Committee which, after evaluating the balance of skills, knowledge and experience of each Director, makes recommendations to the Board. The Board's appointments reinforce the Board's principle that appointments are made on merit, in line with its current and future requirements, and reflect the size of the Group.

An internal performance assessment was undertaken by the Board during the year, as the Board believes that it has the appropriate resources and experience to undertake such reviews. The Chairman acted as the sponsor of the evaluation process and each Director was required to score a questionnaire for review by the Committee and the Board. The Company Secretary acted as facilitator to the Board and issues arising from the process were evaluated and acted upon.

The Board is satisfied about the balance, and effectiveness and commitment of each Director and that the Board is able to operate effectively. In particular the Board contributes valuably to strategy, has appropriate matters reserved to it for its decision and commits the necessary time to be effective.

The Nomination Committee meets at least once (1) a year.

The Committee has met once (1) for the financial year under review, other members of the Board and relevant members of the Management, upon invitation of the Chairman of the Committee, attended the meetings.

Nomination Committee (continued)

Details of the meeting attendance of each Director are as follows:

Directors	Number of meetings held	Number of meetings attended
Dr. Leong Tat Thim **	1	1
Mohd. Razali bin Mohd. Amin *	1	1
Roslan Bin Hamir ^^	2	2

**   Appointed on 25 April 2014*
***   Appointed on 20 June 2014*
^^   Resigned on 13 January 2015

III. RELATIONSHIP WITH SHAREHOLDERS AND INVESTORS

The Board maintains a policy of keeping its shareholders and investors, irrespective of size, informed about the Group's activities and progress as the Directors value a constructive relationship with its shareholders and investors. Communication with shareholders and investors through timely announcements to Bursa Malaysia Securities Berhad are given high priority. In addition, quarterly report announcements, the financial statements and other required announcements are available at Bursa Malaysia's website or at the Company's own website at *www.riverview.com.my.* The Company's website contains vital information concerning the Company and is updated on a regular basis.

All members of the Board receive copies of reports of the Company which it is aware of. The Non-Executive Directors, having considered the Code with regard to relations with shareholders, are of the view that it is most appropriate for the stakeholders to have dialogue with the Chairman. However, should shareholders have concerns, which they feel cannot be resolved through normal dialogue, Senior Independent Director and remaining Non-Executive Directors may be contacted upon request.

The principal forum for dialogue with shareholders remains at the Annual General Meeting ("AGM"). Notice of the Annual General Meeting and the Annual Report are sent to shareholders at least 21 days before the date of the meeting.

The presence of Board members, representatives of the External Auditors at each AGM demonstrates a high level of accountability and transparency as it enables an available response to queries regarding business operations and financial statements of the Company.

Corporate Governance Statement (continued)

IV. ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board is committed to present a balanced and meaningful assessment of the Group's performance, this is done primarily through the annual financial statements and quarterly announcement of results to Bursa Malaysia and on the Company's website.

A detailed formal budgeting process for the Group's business culminates in an annual budget which approved by the Board. Results for the Group are reported monthly against the budget to the Board and revised forecast are reviewed and amended half yearly.

Financial controls and accounting policies are set by the Board so as to meet appropriate levels of effective financial control. Compliance with these policies and controls is reviewed where necessary by external auditors.

The Chairman's statement and review of operations also highlight the financial and operational performance as well as the Group's prospects.

Directors' Responsibility Statements In Respect Of The Preparation Of The Audited Financial Statements

The Company's financial statements have been prepared in accordance with the provisions of the Companies Act, 1965 and accounting standards adopted by the Malaysian Accounting Standards Board. The Board is responsible to ensure that the accounting policies are consistently applied and the financial statements of the Company present a balanced and understandable assessment of the state of affairs of the Company. In addition, the Board is also assisted by the Audit Committee to oversee the Company's financial reporting process and the quality of its financial reporting.

A statement of the Directors pursuant to Section 169 of the Companies Act, 1965 is set out on page 75.

A statement of the Directors' responsibility in relation to the financial statements is set out on page 59.

Internal Control

The Board is aware of its responsibilities for the Group's system of Internal control covering not only financial but also operational and compliance controls as well as risk Management.

A statement on Internal Control of the Group is set out on pages 56 to 58.

Relationship with Auditors

The Company has established a transparent, active and formal relationship with the Auditors, both External and Internal, through the Audit Committee.

The Audit Committee meets with the External Auditors at least two (2) times a year and at least once (1) without the presence of the Executive Director, Senior Management and Officer In-Charge of Finance. In addition, the External Auditors also to attend the Annual General Meeting of the Company and are available to answer questions from shareholders' with regards the conduct, preparation and contents of their audit report.

Corporate Governance Statement (continued)

The amount of non-audit fees (excluding service tax and expenses) paid to the External Auditors by the Company during the financial year under review amounted to RM5,000.00.

The role of the Audit Committee in relation to the Auditors is set out in the Audit Committee Report on pages 48 to 52 of the Annual Report.

Corporate Social Responsibility

The Group is committed to sustainable development. Community responsibilities, environment, health and safety are absolutely essential to way we conduct our business. We recognize our obligation to our stakeholders which encompasses our commitment to deliver profits to enhance shareholder value and at the same time, make a positive contribution to our employees, stakeholders and to society in general.

The Corporate Social Responsibility Statement of the Group is set out on pages 60 to 67.

Audit Committee Report

The Board of Directors is pleased to present the Audit Committee Report for the financial year ended 31 December 2014.

Membership

The Audit Committee comprise exclusively of three (3) Non-Executive Directors, two (2) of which are Independent, as follows:

Mohd. Razali bin Mohd. Amin ***Chairman***
Dr. Leong Tat Thim
Oliver John Harold Huntsman - appointed to the committee on 25 February 2015.

Each member of the Committee is financially literate and has extensive years of relevant industry experience, profile of each Director is presented on pages 19 to 20 of this Annual Report.

Term of Reference

The Committee was established on 13 September 1994 to act as a Committee of the Board of Directors, with the written terms of reference set out on pages 53 to 55 of this Annual Report.

Meetings

During the financial year, four (4) Audit Committee meetings were held and the details of the meeting attendance by each member are as follows:

Directors	Number of meetings held	Number of meetings attended
Mohd. Razali bin Mohd. Amin *	2	2
Roslan Bin Hamir ^^	4	4
Dr. Leong Tat Thim **	2	2

* *Appointed on 25 April 2014*
** *Appointed on 20 June 2014*
^^ *Resigned on 13 January 2015*

The meetings were appropriately structured through use of agenda, which were distributed to members with sufficient notification.

The Executive Director, where applicable, and the Company Secretary was present by invitation at all meetings. Representatives of the External Auditors and Internal Auditors, Senior Management and other Board Members also attended the meetings, where appropriate, upon invitation of the Committee. The proceedings and minutes of all Committee Meetings are duly recorded and circulated to all members of the Board.

The Audit Committee Chairman continuously engages with members of Senior Management and with the Auditors by way of meetings, in order to be kept informed of matters affecting the Company. Through such engagements, relevant issues are brought to the attention of the Audit Committee in a timely manner.

Role of the Committee

The Board has delegated to the Committee responsibility for overseeing the financial reporting, internal risk management and control functions for making recommendations to the Board in relation to the appointment of the Group's internal and external auditors. In accordance with its terms of reference, the Committee, which reports its finding to the Board, is authorised to:

- monitor the integrity of the annual and half-year results and interim management statements, including a review of the significant financial reporting judgements contained in them;
- review the Company's internal financial controls and internal control and risk management systems;
- monitor and review the effectiveness of the Company's internal audit function;
- establish and oversee the Company's relationship with the external auditors, including the monitoring of their independence; and
- monitor matters raised pursuant to the Company's whistleblowing arrangements.

To enable it to carry out its duties and responsibilities effectively, the Committee relies on information and support from management across the business.

Risk Management

The Audit Committee is responsible for the implementation for the Group's risk management policy through the risk management system. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable, but not absolute, assurance against material misstatement or loss.

It is the aim of the Group to promote a culture where, as a matter of good business practice, both risk and opportunity are identified and managed, thereby ensuring more informed and effective business decisions are made and that the Group achieves its objectives and targets. The Committee will review risk appetite to ensure it is calibrated to the Group's strategic objectives. Risk is assessed formally at the business segment level through risk workshops and via the maintenance of risk registers. The updating of the risk registers is a continuous process involving the identification, evaluation and management of risks by individual managers. Risk exposure will be considered against risk appetite by profiling individual risks in respect of their potential impact and likelihood of occurrence, after consideration of mitigating and controlling actions that are in place.

Internal audit delivers a comprehensive risk-based combined assurance plan and regularly advise the Board of the effectiveness of the design and operation of the control environment. We are also committed to promoting a culture in which people will openly communicate risk to appropriate levels within the Group and in which information on risk, and the actions taken to manage risk, is shared openly through an effective communication process.

The table below lists the principal risks and uncertainties that may affect the Group and highlights the mitigating actions that are being taken and the opportunities that we aim to capture. The content of the table however, is not intended to be an exhaustive list of all the risks and uncertainties that may arise.

Audit Committee Report (continued)

Risk Management (continued)

Principal Risks	Action Plans
Recruitment of labour and staff	- increase quota for foreign labour; - revision of remuneration package; and - improve workers living condition.
Lag time in FFB collection	- review and centralize FFB collection points; - re-arrange and review harvesting system; - tomechanise collection methods;
Pilferage	- employ additional security to escort transportation of FFB; and - rotate locks for gates.
Escalating production costs	- review and study fertilizer application; and - review and improve cash and budget forecasting.

The report and the risk register identify the principal risks to the business and assess the adequacy of controls and procedures in place to mitigate the likelihood and the impact of these risks. The risk reporting regime has created an environment for the development and improvement of risk management procedures across the Group. The Audit Committee reviews the reports and makes recommendations to improve risk management and internal control.

This process of risk identification, measurement and reporting provides a comprehensive on going assessment of the significant risks facing the Group and the mitigating actions taken in respect of those risks. This process ensures that the Group complies with relevant corporate governance best practice in relation to risk management, including the guidance issued under the Turnbull Guidance. The Group's internal audit function reports directly to the Audit Committee in relation to the maintenance of a sound control environment throughout the Group.

Audit Committee Report (continued)

Training and Continuous Engagement

The training seminars attended by members of the Audit Committee are as follows:

Dr Leong Tat Thim
Mandatory Accreditation Programme – Bursatra Sdn. Bhd.
2015 Budget Seminar – Ernst & Young

Mohd. Razali bin. Mohd. Amin
Mandatory Accreditation Programme – Bursatra Sdn. Bhd.

Timothy John Huntsman
Mandatory Accreditation Programme – Bursatra Sdn. Bhd.

Oliver John Harold Huntsman
Mandatory Accreditation Programme – Bursatra Sdn. Bhd.

Summary of Activities during the Financial Year

The Committee carried out its duties in accordance with its terms of reference during the financial year. The main activities undertaken by the Committee were as follows:

- Reviewed the External Auditor's scope of work and audit plan for the financial year. Prior to the audit fieldwork, representatives from the External Auditor presented their audit strategy and plan to the Committee;
- Reviewed with the External Auditor the results of the final audit, the Management letter, including Management's response and the evaluation of the system of Internal controls, where applicable;
- Consideration and recommendation to the Board on the re-appointment of the External Auditor and for the approval of the audit fees payable to the External Auditor as disclosed in note 7 to the financial statements;
- Reviewed the independence, objectivity and effectiveness of the External Auditor and the services provided, including non-audit services. Non-audit fees totaling RM5,000 were paid to the External Auditors during the financial year for the review of the Statement of Internal Control.
- Met with the External Auditor twice (2) during the financial year without the presence of the Executive Director, Senior Management and Officer In-Charge of Finance, to discuss problems and reservations arising from the and final audit, if any, or any other matter the Auditor may wish to discuss;
- Reviewed the Internal Auditors' requirements, adequacy of plan, functions and scope of work for the financial year under review;
- Reviewed the Internal audit programme, processes and reports, which highlighted audit issues, recommendations and Management's response. Discussed with Management and ensure appropriate actions were taken to improve the system of Internal controls based on improvement opportunities identified in the Internal audit reports;
- Review the performance and competency of the Internal Auditors;
- Review the risk management system, main risks and mitigating actions;
- Reviewed the quarterly un-audited financial announcements prior to recommending them to the Board for its consideration and approval. The review and discussions were conducted with the Executive Director, Senior Management and Officer In-Charge of Finance;
- Reviewed the Annual Report and the Audited Financial Statements of the Company prior to submission to the Board for its consideration and approval. The review was to ensure that the Audited Financial Statements were drawn up in accordance with the provisions of the Companies Act, 1965 and the applicable approved accounting standards for entities other than private entities issued by the MASB. Any significant issues resulting from the audit of the financial statements by the External Auditor were deliberated.

Audit Committee Report (continued)

Internal Audit Department

The Audit Committee is supported by outsourced internal audit service providers ("Internal Auditors") in the discharge of its duties and responsibilities. The Internal Auditors provide independent assurance on the adequacy and integrity of the risk management, internal control and governance processes. The Internal Auditors' purpose and authority are articulated in the Engagement Letter, Internal Audit Plan, Risk Management Engagement.

The Audit Committee is responsible for the regular review and appraisal of the effectiveness of the risk management, internal audit and governance process within the Group. The Audit Committee reviews and approves the internal audit plan, budget and other resource requirements to ensure that the Internal Auditors are adequately resourced.

In addition, several informal procedures undertaken by the Audit Committee include, regular field and office inspections by members of the Board and of the Audit Committee and the written reports submitted to the Board on the estate operations. The Audit Committee and the Board also review plantation visit reports submitted by an Independent Planting Advisor twice a year.

A summary of the main activities undertaken by the Internal Auditors during the financial year is as follows:

- Prepared the annual risk based internal audit plan for the Audit Committee's approval;
- Conducted one (1) internal audit project in accordance with the approved Internal Audit Plan. This internal audit project covered the plantation operations with particular focus the following:
  - Payment verification and approval (direct and overhead expenditures);
  - Procurement, receipt, storage and issuance of plantation materials; and
  - Job contracting.
- Issued audit reports to the Audit Committee, with copies extended to Management, identifying weaknesses and issues as well as highlighting improvement opportunities;

Internal audit fees of RM32,500 were paid to the Outsourced Internal Auditors for the financial year 2014.

Further details of the activities of the internal audit are set out in the Statement of Internal Control on pages 56 to 58.

Term of Reference of the Audit Committee

Objectives

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling the following oversight objectives on the activities of the Company:

- assess the company's process relating to its governance, risk and control environment;
- oversee financial reporting; and
- evaluate the internal and external audit processes, including issues relating to the system of internal control, risk management and governance within the Company.

Composition

The Board shall elect and appoint an Audit Committee comprising at least three (3) Directors. All members of the Audit Committee shall be Non-Executive Directors, with a majority Independent. All members of the Audit Committee should be financially literate.

The Board shall at all times ensure that at least one (1) member of the Committee:

- must be a member of the Malaysian Institute of Accountants; or
- if not a member of the Malaysian Institute of Accountants, must have at least three (3) years working experience and;
  - must have passed the examinations specified in Part I of the First Schedule of the Accountants Act, 1967; or
  - must be a member of one of the associations of accountants specified in Part II of the First Schedule of the of the Accountants Act, 1967 ; or
- must have at least three (3) years' post qualification experience in accounting or finance;
  - has a degree/masters/doctorate in accounting or finance; or
  - is a member of one (1) of the professional accountancy organizations which has been admitted as a full member of the International Federation of Accountants; or
- must have at least seven (7) years experience being a chief financial officer of a corporation or having the function of being primarily responsible for the Management of the financial affairs of a corporation; or
- fulfils such other requirements as prescribed or approved by the Bursa Malaysia

If a member of the Committee resigns, dies or for any reason ceases to be a member with the result that the number of members is reduced to below three (3), the Board shall within three (3) months of the event, appoint new members as may be required to fill the vacancy.

The Chairman of the Committee shall be an Independent Non-Executive Director. No alternate Director of the Board shall be appointed a member of the Committee.

The Board shall review the terms of office and performance of the Audit Committee and each of its members at least once (1) every three (3) years to determine whether the Audit Committee and members have carried out their duties in accordance with their terms of reference.

Term of Reference of the Audit Committee (continued)

Quorum and Committee's Procedures

Meetings shall be conducted at least four (4) times annually, with each meeting planned to coincide with key dates in the Company's financial reporting cycle, or more frequently as circumstances dictate.

The Chairman of the Audit Committee shall engage continuously with the Executive Director, Senior Management, Officer In-Charge of Finance, Representatives of the Internal Auditors and the External Auditors in order to be kept informed of matters affecting the Company.

In order to form a quorum, the majority of the members present must be Independent Non- Executive Directors. In the absence of the Chairman, the members shall elect a Chairman for the meeting from amongst them.

The Company Secretary shall be appointed Secretary of the Committee ("the Secretary"). The Secretary in conjunction with the Chairman shall draw up the agenda, which shall be circulated together with the relevant support papers, at least one (1) week prior to each meeting to members of the Committee. The Secretary shall be entrusted to record all proceedings and minutes of all meetings of the Committee and the circulation of the minutes to all Board members at each Board Meeting.

The Committee shall regulate the manner of proceeding of its meetings, having regard to normal conventions on such matter.

The Head of Finance, Representatives of the Internal and External Auditors shall attend meetings upon invitation of the Committee. The Committee may, as when deemed necessary, invite other Board members and Senior Management members to attend the meetings.

The Committee shall meet at least twice (2) a year with the Internal and External Auditor or both, to discuss any matters with the Committee without the presence of the Executive Director, Senior Management, Officer In-Charge of Finance and employees of the Company.

Authority

The Committee is authorised to investigate any matter within its terms of refence and all employees are directed to cooperate with any request made by the Committee.

The Committee shall have full and unrestricted access to any information pertaining to the Company. The Committee shall have direct communication channels with the Internal and External Auditors.

The Committee shall have the resources that are required to perform its duties. The Committee can obtain, at the expense of the Company, outside legal or other independent professional or other advice it considers necessary.

Where the Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a Breach of the Listing Requirements of Bursa Malaysia, the Committee shall promptly report such matter to Bursa Malaysia.

Term of Reference of the Audit Committee (continued)

Responsibilities and Duties

In fulfilling its primary objectives, the Committee shall undertake the following responsibilities and duties:

- Review the quarterly results and the year-end financial statements, prior to approval by the Board, focusing particularly on:
  - changes in or implementation of accounting policies and practices;
  - significant adjustments or unusual events;
  - going concern assumption; and
  - compliance with accounting standards, regulatory and other legal requirements;
- Review with the External Auditor, the audit scope and plan, including any changes to the planned scope of the audit plan;
- Review with the External Auditor, the results of the audit and the Management's response thereto, including the status of previous audit recommendations;
- Review the assistance given by the Company's employees to the Auditors, and any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information;
- Review the appointment and performance of the External Auditor, the audit fee and any question of resignation or dismissal before making recommendations to the Board;
- Review with the External Auditor, its evaluations of the system of Internal controls;
- Review the adequacy of the Internal audit scope, functions, competency and resources of the Internal Auditors and that it has necessary authority to carry out its work;
- Review the internal audit programme, processes and reports to evaluate the findings of internal audit and to ensure that appropriate and prompt remedial action is taken by Management on the recommendations of the Internal Auditors;
- Approve any appointment or termination of Internal Auditors and take cognizance of resignations and providing the resigning party an opportunity to submit reasons for resigning;
- Review any related party transaction and conflict of interest situation that may arise within the Company, including any transaction, procedure or course of conduct that raises question on Management integrity;
- Direct and, where appropriate, supervise any special projects or investigation considered necessary, and review investigation reports on any major defalcations, frauds and thefts; and
- Carry out any other activities, as authorised by the Board.

Statement on Risk Management and Internal Control

Introduction

Paragraph 15.26 (b) of the Listing Requirements of Bursa Malaysia Securities Berhad requires the Board of Directors of public listed companies to include in its Annual Report a "statement about the state of internal controls of the listed issuer". The Board is committed to maintaining a sound system of internal control in the Group and is pleased to provide the following statement, which outlines the nature and scope of internal control and risk management of the Group.

Board Responsibility

The Board acknowledges its responsibility for maintaining a sound system of internal control and risk management process to safeguard shareholders' investment and the Group's assets and for reviewing its adequacy, effectiveness and integrity. The system of internal control covers not only financial controls but operational and compliance controls and risk management procedures. In view of the limitations inherent in any system of internal controls, the system is designed to manage, rather than to eliminate, the risk of failure to achieve the Group's corporate objectives. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement or loss.

Following the publication of the Statement on Internal Control : Guidance for Directors of Public Listed Companies by the Task Force on Internal Control in June 2001 and the revised Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers by an industry led Task Force which is effective on 31 December 2012 (the "Internal Control Guidance"), the Board confirms that there is an ongoing process for identifying, evaluating and managing significant risks faced by the Group. The Board, through its Audit Committee, regularly reviews the results of this process. The Board confirms that this process is in place for the year under review and up to the date of approval of this statement for inclusion in the annual report and that it accords with the Internal Control Guidance.

The Board has established key policies on the Group's risk management and internal control systems, including those established in subsidiary companies, for the purpose of this statement.

Risk Management Framework

The Board fully supports the contents of the Internal Control Guidance and with the assistance of an external service provider, continually review the adequacy and integrity of the risk management processes in place within the various operating businesses in Malaysia and Australia.

Management is responsible for the management of risks, including developing, operating and monitoring the system of internal control and for providing assurance to the Board that it has done so in accordance with the policies adopted by the Board.

A review on the adequacy and effectiveness of the risk management and internal control system has been undertaken and the Board is satisfied that the rule management and internal control system in place is adequate and effective.

The Board also received assurance from the Group's operational management that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

Statement on Risk Management and Internal Control (continued)

Key Risk Management Processes

The Board believes that maintaining a sound system of internal control is founded on a clear understanding and appreciation on the following key elements of the Group's risk management framework:

- A formal risk policy and guidelines, available in hard copy, have been established and communicated to all employees throughout the Group;
- A risk management structure which outlines the lines of reporting and responsibility at the Board, Audit Committee, Risk Management Committee, and Management levels have been established. The risk management structure enhances risk oversight and management, and integrates expectations on risk management into performance management reporting;
- Risk appetites (qualitative and quantitative) for the Group and individual business units have been articulated so as to gauge acceptability of risk exposure;
- The Risk Management Committee's implementation of a Group wide risk assessment process which identifies the key risks facing each business unit, the potential impact and likelihood of those risks occurring, the control effectiveness and the action plans being taken to manage those risks to the desired level;
- The Risk Management Facilitator ensures that there is clear leadership, direction and coordination of the Group wide application of risk management; and
- Ongoing risks management education and training is provided at Management and staff levels.

Internal Audit

The Group has outsourced its internal audit to an external service provider, which provides assurance to the Audit Committee on the adequacy and integrity of internal control systems.

The out-sourced internal audit function meets the requirements of the Guidelines on Internal Audit Function released by the Institute of Internal Auditors Malaysia. The Internal audit reviews the internal audit control systems within the Group on the basis of a rolling two year internal audit strategy and a detailed annual internal audit plan presented to the Audit Committee for approval. The internal audit adopts a risk based approach and prepares its strategy and plan based on risk profiles of the Group.

Other Risk and Control Processes

Apart from risk management and internal audit, the Board has put in place an organizational structure with formally defined responsibility and delegation of authority. A process of hierarchical reporting has been established which provides for a documented and auditable trail of accountability. The procedure include establishing limits of authority and publication of the Rules Book and Standard Operating Procedures Handbook, copies of which can be viewed at each of the Group's business location, highlighting amongst others, policies and procedures on health and safety, training and development, equal employment opportunity, staff performance and handling misconduct.

There are also established procedures for human resource planning, capital expenditure and monitoring of the Group's business and performance.

Statement on Risk Management and Internal Control
(continued)

Other Risk and Control Processes (continued)

These procedures are relevant across the Group and provide continuous assurance to increasingly higher levels of Management and, ultimately to the Board. The processes are reviewed by internal audit, which provides a degree of assurance as to operations and effectiveness of the system of internal controls. Planned corrective actions are independently monitored for timely completion.

The Group's operational management reports to the Board on significant changes in the business, the external environment, performance information as well as quarterly financial information, which includes key financial and operational indicators. This includes, among others, the monitoring of results against budget, with variances being followed up and Management action taken, where necessary. Where areas of improvement in the system are identified, the Board considers recommendation made by both the Audit Committee and Management.

The Board's Commitment

The Board remains committed towards maintaining a sound system of internal control and believe that a balanced achievement of the Group's business objectives and operational efficiency can be attained. The Board is of the view that there were no material losses incurred during the financial year as a result of weaknesses in internal control. The Group continues to take measures to strengthen the internal control environment.

The External Auditors has reviewed this statement for inclusion in the Annual Report of the Group for the year ended 31 December 2014 and reported to the Board that nothing has come to their attention that causes them to believe that the statement is not prepared, in all material respects, in accordance with the disclosed required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is factually inaccurate.

Statement of Directors' Responsibility
In Relation To The Financial Statements

The Directors are required to prepare financial statements which give a true and fair view of the state of affairs of the Group as at the end of each financial year and of its results and its cash flows for that year then ended.

The Directors consider that in preparing the financial statements:

- the Group has used appropriate accounting policies and are consistently applied;
- reasonable and prudent judgments and estimates were made; and
- all applicable approved accounting standards in Malaysia have been followed.

The Directors are responsible for ensuring that the Group maintains accounting records that disclose with reasonable accuracy the financial position of the Group, and which enable them to ensure that the financial statements comply with the Companies Act 1965.

The Directors have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities.

This statement is prepared as required by the Bursa Malaysia Listing Requirements.

Corporate Social Responsibility Statement

Corporate Social Responsibility (CSR) is not new to your Company, being involved in the agriculture industry with a presence of more than 75years, we recognize our obligation to our stakeholders. This encompasses our commitment to deliver profits, to enhance shareholder value and at the same time, make a positive contribution to our employees, stakeholders and to society in general.

In the recent years, claims indicating oil palm cultivation as the main cause towards deforestation in Malaysia have often made headlines globally. We wish to categorically state that we welcome environmental consciousness and view it as absolutely essential. Nevertheless, it has to be said that the most robust kind of development can only be carried out through the interchange of facts, which often have not been the case with such claims. In this regard, it is important to acknowledge that the pace of oil palm cultivation and expansion is disproportionate to deforestation caused by illegal logging.

We fully support the initiatives undertaken to ensure sustainable oil palm cultivation and the production of palm oil, we have a heritage of maintaining a high degree of commitment that is directed towards social well being and compassion for our employees, today such practices are known as CSR.

Your Company is committed to build on practices which are sustainable and this pledge is exhibited in the execution of activities which assist our customers in reaching their goals, engages our employees, supports the local community and preserve the environment, all this we do with integrity and ethics in mind.

In assuming CSR, we recognise the benefits that have accrued to the business including the strengthening of our reputation, as well as enhancing employee motivation, which in turn contribute to the long term well being of your Company. Our CSR involvement primarily focuses with the direct community with which your Company operates. Past, present and ongoing CSR initiatives include the following:

Annual Dinner – *Our first ever annual dinner*

Corporate Social Responsibility Statement (continued)

Annual Dinner – *Family of our Staff with their lucky draw prizes*

WORKPLACE

Safety

To ensure a safe, productive and efficient work environment, our estates have a pictorial safety and awareness campaign to educate and train our workforce to operate with Occupational Safety And Health Act ("OSHA") requirements. A Chemical Health Risk Assessment was carried out to assess the health of employees and persons working in the estates to chemicals.

New Store & Garage – *A new store and garage being constructed in Narborough Estate.*

Corporate Social Responsibility Statement (continued)

WORKPLACE (continued)

Safety (continued)

In the past year, all machinery and implements have undergone a process of review and inspection that resulted in major overhaul or purchase of new items. All FFB loading ramps have been converted to a chain block door system for added safety features.

Housing

A high degree of care is directed at toward the social well being of our employees. We provide housing amenities, places of worship, child care services, recreational facilities, transportation subsidies, utilities subsidies and subsidies for furniture and fittings for our employees.

In past four years, your Company has also been upgrading living quarters for our staff and workers, these upgrades include re-wiring, plumbing as well as engineering works, all upgrades comply with the relevant regulations and have received clearance from the relevant authorities as safe for occupation.

Your Company continues with its Employee Housing Refurbishment Programme to ensure that we provide comfortable and modern housing.

Centenary Lunch – *Buloh Akar Estate celebrated its Centenary in 2014. Long Service Pewter Plaques and Gold Wafers were given to staff in recognition of their services and loyalty to the Company.*

Medical

We provide full medical benefits to our employees and this benefit is extended to their immediate family members. We have also appointed additional Medical Doctors to our panel, one of whom is a qualified Occupational Health Physician.

Corporate Social Responsibility Statement (continued)

Social Welfare

We provide all new foreign labour with sufficient food and cash to last them until they receive their first wages, this is to enable them to hold up and live comfortably until their first pay day.

We have also converted and upgraded the community halls with flat screen televisions to enable the workers to have some recreational time and down time.

The effort to improve estate lives for the workers is an on-going commitment and your Company will continue in its efforts towards enhancing employee motivation.

Centenary Lunch – *Staff and family members as well as contractors were invited to the lunch.*

Training

Courses were conducted in order to maintain a continuous training development programme for our staff, including in house and external courses, as well as seminars for all Estate In-Charges and clerical staff to ensure that they remain up to-date on matters affecting their work and industry.

COMMUNITY

Rice and Cooking Oil Programme

This programme is a continuous programme adopted by your Company to feed the disadvantaged, it involves the distribution of rice and cooking oil to the needy, orphanages and children homes in Perak. To date with assistance of the local authorities among others, your company has identified more than 25 such families, to whom rice and cooking oil have been distributed. The distribution is carried out monthly by our employees, timely assessments will be carried out to ensure that only the needy receive such assistance.

Corporate Social Responsibility Statement (continued)

COMMUNITY (continued)

Rice and Cooking Oil Programme (continued)

We intend to expand this programme to include more families as well as the type of assistance, we have provided school uniforms and shoes and future plans include the reimbursement of transportation to schools.

God's Little Acre

God's Little Acre Ceremony is an Annual Commemorative Ceremony held at the Christian Cemetery at Batu Gajah. Dating back to 1891, the Cemetery serves as the final resting place for the early expatriate pioneers of Perak as well as for many Planters, Colonial Police Officers, British and Commonwealth Troops who rallied to support this country during the emergency from 1948 to 1960.

***God's Little Acre –** Gurkha's in attendance at the ceremony*

Financial Assistance

In addition to all the above initiatives undertaken by your Company towards supporting the Community, we continue to financially support various organisations and causes.

ENVIRONMENT

Land Clearing

We have a policy against open burning as this not only ensures that the air pollution is mimimised but also results in numerous advantages as well. The vestige debris is left to biodegrade, thus releasing nutrients and adding valuable organic matter to the soil, this reduces the use of inorganic fertlisers and also lowers carbon dioxide emission.

As part of the replanting programme felled trunks were recycled and used as mulch, enabling the nutrients to be recycled and released into the grounds, it also reduces the use or inorganic fertliser, thus preserving the soil.

Empty Fruit Bunches – *Empty Fruit Bunches being weighed before sent to the fields for mulching*

Soil Fertility

To maintain soil fertility and reduce erosion, best practices through bio-engineering means via vegetation and plant succession on hilly terrain is used and encouraged at all our estates. Frond placement, cover crop, use of empty fruit bunch (EFB) mulching is used to enable organic matter intensity to build up.

Fertiliser Use

We have a policy of maximising organic manuring and minimising the use of inorganic fertlisers by a program of nutrient recycling of oil palm and palm oil by products such as EFB and decanter cakes which are recycled through the fields for mulching.

In addition to the trenching, chipping and burying technique, some estate adopted the windrowing technique where the felled trunks were chipped and stacked in rows in the open field and left to disintegrate.

Corporate Social Responsibility Statement (continued)

Empty Fruit Bunches – *Empty Fruit Bunches being applied in the fields*

Fertiliser Use (continued)

When inorganic fertiliser are purchased, extra attention and care is paid to ensure that the fertilisers come from reliable sources that are mercury free. Your company has a policy of testing every batch of fertiliser to ensure that the required specifications are met.

Empty Fruit Bunches – *Empty Fruit Bunches applied to young palms*

Corporate Social Responsibility Statement (continued)

Zero Burning – *Old Palm chips are used as organic mulch*

Pest Management

We have a history of using of biological control to combat pests and diseases instead of chemical control. The use of barn owls and nectarfarious plants to combat rodents and bag worms infestation is a prime example of this practice which enables us to use chemical based pesticides as a last resort.

Young Palms – *Healthy fruit bunches of a 4 year-old palm*

Efficient Water Use

Oil palms benefit from a good supply of water and we maintain a system to harvest rain water such as strategically placed silt pits and dams throughout the estates to for water retention.

Properties Of The Group

Location	Description	Area (HA)	Tenure	Lease Tenure/ Expiry	Date of Revaluation	Net Book Value at 31 December 2014 Land and Buildings RM	Biological Assets RM	Total RM
Riverview Rubber Estates, Berhad								
Buloh Akar Estate Parit, Perak	Oil Palm Plantation	818.49	Freehold	-	November 2012	59,254,994	23,858,136	83,113,130
Sadang Estate Parit, Perak	Oil Palm Plantation	219.06	Freehold	-	November 2012	15,989,679	7,287,320	23,276,999
Hibernia Estate Selama, Perak	Oil Palm Plantation	369.63	Freehold	-	November 2012	25,899,614	5,612,607	31,512,221
Tejdrong Estate Tg. Tualang, Perak	Oil Palm Plantation	377.02	Freehold	-	November 2012	31,486,295	9,547,990	41,034,285
						132,630,582	46,306,053	178,936,635
Tejdrong Estate Tg. Tualang, Perak	Oil Palm Plantation	9.31	Leasehold *	99 years	November 2012	784,106	235,820	1,019,926
						133,414,688	46,541,873	179,956,561
	Buildings		Freehold	-		4,144,687	-	4,144,687
						137,559,375	46,541,873	184,101,248
The Narborough Plantations, PLC ^								
Narborough Estate Sungkai, Perak	Oil Palm Plantation	551.74	Freehold	-	November 2012	52,282,000	17,494,235	69,776,235
	Oil Palm Plantation	11.96	Leasehold #	99 years	November 2012	-	-	-
						52,282,000	17,494,235	69,776,235
	Buildings		Freehold	-		2,754,350	-	2,754,350
						55,036,350	17,494,235	72,530,585

Properties Of The Group (continued)

Location	Description	Area (HA)	Tenure	Lease Tenure/ Expiry	Date of Revaluation	Net Book Value at 31 December 2014 Land and Buildings RM	Biological Assets RM	Total RM
CG Plantations Sdn. Bhd.								
Jeta Estate Tg. Tualang, Perak	Oil Palm Plantation	3.01	Freehold	-	November 2012	223,973	165,714	389,687
	Oil Palm Plantation	2.37	Leasehold *	99 years	November 2012	104,686	77,455	182,141
	Oil Palm Plantation	3.41	Leasehold *	99 years	November 2012	150,624	111,444	262,068
	Oil Palm Plantation	17.64	Leasehold	2029	November 2012	779,182	576,503	1,355,685
	Oil Palm Plantation	6.79	Leasehold	2029	November 2012	299,923	221,908	521,831
	Oil Palm Plantation	20.03	Leasehold	2029	November 2012	884,752	654,612	1,539,364
	Oil Palm Plantation	172.49	Leasehold	2029	November 2012	7,619,115	5,637,246	13,256,361
						10,062,255	7,444,882	17,507,137
	Buildings		Leasehold			121,866	-	121,866
						10,184,121	7,444,882	17,629,003
						202,779,846	71,480,990	274,260,836
Rivaknar Properties (WA) Pty Ltd.								
Rivaknar Court Perth, Australia	Residential Property	0.19	Freehold	-	December 2014	18,081,000	-	18,081,000
Yokine Perth, Australia	Residential Property	0.22	Freehold	-	December 2014	19,803,000	-	19,803,000
						37,884,000	-	37,884,000
						240,663,846	71,480,990	312,144,836

** Lease extension obtained in 2014, pending issuance of land title from authorities.*
 # Lease extension obtained in 2015, pending issuance of land title from authorities. Revalued amount will only be recognised in 2015.
^ Biological assets of Narborough are revalued annually.

2014 Annual Report

76th Annual General Meeting

Directors' Report &
Audited Financial Statements

Directors' report

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2014.

Principal activities

The principal activity of the Company during the financial year is the cultivation of oil palm whilst those of its subsidiaries are disclosed in note 16 to the financial statements. There have been no significant change in the nature of the principal activities during the financial year.

Results

	Group RM	Company RM
Profit net of tax	9,430,989	6,783,222
Attributable to:		
Owners of the parent	7,833,930	6,783,222
Non-controlling interests	1,597,059	-
	9,430,989	6,783,222

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

Dividends

The amount of dividends paid or declared by the Company since 31 December 2013 are as follows:

In respect of the financial year ended 31 December 2014:

	RM
An interim ordinary dividend of 10 sen per share under the single tier system on 64,850,448 ordinary shares, paid on 18 July 2014	6,485,045

The directors do not recommend the payment of any final dividend in respect of the current financial year.

Directors' report (continued)

Directors

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

Mohd. Razali bin Mohd. Amin	
Oliver John Harold Huntsman	
Dr. Leong Tat Thim	(Appointed on 20.06.2014)
Timothy Huntsman	(Appointed on 20.06.2014)
Juliana Manohari Devadason	(Retired on 20.06.2014)
Lim Hu Fang	(Resigned on 20.06.2014)
Stephen William Huntsman	(Resigned on 20.06.2014)
Tsen Keng Yam	(Resigned on 30.06.2014)
Roslan bin Hamir	(Resigned on 13.01.2015)

Directors' benefits

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors as shown in the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

Directors' interests

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares of RM1 each			
The Company	**At 1.1.2014**	**Bought**	**Sold**	**At 31.12.2014**
Direct interest				
Roslan bin Hamir	1,000	-	-	1,000
Oliver John Harold Huntsman	-	1,000	-	1,000
Timothy Huntsman	-	1,000	-	1,000
Dr. Leong Tat Thim	-	1,000	-	1,000
Mohd Razali bin Mohd. Amin	-	1,000	-	1,000

Directors' interests (cont'd)

	Number of ordinary shares of RM1 each			
	At 1.1.2014	Bought	Sold	At 31.12.2014
Indirect interest				
Oliver John Harold Huntsman	40,860,092	-	-	40,860,092
Timothy Huntsman	40,860,092	-	-	40,860,092
Sungei Ream Holdings Sendirian Berhad (Immediate holding company)				
Indirect interest				
Oliver John Harold Huntsman	11,739,022	-	-	11,739,022
Timothy Huntsman	11,739,022	-	-	11,739,022
Buloh Akar Holdings Sendirian Berhad (Ultimate holding company)				
Direct interest				
Oliver John Harold Huntsman	315,747	-	-	315,747
Indirect interest				
Timothy Huntsman	458,014	-	-	458,014

Other than the above, none of the directors holding office at the end of the financial year had any interest in shares in the Company and its related corporations during the financial year.

Other statutory information

(a) Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there were no known bad debts and that no allowance for doubtful debts was necessary; and

(ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise

(b) At the date of this report, the directors are not aware of any circumstances which would render:

(i) it necessary to write off any bad debts or to make any allowance for doubtful debts in respect of the financial statements of the Group and of the Company; and

(ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

Directors' report (continued)

Other statutory information (cont'd)

(c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

(e) As at the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability in respect of the Group or of the Company which has arisen since the end of the financial year.

(f) In the opinion of the directors:

(i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

Subsequent event

The subsequent event is disclosed in Note 34 to the financial statements.

Auditors

The auditors, Sekhar & Tan, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 27 April 2015.

Dr. Leong Tat Thim	**Mohd Razali bin Mohd. Amin**
Ipoh, Perak Darul Ridzuan, Malaysia	Kuala Lumpur, Malaysia

Statement by directors

Pursuant to Section 169(15) of the Companies Act, 1965

We, Dr. Leong Tat Thim and Mohd Razali bin Mohd. Amin, being two of the directors of Riverview Rubber Estates, Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 78 to 147 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2014 and of their financial performance and cash flows for the year then ended.

The information set out in Note 35 to the financial statements have been prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the directors dated 27 April 2015.

Dr. Leong Tat Thim

Ipoh, Perak Darul Ridzuan, Malaysia

Mohd Razali bin Mohd. Amin

Kuala Lumpur, Malaysia

Statutory declaration

Pursuant to Section 169(16) of the Companies Act, 1965

I, Mohd Razali bin Mohd. Amin, the director primarily responsible for the financial management of Riverview Rubber Estates, Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 78 to 147 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared
by the abovenamed Mohd Razali bin Mohd. Amin
at Kuala Lumpur, in Wilayah Persekutuan.
on 27 April 2015.

Mohd Razali bin Mohd. Amin

Before me,

Commissioner for Oaths
Mohan A.S. Maniam
No. W521

Independent Auditors' Report

to the members of Riverview Rubber Estates, Berhad (Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of Riverview Rubber Estates, Berhad, which comprise the statements of financial position as at 31 December 2014 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 78 to 147.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia, and for such internal control as the directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2014 and of their financial performance and cash flows for the year then ended.

Independent Auditors' Report (continued)

to the members of Riverview Rubber Estates, Berhad (Incorporated in Malaysia)

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and the subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act;

(b) We have considered the financial statements and the auditors' reports of the subsidiaries of which we have not acted as auditors, and which is indicated in note 16 to the financial statements, being financial statements that have been included in the consolidated financial statements;

(c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for these purpose;

(d) The auditors' reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other matters

(a) The supplementary information set out in Note 35 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

(b) This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Sekhar & Tan
No. AF 0926
Chartered Accountants

Siew Kah Toong
No. 1045/03/16 (J)
Chartered Accountant

Kuala Lumpur
Date: 27 April 2015

Statements Of Profit or Loss and Other Comprehensive Income
For the financial year ended 31 December 2014

		Group		Company	
		2014	2013	2014	2013
	Note	RM	RM	RM	RM
Revenue	4	30,088,248	29,105,796	19,321,982	19,345,967
Cost of sales		(12,116,987)	(12,955,891)	(8,302,248)	(8,709,200)
Gross profit		17,971,261	16,149,905	11,019,734	10,636,767
Other items of income					
Interest income	5	1,220,091	1,384,940	778,073	990,730
Dividend income	6	172,139	121,649	699,322	1,090,463
Fair value changes in investment properties		466,321	1,816,600	-	-
Gain on disposal of investment properties		-	1,237,444	-	-
Gain on disposal of property plant and equipment and biological asset		107,963	209,321	47,000	192,221
Other income		79,613	182,095	28,763	84,210
Other items of expense					
Replanting expenditure		(1,865,115)	(1,358,516)	(1,263,868)	(545,344)
Property, plant and equipment written off		-	(1,193)	-	(563)
Amortisation of leasehold land		-	(17,614)	-	-
Depreciation		(1,312,045)	(1,157,731)	(526,444)	(374,802)
Finance costs		(62,923)	(410,702)	(31,904)	-
Administrative expenses		(4,275,077)	(2,621,883)	(1,996,171)	(1,298,724)
Results from operating activities		12,502,228	15,534,315	8,754,505	10,774,958
Foreign exchange (loss)/gain		(43,364)	1,200,533	(56,299)	941,960
Profit before taxation	7	12,458,864	16,734,848	8,698,206	11,716,918
Taxation	9	(3,027,875)	(3,849,616)	(1,914,984)	(2,236,543)
Profit net of tax		9,430,989	12,885,232	6,783,222	9,480,375
Other comprehensive income:					
Items that may be reclassified subsequently to profit or loss					
(Loss)/Gain on fair value changes of available-for-sale financial assets		(263,004)	117,740	(133,280)	83,300
Foreign exchange translation		(732,898)	(2,859,962)	-	-
		(995,902)	(2,742,222)	(133,280)	83,300

Statements Of Profit or Loss and Other Comprehensive Income (continued)
For the financial year ended 31 December 2014

	Note	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Items that will not be reclassified subsequently to profit or loss					
Deferred tax liability on revaluation surplus of freehold land		(2,526,402)	(7,129,662)	(182,255)	(7,129,662)
Surplus on revaluation of biological assets		512,821	649,544	-	-
Surplus on revaluation of leasehold land		759,395	-	759,395	-
		(1,254,186)	(6,480,118)	577,140	(7,129,662)
Other comprehensive income, net of tax		(2,250,088)	(9,222,340)	443,860	(7,046,362)
Total comprehensive income for the year		7,180,901	3,662,892	7,227,082	2,434,013
Profit attributable to:					
- Owners of the Company		7,833,930	10,685,071	6,783,222	9,480,375
- Non-controlling interests		1,597,059	2,200,161	-	-
		9,430,989	12,885,232	6,783,222	9,480,375
Total comprehensive income attributable to:					
- Owners of the Company		6,935,159	2,551,305	7,227,082	2,434,013
- Non-controlling interests		245,742	1,111,587	-	-
		7,180,901	3,662,892	7,227,082	2,434,013
Earnings per share attributed to owners of the Company (sen)					
Basic	10	12.08	16.48		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements Of Financial Position

as at 31 December 2014

	Note	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Assets					
Non-current assets					
Property, plant and equipment	12	204,373,982	202,189,800	138,879,146	137,005,572
Biological assets	13	71,480,990	70,968,169	46,541,873	46,541,873
Investment properties	14	37,884,000	38,192,550	-	-
Prepaid land lease payments	15	-	-	-	-
Investment in subsidiaries	16	-	-	1,006,505	1,006,505
Investment securities	17	3,027,836	3,290,840	2,032,520	2,165,800
Goodwill on consolidation	18	2,731,763	2,731,763	-	-
Deferred tax assets	19	29,726	44,317	29,726	24,723
		319,528,297	317,417,439	188,489,770	186,744,473
Current assets					
Deferred nursery expenditure		500,990	399,908	444,764	386,644
Inventories - at cost		105,746	155,771	52,577	118,048
Trade and other receivables	20	1,096,463	9,730,526	552,210	1,184,113
Other current assets - prepayments		105,295	206,565	17,757	30,371
Tax recoverable		1,363,362	5,190,108	1,085,958	4,733,381
Cash on hand and at banks	21	56,715,084	2,937,663	54,849,624	1,321,045
Deposits with financial institutions	21	19,848,237	63,618,193	455,136	47,242,564
		79,735,177	82,238,734	57,458,026	55,016,166
Total assets		399,263,474	399,656,173	245,947,796	241,760,639

Statements Of Financial Position (continued)

as at 31 December 2014

	Note	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Equity and liabilities					
Current liabilities					
Trade and other payables	22	2,457,210	9,383,778	1,228,223	7,637,222
Provision for retirement benefits	23	26,186	634	26,186	634
Borrowings	24	10,031,904	5,788,432	10,031,904	-
		12,515,300	15,172,844	11,286,313	7,637,856
Net current assets		67,219,877	67,065,890	46,171,713	47,378,310
Non-current liabilities					
Deferred tax liabilities	19	20,478,713	18,367,139	7,346,076	7,544,707
Provision for retirement benefits	23	106,181	105,781	93,554	98,260
		20,584,894	18,472,920	7,439,630	7,642,967
Total liabilities		33,100,194	33,645,764	18,725,943	15,280,823
Net assets		366,163,280	366,010,409	227,221,853	226,479,816
Equity attributable to owners of the Company					
Share capital	25	64,850,448	64,850,448	64,850,448	64,850,448
Reserves	26	181,081,067	181,979,838	143,057,390	142,613,530
Retained profits	27	50,079,932	48,731,047	19,314,015	19,015,838
		296,011,447	295,561,333	227,221,853	226,479,816
Non-controlling interests	28	70,151,833	70,449,076	-	-
Total equity		366,163,280	366,010,409	227,221,853	226,479,816
Total equity and liabilities		399,263,474	399,656,173	245,947,796	241,760,639

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements Of Changes In Equity

For the financial year ended 31 December 2014

	Attributable to owners of the Company								
		Non-distributable		Distributable					
	Share capital RM	Capital reserve RM	Fair value adjustment reserve RM	Capital reserve RM	General reserve RM	Retained profits RM	Total RM	Non-controlling interests RM	Total equity RM
Group									
At 1 January 2013	64,850,448	180,670,589	1,409,758	1,793,446	6,565,911	52,384,549	307,674,701	-	307,674,701
Effect of adoption of FRS 10	-	(1,052,265)	11	967,645	(48,580)	(1,561,394)	(1,694,583)	70,293,558	68,598,975
	64,850,448	179,618,324	1,409,769	2,761,091	6,517,331	50,823,155	305,980,118	70,293,558	376,273,676
Profit or loss	-	-	-	-	-	10,685,071	10,685,071	2,200,161	12,885,232
Other comprehensive income	-	(8,234,263)	100,497	-	-	-	(8,133,766)	(1,088,574)	(9,222,340)
Revaluation reserve realised on disposal of property	-	(192,911)	-	-	-	192,911	-	-	-
Total comprehensive income	-	(8,427,174)	100,497	-	-	10,877,982	2,551,305	1,111,587	3,662,892
Transactions with owners									
Dividends (Note 11)	-	-	-	-	-	(12,970,090)	(12,970,090)	-	(12,970,090)
Dividends paid to non-controlling interests of a subsidiary	-	-	-	-	-	-	-	(956,069)	(956,069)
At 31 December 2013	64,850,448	171,191,150	1,510,266	2,761,091	6,517,331	48,731,047	295,561,333	70,449,076	366,010,409

Statements Of Changes In Equity (continued)

For the financial year ended 31 December 2014

	Attributable to owners of the Company								
		Non-distributable		Distributable					
	Share capital RM	Capital reserve RM	Fair value adjustment reserve RM	Capital reserve RM	General reserve RM	Retained profits RM	Total RM	Non-controlling interests RM	Total equity RM
Group									
At 1 January 2014	64,850,448	171,191,150	1,510,266	2,761,091	6,517,331	48,731,047	295,561,333	70,449,076	366,010,409
Profit or loss	-	-	-	-	-	7,833,930	7,833,930	1,597,059	9,430,989
Other comprehensive income	-	(700,715)	(198,056)	-	-	-	(898,771)	(1,351,317)	(2,250,088)
Total comprehensive income	-	(700,715)	(198,056)	-	-	7,833,930	6,935,159	245,742	7,180,901
Transactions with owners									
Dividends (Note 11)	-	-	-	-	-	(6,485,045)	(6,485,045)	-	(6,485,045)
Dividends paid to non-controlling interests of a subsidiary	-	-	-	-	-	-	-	(542,985)	(542,985)
At 31 December 2014	64,850,448	170,490,435	1,312,210	2,761,091	6,517,331	50,079,932	296,011,447	70,151,833	366,163,280

Statements Of Changes In Equity (continued)

For the financial year ended 31 December 2014

	Attributable to owners of the Company						
		Non-distributable		Distributable			
	Share capital RM	Capital reserve RM	Fair value adjustment reserve RM	Capital reserve RM	General reserve RM	Retained profits RM	Total RM
Company							
At 1 January 2013	64,850,448	142,786,144	1,304,466	-	5,762,193	22,312,642	237,015,893
Profit or loss	-	-	-	-	-	9,480,375	9,480,375
Other comprehensive income	-	(7,129,662)	83,300	-	-	-	(7,046,362)
Total comprehensive income	-	(7,129,662)	83,300	-	-	9,480,375	2,434,013
Transfer to retained profits	-	(192,911)	-	-	-	192,911	-
Transactions with owners							
Dividends (Note 11)	-	-	-	-	-	(12,970,090)	(12,970,090)
At 31 December 2013	64,850,448	135,463,571	1,387,766	-	5,762,193	19,015,838	226,479,816
At 1 January 2014	64,850,448	135,463,571	1,387,766	-	5,762,193	19,015,838	226,479,816
Profit or loss	-	-	-	-	-	6,783,222	6,783,222
Other comprehensive income	-	577,140	(133,280)	-	-	-	443,860
Total comprehensive income	-	577,140	(133,280)	-	-	6,783,222	7,227,082
Transactions with owners							
Dividends (Note 11)	-	-	-	-	-	(6,485,045)	(6,485,045)
At 31 December 2014	64,850,448	136,040,711	1,254,486	-	5,762,193	19,314,015	227,221,853

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements Of Cash Flows

For the financial year ended 31 December 2014

	Group		Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
Operating activities				
Profit before taxation	12,458,864	16,734,848	8,698,206	11,716,918
Adjustments for:				
Amortisation of prepaid land lease payments	-	17,614	-	-
Depreciation of property, plant and equipment	1,312,045	1,157,731	526,444	374,802
Dividend income	(172,139)	(121,649)	(699,322)	(1,090,463)
Unrealised loss/(gain) on foreign exchange	132,206	(1,200,533)	132,206	(941,960)
Interest income	(1,220,091)	(1,384,940)	(778,073)	(990,730)
Interest expense	62,923	410,702	31,904	-
Fair value gain on investment properties	(466,321)	(1,816,600)	-	-
Gain on disposal of investment properties	-	(1,237,444)	-	-
Gain on disposal of property plant and equipment and biological asset	(107,963)	(209,321)	(47,000)	(192,221)
Property, plant and equipment written off	-	1,193	-	563
Provision/(Reversal) for retirement benefits	25,952	(2,819)	20,846	-
Total adjustments	(433,388)	(4,386,066)	(812,995)	(2,840,009)
Operating profit before changes in working capital	12,025,476	12,348,782	7,885,211	8,876,909
Changes in working capital:				
Inventories	50,025	75,808	65,471	24,265
Receivables	8,567,811	(1,285,806)	644,517	(289,499)
Payables	(337,443)	456,297	76,046	(34,986)
Deferred nursery expenditure	(101,082)	(137,247)	(58,120)	(131,926)
Total changes in working capital	8,179,311	(890,948)	727,914	(432,146)
Cash flows from operation	20,204,787	11,457,834	8,613,125	8,444,763
Retirement benefits paid	-	(4,222)	-	(4,222)
Taxes paid	(4,062,004)	3,694	(3,087,492)	-
Taxes refund	4,456,203	(3,415,175)	4,434,042	(3,087,500)
Net cash flows from operating activities	20,598,986	8,042,131	9,959,675	5,353,041

Statements Of Cash Flows (continued)

For the financial year ended 31 December 2014

	Group		Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
Investing activities				
Purchase of property, plant and equipment	(2,758,869)	(3,394,749)	(1,640,623)	(2,142,977)
Proceeds from disposal of property, plant and equipment and biological asset	130,000	467,100	47,000	450,000
Placement of monies with stakeholders (Note 21)	(48,119,080)	-	(48,119,080)	-
Interest received	1,220,091	1,384,940	778,073	990,730
Dividends received	172,139	96,140	699,322	1,064,954
Net cash flows from investing activities	(49,355,719)	(1,446,569)	(48,235,308)	362,707
Financing activities				
Interest paid	(31,019)	(410,702)	-	-
Dividends paid	(12,970,090)	(16,212,612)	(12,970,090)	(16,212,612)
Dividends paid to Non-controlling interests	(542,985)	(956,069)	-	-
Loan from holding company	10,000,000	-	10,000,000	-
Repayment of term loan	(5,669,898)	(3,516,000)	-	-
Net cash flows used in financing activities	(9,213,992)	(21,095,383)	(2,970,090)	(16,212,612)
Net increase/(decrease) in cash and cash equivalents	(37,970,725)	(14,499,821)	(41,245,723)	(10,496,864)
Effects of exchange rate changes	(140,890)	875,022	(132,206)	941,960
Cash and cash equivalents at beginning of year	66,555,856	58,118,513	48,563,609	58,118,513
Cash and cash equivalents of subsidiaries acquired	-	22,062,142	-	-
Cash and cash equivalents at end of year	28,444,241	66,555,856	7,185,680	48,563,609
Cash and cash equivalents comprise:				
Cash on hand and at banks	8,596,004	2,937,663	6,730,544	1,321,045
Deposits with financial institutions	19,848,237	63,618,193	455,136	47,242,564
Cash and bank balances (Note 21)	28,444,241	66,555,856	7,185,680	48,563,609

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. Corporate information

Riverview Rubber Estates, Berhad is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Bursa Malaysia Securities Berhad. The registered office and principal place of business of the Company are located at 33 (1st Floor) Jalan Dato' Maharajalela 30000 Ipoh, Perak Darul Ridzuan and Riverview Estate, 31800 Tg. Tualang, Perak Darul Ridzuan respectively.

The immediate and ultimate holding companies of the Company are Sungei Ream Holdings Sendirian Berhad and Buloh Akar Holdings Sendirian Berhad respectively, both of which are incorporated in Malaysia.

The principal activity of the Company is the cultivation of oil palm.

There has been no significant change in the nature of the principal activity during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 27 April 2015.

2. Summary significant accounting policies

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared under the historical cost convention unless otherwise indicated in this summary of significant accounting policies and comply with Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 January 2014, the Group and the Company adopted the following applicable new and amended FRS and IC Interpretations mandatory for annual financial periods beginning on or after the dates stated below:

FRS, Amendments to FRS and IC Interpretations	Effective for financial periods beginning on or after
Amendment to FRS 10, FRS 12 and FRS 127 (2011) *Investment Entities*	1 January 2014
Amendments to FRS 132 *Offsetting Financial Assets and Financial Liabilities*	1 January 2014
Amendments to FRS 136 *Recoverable Amount Disclosures for Non-Financial Assets*	1 January 2014
Amendments to FRS 139 *Novation of Derivatives and Continuation of Hedge Accounting*	1 January 2014
IC Interpretation 21 *Levies*	1 January 2014

The adoption of these new and revised FRS and IC Interpretations has no material effect on the financial statements of the Group and the Company.

Notes To The Financial Statements (continued)

For the financial year ended 31 December 2014

2. Summary significant accounting policies (continued)

2.3 Standards issued but not yet effective

At the date of authorisation of these financial statements, the following new FRSs, revised FRSs, Amendments to FRSs and IC Interpretations were issued but not yet effective and have not been applied by the Group and by the Company:

FRS, Amendments to FRS and IC Interpretations	Effective for financial periods beginning on or after
Amendments to FRS 2 *Share-based Payment**	1 July 2014
Amendments to FRS 3 *Business Combination*&***	1 July 2014
Amendments to FRS 8 *Operating Segments**	1 July 2014
Amendments to FRS 13 *Fair Value Measurement*&***	1 July 2014
Amendments to FRS 116 *Property, Plant and Equipment**	1 July 2014
Amendments to FRS 119 *Employee Contributions*	1 July 2014
Amendments to FRS 124 *Related Party Disclosures**	1 July 2014
Amendments to FRS 138 *Intangible Assets**	1 July 2014
Amendments to FRS 140 *Investment Property***	1 July 2014
FRS 14 *Regulatory Deferral Accounts*	1 January 2016
Amendments to FRS 5 *Non-current Assets Held for Sale and Discontinued Operations****	1 January 2016
Amendments to FRS 7 *Financial Instruments: Disclosure ****	1 January 2016
Amendments to FRS 10 and FRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	1 January 2016
Amendments to FRS 10, FRS 12 and FRS 128 (2011) *Investment Entities: Applying the Consolidation Exception*	1 January 2016
Amendments to FRS 11 *Accounting for Acquisitions of Interests in Joint Operations*	1 January 2016
Amendments to FRS 101 *Disclosure Initiative*	1 January 2016
Amendments to FRS 116 and FRS 138 *Clarification of Acceptable Methods of Depreciation and Amortisation*	1 January 2016
Amendments to FRS 119 *Employee Contributions****	1 January 2016
Amendments to FRS 127 (2011) *Equity Method in Separate Financial Statements****	1 January 2016
Amendments to FRS 134 *Interim Financial Reporting****	1 January 2016
FRS 15 *Revenue from Contracts with Customers*	1 January 2017
FRS 9 *Financial Instruments (2014)*	1 January 2018
Amendments to FRS 7 *Mandatory Effective Date of FRS 9 and Transition Disclosures*	1 January 2018

** Annual improvements to FRSs 2011-2013 Cycle
*** Annual improvements to FRSs 2012-2014 Cycle

2. Summary significant accounting policies (continued)

2.3 Standards issued but not yet effective (continued)

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application, except as disclosed below:

FRS 9 : Financial Instruments

FRS 9 replaces the guidance in FRS 139 Financial Instruments: Recognition and Measurement. FRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from FRS 139.

FRS 15 : Revenue from Contracts with Customers

FRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including FRS 118 Revenue, FRS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes.

The Group and the Company are assessing the potential impact on their financial statements resulting from the application of FRS 9 and 15.

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework). The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012 and is to facilitate convergence with the International Financial Reporting Standards ["IFRS"]. Nevertheless, the Group and the Company are allowed by the MASB to defer the adoption of these new accounting standards to financial year ending 31 December 2017 as the Group and the Company are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15).

This would result in the Group and the Company preparing an opening MFRS statement of financial position as at 1 January 2016 which adjusts for differences between the classification and measurement bases in the existing FRS framework versus that in the new MFRS framework. This would also result in a restatement of the financial performance for the financial year ending 31 December 2016 in accordance with MFRS which would form the MFRS comparatives for the financial year ending 31 December 2017.

The impact on the financial position and performance of the Group and the Company have yet to be determined as the Group and the Company are in the process of assessing the financial effects of the differences between FRS and accounting standards under the MFRS Framework.

Notes To The Financial Statements (continued)

For the financial year ended 31 December 2014

2. Summary significant accounting policies (continued)

2.4 Foreign currency

a) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The Group's and the Company's financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

b) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using exchange rates as at the dates of initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Company's net investment in foreign operations. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in the profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in the profit or loss in the Company's separate financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

c) Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency (RM) of the consolidated financial statements are translated into RM as follows:

- Assets and liabilities are translated at the closing rate prevailing at the reporting date;
- Income and expenses are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and
- All resulting exchange differences are taken to the capital reserve within equity.

Goodwill and fair value adjustment arising on the acquisition of foreign operations on or after 1 January 2006 are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date. Goodwill and fair value adjustments which arose on the acquisition of foreign subsidiaries before 1 January 2006 are deemed to be assets and liabilities of the parent company and are recorded in RM at the rates prevailing at the date of acquisition.

2. Summary significant accounting policies (continued)

2.5 Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The existence and effect of substantive potential voting rights are considered when assessing whether the Group has such power over another entity.

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses. On disposal of such investment, the difference between net disposal proceeds and their carrying amounts is included in the profit or loss.

2.6 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries, made up to the end of the year.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control effectively commences until the date that control effectively ceases. Subsidiaries are consolidated using the acquisition method of accounting.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

In business combinations achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss. The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree net identifiable assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill in the statement of financial position. In instances where the latter amount exceeds the former, the excess is recognised as a gain on bargain purchase in profit or loss on the acquisition date.

Intragroup transactions, balances and unrealised gains are eliminated on consolidation and the consolidated financial statements reflect external transactions only. Unrealised losses are also eliminated on consolidation unless cost cannot be recovered.

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and is presented separately in the consolidated statements of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

2. Summary significant accounting policies (continued)

2.6 Basis of consolidation (continued)

Changes in the Company's ownership interest in subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit and loss. Any investment retained is recognised at fair value.

2.7 Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date, to each of the Group's cash-generating units ("CGU") that are expected to benefit from the synergies of the combination. The CGU to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the CGU may be impaired, by comparing the carrying amount of the CGU, including the allocated goodwill, with the recoverable amount of the CGU. Where the recoverable amount of the CGU is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods. Where goodwill forms part of a CGU and part of the operation within that CGU is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the CGU retained.

2.8 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Subsequent to initial recognition, property, plant and equipment except for freehold and leasehold estate land are stated at cost less accumulated depreciation and any accumulated impairment losses.

2. Summary significant accounting policies (continued)

2.8 Property, plant and equipment and depreciation (continued)

Freehold and leasehold estate land are stated at revalued amount, which is the fair value at the date of the revaluation less any accumulated impairment losses. Fair value is determined from market-based evidence by appraisal that is undertaken by professionally qualified valuers. Revaluations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from that which would be determined using fair values at the reporting date. Any revaluation surplus is recognised in other comprehensive income and accumulated in equity under the asset revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in the profit or loss, in which case the increase is recognised in the profit or loss to the extent of the decrease previously recognised. A revaluation deficit is first offset against unutilised previously recognised revaluation surplus in respect of the same asset and the balance is thereafter recognised in the profit or loss. Upon disposal or retirement of an asset, any revaluation reserve relating to the particular asset is transferred directly to retained profits. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the assets.

Freehold estate land has an unlimited useful life and therefore is not depreciated. Leasehold lands are depreciated over the period of the lease of 26 to 99 years. Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over its estimated useful life, at the following annual rates:

- Buildings	2% - 5%
- Plant and machinery	10% - 20%
- Vehicles	15% - 20%
- Furniture, fixture and fittings and electrical installation	10% - 25%

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in the profit or loss and the unutilised portion of the revaluation surplus on that item is taken directly to retained profits.

2.9 Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are initially measured at cost, which includes transaction costs. After initial recognition, investment properties are stated at fair value.

Fair value of an investment property is an amount for which the asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. Fair value is determined from market-based evidence by appraisal that is undertaken by professional qualified valuers.

A gain or loss arising from a change in the fair value of investment properties is recognised in profit or loss for the period in which it arises.

Investment properties are derecognised when either they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The gains or losses arising from the retirement or disposal of investment property is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset and is recognised in profit or loss in the period of the retirement or disposal.

Notes To The Financial Statements (continued)

For the financial year ended 31 December 2014

2. Summary significant accounting policies (continued)

2.10 Impairment of non-financial assets

The carrying amounts of non-financial assets, other than deferred tax assets and inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

For goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each reporting date or more frequently when indicators of impairment are identified.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs to.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

An impairment loss is recognised in the profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for as a revaluation decrease to the extent that the impairment loss does not exceed the amount held in the asset revaluation reserve for the same asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

2.11 Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

2. Summary significant accounting policies (continued)

2.11 Financial assets (continued)

a) Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other losses or other income.

Financial assets at fair value through profit or loss could be presented as current or non-current. Financial assets that is held primarily for trading purposes are presented as current whereas financial assets that is not held primarily for trading purposes are presented as current or non-current based on the settlement date.

b) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

c) Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold the investment to maturity.

Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the held-to-maturity investments are derecognised or impaired, and through the amortisation process.

Held-to-maturity investments are classified as non-current assets, except for those having maturity within 12 months after the reporting date which are classified as current.

2. Summary significant accounting policies (continued)

2.11 Financial assets (continued)

d) Available-for-sale financial assets

Available-for-sale financial assets are financial assets that are designated as available for sale and are not classified in any of the three preceding categories.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on an available-for-sale equity instrument are recognised in profit or loss when the Group and the Company's right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

2.12 Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

a) Trade and other receivables and other financial assets carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group’s and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

2. Summary significant accounting policies (continued)

2.12 Impairment of financial assets (continued)

a) Trade and other receivables and other financial assets carried at amortised cost (continued)

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

b) Unquoted equity securities carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

c) Available-for-sale financial assets

Significant or prolonged decline in fair value below cost, significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market are considerations to determine whether there is objective evidence that investment securities classified as available-for-sale financial assets are impaired.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to profit or loss.

Impairment losses on available-for-sale equity investments are not reversed in profit or loss in the subsequent periods. Increase in fair value, if any, subsequent to impairment loss is recognised in other comprehensive income. For available-for-sale debt investments, impairment losses are subsequently reversed in profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in profit or loss.

2. Summary significant accounting policies (continued)

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks and deposits at call with financial institutions that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

2.14 Inventories

Inventories comprise stores and consumables and are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis.

2.15 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. if it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.16 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of FRS 139, are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities held for trading include derivatives entered into by the Group and the Company that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

The Group and the Company have not designated any financial liabilities as at fair value through profit or loss.

2. Summary significant accounting policies (continued)

2.16 Financial liabilities (continued)

b) Other financial liabilities

The Group's and the Company's other financial liabilities include trade payables, other payables and loans and borrowings.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.17 Employee benefits

a) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

b) Retirement benefits

The Group provides for retirement benefits for eligible employees on an unfunded defined benefits basis in accordance with the terms of the unions' collective agreements and/or employment agreements. Full provision has been made for retirement benefits payable to all eligible employees who have completed their qualifying period of between 5 to 10 years of service, based on the length of service to date and rates set out in the said agreements. Should an employee leave after completing their qualifying period of service but before attaining the retirement age, the provision made for the employee is written back. No actuarial valuation has been conducted on the retirement benefits provision, as the directors are of the opinion that the amount is insignificant to the Group.

The Group also makes contributions to the statutory pension scheme, the Employees Provident Fund ("EPF") for employees that are not covered by the agreements.

2. Summary significant accounting policies (continued)

2.18 Leases

(i) Classification

A lease is recognised as a finance lease if it transfers substantially to the Group and Company all the risks and rewards incidental to ownership. Leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets and the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification. All leases that do not transfer substantially all the risks and rewards are classified as operating leases, except for land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease.

(ii) Recognition

a) As lessee

Finance leases, which transfer to the Group and the Company substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and the reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods which they are incurred.

Leased assets are depreciated over the estimated useful life of the asset. However, if there are no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

Leases, where the Group and the Company do not assume substantially all the risks and rewards of ownership are classified as operating lease.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the relevant lease. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Leasehold land which in substance is an operating lease is classified as prepaid land lease payments.

b) As lessor

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct cost incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income.

2. Summary significant accounting policies (continued)

2.19 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the Company and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

a) Sale of goods

Revenue relating to sale of oil palm produce at invoice value is recognised when delivery has taken place and transfer of risks and rewards have been completed.

b) Interest income

Interest is recognised on a time proportion basis that reflects the effective yield on the asset.

c) Dividend income

Dividend income is recognised when the right to receive payment is established.

d) Rental income

Rental income from investment property is recognised in a straight-line basis over the term of lease.

2.20 Income Taxes

The tax expense in the income statement comprises current and deferred tax. Current tax is the amount of taxes payable or receivable in respect of the taxable profit or loss for the period. Current tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities and assets are provided for, using the liability method, in respect of all temporary differences between the carrying amount of an asset or liability in the statement of financial position and its tax base including unabsorbed tax losses and capital allowances unless the deferred tax arises from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit.

A deferred tax asset is recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of a deferred tax asset is reviewed at each reporting date. If it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised, the carrying amount of the deferred tax asset will be reduced accordingly. When it becomes probable that sufficient taxable profit will be available, such reduction will be reversed to the extent of the taxable profit.

2. Summary significant accounting policies (continued)

2.20 Income Taxes (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

Deferred tax will be recognised as income or expense and included in the profit or loss for the period unless the tax relates to items that are credited or charged, in the same or a different period, directly to equity, in which case the deferred tax will be charged or credited directly to equity.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

2.21 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2.22 Deferred nursery expenditure

Deferred nursery expenditure is stated at cost and charged to profit or loss on replanting of crops.

2.23 Replanting expenditure

Replanting expenditure is charged to profit or loss as and when incurred.

2.24 Replanting cesses

Replanting cesses are taken to profit or loss as and when received.

2.25 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the profit or loss in the period in which they are incurred.

2. Summary significant accounting policies (continued)

2.26 Biological assets

Biological assets represent the expenditure on new planting of oil palm incurred from land clearing to the point of harvesting capitalised.

Subsequent to initial recognition, biological assets are stated at revalued amount, which is the fair value at the date of the revaluation less any accumulated impairment losses. Fair value is determined from market-based evidence by appraisal that is undertaken by professionally qualified valuers and calculations based on the directors' best estimates. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. Any revaluation surplus is credited to the revaluation reserve included in equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is recognised in the profit or loss to the extent of the decrease previously recognised. A revaluation deficit is first offset against unutilised previously recognised revaluation surplus in respect of the same assets and the balance is thereafter recognised in profit or loss. Upon disposal or retirement of an asset, any revaluation reserve relating to the particular asset is transferred directly to retained earnings.

2.27 Fair value measurements

The Group and the Company adopted FRS 13 Fair Value Measurement which prescribed that fair value of an asset or a liability, except for lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurements takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Transfer between levels of the fair value hierarchy are deemed to have occurred on the date of the event or change in circumstances that caused the transfer.

3. Significant accounting estimates and judgements

The preparation of the Group's and the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the assets or liabilities affected in the future.

3. Significant accounting estimates and judgements (continued)

3.1 Critical Judgements made in applying accounting policies

In the process of applying the Group and the Company's accounting policies, the management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

(a) Assessment of impairment of land

For the purpose of impairment testing of these assets, the recoverable amount is determined based on prevailing market value determined by professional valuers. The Group revalued its land in prior year and the directors are of the view that there is no significant change in the recoverable amount of land of the Group during the year.

(b) Assessment of impairment of investment in subsidiaries

Investment in subsidiaries are assessed for impairment losses whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. Such assessment required the directors to make estimates of the recoverable amount. Impairment loss is recognised for the amount by which the carrying amount of the assets exceed its recoverable amount, which is the higher of an asset's fair value less cost to sell and its value in use. At the reporting date, there is no indication of impairment on the investments.

(c) Leasehold land

As disclosed in Note 12 to the financial statements, the Group has revalued its leasehold estate land during the financial year ended 31 December 2012 and the major assumption underlying the valuation is the lease will be renewed for another 60 years term. Certain leasehold estate land has the remaining lease term of 15 years as at 31 December 2014. The directors have resolved to renew the lease term and are confident that, barring any unforeseen circumstances, the lease term of land will be renewed for another 60 years. Changes in the expected lease term of the land could impact the revalued amount of the leasehold estate land and future depreciation charges.

(d) Consolidation of entities in which the Group holds less than 50%

In the process of applying the Group's accounting policies, management has made significant judgements in relation to its investments in The Narborough Plantations, Plc and Rivaknar Holdings Sdn. Bhd.. The Group is the largest shareholder with more than 49.8% and 49.9% equity interest in The Narborough Plantations, Plc and Rivaknar Holdings Sdn. Bhd. respectively. As disclosed in Note 16 to the financial statements, management determined that it has control over the investees on a de facto power basis.

3. Significant accounting estimates and judgements (continued)

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a) Depreciation of property, plant and equipment

The cost of property, plant and equipment are depreciated on a straight-line basis over the individual asset's useful life. Management estimates the useful life of plant and machinery to be 4 to 10 years while 20 to 50 years for building, based on the level of expected usage. Management also estimates that the machinery will have minimal residual values at the end of its useful life. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

b) Biological assets - Oil palm

The allocation of value from property, plant and equipment to biological assets was calculated as the present value of the estate's operating cash flows over the next ten years, based on the directors' best estimates of future selling prices of fresh fruit bunches. The major assumptions underlying the calculation were an assumed average CPO selling price of RM2,250 to RM2,300 and average discount rate of 13.75% and 11.22% to 18.00% based on the Company's and subsidiaries' return on capital employed and the current Base Lending Rate (BLR) plus an estimated risk premium respectively.

Changes in the underlying assumptions could impact the allocation made, therefore changing the carrying value of the biological assets.

4. Revenue

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Sales of fresh fruit bunches of oil palm	28,471,095	27,424,604	19,321,982	19,345,967
Rental income	1,617,153	1,681,192	-	-
	30,088,248	29,105,796	19,321,982	19,345,967

5. Interest income

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Interest income of financial assets that are not at fair value through profit or loss - interest on fixed deposits	1,220,091	1,384,940	778,073	990,730

Notes To The Financial Statements (continued)

For the financial year ended 31 December 2014

6. Dividend income

	Group		Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
Available-for-sale financial assets : equity instruments				
- quoted in Malaysia	172,139	121,649	140,569	103,704
Subsidiary : equity instruments				
- quoted outside Malaysia	-	-	558,753	986,759
	172,139	121,649	699,322	1,090,463

7. Profit before tax

	Group		Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
The following items have been included in arriving at profit before tax :				
Auditors' remuneration :				
- Statutory audit	364,060	300,470	55,000	40,000
- Other services	5,000	5,000	5,000	5,000
- Under provision in prior year	15,000	21,006	15,000	-
Amortisation of prepaid land lease payments	-	17,614	-	-
Depreciation	1,312,045	1,157,731	526,444	374,802
Directors' remuneration (Note 8)	741,592	775,210	332,500	330,000
Interest expense of financial liabilities that are not at fair value through profit or loss				
- holding company	31,904	-	31,904	-
- term loan	31,019	410,702	-	-
Professional fees in connection with the Group's Mandatory General Offer of shares of a subsidiary (Note 34)	1,042,719	-	664,713	-
Provision for retirement benefits/ (reversal of provision)	25,952	(2,819)	20,846	-
Property, plant and equipment written off	-	1,193	-	563
Staff costs (excluding remuneration of executive director)*	5,389,615	4,444,553	3,848,637	3,519,488
Loss/(gain) of foreign exchange :				
- Realised	(75,907)	-	(75,907)	-
- Unrealised	132,206	(1,200,533)	132,206	(941,960)
Fair value gain on investment properties	(466,321)	(1,816,600)	-	-
Gain on disposal of investment properties	-	(1,237,444)	-	-
Gain on disposal of property, plant and equipment and biological asset	(107,963)	(209,321)	(47,000)	(192,221)

7. Profit before tax (continued)

*Staff costs (excluding remuneration of executive director) comprise:

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Salaries and wages	5,084,087	4,175,615	3,628,843	3,301,610
Employees' Provident Fund contributions	276,658	240,568	198,684	194,673
Social Security Fund contributions	28,870	28,370	21,110	23,205
	5,389,615	4,444,553	3,848,637	3,519,488

8. Directors' remuneration

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Directors of the Company:				
Executive:				
Fees	32,500	55,000	32,500	55,000
Non-Executive:				
Fees	300,000	275,000	300,000	275,000
	332,500	330,000	332,500	330,000
Directors of the subsidiaries:				
Non-executive:				
Fees	409,092	445,210	-	-
Total	741,592	775,210	332,500	330,000

The number of directors of the Group and the Company whose total remuneration during the financial year fall within the following bands is as follows:

Executive director:				
RM50,000 and below	1	-	1	-
RM50,001 – RM100,000	-	1	-	1
Non-executive directors:				
RM50,001 – RM100,000	8	4	8	4

Notes To The Financial Statements (continued)

For the financial year ended 31 December 2014

9. Taxation

Major components of income tax expense

The major components of income tax expense for the years ended 31 December 2014 and 2013 are :

	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Current income tax :				
Malaysian income tax	3,366,996	3,250,138	2,250,000	2,397,490
(Over)/Under provision in prior year	(21,524)	(319,871)	50,873	(288,600)
	3,345,472	2,930,267	2,300,873	2,108,890
Deferred income tax (Note 19):				
Origination and reversal of temporary differences	212,322	907,058	169,767	127,653
(Over)/Under provision in prior year	(529,919)	12,291	(555,656)	-
	(317,597)	919,349	(385,889)	127,653
Income tax expense recognised in profit or loss	3,027,875	3,849,616	1,914,984	2,236,543

9. Taxation (continued)

Reconciliation between tax expense and accounting profit

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2014 and 2013 are as follows:

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Profit before taxation	12,458,864	16,734,848	8,698,206	11,716,918
Taxation at applicable rate	3,114,716	4,183,712	2,174,552	2,929,230
Effect of different tax rates in other country	57,460	168,763	-	-
Utilisation of previously unrecognised business losses	(119,147)	(201,810)	-	-
Income not subject to tax	(183,922)	(172,010)	(24,792)	(307,088)
Unrealised gain on foreign exchange	(33,052)	(235,490)	(33,052)	(235,490)
Expenses not deductible for tax purposes	983,979	414,031	303,059	138,491
Effect of changes in tax rate	(174,974)	-	-	-
Crystallisation of deferred tax liability on revaluation reserve	(65,742)	-	-	-
(Over)/Under provision of deferred tax in prior year	(529,919)	12,291	(555,656)	-
(Over)/Under provision of current tax in prior year	(21,524)	(319,871)	50,873	(288,600)
Tax expense for the year	3,027,875	3,849,616	1,914,984	2,236,543

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2013: 25%) of the estimated assessable profit for the year.

Tax expense for other taxation authorities are calculated at the rates prevailing in those respective jurisdictions.

10. Earnings per share

Basic earnings per share amounts are calculated by dividing profit for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares during the the financial year.

The following reflect the profit and share data used in the computation of basic earnings per share for the years ended 31 December 2014 and 2013:

	Group	
	2014 RM	2013 RM
Profit net of tax attributable to owners of the Company used in the computation of basic earnings per share	7,833,930	10,685,071
Weighted average number of ordinary shares for basic earnings per share computation	64,850,448	64,850,448
Basic earnings per share (sen)	12.08	16.48

There is no dilutive effect on earnings per share as the Company has no potential issues of ordinary shares.

11. Dividends

	Dividends in respect of Year		Dividends recognised in Year	
	2014 RM	2013 RM	2014 RM	2013 RM
Recognised during the year:				
Interim dividend for 2013:				
10% under the single tier system on 64,850,448 ordinary shares (10.00 sen per ordinary share)	-	6,485,045	-	6,485,045
10% under the single tier system on 64,850,448 ordinary shares (10.00 sen per ordinary share)	-	6,485,045	-	6,485,045
	-	12,970,090	-	12,970,090
Interim dividend for 2014:				
10% under the single tier system on 64,850,448 ordinary shares (10.00 sen per ordinary share)	6,485,045	-	6,485,045	-
	6,485,045	-	6,485,045	-
Total dividends	6,485,045	12,970,090	6,485,045	12,970,090

Notes To The Financial Statements (continued)

For the financial year ended 31 December 2014

12. Property, plant and equipment

	Leasehold estate land RM	Freehold estate land RM	Buildings RM	Plant and machinery RM	Vehicles RM	Furniture, fixture and fittings and electrical installation RM	Total RM
Group							
Cost or valuation							
At 1 January 2014	11,140,098	185,136,555	5,977,110	1,985,420	2,572,759	1,116,720	207,928,662
Reclassification (Note 15)	175,000	-	-	-	-	-	175,000
Additions	36,251	-	1,883,904	264,967	513,931	59,816	2,758,869
Revaluation	584,395	-	-	-	-	-	584,395
Disposals	-	-	-	-	(226,352)	-	(226,352)
At 31 December 2014	11,935,744	185,136,555	7,861,014	2,250,387	2,860,338	1,176,536	211,220,574
Representing:							
At cost	29,384	-	7,861,014	2,250,387	2,860,338	1,176,536	14,177,659
At valuation	11,906,360	185,136,555	-	-	-	-	197,042,915
	11,935,744	185,136,555	7,861,014	2,250,387	2,860,338	1,176,536	211,220,574
Accumulated depreciation							
At 1 January 2014	652,917	-	575,774	1,538,097	2,141,339	830,735	5,738,862
Reclassification (Note 15)	175,000	-	-	-	-	-	175,000
Charge for the year	660,438	-	264,338	167,349	157,132	62,788	1,312,045
Reversal of accumulated depreciation on revaluation	(175,000)	-	-	-	-	-	(175,000)
Disposals	-	-	-	-	(204,315)	-	(204,315)
At 31 December 2014	1,313,355	-	840,112	1,705,446	2,094,156	893,523	6,846,592
Net carrying amount							
At cost	25,989	-	7,020,902	544,941	766,182	283,013	8,641,027
At valuation	10,596,400	185,136,555	-	-	-	-	195,732,955
At 31 December 2014	10,622,389	185,136,555	7,020,902	544,941	766,182	283,013	204,373,982

Notes To The Financial Statements (continued)

For the financial year ended 31 December 2014

12. Property, plant and equipment (continued)

	Leasehold estate land RM	Freehold estate land RM	Buildings RM	Plant and machinery RM	Vehicles RM	Furniture and fittings RM	Total RM
Company							
Cost or valuation							
At 1 January 2014	-	132,630,582	3,866,237	1,681,850	1,963,871	788,878	140,931,418
Reclassification (Note 15)	175,000	-	-	-	-	-	175,000
Additions	29,384	-	897,890	264,967	416,431	31,951	1,640,623
Revaluation	584,395	-	-	-	-	-	584,395
Disposals	-	-	-	-	(94,127)	-	(94,127)
At 31 December 2014	788,779	132,630,582	4,764,127	1,946,817	2,286,175	820,829	143,237,309
Representing:							
At cost	29,384	-	4,764,127	1,946,817	2,286,175	820,829	9,847,332
At valuation	759,395	132,630,582	-	-	-	-	133,389,977
	788,779	132,630,582	4,764,127	1,946,817	2,286,175	820,829	143,237,309
Accumulated depreciation							
At 1 January 2014	-	-	406,119	1,303,570	1,626,772	589,385	3,925,846
Reclassification (Note 15)	175,000	-	-	-	-	-	175,000
Charge for the year	4,673	-	213,321	141,223	120,599	46,628	526,444
Reversal of accumulated depreciation on revaluation	(175,000)	-	-	-	-	-	(175,000)
Disposals	-	-	-	-	(94,127)	-	(94,127)
At 31 December 2014	4,673	-	619,440	1,444,793	1,653,244	636,013	4,358,163
Net carrying amount							
At cost	25,989	-	4,144,687	502,024	632,931	184,816	5,490,447
At valuation	758,117	132,630,582	-	-	-	-	133,388,699
At 31 December 2014	784,106	132,630,582	4,144,687	502,024	632,931	184,816	138,879,146

Notes To The Financial Statements (continued)

For the financial year ended 31 December 2013

12. Property, plant and equipment

	Leasehold estate land RM	Freehold estate land RM	Buildings RM	Plant and machinery RM	Vehicles RM	Office and Furniture and fittings RM	Total RM
Group							
Cost or valuation							
At 1 January 2013	-	132,651,409	2,320,551	1,588,303	1,723,677	718,166	139,002,106
Additions	-	191,039	2,724,576	106,941	240,194	131,999	3,394,749
Acquisition of subsidiaries	11,140,098	52,505,973	931,983	295,125	613,497	268,914	65,755,590
Disposals	-	(211,866)	-	-	(4,609)	-	(216,475)
Written off	-	-	-	(4,949)	-	(2,359)	(7,308)
At 31 December 2013	11,140,098	185,136,555	5,977,110	1,985,420	2,572,759	1,116,720	207,928,662
Representing:							
At cost	-	-	5,977,110	1,985,420	2,572,759	1,116,720	11,652,009
At valuation	11,140,098	185,136,555	-	-	-	-	196,276,653
	11,140,098	185,136,555	5,977,110	1,985,420	2,572,759	1,116,720	207,928,662
Accumulated depreciation							
At 1 January 2013	-	-	267,631	1,197,529	1,540,787	546,333	3,552,280
Charge for the year	652,917	-	182,378	133,989	132,490	55,957	1,157,731
Acquisition of subsidiaries	-	-	125,765	210,902	472,671	230,237	1,039,575
Disposals	-	-	-	-	(4,609)	-	(4,609)
Written off	-	-	-	(4,323)	-	(1,792)	(6,115)
At 31 December 2013	652,917	-	575,774	1,538,097	2,141,339	830,735	5,738,862
Net carrying amount							
At cost	-	-	5,401,336	447,323	431,420	285,985	6,556,064
At valuation	10,487,181	185,136,555	-	-	-	-	195,623,736
At 31 December 2013	10,487,181	185,136,555	5,401,336	447,323	431,420	285,985	202,189,800

Notes To The Financial Statements (continued)

For the financial year ended 31 December 2014

12. Property, plant and equipment (continued)

	Freehold estate land RM	Buildings RM	Machinery RM	Vehicles RM	Furniture and fittings RM	Total RM
Company						
Cost or valuation						
At 1 January 2013	132,651,409	2,320,551	1,588,303	1,723,677	718,166	139,002,106
Additions	191,039	1,545,686	93,547	240,194	72,511	2,142,977
Disposals	(211,866)	-	-	-	-	(211,866)
Written off	-	-	-	-	(1,799)	(1,799)
At 31 December 2013	132,630,582	3,866,237	1,681,850	1,963,871	788,878	140,931,418
Representing:						
At cost	-	3,866,237	1,681,850	1,963,871	788,878	8,300,836
At valuation	132,630,582	-	-	-	-	132,630,582
	132,630,582	3,866,237	1,681,850	1,963,871	788,878	140,931,418
Accumulated depreciation						
At 1 January 2013	-	267,631	1,197,529	1,540,787	546,333	3,552,280
Charge for the year	-	138,488	106,041	85,985	44,288	374,802
Written off	-	-	-	-	(1,236)	(1,236)
At 31 December 2013	-	406,119	1,303,570	1,626,772	589,385	3,925,846
Net carrying amount						
At cost	-	3,460,118	378,280	337,099	199,493	4,374,990
At valuation	132,630,582	-	-	-	-	132,630,582
At 31 December 2013	132,630,582	3,460,118	378,280	337,099	199,493	137,005,572

12. Property, plant and equipment (continued)

Revaluation of freehold land and buildings

During the year, the Company obtained approval for the extension of the lease term of a leasehold land to 99 years. The directors have reassessed the classification of the leasehold land and determined that the Company owns the risk and reward associated to the land. As a result, the land was reclassified from prepaid land lease payments to property, plant and equipment. According to the Group accounting policy, the leasehold land was revalued based on valuation performed by accredited independent valuers. The leasehold land was revalued at RM759,395 using the comparison method.

The remaining freehold and leasehold land and biological assets were revalued during the financial year ended 31 December 2012 based on valuations performed by accredited independent valuers. Details of independent professional valuation of property, plant and equipment are as follows:

Description	Basis of valuation	RM
Company		
Freehold estate land	Comparison method	132,651,409
Biological assets - oil palm (Note 13)		46,587,786
		179,239,195
Subsidiaries		
Freehold estate land	Comparison method	52,505,973
Leasehold estate land	Comparison method	10,487,181
		62,993,154
Biological assets - oil palm (Note 13)		24,426,296
		87,419,450
		266,658,645

The fair value of freehold and leasehold estate land were determined by reference to the recent transactions and asking prices of similar properties in the locality, adjusted for differences in characteristics to arrive at the market value.

The major assumption underlying the revaluation of the leasehold estate land of a subsidiary is the lease will be renewed for another 60 years. Certain leasehold estate land has the remaining lease term of 15 years as at 31 December 2014. The directors have resolved to renew the lease term and are confident that, barring any unforeseen circumstances, the lease term of land will be renewed for another 60 years.

Notes To The Financial Statements (continued)

For the financial year ended 31 December 2014

12. Property, plant and equipment (continued)

Had the freehold and leasehold land been carried at historical cost less accumulated depreciation, the carrying amounts would have been as follows:

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Freehold estate land	12,000,434	12,000,434	8,283,914	8,283,914
Leasehold estate land	2,824,072	2,852,889	-	-
	14,824,506	14,853,323	8,283,914	8,283,914

Property, plant and equipment of the Group and of the Company are acquired during the year by means of cash payments.

Fair value information

The following table analyses the non-financial assets carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table present the Group's estate land and biological assets that are measured at fair value at 31 December 2014:

	31 December 2014			
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Company				
Freehold estate land	-	-	132,630,582	132,630,582
Leasehold estate land	-	-	784,106	784,106
Biological assets - oil palm	-	-	46,541,873	46,541,873
Subsidiaries				
Freehold estate land	-	-	52,505,973	52,505,973
Leasehold estate land	-	-	9,838,283	9,838,283
Biological assets - oil palm	-	-	24,939,117	24,939,117
	-	-	267,239,934	267,239,934

12. Property, plant and equipment (continued)

Fair value information (continued)

	31 December 2013			
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Company				
Freehold estate land	-	-	132,630,582	132,630,582
Biological assets - oil palm	-	-	46,541,873	46,541,873
Subsidiaries				
Freehold estate land	-	-	52,505,973	52,505,973
Leasehold estate land	-	-	10,487,181	10,487,181
Biological assets - oil palm	-	-	24,426,296	24,426,296
	-	-	266,591,905	266,591,905

There were no transfers between any levels during the year.

Valuation process applied by the Group for Level 3 fair value

The fair values of land and biological assets are determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of properties being valued.

The external valuations of the Level 3 land have been performed using a sales comparison approach by reference to the recent transactions and asking prices of similar properties in the locality, adjusted for differences in characteristics by using unobservable inputs. The external valuers have determined these inputs based on location, access, terrain, age of trees, condition of holding, standard of maintenance, time element and other relevant factors.

The fair value of biological assets is calculated as the present value of the estates' operating cash flows over the next ten years.

Notes To The Financial Statements (continued)

For the financial year ended 31 December 2014

12. Property, plant and equipment (continued)

Fair value information (continued)

Information about fair value measurements using significant unobservable inputs (Level 3):

Description	Valuation technique(s)	Unobservable inputs	Range of unobservable inputs
Oil palm estates in Perak, Malaysia	Sales comparison approach	Price per hectare (Ha)	RM74,665/Ha to RM134,386/Ha
Palm oil plantation	Discounted cash flows	Palm oil yield -tonnes/Ha	22 - 27 per year
		Crude palm oil price	RM2,250 - 2,300
		Palm kernel price	RM1,364
		Discount rate	11.38% - 18%

13. Biological assets

	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Oil palm				
At valuation				
At 1 January	70,968,169	46,587,786	46,541,873	46,587,786
Acquisition of subsidiaries	-	23,776,752	-	-
Revaluation recognised in other comprehensive income	512,821	649,544	-	-
Disposal	-	(45,913)	-	(45,913)
At 31 December	71,480,990	70,968,169	46,541,873	46,541,873

Biological assets of the Group and of the Company comprise oil palm and are stated at valuation based on allocation of valuation of the freehold and leasehold estate land of the Group and the Company as detailed in Note 12.

The allocation was calculated as the present value of the estates' operating cash flows over the next ten years, based on the directors' best estimates of future selling prices of fresh fruit bunches. The major assumptions underlying the calculation were an assumed average CPO selling price of RM2,250 to RM2,300 and average discount rate of 11.22% to 18.00% based on the Company's and subsidiaries' return on capital employed and the current Base Lending Rate (BLR) plus an estimated risk premium respectively.

14. Investment properties

	Group	
	2014	2013
	RM	RM
Fair value		
At 1 January	38,192,550	-
Acquisition of subsidiaries	-	45,839,700
Fair value gain	466,321	1,816,600
Exchange translation	(774,871)	(3,603,750)
Disposal	-	(5,860,000)
	37,884,000	38,192,550

Investment properties comprise the following properties:

Freehold land	24,207,411	24,071,808
Buildings on freehold land	13,676,589	14,120,742
	37,884,000	38,192,550

During the last financial year, the Group disposed of an investment property for a cash consideration of RM7,325,000 which has remained outstanding as at 31 December 2013 and included in other receivables (Note 20). The disposal resulted in a net gain on disposal of RM1,237,444 for financial year ended 31 December 2013.

The following are recognised in profit or loss in respect of investment properties:

	Group	
	2014	2013
	RM	RM
Rental income	1,617,153	1,681,192
Direct operating expenses:		
- income generating investment properties	647,977	592,291

The fair value of the Group's investment properties as at 31 December 2014 was determined from market-based evidence by appraisal that is undertaken by a professionally qualified valuer.

14. Investment properties (continued)

The net carrying amount of investment properties of the Group pledged for banking facilities granted to the Group (Note 24) in the year are as follows:

	Group	
	2014	2013
	RM	RM
Freehold land	24,207,411	24,071,808
Buildings on freehold land	13,676,589	14,120,742
At 31 December	37,884,000	38,192,550

Fair value information

The following table analyses the non-financial assets carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table present the Group's investment properties that are measured at fair value at 31 December 2014:

	31 December 2014			
	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
Group				
Freehold land	-	24,207,411	-	24,207,411
Buildings	-	13,676,589	-	13,676,589
	-	37,884,000	-	37,884,000

There were no transfers between any levels during the year.

14. Investment properties (continued)

Fair value information (continued)

	31 December 2013			
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Group				
Freehold land	-	24,071,808	-	24,071,808
Buildings	-	14,120,742	-	14,120,742
	-	38,192,550	-	38,192,550

There were no transfers between any levels during the year.

Valuation process applied by the Group for Level 2 fair value

The fair value of investment properties is determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued.

Level 2 fair values of land and buildings have been generally derived using the sales comparison approach. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties.

15. Prepaid land lease payments

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Short term leasehold land				
Cost				
At 1 January	375,000	375,000	175,000	175,000
Reclassification (Note 12)	(175,000)	-	(175,000)	-
At 31 December	200,000	375,000	-	175,000
Accumulated amortisation				
At 1 January	375,000	357,386	175,000	175,000
Charge for the year	-	17,614	-	-
Reclassification (Note 12)	(175,000)	-	(175,000)	-
At 31 December	200,000	375,000	-	175,000
Carrying amount				
At 31 December	-	-	-	-

Notes To The Financial Statements (continued)

For the financial year ended 31 December 2014

16. Investment in subsidiaries

	Company 2014 RM	Company 2013 RM
Quoted shares outside Malaysia, at cost	698,105	698,105
Unquoted shares at cost	308,400	308,400
	1,006,505	1,006,505
Fair value of investment in an subsidiary for which there is a published price quotation	44,197,914	30,498,815

Details of the subsidiaries are as follows:

Name of Company	Principal place of business	Country of incorporation	Principal activities	Proportion (%) of ownership interest held by Subsidiary 2014	Subsidiary 2013	Company 2014	Company 2013
The Narborough Plantations Plc *	Malaysia	England	Oil palm plantations	-	-	49.8	49.8
Rivaknar Holdings Sdn. Bhd.	Malaysia	Malaysia	Investment holding	33.3	33.3	33.3	33.3
Subsidiaries of Rivaknar Holdings Sdn. Bhd.							
Rivaknar Properties (W.A.) Pty. Ltd. *	Australia	Australia	Investment holding	100	100	-	-
CG Plantations Sdn. Bhd.	Malaysia	Malaysia	Oil palm plantations	99.9	99.9	-	-

* Not audited by Sekhar & Tan

These investees were previously regarded as associates of the Company prior to 1 January 2013. At 1 January 2013, upon adoption of FRS 10, the Company has reassessed its control over the investees and determined that the Company has had control over the investees, on a de facto power basis. As a consequence, the Company changed the control conclusion for the investees and regarded the investees as subsidiaries of the Group as at 1 January 2013.

16. Investment in subsidiaries (continued)

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the deemed acquisition date.

	1 January 2013 RM
Property, plant and equipment	64,716,015
Biological assets	23,776,752
Prepaid lease payments	17,614
Investment properties	45,839,700
Other investments	1,090,600
Goodwill	2,731,763
Deferred tax assets	18,418
Deferred nursery expenditure	7,943
Inventories	89,266
Trade and other receivables	647,076
Tax recoverable	848,550
Cash and cash equivalents	22,062,142
Provision for retirement benefits	(10,340)
Borrowings	(10,098,325)
Deferred tax liabilities	(10,311,270)
Trade and other payables	(1,161,616)
Non-controlling interests	(70,293,558)
Fair value of identifiable net assets acquired	69,970,730
Carrying amount of previously held equity stake	71,665,313
Impact on adoption of FRS 10	1,694,583

17. Investment securities

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Available-for-sale financial assets				
- Equity instruments :				
(quoted shares in Malaysia)				
At market value (Note 30)	3,027,836	3,290,840	2,032,520	2,165,800

18. Goodwill on consolidation

	Group 2014 RM	Group 2013 RM
At 1 January	2,731,763	-
Acquisition of subsidiaries	-	2,731,763
At 31 December	2,731,763	2,731,763

Goodwill is arising from business combinations.

The following describes the key assumptions on which management has based its cash flow projections to undertake impairment testing of goodwill.

(i) Average CPO selling price

An assumed average CPO selling price of RM2,300 is used, based on the directors' best estimates of future selling prices of fresh fruit bunches.

(ii) Average discounted rate

The discount rate used is 18% based on Base Lending Rate (BLR) plus an estimated risk premium.

The management carried out an annual review of recoverable amounts of its goodwill each financial year. The review in the current financial year did not give rise to impairment losses.

The Group believes that any reasonable possible change in the above key assumptions applied are not likely to materially cause recoverable amounts to be lower than their carrying amounts.

19. Deferred taxation

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
At 1 January	18,322,822	262,669	7,519,984	262,669
Acquisition of subsidiaries	-	10,292,852	-	-
Recognised in profit or loss (Note 9)	(317,597)	919,349	(385,889)	127,653
Recognised in other comprehensive income	2,526,403	7,129,662	182,255	7,129,662
Exchange translation	(82,641)	(281,710)	-	-
At 31 December	20,448,987	18,322,822	7,316,350	7,519,984

Presented after appropriate offsetting as follows:

	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Deferred tax assets	(29,726)	(44,317)	(29,726)	(24,723)
Deferred tax liabilities	20,478,713	18,367,139	7,346,076	7,544,707
	20,448,987	18,322,822	7,316,350	7,519,984

19. Deferred taxation (continued)

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

	At 1 January RM	Exchange translation RM	Recognised in other comprehensive income RM	Recognised in profit or loss RM	At 31 December RM
2014					
Group					
Deferred tax liabilities					
Revaluation surplus	13,803,879	-	2,526,403	(101,365)	16,228,917
Investment properties	4,055,421	(83,043)	-	122,873	4,095,251
Property, plant and equipment	507,839	-	-	(353,294)	154,545
	18,367,139	(83,043)	2,526,403	(331,786)	20,478,713
Deferred tax assets					
Provision for retirement benefits	(24,723)	-	-	(5,003)	(29,726)
Unutilised business losses	(19,594)	402	-	19,192	-
	(44,317)	402	-	14,189	(29,726)
	18,322,822	(82,641)	2,526,403	(317,597)	20,448,987

19. Deferred taxation (continued)

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

	At 1 January RM	Acquisition of subsidiaries RM	Exchange translation RM	Recognised in other comprehensive income RM	Recognised in profit or loss RM	At 31 December RM
2013						
Group						
Deferred tax liabilities						
Revaluation surplus	-	6,674,217	-	7,129,662	-	13,803,879
Investment properties	-	3,585,984	(281,710)	-	751,147	4,055,421
Property, plant and equipment	288,448	51,069	-	-	168,322	507,839
	288,448	10,311,270	(281,710)	7,129,662	919,469	18,367,139
Deferred tax assets						
Provision for retirement benefits	(25,779)	-	-	-	1,056	(24,723)
Unutilised business losses	-	(18,418)	-	-	(1,176)	(19,594)
	(25,779)	(18,418)	-	-	(120)	(44,317)
	262,669	10,292,852	(281,710)	7,129,662	919,349	18,322,822

19. Deferred taxation (continued)

	At 1 January RM	Recognised in other comprehensive income RM	Recognised in profit or loss RM	At 31 December RM
2014				
Company				
Deferred tax liabilities				
Revaluation surplus	7,129,662	182,255	(9,881)	7,302,036
Property, plant and equipment	415,045	-	(371,005)	44,040
	7,544,707	182,255	(380,886)	7,346,076
Deferred tax assets				
Provision for retirement benefits	(24,723)	-	(5,003)	(29,726)
	(24,723)	-	(5,003)	(29,726)
	7,519,984	182,255	(385,889)	7,316,350
2013				
Company				
Deferred tax liabilities				
Revaluation surplus	-	7,129,662	-	7,129,662
Property, plant and equipment	288,448	-	126,597	415,045
	288,448	7,129,662	126,597	7,544,707
Deferred tax assets				
Provision for retirement benefits	(25,779)	-	1,056	(24,723)
	(25,779)	-	1,056	(24,723)
	262,669	7,129,662	127,653	7,519,984

Notes To The Financial Statements (continued)

For the financial year ended 31 December 2014

19. Deferred taxation (continued)

Deferred tax assets have not been recognised in respect of the following item:

	Group	
	2014	2013
	RM	RM
Unutilised business losses carried forward	-	1,164,174
Deferred tax assets not recognised at foreign tax rate of 30% (2013 : 30%)	-	349,252

The unutilised business losses above arose in Australia and are available indefinitely for offset against future taxable profits of the Australian subsidiary.

20. Trade and other receivables

	Group		Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
Trade receivables	847,195	2,143,997	420,347	998,395
Other receivables	135,276	7,538,027	75,697	148,382
Deposits	113,992	48,502	56,166	37,336
Trade and other receivables	1,096,463	9,730,526	552,210	1,184,113
Add: Cash and cash equivalents (Note 21)	76,563,321	66,555,856	55,304,760	48,563,609
Total loan and receivables	77,659,784	76,286,382	55,856,970	49,747,722

Trade receivables are non-interest bearing and are generally on 30 days (2013 : 30 days) term. They are recognised at their original statement amounts and represent their fair values on initial recognition.

All trade receivables are neither past due nor impaired.

Included in other receivables of the Group at 31 December 2013 is outstanding sales consideration of RM7,325,000 from the disposal of investment properties (Note 14). The amount was received during the financial year.

20. Trade and other receivables (continued)

The currency exposure profile of trade receivables and other receivables is as follows:

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Ringgit Malaysia	976,528	1,726,059	552,210	1,184,113
Australian Dollar	119,935	8,004,467	-	-
	1,096,463	9,730,526	552,210	1,184,113

21. Cash and cash equivalents

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Cash on hand and at banks maintained by:				
- the Group/the Company	8,596,004	2,937,663	6,730,544	1,321,045
- stakeholders*	48,119,080	-	48,119,080	-
	56,715,084	2,937,663	54,849,624	1,321,045
Deposits with:				
- Licensed banks in Malaysia	16,851,000	48,093,715	455,000	34,693,715
- Foreign financial institutions	2,997,237	15,524,478	136	12,548,849
	19,848,237	63,618,193	455,136	47,242,564
As presented in the statements of financial position	76,563,321	66,555,856	55,304,760	48,563,609
Cash maintained by stakeholders*	(48,119,080)	-	(48,119,080)	-
As presented in the statements of cash flows	28,444,241	66,555,856	7,185,680	48,563,609

* Cash maintained by stakeholders in connection with the Group's Mandatory General Offer of shares of a subsidiary as referred to in Note 34.

Notes To The Financial Statements (continued)

For the financial year ended 31 December 2014

21. Cash and cash equivalents (continued)

The currency exposure profile of deposits, cash and bank balances is as follows:

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
- Ringgit Malaysia	47,158,868	48,960,123	31,436,824	34,461,356
- Pound Sterling	26,865,037	11,734,719	23,867,936	8,665,339
- Singapore	-	5,436,914	-	5,436,914
- Australian Dollar	2,539,416	424,100	-	-
	76,563,321	66,555,856	55,304,760	48,563,609

The following table set out the carrying amounts, the effective interest rates ("EIR") as at reporting date and the maturities of the Group's and the Company's financial instruments that are exposed to interest rate risk:

	Within 1 year RM	1 - 2 years RM	Total RM
At 31 December 2014			
Group			
Fixed rate			
Deposits with licensed banks in Malaysia at the following EIR			
- 2.94%	2,296,000	-	2,296,000
- 3.00%	4,955,000	-	4,955,000
- 3.10%	4,700,000	-	4,700,000
- 3.15%	600,000	-	600,000
- 3.30%	3,000,000	-	3,000,000
- 3.40%	1,300,000	-	1,300,000
	16,851,000	-	16,851,000
Deposits with foreign financial institution at the following EIR			
- 0.131%	1,142,960	-	1,142,960
- 0.190%	1,854,141	-	1,854,141
- 0.020%	136	-	136
	19,848,237	-	19,848,237

21. Cash and cash equivalents (continued)

The following table set out the carrying amounts, the effective interest rates ("EIR") as at reporting date and the maturities of the Group's and the Company's financial instruments that are exposed to interest rate risk: (continued)

	Within 1 year RM	1 - 2 years RM	Total RM
Company			
Fixed rate			
Deposits with licensed banks in Malaysia at the following EIR			
- 3.00%	455,000	-	455,000
	455,000	-	455,000
Deposits with foreign financial institution at the following EIR			
- 0.020%	136	-	136
	455,136	-	455,136
At 31 December 2013			
Group			
Fixed rate			
Deposits with licensed banks in Malaysia at the following EIR			
- 0.35%	54,465	-	54,465
- 0.40%	1,474,250	-	1,474,250
- 2.75%	5,200,000	-	5,200,000
- 2.95%	9,800,000	-	9,800,000
- 3.00%	6,460,000	-	6,460,000
- 3.05%	5,000,000	-	5,000,000
- 3.13%	6,300,000	-	6,300,000
- 3.15%	4,205,000	-	4,205,000
- 3.20%	5,300,000	-	5,300,000
- 3.25%	4,300,000	-	4,300,000
	48,093,715	-	48,093,715
Deposits with foreign financial institution at the following EIR			
- 0.152%	1,840,936	-	1,840,936
- 0.153%	9,775,343	-	9,775,343
- 0.020%	3,908,199	-	3,908,199
	63,618,193	-	63,618,193

21. Cash and cash equivalents (continued)

	Within 1 year RM	1 - 2 years RM	Total RM
Company			
Fixed rate			
Deposits with licensed banks in Malaysia at the following EIR			
- 0.35%	54,465	-	54,465
- 0.40%	1,474,250	-	1,474,250
- 2.95%	3,900,000	-	3,900,000
- 3.00%	6,460,000	-	6,460,000
- 3.05%	3,400,000	-	3,400,000
- 3.13%	5,900,000	-	5,900,000
- 3.15%	4,205,000	-	4,205,000
- 3.20%	5,000,000	-	5,000,000
- 3.25%	4,300,000	-	4,300,000
	34,693,715	-	34,693,715
Deposits with foreign financial institution at the following EIR			
- 0.153%	8,640,650	-	8,640,650
- 0.020%	3,908,199	-	3,908,199
	47,242,564	-	47,242,564

22. Trade and other payables

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Trade payables	148,917	281,253	111,587	194,688
Tax payables	-	87,075	-	-
Other payables	2,308,293	2,530,405	1,116,636	957,489
Dividend payable	-	6,485,045	-	6,485,045
	2,457,210	9,383,778	1,228,223	7,637,222

Trade payables are non-interest bearing and normally settled within 30 to 90 days (2013 : 30 - 90 days) terms.

22. Trade and other payables (continued)

The currency exposure profile of trade and other payables is as follows:

	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
- Ringgit Malaysia	2,373,552	8,553,391	1,228,223	7,637,222
- Australian Dollar	83,658	830,387	-	-
	2,457,210	9,383,778	1,228,223	7,637,222

23. Provision for retirement benefits

	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
At 1 January	106,415	103,116	98,894	103,116
Acquisition of subsidiaries	-	10,340	-	-
Additional provision	30,518	-	20,846	-
Reversal of provision	(4,566)	(2,819)	-	-
Payments made	-	(4,222)	-	(4,222)
At 31 December	132,367	106,415	119,740	98,894
Represented by:				
Current liabilities				
Payable not later than 1 year	26,186	634	26,186	634
Non-current liabilities				
Payable between more than 1 year and less than 5 years	41,219	51,881	28,592	44,360
Payable later than 5 years	64,962	53,900	64,962	53,900
	106,181	105,781	93,554	98,260
	132,367	106,415	119,740	98,894

Notes To The Financial Statements (continued)

For the financial year ended 31 December 2014

24. Borrowings

	Group		Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
Short term borrowings:				
Loan from holding company	10,031,904	-	10,031,904	-
Term loan	-	5,788,432	-	-
	10,031,904	5,788,432	10,031,904	-

The current year's term loan is an unsecured loan of RM10,000,000 bearing an interest rate of 6.85% per annum from Sungei Ream Holdings Sendirian Berhad, holding company, and is used for the purpose of settling the offer price and expenses due in connection with the Company's Mandatory General Offer of shares of The Naborough Plantations, PLC that it does not already own. There is no fixed term of repayment.

Last year's term loan was denominated in Australian Dollar and was used to finance the construction of a subsidiary's investment properties. This term loan bore interest rate at 7.10% (2013: 7.10%) per annum and was secured by legal charges over certain investment properties of the Group as disclosed in Note 14. This term loan was fully repaid during the financial year.

25. Share capital

	Company			
	Number of ordinary shares of RM1 each		Amount	
	2014	2013	2014	2013
			RM	RM
Authorised	100,000,000	100,000,000	100,000,000	100,000,000
Issued and fully paid up	64,850,448	64,850,448	64,850,448	64,850,448

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

26. Reserves

	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Non-distributable:				
Capital reserves	170,557,269	170,892,025	136,040,711	135,463,571
Exchange fluctuation	(66,834)	299,125	-	-
Fair value adjustment reserve	1,312,210	1,510,266	1,254,486	1,387,766
Distributable:				
Capital reserve	2,761,091	2,761,091	-	-
	174,563,736	175,462,507	137,295,197	136,851,337
General reserves	6,517,331	6,517,331	5,762,193	5,762,193
	181,081,067	181,979,838	143,057,390	142,613,530
Non-distributable capital reserves comprise:				
Exchange fluctuation	(66,834)	299,125	-	-
Asset revaluation	170,557,269	170,892,025	136,040,711	135,463,571
Fair value adjustment	1,312,210	1,510,266	1,254,486	1,387,766
Distributable capital reserve comprises:				
Asset realisation - Capital	2,761,091	2,761,091	-	-
	174,563,736	175,462,507	137,295,197	136,851,337
General reserves comprise:				
Asset realisation - reserves	4,226,205	4,226,205	3,471,067	3,471,067
Unappropriated retained profits	2,291,126	2,291,126	2,291,126	2,291,126
	6,517,331	6,517,331	5,762,193	5,762,193

(a) The non-distributable capital reserves are not distributable by way of cash dividends.

(b) Fair value adjustment reserve represents the cumulative fair value changes, net of tax, of available-for-sale financial assets until they are disposed or impaired.

(c) Exchange fluctuation reserve represents exchange differences arising from the translation of the financial statements of foreign subsidiaries or associates whose functional currencies are different from that of the Group's presentation currency.

(d) The asset revaluation reserves represent increases in the fair value of freehold and leasehold estate land and biological assets, net of tax, and decreases to the extent that such decreases relate to an increase on the same asset previously recognised in other comprehensive income.

27. Retained profits

The Company is able to distribute dividends out of its distributable reserves as at 31 December 2014 and 2013 under the single tier system.

28. Non-controlling interests

The following table summarises the information relating to each of the Group's subsidiaries that has material non-controlling interests, before any intra-group eliminations.

	The Naborough Plantations Plc RM	Rivaknar Holdings Sdn Bhd RM	Intra-group eliminations RM	Total RM
2014				
NCI percentage (%)	50.20%	50.07%		
Non-current assets	72,800,347	59,244,685	-	132,045,032
Current assets	13,200,284	9,037,400	-	22,237,684
Non-current liabilities	(6,751,465)	(6,393,799)	-	(13,145,264)
Current liabilities	(1,002,199)	(226,789)	-	(1,228,988)
Net assets	78,246,967	61,661,497	-	139,908,464
Carrying amount of NCI	39,279,977	30,871,856	-	70,151,833
Revenue	5,947,937	4,828,733	-	10,776,670
Profit	1,243,179	1,941,953	-	3,185,132
Other comprehensive income ("OCI")	(1,909,655)	(784,294)	-	(2,693,949)
Total comprehensive income	5,281,461	5,986,392	-	11,267,853
Profit allocated to NCI	624,076	972,983	-	1,597,059
OCI allocated to NCI	(958,647)	(392,670)	-	(1,351,317)
Cash flows from operating activities	840,219	4,488,759	-	5,328,978
Cash flows from investment activities	(373,691)	91,495	-	(282,196)
Cash flows from financing activities	(553,072)	(2,854,259)	-	(3,407,331)
Net increase/(decrease) in cash and cash equivalents	(86,544)	1,725,995	-	1,639,451

28. Non-controlling interests (continued)

	The Naborough Plantations Plc RM	Rivaknar Holdings Sdn Bhd RM	Intra-group eliminations RM	Total RM
2013				
NCI percentage (%)	50.20%	50.07%		
Non-current assets	71,326,615	60,352,855	-	131,679,470
Current assets	13,693,808	13,528,760	-	27,222,568
Non-current liabilities	(4,332,300)	(6,497,652)	-	(10,829,952)
Current liabilities	(649,413)	(6,885,575)	-	(7,534,988)
Net assets	80,038,710	60,498,388	-	140,537,098
Carrying amount of NCI	40,157,533	30,291,543	-	70,449,076
Revenue	5,014,013	4,745,816	-	9,759,829
Profit	894,118	3,497,309	-	4,391,427
Other comprehensive income ("OCI")	649,544	(2,825,522)	-	(2,175,978)
Total comprehensive income	1,543,662	671,787	-	2,215,449
Profit allocated to NCI	448,847	1,751,314	-	2,200,161
OCI allocated to NCI	326,071	(1,414,645)	-	(1,088,574)
Cash flows from operating activities	435,455	1,037,270	-	1,472,725
Cash flows from investment activities	(473,926)	74,859	-	(399,067)
Cash flows from financing activities	(985,021)	(1,966,101)	-	(2,951,122)
Net increase/(decrease) in cash and cash equivalents	(1,023,492)	(853,972)	-	(1,877,464)

29. Financial risk management policies

The Group's and the Company's activities expose them to a variety of financial risks, including foreign currency exchange risk, interest rate risk, market risk, credit risk, liquidity and cash flow risk. The Group's and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's and the Company's businesses whilst managing their risks. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's and the Company's policy is not to engage in speculative transactions. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks. The policy in respect of the major areas of treasury activity is set out as follows:

(a) Foreign currency exchange risk

The Group and the Company are exposed to currency risk as a result of the foreign currency transactions entered into in currencies other than Ringgit Malaysia. The Group's and the Company's policy is to limit their exposure on foreign currency exchange risk by entering into foreign currency exchange transactions denominated in the Australian Dollar, Pound Sterling and Singapore Dollar, wherever possible.

The net unhedged financial assets of the Group and the Company that are not denominated in their functional currencies are disclosed in their respective notes.

Sensitivity analysis for foreign currency exchange risk

The following table demonstrated the sensitivity of the Group's and the Company's profit after tax to a reasonably possible change in Pound Sterling, Singapore Dollar and Australian Dollar exchange rate against the functional currency of the Group and the Company, with all other variables held constant. The Group's and the Company's profit after tax would increase/(decrease), as applicable, by the amounts stated below if the individual foreign currency had weakened/strengthened by the ten percentage (10%):

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Pound Sterling	2,686,504	1,173,472	2,386,794	866,534
Singapore Dollar	-	543,691	-	543,691
Australian Dollar	253,942	759,818	-	-

(b) Interest rate risk

The Group's and Company's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure arises from the Group's deposits and short term borrowings. The deposits are managed through the placement of fixed rate short-term deposits. The short term borrowings are managed through the use of fixed rate debt.

The information on maturity dates and interest rates of financial assets and liabilities are disclosed in their respective notes.

29. Financial risk management policies (continued)

(b) Interest rate risk (continued)

Sensitivity analysis for interest rate risk

The Group and the Company expect that any fluctuation in interest rate will have no significant material impact on the financial performance of the Group and the Company.

(c) Market risk

The Group and the Company do not face significant exposure from the risk of changes in market prices other than fluctuations in commodity prices.

Sensitivity analysis for price risk

At 31 December 2014, if the CPO selling price had been 5% lower or higher with all other variables held constant, the gain arising on revaluation of biological assets would have been RM7,136,704 (2013: RM6,806,838) lower and RM7,136,942 (2013: RM6,817,452) higher for the Group and RM4,941,789 (2013: RM4,786,388) lower and RM4,941,789 (2013: RM4,796,764) higher for the Company respectively, arising mainly as a result of the variation in CPO price. If the average discount rate had been 5% lower or higher, the gain arising on revaluation of biological assets would have been RM1,427,506 (2013: RM1,670,254) higher and RM1,374,373 (2013: RM1,590,721) lower for the Group and RM846,532 (2013: RM1,096,634) higher and RM820,764 (2013: RM1,044,265) lower for the Company respectively.

(d) Credit risk

Credit risk is controlled by ensuring that sales of products are made to customers with an appropriate credit history and appropriate monitoring procedures. The Group and the Company do not have any significant exposure to any individual customer nor do they have any major concentration of credit risk related to any financial instrument except that all of the trade receivables were due from five companies in respect of sales performed. The maximum exposures to credit risk are represented by the carrying amount of the financial assets in the statement of financial position.

(e) Liquidity and cash flow risk

Prudent liquidity risk management implies maintaining sufficient cash and short-term deposits at call. As the Group and the Company seek to invest cash assets safely and profitably, the operating cash flows ensure the availability of funding.

29. Financial risk management policies (continued)

Analysis of financial instruments by remaining contractual maturities

The table below summaries the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations:

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
On demand or within one year:				
- Trade and other payables	2,457,210	9,383,778	1,228,223	7,637,222
- Short term borrowings	10,031,904	5,788,432	10,031,904	-
Total undiscounted financial liabilities	12,489,114	15,172,210	11,260,127	7,637,222

30. Fair value of financial instruments

(a) Fair value of financial instruments that are carried at fair value

The following table shows an analysis of financial instruments carried at fair value by level of fair value hierarchy:

	Quoted price in active markets for identical instruments (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
2014				
Group				
RM				
Financial assets:				
- Available-for-sale financial assets (Note 17)				
- Equity instruments (quoted shares in Malaysia)	3,027,836	-	-	3,027,836

30. Fair value of financial instruments (continued)

(a) Fair value of financial instruments that are carried at fair value (continued)

	Quoted price in active markets for identical instruments (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
2014				
Company				
RM				
Financial assets:				
- Available-for-sale financial assets (Note 17)				
- Equity instruments (quoted shares in Malaysia)	2,032,520	-	-	2,032,520
2013				
Group				
RM				
Financial assets:				
- Available-for-sale financial assets (Note 17)				
- Equity instruments (quoted share s in Malaysia)	3,290,840	-	-	3,290,840
Company				
RM				
Financial assets:				
- Available-for-sale financial assets (Note 17)				
- Equity instruments (quoted shares in Malaysia)	2,165,800	-	-	2,165,800

30. Fair value of financial instruments (continued)

(a) Fair value of financial instruments that are carried at fair value (continued)

Fair value hierarchy

The fair value measurement hierarchies used to measure financial assets and liabilities carried at fair value in the statements of financial position as at 31 December 2014 and 2013 are as follows:

(a) Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

(b) Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

(c) Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There were no material transfers between Level 1, Level 2 and Level 3 during the current financial year.

The Group and the Company do not have any financial liabilities carried at fair value classified as above as at 31 December 2014 and 2013.

Determination of fair value

Quoted equity instruments - Fair value is determined by direct reference to their bid price quotations in an active market at the end of the reporting period.

(b) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximately of fair value

	Group Note	Company Note
Financial assets		
Loan and receivables:		
Trade and other receivables	20	20
Cash and cash equivalents	21	21
Financial liabilities		
Other than financial liabilities:		
Trade and other payables	22	22
Borrowings	24	24

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, due to their short term nature.

31. Related parties

Group and Company

(a) Identity of related parties

For the purpose of these financial statements, parties are considered to be related to the Group or the Company if the Group or the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controling the activities of the Group and the Company either directly or indirectly. The key management personnel include all the directors of the Group and the Company.

(b) Transactions with related parties are disclosed in Note 6, 8 and 24 to the financial statements.

32. Segmental information

For management purposes, the Group is organised into business units based on their products and services, and has two reportable operating segments as follows:-

(a) The plantations segment carries on the business of oil palm cultivation on its plantations in Peninsular Malaysia.

(b) The other segments consist of an investment holding real estate company that develops and rents out its properties.

The Group's principal activity is the cultivation of oil palm on plantations in Peninsular Malaysia. The activities of the subsidiaries (except Rivaknar Properties (WA) Pty Ltd) are all incidental to the main activity and in terms of revenue, profit contribution and assets employed.

Notes To The Financial Statements (continued)

For the financial year ended 31 December 2014

32. Segmental information (continued)

The analysis of Group operations is as follows:

Business and Geographical Segments

	Malaysia - Plantations RM	Australia - Real Estates RM	Consolidated RM
2014			
Revenue	28,471,095	1,617,153	30,088,248
Profit before tax	11,309,658	1,149,206	12,458,864
Non current assets	281,644,297	37,884,000	319,528,297
Total assets	358,667,648	40,595,826	399,263,474
Total liabilities	23,468,491	9,631,703	33,100,194
Other Information			
Depreciation	1,312,045	-	1,312,045
Net unrealised foreign exchange gain	(132,206)	-	(132,206)
Interest expense	31,904	31,019	62,923
Interest income	(1,214,598)	(5,493)	(1,220,091)
2013			
Revenue	27,424,604	1,681,192	29,105,796
Profit before tax	13,359,573	3,375,275	16,734,848
Non current assets	279,205,296	38,212,143	317,417,439
Total assets	352,839,259	46,816,914	399,656,173
Total liabilities	17,404,730	16,241,034	33,645,764
Other Information			
Depreciation	1,157,731	-	1,157,731
Amortisation	17,614	-	17,614
Net unrealised foreign exchange gain	(1,200,533)	-	(1,200,533)
Interest expense	-	410,702	410,702
Interest income	(1,384,940)	-	(1,384,940)

Revenue from four major customers amounted to RM10,693,862, RM8,402,161, RM5,947,937 and RM1,292,356 (2013: RM11,895,760, RM5,014,013, RM3,064,624 and RM4,977,679) respectively arising from sales by plantation segment.

33. Capital management

The Group considers its capital to comprise its ordinary share capital, retained profits and distributable reserves.

In managing its capital, the Group's primary objective is to ensure its continued ability to provide a consistent return for its equity shareholders through a combination of capital growth and distributions. In order to achieve this objective, the Group seeks to balance risks and returns at an acceptable level and also to maintain a sufficient funding base to enable the Group to meet its working capital and strategic investment needs. In making decisions to adjust its capital structure to achieve these aims, the Group considers not only its short-term position but also its long-term operational and strategic objectives.

There have been no other significant changes to the Group’s capital management objectives, policies and processes in the year nor has there been any change in what the Group considers to be its capital.

The total amount of capital is as follows:

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Share capital	64,850,448	64,850,448	64,850,448	64,850,448
Retained profits	50,079,932	48,731,047	19,314,015	19,015,838
Distributable reserves	9,278,422	9,278,422	5,762,193	5,762,193
	124,208,802	122,859,917	89,926,656	89,628,479

Notes To The Financial Statements (continued)

For the financial year ended 31 December 2014

34. Subsequent event

On 4 December 2014, the Company announced that it had agreed to acquire 3,466,260 ordinary shares of 10 pence each ["Ordinary Shares"] of The Naborough Plantations, plc ["TNP"] from Puan Sri Datin Hamidah Bt Abdul Rahman ["Share Acquisition"], this represented 26.03 percent of the issued ordinary share capital of TNP ["Issued Ordinary Shares"]. The Share Acquisition was at a price of RM7.00 per share which equates to GBP1.29 per Ordinary Share.

On completion of the Share Acquisition on 12 January 2015, the Company and persons acting in concert with it will hold 10,158,569 Ordinary Shares representing 76.29 percent of the Issued Ordinary Shares.

Under Rule 9 of the United Kingdom Takeover Code, the Company was required to make an offer for all of the Ordinary Shares of TNP that it does not already own.

On 22 December 2014, the Company announced that it would be making an unconditional mandatory offer ["Offer"] in cash for the 3,217,970 Ordinary Shares that it does not already own and agreed to acquire these shares at a price of GBP1.29 per Ordinary Share which valued the Ordinary Shares that are the subject of the Offer at GBP4.15 million and the whole of the Issued Ordinary Shares at GBP17.2 million.

Under the terms of the Offer, TNP's shareholders were being offered the opportunity to elect to receive an offer price of either GBP1.29 or RM7.00.

The Offer was initially opened for acceptance until 1.00 p.m. on 9 February 2015. Upon expiration of the initial offer, the offer was then extended until 1.00 p.m. on 23 February 2015. Upon expiration, the Offer was further extended until 1.00 p.m. on 16 March 2015. Another extension has since been announced and will remain open for acceptances until 1.00 p.m. on 30 March 2015.

On 19 March 2015, the board of the Company announced that valid acceptances have been received for in excess of 90 percent of the Shares to which the Offer relates and therefore the Company will now commence the procedures available to it under section 979 of the Companies Act to compulsorily acquire those TNP's shares which it does not already own.

The Company has decided to leave the Offer open for acceptances until the expiry of the compulsory purchase period.

As at 11.00 a.m. (London time) on 19 March 2015, the Company had received valid acceptances of the Offer in respect of 2,905,956 Ordinary Shares, representing approximately 21.82 percent of the existing issued share capital of TNP and 90.30 percent of the Offer shares. Of the 2,905,956 valid acceptances received, 53,939 are in respect of persons acting in concert, or deemed to be acting in concert, with the Company. The number of valid acceptances from Shareholders who elected to receive their consideration in Pounds Sterling was 1,727,209 Ordinary Shares and the number of valid acceptances from Shareholders who elected to receive their consideration in Ringgit Malaysia was 1,178,747 Ordinary Shares.

Together with the existing holding of 10,098,600 Ordinary Shares, the Company now owns or has valid acceptances of the Offer in respect of 13,004,556 Ordinary Shares, representing 97.66 percent of the issued share capital of TNP.

35. Supplementary information - breakdown of retained profits into realised and unrealised

The breakdown of the retained profits of the Group and of the Company as at 31 December 2014 and 2013 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Total retained profits				
- Realised	46,503,362	45,324,048	19,707,693	19,739,106
- Unrealised	3,576,570	3,406,999	(393,678)	(723,268)
Retained profits as per financial statements	50,079,932	48,731,047	19,314,015	19,015,838

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RIVERVIEW RUBBER ESTATES, BERHAD (820 – v)
(Incorporated in Malaysia)

FORM OF PROXY

Please read the Notice of Meeting and Explanatory Notes before completing this form.

I/We (FULLNAME IN BLOCK LETTERS) ____

of (FULL ADDRESS) ____

____

being a member of Riverview Rubber Estates, Berhad hereby appoint

(FULL NAME IN BLOCK LETTERS) ____

of (FULL ADDRESS) ____

____

as my / our proxy to vote for me / us on my / our behalf at the 76th Annual General Meeting of Riverview Rubber Estates, Berhad held at 33 (1st Floor) Jalan Dato' Maharajalela, 30000 Ipoh, Perak Darul Ridzuan, Malaysia on Monday, 15 June 2015 at 10.30 am and at any adjournment thereof.

If you want your proxy to vote in a certain way on the resolutions specified, please place a 'X' mark in the relevant boxes. The Vote withheld option is provided to enable you to instruct your proxy not to vote on any particular resolution, however, it should be noted that a vote withheld in this way is not a 'vote' in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.

		Yes	No	Withheld
(Please refer to Note 5)	To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2014 together with the Directors' and Auditors' reports thereon.			
Resolution 1	To approve the payment of Directors fees of RM65,000 per annum for each Director, and an additional RM5,000 for the Chairman for the financial year ended 31 December 2015.			
Resolution 2	To re-appoint Dr Leong Tat Thim as Director of the Company in accordance with Section 129 (2) of the Companies Act, 1965.			
Resolution 3	To re-elect Timothy John Huntsman who retires in accordance with Article 96 of the Company's Articles of Association.			
Resolution 4	To re-appoint Messrs. Sekhar & Tan as Auditors' of the Company for the ensuing financial year and to authorize the Directors to fix the Auditors' remuneration.			

Signed _______________ this _______________ day of _______________ 2015 No. of shares _______________

Note:
Proxy

1. *A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company and the provision of Section 149 (1) (b) of the Companies Act, 1965 shall not apply to the Company.*
2. *A member shall not be entitled to appoint more than two (2) proxies. Where a member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.*
3. *The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.*
4. *The instrument appointing a proxy must be deposited at the Registered Office at 31 (1st Floor) Jalan Dato' Maharajalela, 30000 Ipoh, Perak Darul Ridzuan, Malaysia not less than 48 hours before the time appointed for holding the meeting or at any adjournment thereof.*
5. *Item 1 of the Agenda is meant for discussion only, as the provision of Section169 (1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.*
6. *For shares listed on the Bursa Malaysia, only a depositor whose name appears on the Record of Depositors as at 8 June 2015 shall be entitled to attend the said meeting or appoint a proxy or proxies to attend and/or vote on his/her behalf.*

STAMP

THE SECRETARY

RIVERVIEW RUBBER ESTATES, BERHAD
(Incorporated in Malaysia)
33 (1st Floor)
Jalan Dato' Maharajalela
30000 Ipoh
Perak Darul Ridzuan
Malaysia

RIVERVIEW RUBBER ESTATES, BERHAD (820-V)

33 (1ST FLOOR) JALAN DATO' MAHARAJALELA, 30000 IPOH, PERAK DARUL RIDZUAN, MALAYSIA.