

RIVERVIEW RUBBER ESTATES, BERHAD

NEW SUBSIDIARY OF RIVERVIEW RUBBER ESTATES BERHAD

1. Introduction

The Board of Directors of Riverview Rubber Estates, Berhad (“RREB”) wishes to inform that it had on 28th October 2016 acquired Ten (10) Ordinary Shares of RM1.00 each (“Said Shares”) representing 100% of the equity interest in Hageo Sdn. Bhd. (“Hageo”) for a total cash consideration of Ringgit Malaysia Ten (RM10.00) from the following:

Name	No. of Shares	Consideration (RM)
Dr. Leong Tat Thim	4	4.00
En. Zawawi Bin Nor	6	6.00

2. Background Information on Hageo

Hageo was incorporated on 24th October 2016 as a private limited company.

It has an issued and paid up share capital of RM10 comprising 10 ordinary shares of RM1.00 each.

It has an authorised share capital of RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each.

Hageo is currently dormant and has no principal activity.

Its intended principal activity is the cultivation of oil palms.

3. Information on Vendor

Dr Leong Tat Thim

Dr. Leong Tat Thim has been the registered owner of the Said Shares since its incorporation on 24th October 2016 and is currently a Director of Hageo.

Dr. Leong Tat Thim is also the Chairman and Independent, Non-Executive Director of Riverview Rubber Estates, Berhad.

En. Zawawi Bin Nor

En. Zawawi Bin Nor has been the registered owner of the Said Shares since its incorporation on 24th October 2016 and is currently a Director of Hageo.

4. Consideration for Shares Acquired

The consideration of RM10 is arrived at based on a willing buyer willing seller basis and takes into consideration that Hageo is dormant and that the original shareholders are promoters of Hageo.

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5. Rationale

The Acquisition of the shares is to enable to any identifiable plantation operations, should they become available, to be injected into Hageo.

This is in line with the Group's intention to expand its plantation operations.

6. Effects of Share Acquisition

The Acquisition will result in Hageo being a wholly owned subsidiary of RREB.

7. Financial Effects

Issued and Paid up Capital and Substantial Shareholders

The Acquisition will not have any effect on the issued and paid up capital of RREB as well as its substantial shareholder and their shareholdings.

Net Assets and Earnings

The share Acquisition is not expected to have any material impact in the Net Assets and Earnings of the Group for the financial year ended 31 December 2016.

8. Directors and Substantial Shareholders' Interest

None of the Directors, substantial shareholders of RREB and persons connected with them have any interest, direct or indirect, in the Acquisition except for the vendor as disclosed above. Accordingly, Dr. Leong Tat Thim had abstained himself from all deliberations with respect to the Acquisition.

9. Approval from Shareholders

The Acquisition is not subject to approval of RREB's shareholders.

10. Statement by Directors

After having considered all aspects of the Acquisition, the Board of Directors of RREB is of the opinion that the Acquisition is fair, reasonable and in the interest of RREB.

This announcement is dated 28th October 2016 and made pursuant to Paragraph 9.19 (23) of the Listing Requirement of Bursa Malaysia Securities Berhad.