

**EVERGREEN FIBREBOARD BERHAD (217120 W)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS****Condensed Consolidated Statement of Comprehensive Income****For the Second Quarter Ended 30 June 2018**

(The figures have not been audited)

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 6 MONTHS ENDED	
	CURRENT YEAR QUARTER 30 June 2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30 June 2017 RM'000	CURRENT YEAR PERIOD TO-DATE 30 June 2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE 30 June 2017 RM'000
<b>Revenue</b>	289,915	258,982	554,093	508,483
Cost of sales	(234,224)	(201,742)	(442,370)	(392,369)
<b>Gross Profit</b>	55,691	57,240	111,723	116,114
Other operating income/(expenses)	9,571	(2,394)	13,674	(2,627)
Selling & administrative expenses	(49,791)	(42,531)	(94,589)	(82,683)
Finance costs	(1,612)	(1,749)	(3,376)	(3,316)
<b>Profit/(Loss) Before Tax</b>	13,859	10,566	27,432	27,488
Tax expense	(1,740)	(3,986)	(7,825)	(9,982)
<b>Net Profit/(Loss) For The Period</b>	12,119	6,580	19,607	17,506
Net profit/(loss) attributable to:				
Owners of the Company	11,959	6,200	18,728	16,739
Non-controlling interests	160	380	879	767
	12,119	6,580	19,607	17,506
Earnings per share (Note B 10 )				
- Basic (Sen)	1.41	0.73	2.21	1.98
- Diluted (Sen)	1.41	0.73	2.21	1.98

**The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.**

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(The figures have not been audited)

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 6 MONTHS ENDED	
	CURRENT YEAR QUARTER 30 June 2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30 June 2017 RM'000	CURRENT YEAR PERIOD TO-DATE 30 June 2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE 30 June 2017 RM'000
<b>Net Profit/(Loss) For The Period</b>	12,119	6,580	19,607	17,506
<b>Other comprehensive income</b>				
<i>Item that may be reclassified subsequently to profit or loss</i>				
Exchange differences on translation of foreign operations	(3,353)	(9,681)	(7,105)	(434)
Fair value (loss)/gain on available-for-sale financial assets	-	(12)	-	2
<b>Other comprehensive income/(loss) net of tax</b>	(3,353)	(9,693)	(7,105)	(432)
Total comprehensive income/(loss) for the period	8,766	(3,113)	12,502	17,074
Total comprehensive income/(loss) attributable to:				
Owners of the Company	8,606	(3,493)	11,623	16,307
Non-controlling interests	160	380	879	767
	8,766	(3,113)	12,502	17,074

**The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.**

**EVERGREEN FIBREBOARD BERHAD (217120 W)**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**

**Condensed Consolidated Statement of Financial Position**

**As at 30 June 2018**

**(The figures have not been audited)**

	<b>As at 30 June 2018 RM'000 (Unaudited)</b>	<b>As at 31 December 2017 RM'000 Audited</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,006,686	1,011,951
Land use rights	34,921	35,321
Biological assets	33,752	33,300
Goodwill	9,584	17,584
Other intangible asset	98	85
Deferred tax assets	1,863	4,589
	<u>1,086,904</u>	<u>1,102,830</u>
<b>Current assets</b>		
Inventories	239,516	227,257
Trade receivables	98,212	88,446
Other receivables, deposits & prepayments	45,938	39,620
Current tax assets	2,872	3,108
Cash and cash equivalents	84,574	120,874
	<u>471,112</u>	<u>479,305</u>
Non current asset classified as held for sale	-	8,552
	<u>471,112</u>	<u>487,857</u>
	<u>1,558,016</u>	<u>1,590,687</u>
<b>TOTAL ASSETS</b>		
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	344,749	344,749
Treasury shares	(483)	(393)
Retained earnings	744,958	726,230
Other reserves	61,138	68,243
	<u>1,150,362</u>	<u>1,138,829</u>
Non-controlling interests	30,873	29,994
<b>Total equity</b>	<u>1,181,235</u>	<u>1,168,823</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	43,887	45,057
Loans and borrowings	99,278	123,587
Other payables	11,021	10,534
	<u>154,186</u>	<u>179,178</u>
<b>Current liabilities</b>		
Trade payables	59,600	59,326
Other payables and accruals	65,698	88,919
Loans and borrowings	94,340	93,722
Current tax liabilities	2,957	719
	<u>222,595</u>	<u>242,686</u>
<b>Total liabilities</b>	<u>376,781</u>	<u>421,864</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,558,016</u>	<u>1,590,687</u>
<i>Net assets per share (RM) **</i>	<i>1.40</i>	<i>1.38</i>

**\*\* Net assets per share is calculated based on Total assets (including intangibles) minus total liabilities divided by the total number of ordinary shares as at each reporting date.**

**The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.**

EVERGREEN FIBREBOARD BERHAD (217120 W)  
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Statements of Changes in Equity  
For the Financial Period Ended 30 June 2018  
(The figures have not been audited)

	Attributable to owners of the parent						Retained Profits	Total	Non-Controlling Interests	Total Equity
	Non-distributable			Distributable						
	Share Capital	Share Premium *	Treasury Shares	Equity Transaction Reserve	Fair Value Reserve	Foreign Exchange Reserve				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>6 months period ended 30 June 2018</b>										
<b>At 1 January 2018</b>	344,749	-	(393)	383	-	67,860	726,230	1,138,829	29,994	1,168,823
Repurchase of treasury shares	-	-	(90)	-	-	-	-	(90)	-	(90)
Total comprehensive income for the period	-	-	-	-	-	(7,105)	18,728	11,623	879	12,502
<b>At 30 June 2018</b>	<b>344,749</b>	<b>-</b>	<b>(483)</b>	<b>383</b>	<b>-</b>	<b>60,755</b>	<b>744,958</b>	<b>1,150,362</b>	<b>30,873</b>	<b>1,181,235</b>
<b>6 months period ended 30 June 2017</b>										
<b>At 1 January 2017</b>	211,606	133,143	(393)	383	39	80,189	699,052	1,124,019	28,123	1,152,142
Total comprehensive income for the period	-	-	-	-	2	(434)	16,739	16,307	767	17,074
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	62	62
Adjustments for CA 2016 *	133,143	(133,143)	-	-	-	-	-	-	-	-
<b>At 30 June 2017</b>	<b>344,749</b>	<b>-</b>	<b>(393)</b>	<b>383</b>	<b>41</b>	<b>79,755</b>	<b>715,791</b>	<b>1,140,326</b>	<b>28,952</b>	<b>1,169,278</b>

\* Pursuant to Section 618(2) of the Companies Act 2016 ("CA 2016"), any amount standing to the credit of the share premium account shall become part of the share capital. Notwithstanding this, the Group may within 24 months upon commencement of the CA 2016 use the amount standing to the credit of the share premium account of RM133,143,000 for the purposes set out in Section 618(3) of the CA 2016.

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.

**EVERGREEN FIBREBOARD BERHAD (217120 W)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS****Condensed Consolidated Statement of Cash Flows****For the Second Quarter Ended 30 June 2018****(The figures have not been audited)**

	<b>30 June 2018 RM'000</b>	<b>30 June 2017 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	27,432	27,488
Adjustments for :-		
Depreciation and amortisation	35,821	33,002
Loss/(gain) on disposal of property, plant and equipment	(11,355)	(62)
Goodwill written off	8,000	-
Interest income	(779)	(758)
Interest expense	3,376	3,316
Other non-cash items	(4,753)	2,439
Operating profit before changes in working capital	<u>57,743</u>	<u>65,425</u>
<b>Changes in working capital</b>		
Net Change in inventory	(12,259)	(23,356)
Net Change in trade and other receivables	(16,084)	(36,133)
Net Change in trade and other payables	(22,459)	(19,521)
Net cash flows from/(used in)	<u>(50,802)</u>	<u>(79,010)</u>
Interest paid	(3,376)	(3,316)
Income taxes paid	(3,900)	(4,706)
	<u>(7,276)</u>	<u>(8,022)</u>
Net cash flows from/(used in) operating activities	<u>(335)</u>	<u>(21,607)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
- (Acquisition)/ disposal of additional interest in a subsidiary	-	(380)
- Purchase of property, plant and equipment	(35,745)	(43,921)
- Proceeds from disposal of property, plant and equipment	19,989	77
- Interest received	779	758
Net cash flows from/(used in) investing activities	<u>(14,977)</u>	<u>(43,466)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
- Purchase of treasury shares	(90)	-
- Drawdown of borrowings	33,013	34,564
- Repayment of borrowings	(53,911)	(30,947)
Net cash flows from/(used in) financing activities	<u>(20,988)</u>	<u>3,617</u>
Net increase/(decrease) in Cash & Cash Equivalents	(36,300)	(61,456)
Cash and Cash Equivalents at the beginning of the financial period	120,874	160,267
Cash and Cash Equivalents at the end of the financial period	<u>84,574</u>	<u>98,811</u>

**The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.**