

EVERGREEN FIBREBOARD BERHAD (“EFB” OR “THE COMPANY”)

RE-ORGANISATION OF GROUP STRUCTURE

Pursuant to Paragraph 9.19 (5) of the Listing Requirements of Bursa Malaysia Securities Berhad, the Board of Directors of EFB wishes to announce that as a matter of the re-organisation exercise in Thailand, involving the transfer of 3,892,997 ordinary shares of Asian Oak Co., Ltd. (“AOC”) from Siam Fibreboard Co., Ltd. (“SFC”), a 99.99% owned subsidiary of EFB to Craft Master Timber Products Sdn. Bhd. (“CMTP”), a wholly owned subsidiary of EFB, at a total cash consideration of RM1.00. The re-organisation is for the purpose of streamlining business management for the direct benefit of the companies involved and indirectly benefit the Group as a whole.

Currently, SFC holds 99.99% in AOC whilst the respective Directors of AOC hold one share each in compliance with the prevailing law in Thailand. Hence, after the reorganisation, AOC will be a 99.99% subsidiary of CMTP. (hereinafter referred to as “the Re-organisation”).

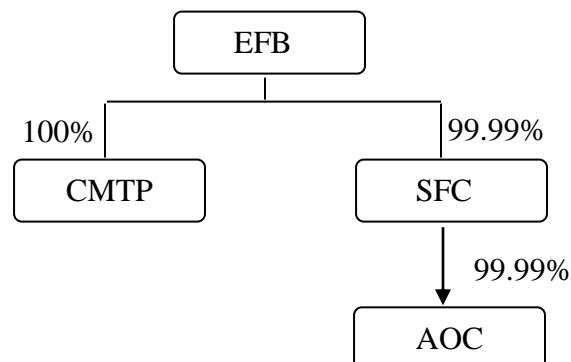
CMTP (Company No. 958479-K) was incorporated on 25 August 2011. The intended principal activity of CMTP is manufacturing of wooden furniture parts. The paid-up share capital is RM23,550,000.00 and is currently a wholly owned subsidiary of EFB.

AOC (Company No. 0905554000888) was incorporated on 10 March 2011. The intended principal activity of AOC is producing and distributing of wood products & furniture part. The paid-up share capital is Thai Baht 389,300,000.

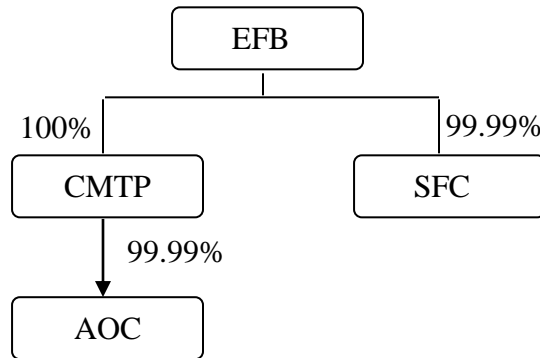
SFC (Company No. 0105547007195) was incorporated on 16 January 2004. The intended principal activity of SFC is producing and selling Medium Density Fibreboard. The paid-up share capital is Thai Baht 367,000,000 and is currently wholly owned subsidiary of EFB.

- (1) The re-organisation exercise in Thailand are diagrammatically presented as follows –

Before



After



- (2) The re-organisation will not have any material effect on the earnings, net assets and gearing of the EFB Group for the financial year ending 31 December 2017.
- (3) Kuo Jen Chang, a director of AOC and CMTP; a shareholder holding one share in AOC in compliance with the prevailing law in Thailand; Kuo Jen Chiu is sibling to Kuo Jen Chang and a director in CMTP.
- (4) The Board of Directors of EFB is of the opinion that the re-organisation is in the best interest of the EFB Group.

This announcement is dated 28 December 2017.