

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

- Petition for Winding-Up of 2 (two) of its Subsidiaries.

The Board of Directors of EFB wishes to announce that 2 (two) of its major Subsidiaries, AllGreen Timber Products Sdn. Bhd. (“AGTP”) and Evergreen Fibreboard (JB) Sdn. Bhd. (“EJB”) had on 15 June 2019 been served with a Winding-Up Petition dated 12 June 2019 by Soon Lian Engineering Construction (“the Petitioner” or “SLEC”) via its Advocates & Solicitors.

Cost of Investment as at 31 December 2018 in AGTP stands at RM130 million and EJB at RM50 million.

1. Details of the Case

SLEC is an Engineering Company providing machinery installation and dismantling services. SLEC has supplied such services to AGTP and EJB at their request since year 2016.

The circumstances leading to the filing of the Winding-Up Petition against AGTP and EJB was due to the fact of an on-going dispute pertaining to claims for works / services allegedly provided by SLEC.

2. Details of the Petitioner

SLEC (JM0806145-A) incorporated in Malaysia and having its principal business address at PLO 380, Jalan Perak Satu, Kawasan Perindustrian Pasir Gudang, 81700 Pasir Gudang, Johor.

3. Details on Claims

From the above Winding -Up Petition, the claim amount from the Petitioner are stated below:

	<u>AGTP</u>	<u>EJB</u>
Particulars		
Principal	RM41,403.60	RM1,136,483.87
Interest	RM 6,210.54	RM 56,824.19
Total	RM47,614.14	RM1,193,308.06
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4. Merits of the Claims

EFB is disputing the amount being claimed by SLEC due to the fact that some of the claims were not supported with proper documentations as per AGTP’s and EJB’s policies and therefore EFB is of the view these claims are baseless and were made with the intention to defame the Group’s reputation. Hence, EFB will rigorously defend its position on this case.

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5. Financial and Operational Impact

The amount claimed by the Petitioner is immaterial relative to the value of the assets of the subsidiary companies and will not in any way jeopardize their operations.

The Hearing for the Winding-Up Petition is fixed on 13 & 14 August 2019 respectively.

Further announcement on the development of the above matter will be made to Bursa Malaysia Securities Berhad in due course.

This announcement is dated 21 June 2019.