

**EVERGREEN FIBREBOARD BERHAD (217120 W)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS****Condensed Consolidated Statement of Comprehensive Income****For the Second Quarter Ended 30 June 2017**

(The figures have not been audited)

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 6 MONTHS ENDED	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR PERIOD TO-DATE	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	258,982	246,238	508,483	493,032
Cost of sales	(201,742)	(180,707)	(392,369)	(358,050)
<b>Gross Profit</b>	57,240	65,531	116,114	134,982
Other operating income/(expenses)	(2,394)	2,720	(2,627)	(1,655)
Selling & administrative expenses	(42,531)	(44,850)	(82,683)	(84,748)
Finance costs	(1,749)	(1,740)	(3,316)	(3,416)
Net gain/(loss) on financial instruments at fair value	-	15	-	838
<b>Profit/(Loss) Before Tax</b>	10,566	21,676	27,488	46,001
Tax expense	(3,986)	(6,325)	(9,982)	(10,002)
<b>Net Profit/(Loss) For The Period</b>	6,580	15,351	17,506	35,999
Net profit/(loss) attributable to:				
Owners of the company	6,200	16,459	16,739	37,078
Non-controlling interests	380	(1,108)	767	(1,079)
	6,580	15,351	17,506	35,999
Earnings per share (Note B 11 )				
- Basic (Sen)	0.73	2.04	1.98	4.59
- Diluted (Sen)	0.73	2.04	1.98	4.59

**The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2016 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	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR PERIOD TO-DATE	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	RM'000	RM'000	RM'000	RM'000
<b>Net Profit/(Loss) For The Period</b>	6,580	15,351	17,506	35,999
<b>Other comprehensive income</b>				
<i>Item that may be reclassified subsequently to profit or loss</i>				
Currency translation differences	(9,681)	12,545	(434)	(19,063)
Fair value (loss)/gain on available-for-sale financial asse	(12)	(2)	2	(14)
<b>Other comprehensive income/(loss) net of tax</b>	(9,693)	12,543	(432)	(19,077)
Total comprehensive income/(loss) for the period	(3,113)	27,894	17,074	16,922
Total comprehensive income/(loss) attributable to:				
Owners of the company	(3,493)	29,002	16,307	18,001
Non-controlling interests	380	(1,108)	767	(1,079)
	(3,113)	27,894	17,074	16,922

**The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31st December 2016 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 2017**

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

	<b>As at 30 June 2017 RM'000 (Unaudited)</b>	<b>As at 31 December 2016 RM'000 Audited</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	986,799	975,945
Land use rights	35,800	36,242
Biological assets	26,800	26,800
Goodwill	18,197	18,377
Other intangible asset	103	118
Deferred tax assets	11,783	13,391
Other investments	142	140
	<b>1,079,624</b>	<b>1,071,013</b>
<b>Current assets</b>		
Inventories	236,333	212,977
Trade receivables	109,693	76,455
Other receivables, deposits & prepayments	41,944	39,048
Current tax assets	761	1,186
Cash and cash equivalents	98,810	160,267
	<b>487,541</b>	<b>489,933</b>
<b>TOTAL ASSETS</b>	<b>1,567,165</b>	<b>1,560,946</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	211,606	211,606
Share premium	133,143	133,143
Treasury shares	(393)	(393)
Retained earnings	715,791	699,052
Other reserves	80,179	80,611
	<b>1,140,326</b>	<b>1,124,019</b>
Non-controlling interests	28,952	28,123
<b>Total equity</b>	<b>1,169,278</b>	<b>1,152,142</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	40,211	38,165
Loans and borrowings	93,940	100,832
Other payables	8,303	8,561
	<b>142,454</b>	<b>147,558</b>
<b>Current liabilities</b>		
Trade payables	58,765	60,526
Other payables and accruals	74,574	92,077
Loans and borrowings	115,921	103,805
Current tax liabilities	6,173	4,838
	<b>255,433</b>	<b>261,246</b>
<b>Total liabilities</b>	<b>397,887</b>	<b>408,804</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,567,165</b>	<b>1,560,946</b>

<i>Net assets per share (RM) **</i>	<i>1.38</i>	<i>1.39</i>
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**\*\* Net assets per share is calculated based on Total assets (including intangibles) minus total liabilities divided by the total number of ordinary shares of RM0.25 each in issue as at each reporting date.**

**The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.**

INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Statements of Changes in Equity  
For the Financial Period Ended 30 June 2017  
(The figures have not been audited)

	Attributable to owners of the parent							Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	Non-distributable				Distributable					
	Share Capital RM'000	Share Premium * RM'000	Treasury Shares RM'000	Equity Transaction Reserve RM'000	Fair Value Reserve RM'000	Foreign Exchange Reserve RM'000	Retained Profits RM'000			
<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
<b>At 30 June 2017</b>	<b>211,606</b>	<b>133,143</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>
<b>6 months period ended 30 June 2016</b>										
<b>At 1 January 2016</b>	141,073	203,677	(15)	383	45	58,429	634,693	1,038,285	31,752	1,070,037
Repurchase of treasury shares	-	-	(55)	-	-	-	-	(55)	-	(55)
Bonus issued	70,533	(70,533)	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(14)	(19,063)	37,078	18,001	(1,079)	16,922
Dividends	-	-	-	-	-	-	(8,464)	(8,464)	-	(8,464)
<b>At 30 June 2016</b>	<b>211,606</b>	<b>133,144</b>	<b>(70)</b>	<b>383</b>	<b>31</b>	<b>39,366</b>	<b>663,307</b>	<b>1,047,767</b>	<b>30,673</b>	<b>1,078,440</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 Annual Financial Report for the year ended 31 December 2016 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 2017****(The figures have not been audited)**

	<b>30 June 2017 RM'000</b>	<b>30 June 2016 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	27,488	46,001
Adjustments for :-		
Non-cash items	35,379	36,051
Non-operating items (which are investing/financing)		
Interest income	(758)	(874)
Interest expense	3,316	3,416
Operating profit before changes in working capital	<u>65,425</u>	<u>84,594</u>
<b>Changes in working capital</b>		
Net Change in inventory	(23,356)	14,473
Net Change in trade and other receivables	(36,133)	42,936
Net Change in trade and other payables	(19,521)	(37,899)
Net cash flows from/(used in)	<u>(79,010)</u>	<u>19,510</u>
Interest paid	(3,316)	(3,416)
Income taxes paid	(4,706)	(7,691)
	<u>(8,022)</u>	<u>(11,107)</u>
Net cash flows from/(used in) operating activities	<u>(21,608)</u>	<u>92,997</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
- Acquisition/(disposal) of additional interest in a subsidiary	(380)	-
- Purchase of property, plant and equipment	(43,921)	(71,958)
- Proceeds from disposal of property, plant and equipment	77	1,565
- Interest received	758	874
Net cash flows from/(used in) investing activities	<u>(43,467)</u>	<u>(69,519)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
- Purchase of treasury shares	-	(55)
- Dividend Paid	-	(8,464)
- Drawdown of borrowings	34,564	216,301
- Repayment of borrowings	(30,947)	(241,083)
Net cash flows from/(used in) financing activities	<u>3,616</u>	<u>(33,301)</u>
Net increase/(decrease) in Cash & Cash Equivalents	(61,457)	(9,823)
Cash and Cash Equivalents at the beginning of the financial period	160,267	116,571
Cash and Cash Equivalents at the end of the financial period	<u>98,810</u>	<u>106,748</u>

**The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.**