

**EVERGREEN FIBREBOARD BERHAD (217120 W)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS****Condensed Consolidated Statement of Comprehensive Income****For the Second Quarter Ended 30 June 2019**

(The figures have not been audited)

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 6 MONTHS ENDED	
	CURRENT YEAR QUARTER 30 June 2019 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30 June 2018 RM'000	CURRENT YEAR PERIOD TO-DATE 30 June 2019 RM'000	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE 30 June 2018 RM'000
<b>Revenue</b>	231,928	289,915	477,647	554,093
Cost of sales	(199,869)	(234,224)	(413,700)	(442,370)
<b>Gross Profit</b>	32,059	55,691	63,947	111,723
Other operating income/(expenses)	1,134	9,571	3,722	13,674
Selling & administrative expenses	(40,722)	(49,791)	(83,546)	(94,589)
Finance costs	(1,946)	(1,612)	(3,747)	(3,376)
<b>Profit/(Loss) Before Tax</b>	(9,475)	13,859	(19,624)	27,432
Tax expense	(601)	(1,740)	(1,392)	(7,825)
<b>Net Profit/(Loss) For The Period</b>	(10,076)	12,119	(21,016)	19,607
Net profit/(loss) attributable to:				
Owners of the Company	(10,364)	11,959	(20,931)	18,728
Non-controlling interests	288	160	(85)	879
	(10,076)	12,119	(21,016)	19,607
Earnings per share (Note B 10 )				
- Basic (Sen)	(1.23)	1.41	(2.47)	2.21
- Diluted (Sen)	(1.23)	1.41	(2.47)	2.21

**The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 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 2019 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30 June 2018 RM'000	CURRENT YEAR PERIOD TO-DATE 30 June 2019 RM'000	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE 30 June 2018 RM'000
<b>Net Profit/(Loss) For The Period</b>	(10,076)	12,119	(21,016)	19,607
<b>Other comprehensive income</b>				
<i>Item that may be reclassified subsequently to profit or loss</i>				
Exchange differences on translation of foreign operations	18,743	(3,353)	21,321	(7,105)
<b>Other comprehensive income/(loss) net of tax</b>	18,743	(3,353)	21,321	(7,105)
Total comprehensive income/(loss) for the period	8,667	8,766	305	12,502
Total comprehensive income/(loss) attributable to:				
Owners of the Company	8,379	8,606	390	11,623
Non-controlling interests	288	160	(85)	879
	8,667	8,766	305	12,502

**The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 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 2019**

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

	<b>As at 30 June 2019 RM'000 (Unaudited)</b>	<b>As at 31 December 2018 RM'000 Audited</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,016,457	1,014,247
Land use rights	34,142	34,495
Biological assets	34,979	34,300
Goodwill	9,584	9,584
Other intangible asset	100	111
Deferred tax assets	1,803	1,804
	<u>1,097,065</u>	<u>1,094,541</u>
<b>Current assets</b>		
Inventories	260,039	252,845
Trade receivables	82,337	95,252
Other receivables, deposits & prepayments	34,891	37,092
Current tax assets	3,667	2,759
Cash and cash equivalents	99,891	106,922
	<u>480,825</u>	<u>494,870</u>
	<u><b>1,577,890</b></u>	<u><b>1,589,411</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	344,749	344,749
Treasury shares	(483)	(483)
Retained earnings	709,951	730,882
Other reserves	102,464	81,143
	<u>1,156,681</u>	<u>1,156,291</u>
Non-controlling interests	29,926	30,011
<b>Total equity</b>	<u><b>1,186,607</b></u>	<u><b>1,186,302</b></u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	40,166	42,203
Loans and borrowings	78,066	86,763
Other payables	12,015	11,489
	<u>130,247</u>	<u>140,455</u>
<b>Current liabilities</b>		
Trade payables	51,808	67,833
Other payables and accruals	67,884	70,470
Loans and borrowings	138,216	122,547
Current tax liabilities	3,128	1,804
	<u>261,036</u>	<u>262,654</u>
<b>Total liabilities</b>	<u><b>391,283</b></u>	<u><b>403,109</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>1,577,890</b></u>	<u><b>1,589,411</b></u>
<i>Net assets per share (RM) **</i>	<i>1.40</i>	<i>1.40</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 2018 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 2019  
(The figures have not been audited)

	-----Attributable to owners of the parent -----				----- Distributable -----		Non- Controlling Interests RM'000	Total Equity RM'000
	Non-distributable				Retained	Total		
	Share Capital RM'000	Treasury Shares RM'000	Equity Transaction Reserve RM'000	Foreign Exchange Reserve RM'000	Profits RM'000	RM'000		
<b>6 months period ended 30 June 2019</b>								
<b>At 1 January 2019</b>	344,749	(483)	383	80,760	730,882	1,156,291	30,011	1,186,302
Total comprehensive income for the period	-	-	-	21,321	(20,931)	390	(85)	305
<b>At 30 June 2019</b>	344,749	(483)	383	102,081	709,951	1,156,681	29,926	1,186,607
<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
Total comprehensive income for the period	-	-	-	(7,105)	18,728	11,623	879	12,502
Repurchase of treasury shares	-	(90)	-	-	-	(90)	-	(90)
<b>At 30 June 2018</b>	344,749	(483)	383	60,755	744,958	1,150,362	30,873	1,181,235

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 2018 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 2019****(The figures have not been audited)**

	<b>30 June 2019 RM'000</b>	<b>30 June 2018 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	(19,624)	27,432
Adjustments for :-		
Depreciation and amortisation	37,866	35,821
Loss/(gain) on disposal of property, plant and equipment	(345)	(11,355)
Goodwill written off	-	8,000
Interest income	(844)	(779)
Interest expense	3,747	3,376
Other non-cash items	4,446	(4,753)
Operating profit before changes in working capital	<u>25,246</u>	<u>57,743</u>
<b>Changes in working capital</b>		
Net Change in inventory	(7,194)	(12,259)
Net Change in trade and other receivables	15,116	(16,084)
Net Change in trade and other payables	(18,083)	(22,459)
Net cash flows from/(used in)	<u>(10,160)</u>	<u>(50,802)</u>
Interest paid	(3,747)	(3,376)
Income taxes paid	(3,048)	(3,900)
	<u>(6,794)</u>	<u>(7,276)</u>
Net cash flows from/(used in) operating activities	<u>8,292</u>	<u>(335)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
- Purchase of property, plant and equipment	(22,201)	(35,745)
- Proceeds from disposal of property, plant and equipment	300	19,989
- Interest received	844	779
Net cash flows from/(used in) investing activities	<u>(21,057)</u>	<u>(14,977)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
- Purchase of treasury shares	-	(90)
- Drawdown of borrowings	60,521	33,013
- Repayment of borrowings	(54,787)	(53,911)
Net cash flows from/(used in) financing activities	<u>5,735</u>	<u>(20,988)</u>
Net increase/(decrease) in Cash & Cash Equivalents	(7,031)	(36,300)
Cash and Cash Equivalents at the beginning of the financial period	106,922	120,874
Cash and Cash Equivalents at the end of the financial period	<u>99,891</u>	<u>84,574</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 2018 and the accompanying explanatory notes attached to the interim financial statements.**