

EVERGREEN FIBREBOARD BERHAD (217120 W)

(Incorporated in Malaysia)

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

(The figures have not been audited)

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 9 MONTHS ENDED	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR PERIOD TO-DATE	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE
	30 September 2017 RM'000	30 September 2016 RM'000	30 September 2017 RM'000	30 September 2016 RM'000
Revenue	260,133	242,351	768,616	735,383
Cost of sales	(197,890)	(173,826)	(590,259)	(531,876)
Gross Profit	62,243	68,525	178,357	203,507
Other operating income/(expenses)	857	(1,453)	(1,770)	(3,108)
Selling & administrative expenses	(39,568)	(43,254)	(122,251)	(128,002)
Finance costs	(1,896)	(1,725)	(5,212)	(5,141)
Net gain/(loss) on financial instruments at fair value	-	28	-	866
Profit/(Loss) Before Tax	21,636	22,121	49,124	68,122
Tax expense	(5,084)	(6,429)	(15,066)	(16,431)
Net Profit/(Loss) For The Period	16,552	15,692	34,058	51,691
Net profit/(loss) attributable to:				
Owners of the Company	15,097	16,880	31,836	53,958
Non-controlling interests	1,455	(1,188)	2,222	(2,267)
	16,552	15,692	34,058	51,691
Earnings per share (Note B 11)				
- Basic (Sen)	1.78	2.06	3.76	6.57
- Diluted (Sen)	1.78	2.06	3.76	6.57

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial 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 9 MONTHS ENDED	
	CURRENT YEAR QUARTER 30 September 2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30 September 2016 RM'000	CURRENT YEAR PERIOD TO-DATE 30 September 2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE 30 September 2016 RM'000
Net Profit/(Loss) For The Period	16,552	15,692	34,058	51,691
Other comprehensive income				
<i>Item that may be reclassified subsequently to profit or loss</i>				
Exchange differences on translation of foreign operations	47	17,080	(387)	(1,983)
Fair value (loss)/gain on available-for-sale financial assets	4	1	6	(13)
Other comprehensive income/(loss) net of tax	51	17,081	(381)	(1,996)
Total comprehensive income/(loss) for the period	16,603	32,773	33,677	49,695
Total comprehensive income/(loss) attributable to:				
Owners of the Company	15,148	33,961	31,455	51,962
Non-controlling interests	1,455	(1,188)	2,222	(2,267)
	16,603	32,773	33,677	49,695

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

EVERGREEN FIBREBOARD BERHAD (217120 W)
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INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Statement of Financial Position

As at 30 September 2017

(The figures have not been audited)

	As at 30 September 2017 RM'000 (Unaudited)	As at 31 December 2016 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	979,539	975,945
Land use rights	35,578	36,242
Biological assets	26,800	26,800
Goodwill	18,004	18,377
Other intangible asset	95	118
Deferred tax assets	11,745	13,391
Other investments	146	140
	<u>1,071,907</u>	<u>1,071,013</u>
Current assets		
Inventories	234,631	212,977
Trade receivables	100,432	76,455
Other receivables, deposits & prepayments	48,407	39,048
Current tax assets	997	1,186
Cash and cash equivalents	115,789	160,267
	<u>500,256</u>	<u>489,933</u>
TOTAL ASSETS	<u>1,572,163</u>	<u>1,560,946</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent		
Share capital	344,749	211,606
Share premium	-	133,143
Treasury shares	(393)	(393)
Retained earnings	713,968	699,052
Other reserves	80,230	80,611
	<u>1,138,554</u>	<u>1,124,019</u>
Non-controlling interests	30,407	28,123
Total equity	<u>1,168,961</u>	<u>1,152,142</u>
Non-current liabilities		
Deferred tax liabilities	43,801	38,165
Loans and borrowings	106,529	100,832
Other payables	8,734	8,561
	<u>159,064</u>	<u>147,558</u>
Current liabilities		
Trade payables	60,214	60,526
Other payables and accruals	72,987	92,077
Loans and borrowings	105,257	103,805
Current tax liabilities	5,680	4,838
	<u>244,138</u>	<u>261,246</u>
Total liabilities	<u>403,202</u>	<u>408,804</u>
TOTAL EQUITY AND LIABILITIES	<u>1,572,163</u>	<u>1,560,946</u>

<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 Audited Financial Statements for the financial 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 September 2017
(The figures have not been audited)

	Attributable to owners of the parent						Retained Profits RM'000	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				
9 months period ended 30 September 2017										
At 1 January 2017	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	-	-	-	-	6	(387)	31,836	31,455	2,222	33,677
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	62	62
Adjustments for CA 2016 *	133,143	(133,143)	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	(16,920)	(16,920)	-	(16,920)
At 30 September 2017	344,749	-	(393)	383	45	79,802	713,968	1,138,554	30,407	1,168,961
9 months period ended 30 September 2016										
At 1 January 2016	141,073	203,677	(15)	383	45	58,429	634,693	1,038,285	31,752	1,070,037
Repurchase of treasury shares	-	-	(100)	-	-	-	-	(100)	-	(100)
Bonus issued	70,533	(70,533)	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(13)	(1,983)	53,958	51,962	(2,267)	49,695
Dividends	-	-	-	-	-	-	(8,464)	(8,464)	-	(8,464)
At 30 September 2016	211,606	133,144	(115)	383	32	56,446	680,187	1,081,683	29,485	1,111,168

* 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 2016 and the accompanying explanatory notes attached to the interim financial statements.

EVERGREEN FIBREBOARD BERHAD (217120 W)

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INTERIM FINANCIAL STATEMENTS**Condensed Consolidated Statement of Cash Flows****For the Third Quarter Ended 30 September 2017****(The figures have not been audited)**

	30 September 2017 RM'000	30 September 2016 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	49,124	68,122
Adjustments for :-		
Non-cash items	53,528	61,397
Interest income	(1,153)	(1,287)
Interest expense	5,212	5,141
Operating profit before changes in working capital	<u>106,711</u>	<u>133,372</u>
Changes in working capital		
Net Change in inventory	(21,654)	1,163
Net Change in trade and other receivables	(33,337)	25,596
Net Change in trade and other payables	(19,229)	9,166
Net cash flows from/(used in)	<u>(74,220)</u>	<u>35,925</u>
Interest paid	(5,212)	(5,141)
Income taxes paid	<u>(6,954)</u>	<u>(12,371)</u>
	<u>(12,166)</u>	<u>(17,512)</u>
Net cash flows from/(used in) operating activities	<u>20,325</u>	<u>151,785</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
- (Acquisition)/ disposal of additional interest in a subsidiary	(380)	-
- Purchase of property, plant and equipment	(73,959)	(147,651)
- Proceeds from disposal of property, plant and equipment	22,529	9,712
- Interest received	1,153	1,287
Net cash flows from/(used in) investing activities	<u>(50,657)</u>	<u>(136,652)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
- Purchase of treasury shares	-	(100)
- Dividend Paid	(16,920)	(8,464)
- Drawdown of borrowings	59,406	396,404
- Repayment of borrowings	(56,632)	(378,526)
Net cash flows from/(used in) financing activities	<u>(14,146)</u>	<u>9,314</u>
Net increase/(decrease) in Cash & Cash Equivalents	(44,478)	24,447
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>115,789</u>	<u>141,018</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 2016 and the accompanying explanatory notes attached to the interim financial statements.