

EVERGREEN FIBREBOARD BERHAD (217120 W)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS**Condensed Consolidated Statement of Comprehensive Income****For the First Quarter Ended 31 March 2018**

(The figures have not been audited)

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 3 MONTHS ENDED	
	CURRENT YEAR QUARTER 31 March 2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31 March 2017 RM'000	CURRENT YEAR PERIOD TO-DATE 31 March 2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE 31 March 2017 RM'000
Revenue	264,178	249,501	264,178	249,501
Cost of sales	(208,146)	(190,627)	(208,146)	(190,627)
Gross Profit	56,032	58,874	56,032	58,874
Other operating income/(expenses)	4,103	(233)	4,103	(233)
Selling & administrative expenses	(44,798)	(40,152)	(44,798)	(40,152)
Finance costs	(1,764)	(1,567)	(1,764)	(1,567)
Profit/(Loss) Before Tax	13,573	16,922	13,573	16,922
Tax expense	(6,085)	(5,996)	(6,085)	(5,996)
Net Profit/(Loss) For The Period	7,488	10,926	7,488	10,926
Net profit/(loss) attributable to:				
Owners of the Company	6,769	10,539	6,769	10,539
Non-controlling interests	719	387	719	387
	7,488	10,926	7,488	10,926
Earnings per share (Note B 10)				
- Basic (Sen)	0.80	1.25	0.80	1.25
- Diluted (Sen)	0.80	1.25	0.80	1.25

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.

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	CURRENT YEAR QUARTER 31 March 2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31 March 2017 RM'000	CURRENT YEAR PERIOD TO-DATE 31 March 2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE 31 March 2017 RM'000
Net Profit/(Loss) For The Period	7,488	10,926	7,488	10,926
Other comprehensive income				
<i>Item that may be reclassified subsequently to profit or loss</i>				
Exchange differences on translation of foreign operations	(3,752)	9,247	(3,752)	9,247
Fair value (loss)/gain on available-for-sale financial assets	-	14	-	14
Other comprehensive income/(loss) net of tax	(3,752)	9,261	(3,752)	9,261
Total comprehensive income/(loss) for the period	3,736	20,187	3,736	20,187
Total comprehensive income/(loss) attributable to:				
Owners of the Company	3,017	19,800	3,017	19,800
Non-controlling interests	719	387	719	387
	3,736	20,187	3,736	20,187

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EVERGREEN FIBREBOARD BERHAD (217120 W)
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INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Statement of Financial Position
As at 31 March 2018

(The figures have not been audited)

	As at 31 March 2018 RM'000 (Unaudited)	As at 31 December 2017 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	1,009,535	1,011,951
Land use rights	35,080	35,321
Biological assets	33,441	33,300
Goodwill	9,584	17,584
Other intangible asset	77	85
Deferred tax assets	1,863	4,589
	<u>1,089,580</u>	<u>1,102,830</u>
Current assets		
Inventories	240,163	227,257
Trade receivables	95,792	88,446
Other receivables, deposits & prepayments	45,907	39,620
Current tax assets	2,636	3,108
Cash and cash equivalents	105,460	120,874
	<u>489,958</u>	<u>479,305</u>
Non current asset classified as held for sale	-	8,552
	<u>489,958</u>	<u>487,857</u>
TOTAL ASSETS	<u>1,579,538</u>	<u>1,590,687</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent		
Share capital	344,749	344,749
Treasury shares	(393)	(393)
Retained earnings	732,999	726,230
Other reserves	64,491	68,243
	<u>1,141,846</u>	<u>1,138,829</u>
Non-controlling interests	30,713	29,994
Total equity	<u>1,172,559</u>	<u>1,168,823</u>
Non-current liabilities		
Deferred tax liabilities	44,495	45,057
Loans and borrowings	108,073	123,587
Other payables	10,321	10,534
	<u>162,889</u>	<u>179,178</u>
Current liabilities		
Trade payables	55,447	59,326
Other payables and accruals	94,864	88,919
Loans and borrowings	91,923	93,722
Current tax liabilities	1,856	719
	<u>244,090</u>	<u>242,686</u>
Total liabilities	<u>406,979</u>	<u>421,864</u>
TOTAL EQUITY AND LIABILITIES	<u>1,579,538</u>	<u>1,590,687</u>
<i>Net assets per share (RM) **</i>	<i>1.39</i>	<i>1.38</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 2017 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 31 March 2018
(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				
3 months period ended 31 March 2018										
At 1 January 2018	344,749	-	(393)	383	-	67,860	726,230	1,138,829	29,994	1,168,823
Total comprehensive income for the period	-	-	-	-	-	(3,752)	6,769	3,017	719	3,736
At 31 March 2018	344,749	-	(393)	383	-	64,108	732,999	1,141,846	30,713	1,172,559
3 months period ended 31 March 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	-	-	-	-	14	9,247	10,539	19,800	387	20,187
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	62	62
Adjustments for CA 2016 *	133,143	(133,143)	-	-	-	-	-	-	-	-
At 31 March 2017	344,749	-	(393)	383	53	89,436	709,591	1,143,819	28,572	1,172,391

* 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 2017 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 First Quarter Ended 31 March 2018****(The figures have not been audited)**

	31 March 2018 RM'000	31 March 2017 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	13,573	16,922
Adjustments for :-		
Depreciation and amortisation	17,550	16,219
Loss/(gain) on disposal of property, plant and equipment	(10,889)	-
Goodwill written off	8,000	-
Interest income	(385)	(322)
Interest expense	1,764	1,567
Other non-cash items	(1,602)	2,396
Operating profit before changes in working capital	<u>28,011</u>	<u>36,782</u>
Changes in working capital		
Net Change in inventory	(12,906)	(10,499)
Net Change in trade and other receivables	(13,633)	(11,390)
Net Change in trade and other payables	1,855	(11,090)
Net cash flows from/(used in)	<u>(24,684)</u>	<u>(32,979)</u>
Interest paid	(1,764)	(1,567)
Income taxes paid	(2,081)	(765)
	<u>(3,845)</u>	<u>(2,332)</u>
Net cash flows from/(used in) operating activities	<u>(519)</u>	<u>1,472</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
- (Acquisition)/ disposal of additional interest in a subsidiary	-	(380)
- Purchase of property, plant and equipment	(19,055)	(27,212)
- Proceeds from disposal of property, plant and equipment	19,440	-
- Interest received	385	322
Net cash flows from/(used in) investing activities	<u>770</u>	<u>(27,270)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
- Drawdown of borrowings	4,824	21,544
- Repayment of borrowings	(20,490)	(19,142)
Net cash flows from/(used in) financing activities	<u>(15,666)</u>	<u>2,402</u>
Net increase/(decrease) in Cash & Cash Equivalents	(15,414)	(23,396)
Cash and Cash Equivalents at the beginning of the financial period	120,874	160,267
Cash and Cash Equivalents at the end of the financial period	<u>105,460</u>	<u>136,871</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 2017 and the accompanying explanatory notes attached to the interim financial statements.