

EVERGREEN FIBREBOARD BERHAD
(Registration No. 199101006810 (217120-W))
(Incorporated in Malaysia)

MINUTES OF THE THIRTY-FIFTH ANNUAL GENERAL MEETING (“35TH AGM”) OF THE COMPANY HELD PHYSICALLY AT GRAND BALLROOM, LEVEL 1, FOREST CITY GOLF HOTEL, JALAN PERSIARAN GOLF 5, FOREST CITY GOLF RESORT, 81550 GELANG PATAH, JOHOR BAHRU, JOHOR, MALAYSIA ON MONDAY, 18TH MAY 2026 AT 9.00 A.M.

PRESENT: As per attendance list

IN ATTENDANCE:

Mr. Jonathan Law Ngee Song	(Non-Independent Non-Executive Chairman)
Mr. Kuo Jen Chang	(Executive Director, Group Chief Executive Officer)
Mr. Kuo Jen Chiu	(Executive Director, Group Chief Operating Officer)
Ms. Mary Henerietta Lim Kim Neo	(Group Executive Director)
Mr. Kuan Kai Seng	(Senior Independent Non-Executive Director)
Ms. Tan Mui Ping	(Independent Non-Executive Director)
Ms. Hong Kim Heong	(Independent Non-Executive Director)
Mr. Shameer Bin Othman	(Independent Non-Executive Director)

MANAGEMENT:

Mr. Martin Leong Ting Siong (Group Chief Financial Officer)

COMPANY SECRETARIES:

Ms. Santhi Saminathan (Company Secretary from Boardroom Corporate Services Sdn. Bhd.)
Ms. Nur Rabiatal Marissa binti Abd Karim (Assistant Secretary from Boardroom Corporate Services Sdn. Bhd.)

AUDITORS:

Mr. Ng Boon Hiang (Audit Partner, External Auditors from Messrs Baker Tilly Monteiro Heng PLT)
Ms. Chua Lei Ying (Executive Director, Internal Auditors from Messrs BDO Governance Advisory).

SHARE REGISTRAR:

Mr. Yap Soon Hoe (Boardroom Share Registrars Sdn. Bhd.)
Mr. Ang Wai Meng (Boardroom Share Registrars Sdn. Bhd.)
Mr. Andrew Kei Hendroff (Boardroom Share Registrars Sdn. Bhd.)

SCRUTINEERS:

Ms. Nur Riana binti Mohd Tahir (SKY Corporate Services Sdn. Bhd.)
Ms. Nur Afiqah binti Azahar (SKY Corporate Services Sdn. Bhd.)

CHAIRMAN

The Chairman of the Board, Mr. Jonathan Law Ngee Song welcomed Members attending the Meeting.

He informed the Members that this 35th AGM is in compliance with the Companies Act 2016 and the Company's Constitution.

QUORUM

The requisite quorum being present in accordance with Regulation 76 of the Company's Constitution, the Chairman of the Meeting declared the Meeting duly convened.

The Chairman took the opportunity to introduce the Board of Directors, Management, Auditors and Company Secretaries who were present at this AGM.

NOTICE

The Chairman informed the attendees that the notice of this AGM and the annual report 2025 were announced to Bursa Malaysia Securities Berhad on 16 April 2026 and 17 April 2026 respectively and published on the Company's corporate website and advertised in the newspaper within the stipulated time. Hence, the notice was taken as read.

CORPORATE REPRESENTATIVE/PROXIES

The Chairman requested the Company Secretary to read out the proxies received by the Company within the prescribed period.

The Company Secretary informed that the Company had received in total 19 proxy forms from shareholders for a total of 372,174,680 shares representing 44.06% of the issued ordinary shares of the Company. Out of those, 17 proxy forms from shareholders for a total of 366,127,580 shares representing 43.35% have appointed the Chairman of the Meeting as their proxy.

POLLING AND ADMINISTRATIVE MATTER

The Chairman subsequently informed shareholders the polling and administrative matters in conducting the 35th AGM. He further informed that the attendance of the 35th AGM was restricted to shareholders, proxies and authorised representatives of corporate shareholders who have registered to attend this meeting. As discussion that transpires in this 35th AGM was deemed confidential and only for the knowledge of such relevant parties, any visual or audio recording of this meeting is strictly prohibited.

The Chairman continued to brief that in accordance with Main Market Listing Requirements of Bursa Malaysia, all the resolutions set out in the notice of this AGM will be voted by poll and the Company has appointed Boardroom Share Registrars Sdn. Bhd., the Company's Share Registrar as the Poll Administrator to conduct the electronic polling process and SKY Corporate Services Sdn. Bhd. as the Scrutineer to verify the poll results.

The Chairman informed shareholders the polling process will take place after the conclusion of all agenda items and the question and answers session. The Chairman informed that during the registration, those attending meeting today would have been given QR coded wristbands. The Chairman invited the Poll Administrator to play an instructional video demonstrating the polling procedures to ensure all attendees understood the voting process. The Chairman further clarified the protocol for shareholders wishing to speak during the meeting, requesting them to state their full name and to declare if they are registered shareholder or appointed proxy holder. Thereafter, the Chairman proceeded to the meeting agenda.

ORDINARY BUSINESS

THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 TOGETHER WITH THE REPORTS OF DIRECTORS' AND AUDITORS' REPORT THEREON.

The Audited Financial Statements for the year ended 31 December 2025 together with the Reports ("AFS") were tabled for discussion only and do not require shareholders' approval. The Chairman informed that there will be a Questions and Answers session after the presentation by the Group Chief Financial Officer.

The Chairman invited Mr. Martin Leong, the Group Chief Financial Officer to present the Group's financial position. A copy of the presentation is annexed herewith as Appendix A for reference purposes.

Mr. Martin further informed that the Company had received several questions from shareholders via email prior to this meeting. A list of questions and answers were presented at the meeting and a copy of the same is annexed herewith as Appendix B for reference purposes.

The Chairman subsequently put on record that the Audited Financial Statements of the Company for the financial year ended 31 December 2025 had been duly received by shareholders. The Chairman then proceeded to the next agenda.

RESOLUTION 1

TO APPROVE THE PAYMENT OF NON-EXECUTIVE DIRECTORS' FEES AND OTHER BENEFITS TOTALING RM450,000 FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2026.

The Chairman informed the second item on the agenda, being Ordinary Resolution 1, which sought the approval of the shareholders for the payment of Non-Executive Directors' fees and other benefits of up to RM450,000 for the financial year ending 31 December 2026.

The Chairman further informed that details of the proposal were set out in Explanatory Note 2 on page 4 of the Annual Report 2025, which had been circulated to the shareholders.

RESOLUTIONS 2 & 3

RE-ELECTION OF DIRECTORS WHO RETIRES DURING THE YEAR IN ACCORDANCE TO THE COMPANY'S CONSTITUTION

Next, the Chairman proceeded to the next agenda item in relation to the re-election of Directors retiring during the year in accordance with Clause 109 of the Company's Constitution.

The Chairman informed the shareholders that Mr. Kuo Jen Chiu and Ms. Tan Mui Ping were due to retire from the Board at this Meeting and, being eligible, had offered themselves for re-election. The meeting was referred to Explanatory Note 3 on page 5 of the Annual Report for further details. The Chairman highlighted that the re-election of each Director would be conducted and voted on individually, as set out in the Notice of the Annual General Meeting.

The Chairman further informed the meeting that Mr. Kuan Kai Seng, who was also due for retirement by rotation, had indicated that he would not be seeking re-election. Accordingly, Mr. Kuan would retire from the Board and the Board Committees upon the conclusion of this Annual General Meeting.

RESOLUTION 4

TO RE-APPOINT MESSRS. BAKER TILLY MONTEIRO HENG PLT AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION.

The Chairman further informed the Members present that the retiring auditors, Messrs. Baker Tilly Monteiro Heng PLT, had expressed their willingness to continue in office. This resolution was referred to Explanatory Note 4 on page 5 of the Annual Report 2025 for further details.

RESOLUTION 5

AUTHORITY TO ALLOT SHARES – SECTIONS 75 (1) & 76 (1)

The Chairman proceeded to Resolution 6 in relation to the authority to issue and allot shares pursuant to Sections 75 (1) & 76 (1) of the Companies Act, 2016 for shareholders' approval. Chairman highlighted that this resolution shall be referred to the Explanatory Note 5 on page 5 of the Annual Report for further information.

**RESOLUTION 6
 PROPOSED RENEWAL OF AUTHORISATION FOR THE COMPANY TO PURCHASE ITS OWN
 SHARES OF UP TO TEN PERCENT (10%) OF THE ISSUED AND PAID-UP SHARE CAPITAL OF
 THE COMPANY**

The Chairman then proceeded with Resolution 6, pertaining to the proposed authority for the Company to purchase its own shares of up to ten percent (10%) of the issued and paid-up share capital of the Company (“Proposed Share Buy-Back Authority”). The Chairman informed the shareholders that further details of the proposal were set out in the Statement in relation to the Share Buy-Back dated 17 April 2026.

Q&A SESSION

As all the resolutions set out in the Notice of Meeting had been duly tabled, the Chairman proceeded with the Questions and Answers session. The Chairman invited any shareholder or proxy holder who wished to raise their questions. The questions raised and the responses given by the Board and/or Management are included as Appendix C which is annexed hereto for reference purposes.

Upon conclusion of the Q&A session, and there being no further questions, the Chairman declared the Q&A session closed.

POLL VOTING

The Chairman subsequently invited the shareholders to cast their votes. Thereafter, the Chairman announced the poll voting closed and adjourned the meeting for 20 minutes for the scrutineers to validate the poll results.

DECLARATION OF POLL RESULTS

After the validation of poll results by the Scrutineers and upon receiving the poll results, the Chairman resumed the meeting and declared the poll results as per table below. The following poll results were presented on the screen: -

Resolution	FOR			AGAINST		
	Records	No. of Shares	%	Records	No. of Shares	%
1	33	368,319,276	99.99	1	30,000	0.01
2	32	366,243,076	99.43	2	2,106,200	0.57
3	32	366,243,076	99.43	2	2,106,200	0.57
4	34	368,349,276	100.00	0	0	0.00
5	34	368,349,276	100.00	0	0	0.00
6	34	368,349,276	100.00	0	0	0.00

Based on the poll results above, the Chairman declared that all resolutions tabled at this 35th AGM were duly carried.

RETIREMENT OF MR. KUAN KAI SENG

Before concluding the AGM, the Chairman, on behalf of the Company and the Board of Directors, extended sincere appreciation and deepest gratitude to Mr. Kuan Kai Seng for his invaluable contributions, dedicated service and insightful guidance throughout his tenure. It was acknowledged that Mr. Kuan's leadership and commitment had played a significant role in steering the Company through key developments and strategic initiatives.

On behalf of the Board and the Company, the Chairman conveyed best wishes to Mr. Kuan in all his future endeavours and recorded the Board's appreciation for his distinguished service.

TERMINATION

As there was no other business, the Chairman declared the 35th AGM closed at 10.50 a.m. with a vote of thanks to all who participated in this meeting.

CONFIRMED AND SIGNED AS A CORRECT RECORD

JONATHAN LAW NGEE SONG
CHAIRMAN



35th ANNUAL GENERAL MEETING

Disclaimer

This corporate presentation may contain forward-looking statements. All statements other than statements of historical facts contained in this presentation. Including, without limitation, those regarding our financial position, business strategies, plans and objectives of our Group for future operations, are forward looking statements.

Such forward-looking statements (if any) involve known and unknown risks, uncertainties, contingencies and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements (if any) are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such forward-looking statements (if any) reflect our current view with respect to future events and are not a guarantee of future performance.

Our actual results may differ materially from the information contained in such forward-looking statements (if any) as a result of numerous factors beyond our control, including, without limitation (i) the generic economic, business, social, political and investment in Malaysia and globally (ii) government policies, legislations or regulations (iii) interest rates, foreign exchange rates and tax rates (iv) the competitive environment in our industry (v) fixed and contingent obligations and commitments (vi) the activities and financial health of our customers, suppliers and other business partners (vii) significant capital expenditure requirements and (viii) any other factors beyond our control.

Due to rounding, numbers presented throughout this corporate presentation may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Subject to any applicable laws, rules, regulations and guidelines having the force of law, we expressly disclaim any obligation or undertaking to release any update or revision to any forward-looking statement contained in this presentation to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Information in this presentation shall not be taken as a recommendation, advice or an offer by Evergreen Fibreboard Berhad (“Group”), the advisers, or their affiliates, representatives, partners, directors, officers, employees, advisers or agents (collectively “The Relevant Parties”) or any person to enter into any transaction or an invitation to you or any other person to undertake any potential transaction. You should conduct your own due diligence on the Group. You should make your own independent appraisal of the financial condition, creditworthiness, affairs and status of the Group as the basis of any investment decision. You should be aware that any investment activity may expose them to a risk of losing the property invested. The Relevant Parties are not liable for any investment decision you make.

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The background consists of vertical wood panels. A horizontal band of light, yellowish-white light is centered across the image, creating a gradient effect. The text is centered within this light band.

About **EVERGREEN**

EVERGREEN – A Quick Snapshot

- Started in **1972** as a timber trading and veneer manufacturing company
- Over **50** years, the Group has grown to a **multi-product entity** (e.g. veneer to laminates, to medium density fibreboard (MDF) and particleboard (PB), and then to ready-to-assemble furniture)
- Manufacturing facilities in **Malaysia, Thailand** and **Indonesia**. Employs approx. **1,900** workers
- Market presence in **>40** countries with **over 600** customers
- **>60%** MDF market share in Malaysia with more than **75%** of Group's revenue from export market

Financial Summary @ FYE 31 December 2025	
Revenue	RM 911 million
Gross Profits	RM 153 million
Loss Before Tax	RM 24 million
Loss after Tax	RM 28 million
Adjusted EBITDA	RM 62 million

Other Financial Info @ 31 December 2025	
Weighted Avg. No. of Shares	844.85 million
Net Assets	RM 987 million
Net Assets/Share	RM 1.12
Earnings per Share	-RM0.03
Net Gearing	0.17x

The image features a dark wood-grain background with a central horizontal banner of a lighter, warm yellowish-gold color. The text 'Business Overview' is centered on this banner in a bold, black, sans-serif font.

Business Overview

Medium Density Fibreboard (MDF)



Manufacturing of MDF, an engineered wood product made by breaking down wood residual into wood fibres, combining it with wax and resin binder to form panels. Value-added products include laminated, embossed, paper or PVC overlay and direct print.

Ready-to-Assemble (RTA) Furniture



Manufacturing of RTA furniture, or knock-down furniture, a form of furniture that requires assembly by the consumer, in which the components are value-added MDF & PB

Particleboard (PB)



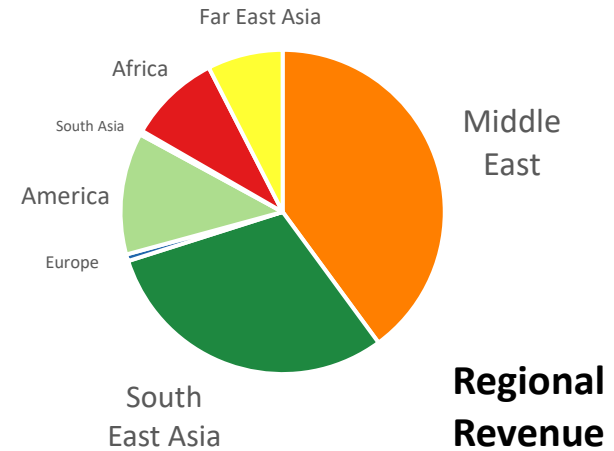
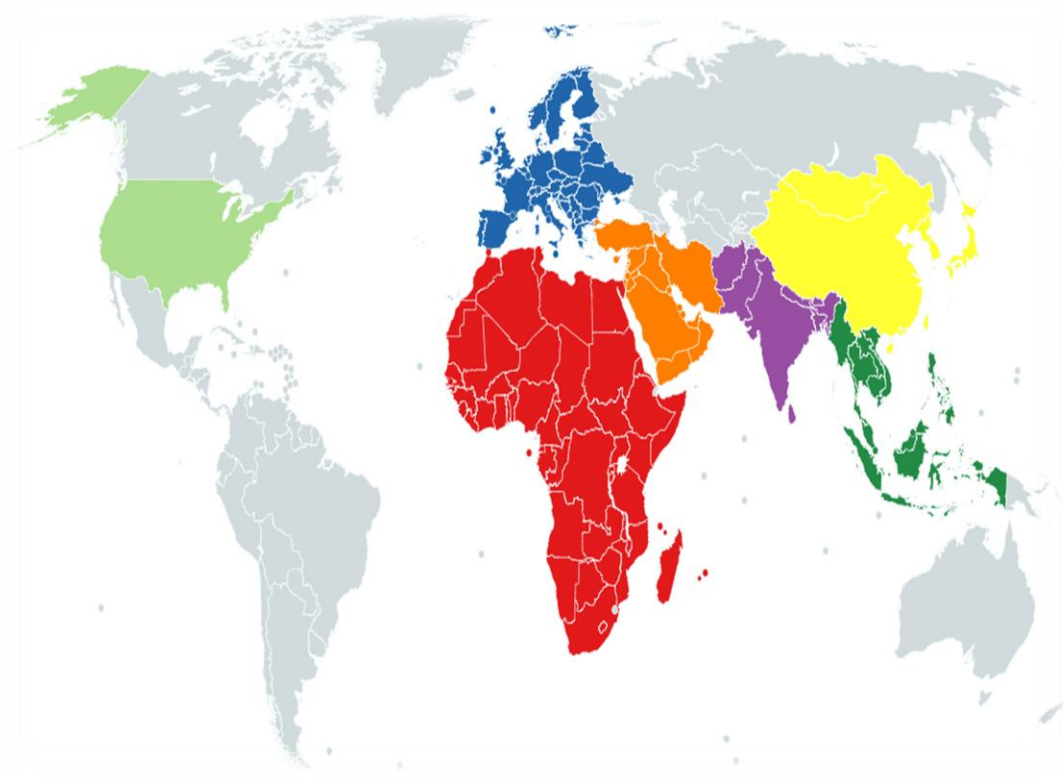
Manufacturing of PB, or chipboard, an engineered wood product manufactured from wood chips, sawmill shavings or sawdust, binded with synthetic resin

Wood Pellets



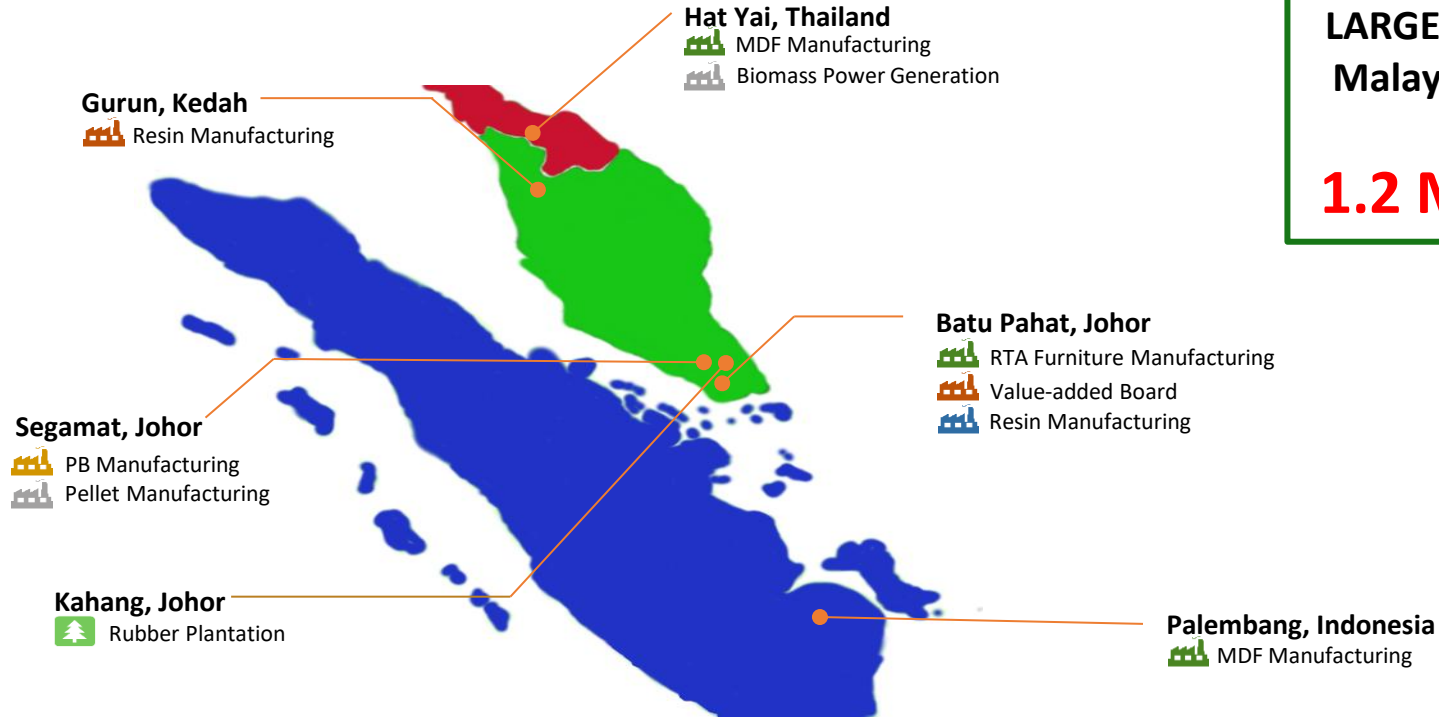
Manufacturing wood pellets as a renewable energy fuel source for biomass power plants. 100% natural without any chemical additives

Global Footprint



No customer concentration risk with no single customer accounts for > 5% of group revenue

Diversified Bases of Operations



**LARGEST Publicly Listed
Malaysian Panel Board
Producer**
1.2 MILLION M3

The image features a dark wood-grain background with a central horizontal band of a lighter, yellowish-gold color. The word "FINANCIALS" is centered within this band in a bold, black, sans-serif font. There are four bright, circular light spots at the top of the wood-grain area, creating a subtle glow effect.

FINANCIALS

FY2025 Financial Performance Review

RM'm	FY 2023	FY 2024	FY 2025
Revenue	881.1	958.1	911.1
Gross Profit	136.6	172.8	152.9
PBT	(21.9)	12.8	(24.2)
PATAMI	(37.3)	2.0	(27.5)
EPS (cent)	(4.41)	0.24	0.24
GP Margin	15.5%	18.0%	16.8%
PBT Margin	--	1.3%	--
PATAMI Margin	--	0.2%	--

- Revenue decreased YoY due to lower sales volume and average selling price (ASP).
- Lower volume due to restructuring of inefficient Malaysian operations whilst lower ASP mainly due to stronger MYR against USD and regional currencies.
- MYR appreciated against USD by 6% in FY2025 vs FY2024, reducing export revenue by RM40mil.
- As such, Malaysia focuses more on Value-added segment which has higher selling price and requires more skilled workers. Panel board operations was right-sized to reduce cost, with one-time restructuring costs being incurred in FY2025.
- Thailand saw growing demand from Middle East. Profitability was lower due to flood impact (insurance income yet to be recognized) and downtime from biomass boilers undergoing upgrade to increase efficiency.
- Indonesia new line is running well and continually increasing in efficiency.
- The effective tax rate for the year was higher than the statutory tax rate mainly due to the tax expense is mainly from profitable companies and non-recognition of tax assets from some loss-making companies.

FY2025 Financial Performance Review

RM'm	FY 2023	FY 2024	FY 2025
Revenue	881.1	958.1	911.1
Gross Profit	136.6	172.8	152.9
PBT	(21.9)	12.8	(24.2)
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GP Margin	15.5%	18.0%	16.8%
PBT Margin	--	1.3%	--
PATAMI Margin	--	0.2%	--

Major non-operational items impacting Income Statement in FY2025 vs FY2024:

- Loss on foreign exchange: RM8.9mil (FY24: Gain RM0.1mil)
- Loss from flooding: RM6.4mil (FY24: Nil)
- Inventories written down: RM2.7mil (FY24: Reversal of previous write down RM0.3mil)
- Gain from fair value adjustment on biological assets: RM1.4mil (FY24: RM3.7mil)
- Operations restructuring costs: RM9.0mil (FY24: Nil)

Resilient Financial Position to Face Challenges

RM'm	2023	2024	2025
PPE	851.4	886.3	834.9
Non-Current Assets	82.0	85.4	90.2
Current Assets ex Cash & Time Deposits	323.3	320.9	305.8
Cash & Time Deposits	199.6	140.0	82.9
Total Assets	1,456.3	1,432.6	1,313.8
Current Liabilities	330.2	310.3	237.7
Non Current Liabilities	130.0	135.2	132.8
Total Liabilities	460.2	445.5	370.5
Total Equity	996.1	987.1	943.3
Total Equity & Liabilities	1,456.3	1,432.6	1,313.8
<i>Net Asset/Share (RM)</i>	<i>1.18</i>	<i>1.17</i>	<i>1.12</i>
<i>Net Gearing</i>	<i>0.04x</i>	<i>0.13x</i>	<i>0.17x</i>
<i>Current Ratio</i>	<i>1.58x</i>	<i>1.49x</i>	<i>1.64x</i>

- Cash and deposits healthy level at **RM83m** @ 31 Dec 2025
- Lower PPE mainly due to depreciation.
- Lower current liabilities mainly due to repayment of bank facilities
- Net asset per share at **RM1.12** per share
- Net gearing remained low to maintain financial stability.
- Current ratio remained strong, ensuring sufficient asset liquidity to meet current obligations

Financial Flexibility to Pursue Growth

RM'm	2023	2024	2025
Net cash from OPERATING ACTIVITIES	85.0	18.4	6.5
Net cash used in INVESTING ACTIVITIES	(15.8)	(80.4)	(50.1)
Net cash (used in)/ generated from FINANCING ACTIVITIES	4.3	13.9	(13.6)
Net movement in CASH	73.5	(48.1)	(57.2)
Effects of foreign exchange rate changes	2.1	(4.0)	0.6
Beginning Cash Balance	115.7	191.3	139.2
Cash Balance at end of Financial Year	191.3	139.2	82.6

- The Group has **INFLOW** of operating cashflow of **RM6.5mil** for the FYE 2025. This is lower than the previous year but offset against reduction in cash used in investing activities.
- During FY2025, the Group repaid more bank facilities than was drawn-down.
- Cash balance as at 31 Dec 2025 stood at **RM83mil**.

The image features a background of vertical wood-grain panels. A horizontal band of a lighter, yellowish-gold color runs across the middle, containing the word "CHALLENGES" in bold, black, uppercase letters.

CHALLENGES

GEOPOLITICS, GOVERNMENT POLICIES & FOREX

○ Increased geopolitical instability

- In addition to the on-going Russia-Ukraine war, the biggest disruption is coming from the Iran war.
- Blockade of Straits of Hormuz severely limits shipping to UAE, Qatar and Damam Port (Saudi Arabia)
- High cost of oil increases shipping cost and cost of adhesives.
- Higher pump prices in worldwide may reduce consumer spending

○ Higher cost of operations

- Malaysia's cost of electricity has risen by 30% due to AFA adjustments since Dec 2025
- *Strict enforcement of truck weight limit and higher diesel prices have increased transportation cost in Malaysia.

○ Stronger Ringgit

- A stronger MYR reduces competitive advantage of Malaysian exports.

The image features a background of vertical wood-grain panels. A horizontal white banner is centered across the middle of the image. The text "CHALLENGE MANAGEMENT" is written in a bold, black, sans-serif font on this banner. The lighting is warm, with a slight glow at the top of the wood panels.

CHALLENGE MANAGEMENT

STRATEGIES & TEAM EFFORTS

○ Responding to geopolitical instability

- Alternative routes via Red Sea, Panama Canal and develop markets in Eastern Mediterranean countries
- Develop our market presence in East Asia
- Sharing the burden of higher costs with customers to achieve sustainable win-win business relationships

○ Responding to higher cost of operations

- Pass on higher cost. *Limitation in trucking capacity and higher transportation charges have discouraged imports from Thailand, allowing local sales price to more accurately reflect higher costs
- Expanding transport options to rail services to overcome trucking capacity limitations

○ Responding to a stronger Ringgit

- Increased engagement with Ministry of Plantation and Commodities to lower cost of doing business in Malaysia
- Further develop production capabilities in Indonesia to take advantage of lower cost environment

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OPPORTUNITIES

Playing to Strengths

○ Thailand

- Improving the efficiency of biomass energy plants to reduce cost of electricity.
- Established reputation as preferred MDF board supplier to some major Mid East buyers, thus well-positioned to meet rebound in demand once peace is achieved.

○ Indonesia

- The new MDF line in Indonesia continues to mature – improving productivity and efficiency
- Benefit from local costs in Rupiah, export in USD. Complement Thailand operations to meet demand rebound.
- Potential to further develop local sales due to barriers that increases the cost of imported goods.

○ Malaysia

- Benefit from lower cost structure from past restructuring activities.
- Well-situated to meet Malaysian furniture manufacturers demand for smaller-batched orders with short lead time.
- Limited trucking capacity and higher cost are more manageable as we are near to our customers, compared to imported particleboards.

The image features a background of vertical wood paneling. A horizontal band of a lighter, cream-colored material runs across the middle. The text "LOOKING AHEAD" is centered within this band in a bold, black, sans-serif font.

LOOKING AHEAD

PROSPECTIVE IMPROVEMENTS

○ Rebuilding after the war

- Expected surge in demand for furniture and building materials required for rebuilding and reconstruction works in the Middle East with potentially more volume and higher sales price
- We have strong reputation, wide sales network and production capacities in Thailand and Indonesia to take advantage of the surge in demand.

○ Unlocking value and strengthening financial buffer

- Unloading some Malaysian assets to unlock their value and generating cash
- Strengthen the Group's balance sheet and improve liquidity

○ Increased revenue stream from renewable energy

- High potential to increase the Group's wood pellet production capacity
- There are synergistic opportunities between wood pellet and the Group's other operations

The image features a wood-grain background with a central horizontal band of a lighter, yellowish-gold color. The wood grain is dark brown and runs vertically. The central band is a solid, light color. The text "Thank You" is centered in the band.

Thank You

Questions & Answers

Shareholder's Emailed Question 1

- **Looking at the following summarised statistics: (figures extracted from interim financial reports ending 31 Dec for the relevant years) with figures in RM:**
 - (a) Loan term loan: 2022 =27.9 mil; 2023= 86.53 mil; 2024= 96.3 mil; 2025= 100.2 mil
 - (b) cash /cash equivalent : dropping from 2023's 199 mil to 2025's 79.6 mil
 - (c) net debt : increased from 32.5 mil in 2022 to 158.9 mil in 2025
 - (d) net cash flow from operations (before interest payment) dropping from 2022's 105.6 mil to 2025's 29.2 mil
 - (e) interest payment: increased from 5.89 mil in 2022 to 11.78 mil in 2025
 - (f) Net debt over equity has increased from 3.2% in 2022 to 16.8% in 2025

- **Question: Can I request for a very frank view from the Board, having considered the "outlook and prospects" on page 27 of the said AR, the likely trend of the key financial health indicators mentioned above from (a) to (f)**

- **Answer:** The **reduced cash inflow from operations** in FY2025 is mainly **due to losses incurred** during the year. The **main disruptor** was the multiple versions of **trade tariff** by the US government. Trade with USA was disrupted and **USD thus weakened** (further reducing export revenue in RM terms) exacerbated by **expectations of multiple interest rate cuts** by the US Federal Reserve while the **RM was boosted** by news of multi-billion ringgit worth of data centre investments. The Group thus restructured its Malaysian operations to right-size its workforce and trim certain operations, resulting in **one-time restructuring costs**. The THB and IDR were not as strong as RM, with the **IDR weakening against USD**. This is beneficial to the Group's **Indonesian operations' export revenue**. **Thailand** booked in some losses from the November Hatyai **flood incident**. The **insurance claim** is expected to be reflected in the Group's FY2026 **second quarter** result.
- **RM100mil of the total term loan** is for the **new MDF line in Indonesia** which achieved full **commercial run** by the **second-half of FY2025**. It is currently running at 80% targeted capacity. **Interest expenses increased** in line with increased borrowing. As our team continues to go up the learning curve, the line is **expected to generate positive cashflow during normal business conditions**, significantly more than the loan and interest commitments. The Board expects **net debt and interest expense to further reduce** upon the **sale of** some of the Group's less productive **assets**. The unwinding of such assets is already in varying stages of completion and expected to net a total sum exceeding said term loan.

Shareholder's Emailed Question 2

- From the respective interim financial report ending in the respective years relating to the "Investing Cash Flow" on purchase of property/plant/equipment:
 - 2022: 28.4 mil
 - 2023: 94.3 mil
 - 2024: 87.37 mil
 - 2025: 56.25 mil
- Question: Despite the annual increase in Capex, the annual revenue for the respective years does not seem to have improved! Perhaps the Board could help to enlighten the reason
- Answer: Evergreen's panel board operations are **capital intensive**, requiring annual **recurring capital investment of around RM30mil**. Additional **special projects** over the period mentioned include **Thailand's biomass plant's** refurbishment and upgrade and **compliance** with stricter **environmental** requirements – it may not increase revenue directly but will **lower electricity cost** and reduce risk of interruption to operations due to non-compliance; there is some capex in **Malaysia's wood pellet and RTA** operations; and the major capex being **Indonesia's new MDF line** and acquisition of **nearby land for future expansion**. Indonesia reported higher revenue in the second half of FY2025

Shareholder's Emailed Question 3

- From page 48/49 and page 118 of AR 2025, on revenue breakdown: it appears that even though MDF/PANEL BOARD is the core revenue generator, the other sub-segments appear to be also contributing meaningful revenue, especially RTA furniture, wood pallets and resin
- Question: Could the Board enlighten on the feasibility that one or more of the sub-segments could have the potential to become another pillar revenue generator, in view of the fact that some listed entities in Bursa have their core business in e.g. resin, or RTA

○ **Answer:** The Board's focus has been on shifting MDF capacities from Malaysia to Indonesia. Looking ahead, there is potential to expand the production of **wood pellets** which are used to generate **renewable energy**. As the Group approaches the **maximum capacity** of current equipment **in Malaysia**, management is looking to **expand pellet operations to Indonesia** due to plentiful wood resources

Shareholder's Emailed Question 4

Deferred tax assets: page 105 of the AR

- **Question:** Can the Board enlighten on the unutilised tax losses mentioned in the respective years as well as the unabsorbed reinvestment allowances: how can our company benefit from them

- **Answer:** The unutilized tax losses will benefit the Group when the relevant companies generate profits. The Board's restructuring efforts is aimed at turning around these under-performing companies

Shareholder's Emailed Question 5

Related Parties transactions: page 120 AR 2025, note 34(b): dividend income paid of 40.1 mil.

- Question: Can the Board elaborate further on this vis-sa--vis the shareholders of our company?

- Answer: The dividends are declared and paid by the Group's **wholly-owned subsidiaries in Thailand and Malaysia** as part of cash management within the Group

Shareholder's Emailed Question 6

- Question: From geographical information, US shown significant increase in FY2025 as compared to FY2024, Is this due to Trade war and US companies trying to source from country other than China?

- Answer: The Group did **benefit** from buyers who wants to diversify away from China. Another factor is the timing. The proportion of the Group's sales to US might be **diluted** by the Group's **new MDF line output in Indonesia**, which can potentially increase significantly in FY2026 with sales to Middle East to rebound once the situation in the Straits of Hormuz normalizes

Shareholder's Emailed Question 7

- Question: Urea cost rising significantly, is management able to source alternatively? With the Glue factory, Management able to better perform than competitor? Is the ASP increased to transfer the cost?

- Answer: Being a **global commodity**, urea prices are relatively similar in most countries. Nonetheless, the Group is **managing the cost** by exploring **various sources**. With our own glue factory, we can **stockpile** some quantity of urea which can result in some **savings**. Mgmt has been **increasing our ASP**, depending on market condition

Shareholder's Emailed Question 8

- Question: How management view on potential increase in demand in post-war rebuilding in middle east?

- Answer: The Group is **well-positioned** to step in and meet **post-war rebuilding demand** for MDF with capacities in **Thailand** complemented by new capacities in **Indonesia**

Shareholder's Emailed Question 9

- **Question:** With the restructuring done, Is Malaysia able to operate near break-even/light profit? Is the workforce downsizing still in the progress?

- **Answer:** The bulk of workforce right-sizing has been **completed**. Management will continue to **monitor** the panel board industry in **Malaysia** but at the same time, **improvement in wood pellet** operations are on-going

Shareholder's Emailed Question 10

- Question: With More than RM100M invested in Indonesia, is there any targeted ROI to achieve?

- Answer: The new MDF line in Indonesia is **maturing** well. As our team continues to go up the learning curve, the line is expected to **generate positive cashflow during normal** business conditions, significantly more than the loan and interest commitments and **contribute positively** to the Group's bottom-line

Shareholder's Emailed Question 11

- Question: Inhouse production of resins based on my understanding is mainly for the group's own consumption. The last statement on Page 23 of the AR 2025 which states "panel boards, biomass wood pellets and RTA furniture contributed 99.9% of the Group's total revenue" affirms my above understanding. So why is there still a revenue figure of \$31.4M from sales of urea formaldehyde concentrate and adhesive products appearing in the breakdown of total revenue under Note 25 of Page 116 ? This figure represents 3.4% of the Group's total revenue.

- Answer: The revenue from adhesives were **grouped** into panel board category when calculating the number of 99.9%.

Shareholder's Emailed Question 12

- **Question:** With regards to our biological assets / plantation, I noticed replanting has stopped for several years. To-date 2,758 ac have been planted with rubber trees and all planted trees have matured (as per AR2025). Assuming the lower end of the yield band of 800 kg/acre and latex price of \$5.90 per kg (obtained from Note 7 of Page 98) our plantation would have generated a conservative revenue of around \$13M in FY2025. This revenue was nowhere to be found in the revenue breakdown (Note 25, Pg 116). Please explain the business model of our Plantation and how its P&L is recognised in our books.

- **Answer:** The management **subcontracts** out the plantation maintenance work. **Rental** will be collected from the subcontractor who will be responsible to source for its own manpower and material for its work such as weeding and fertilizing. In return, the **subcontractor is allowed to tap** and sell **latex** from matured trees under its care. Some trees, although considered matured in age, are not of sufficient girth as their growth was slowed during the MCO period due to lack of manpower. Once their girth reaches to sufficient size, the subcontractor will pay the rent and start tapping for latex. Rental is recorded as other income.

Shareholder's Emailed Question 13

- Question: The 1st statement of Paragraph 4 of Page 24 mentioned "the assets from the panel board operations will be relocated to upgrade existing MDF Line 1". What are these assets? Are they the component parts of the ceased MDF line in Nilai? Next, why dismantle the MDF line in Nilai for its parts instead of refurbishing/upgrading it and subsequently relocating it to Indonesia as we did with our earlier Parit Raja line?
- Has the ceased line in Nilai been fully impaired in FY2025?

- Answer: Yes, 'the assets' refer to the ceased MDF line in Nilai. The concept is **similar** to what was done in Parit Raja but was described differently because the Parit Raja line is considered a new line (Line 2) in Indonesia whereas Indonesia already has an existing Line 1. As some parts in Nilai are newer/better, these will be 'dismantled' from Nilai and used to replace an older part in the existing Line 1 in Indonesia. Certain other parts will require totally brand-new parts. The result is **Line 1 will be refurbished** and upgraded to **produce more volume** and run more **efficiently** than before.
- There are still **net book value**, similar to the situation when we move the Parit Raja line to Indonesia.

Shareholder's Emailed Question 14

- Question: In Paragraph 2 of Page 24, it was mentioned that the Malaysian Operations reported higher PBL of \$29.2M in FY2025 versus a lower PBL of \$17.7M in the previous year. How do you reconcile these figures with the 4th Q results announced in Bursa on 24th Feb 2026? In Note 9 of the Notes to The Accounts, the PBL of the Malaysian Operation was reported as \$67M and \$40M for FY2025 and FY2024 respectively.

- Answer: The figure of PBL 29.2mil comes from **page 135** while the figure of 17.7mil comes from **page 137**. Most of the differences against the 4Q result is due to **adjustment and elimination** numbers also shown in pages 135 and 137, respectively.

Shareholder's Emailed Question 15

○ Question:

- The Other Income for FY2025 was \$14.9M. A partial breakdown was given in Note 27 Page 116 which totaled around \$5.0M. Where does the remaining \$9.9M income come from?
- The Other Operating Expenses for FY2025 was \$24.2M. Breakdown of the components as per Note 28 Page 116 totalled only \$16.6M. What constitutes the remaining \$7.6M?

○ Answer:

- Remaining **Other Income** of RM9.9mil consists of mainly of **gross gain on foreign exchange** of RM7.4mil with other smaller items such as reversal of impairment on AR, etc
- **Other Operating Expenses** in Income Statement consist of **gross loss on foreign exchange** of RM16.3mil, which is RM7.4mil higher than the net foreign exchange loss disclosed in Note 28. In the Income Statement, all gains are disclosed as Other Income whereas losses are disclosed as Other Operating Expenses. However, in the **notes to accounts**, gains and losses in foreign exchange are net off and disclosed as a **net figure**.

Shareholder's Emailed Question 16

○ Question:

- Out of the total revenue of \$911.1M, \$787.6M (or 86.4%) came from panel boards. Of the \$787.6M, please break it down into raw MDF, raw PB and value-added (be it laminated, veneered, coated) MDF/PB ?
- As for Malaysian Operation, with the planned progressive reduction of MDF production, is revenue contribution from MDF panelboards (be it raw or laminated) still significant and what was its % of contribution to the Malaysian Operation's revenue in FY2025?

○ Answer:

- Of the RM787.6mil, MDF constitutes approx. **80%**, PB and value-added about **10%** each.
- In FY2025, sales of MDF made up approx. **40%** of revenue from Malaysia as Nilai was still in operations during the 1st half of FY2025.

○ Question:

- Revenue for RTA products has rebounded by \$18M to \$57.4M in FY2025 but its contribution to the Group's total revenue is still small. Is US the key or only market for our RTA products in FY2025 ? If not, which is the key market? Are there plans in the pipeline to grow RTA product to become a significant revenue contributor in the years to come?
- What is the typical profit margin of our key products, namely raw MDF, raw PB, valued added MDF /PB, RTA and Pellets?

○ Answer:

- The US is a **key market** for RTA. Sales to US dropped **after the Trump tariffs**. In anticipation of the tariff implementation, importers stocked up massively in 1HFY25 which reduced demand in 2HFY25. The market is still **waiting for clarity** as the US courts declared those tariffs illegal. Overall, the furniture consumer market remain constrained with consumers limiting their spending due to higher cost resulting from the tariff.
- PB has negative net margins, whereas RTA turned neutral after the US tariff impacted sales to US. MDF and pellet have net margins of between 10% - 20%.

Shareholder's Emailed Question 17

- **Question:** In absolute value, our export to the nearest market, namely South East Asia Region fell the most (down \$65.9M) versus other export destinations in FY2025. As nearer export destination is preferable due to lower logistics cost and shorter delivery time, what causes sales to the SEA Region to decline the most in FY2025?

- **Answer:** The decline is mainly due to the **shut down of Nilai** plant which mostly sell to local Malaysian buyers. Our Thailand plant continues to sell MDF to higher priced Malaysian buyers but leave out lower-priced ones. The **particleboard** plant in Segamat also experienced **lower sales** as we **restructure** it to run at reduced capacity to avoid lowest priced orders. However, we started to **sell more in FY2026** since the Malaysian JPJ imposed stricter **weight limit on trucks**, reducing trucking capacity and increasing cost, especially from Thailand to Muar. We benefit as we are much closer to Muar. We **continue to monitor** the situation and may increase the production run in the second half of FY2026 if the situation continues to improve.

Shareholder's Emailed Question 18

○ Question:

- The Malaysian Operation has been in the red for the past few years. For FY2025, this segment was impacted by several factors, amongst which are higher employee benefits expense, higher unrealised FX loss and a one-time restructuring cost. What is the estimate figure for the restructuring cost?
- Despite staff strength downsizing or right-sizing from 1122 to 819, Employee Benefits Expenses increased by \$5.5M to \$56.1M in FY2025. How much of this increase is attributed to lay off expense and from the increase in minimum wage respectively ?

○ Answer:

- Approximately RM9mil.
- The termination compensation is approximately RM9mil. The 2% EPF contribution to foreign workers were mostly off-set by reduced overtime.

Shareholder's Emailed Question 18 con't

○ Question:

- Fixed costs like depreciation of PPE in the Malaysian Operation is supposed to decline in response to the restructuring exercise but it did not. How do you explain for the increase to \$25.9M in FY2025 from \$25.2M in the previous year?
- Is it correct to deduce that the Malaysian Operation is now left with 1 operating MDF line located in the Nilai after all the restructuring exercises undertaken up to this day?

○ Answer:

- EFN ceased operations mid FY2025 but the Group has **yet to relocate** the production line from Nilai to Indonesia. Hence, EFN's **depreciation remains** the same as in the previous financial year. Depreciation charges continue despite EFN having ceased operations as per accounting standard requirements. The slight increase in total depreciation compared to the previous financial year is due to additional assets incurred during the financial year.
- Nilai has **ceased** all operations.

Shareholder's Emailed Question 18 con't

○ Question:

- **MDF production capacity in Indonesia has tripled (correct me if I am wrong) with the commissioning of the new line. Given the substantial increase in production capacity, better plant efficiency and ample supply of raw materials in Indonesia, why is it the Indonesian Plant is not given more sales orders to handle or fulfill? Its 28% revenue rise in FY2025 to \$141M from the previous year is disproportionately low when weigh against its 3-fold increase in production capacity.**
- **Has a new glue production plant already being set-up in Indonesia to support its increasing production volume?**

○ Answer:

- The capacity increased by 2.5x after 2QFY25. Sales value did not reflect this as sales price dropped due to lower USD vs RM and price competition due to US tariff disrupted exports to US so more MDF sellers competed to sell in Middle East. Since 2HFY25, the team started to experiment with more premium products, with on-going efforts to fine-tune the trial production of various product type to achieve better pricing and to better compete by offering a more complete product range to take advantage of better margins when the situation in Middle East normalizes.
- Not yet. Local Indonesian glue suppliers are competing against each other so we can still buy glue at a competitive price.

○ **Question:**

- **Of all our export destinations, Middle East has become the largest market for us in recent years. Which are the key Arab countries there that we sell to?**
- **What is the Group's totaled MDF production capacity today and what was its utilisation rate in FY2025?**
- **The Group's net debt position has been deteriorating and hit its highest level for the past 5 years at the end of FY2025. It is a relief to hear that CAPEX is expected to stabilise in FY2026 after completion of major capex cycle over the last 2 years. So what is the ballpark figure for the stabilised CAPEX in FY2026?**

○ **Answer:**

- Saudi Arabia, UAE, Jordan, Iraq.
- Inclusive of the new line in Indonesia, MDF production capacity is around 900,000m³, utilization around 80%
- Between RM30mil to RM40mil.

Shareholder's Emailed Question 19

- Question:

- With 2,758 ac planted with rubber trees, what is the plan for the remaining 1,652 ac?
- Any plan to monetise the biological assets?

- Answer:

- Some of the remaining areas are being planted with **fast growing non-rubber trees** that can generate wood for use by particleboard and wood pellet. Other areas include uncleared jungle, roads and other infrastructures
- Management is in talks with parties who are interested to buy the asset.

Shareholder's Emailed Question 20

○ Question:

- Since the start of the Iran war at the end of Feb 2026, how is the sales response from the Middle East and whether shipments to that market have been disrupted?
- To what degree has the shifting tariff negatively demand for our products for the first quarter of 2026?

○ Answer:

- Major shipping companies are still **avoiding** the **Straits of Hormuz** opting instead to divert to Red Sea and Panama Canal into the Eastern Mediterranean but shipping and port capacities there needs time to cope with the increased volume. **Demand** from Mid East is still **intact**, only **limited by shipping capacity**.
- 1Q26 sales to US is lower compared to FY2025 due to weaker USD vs RM as well as because 1Q is usually slower as buyers go through the furniture fairs (held in March) before placing major orders.

The background of the image consists of vertical wood paneling. A horizontal band of light, textured light-colored material runs across the middle of the image, creating a focal point for the text.

Thank You

Appendix C

The questions raised during the meeting and the responses given are as follows:

Questions	
Q1	Whether the reduction in cash flow from operations during the financial year was indicative of losses incurred, and the key factors contributing to the decline?
Q2	What is the impact of global economic conditions, particularly United States monetary policy and interest rate movements, on the Company's financial performance and currency exposure?
Q3	How the Group manages its exposure to foreign exchange risks given its operations across multiple currencies, and whether any hedging strategies or financial instruments are utilised?
Response from the Board/Management:	
<p><i>Management explained that movements in United States interest rates had influenced currency exchange rates, including the depreciation of the US Dollar against regional currencies. This was largely due to economic uncertainties, weaker economic activity, and expectations, as well as the actual implementation, of interest rate cuts by the US Federal Reserve.</i></p> <p><i>While the depreciation of the US Dollar had some impact on the Group's export revenue, Management highlighted that the overall foreign exchange impact was mitigated through the Group's natural hedging strategy. Management further clarified that the Group does not engage in derivative hedging instruments. Instead, it manages foreign exchange exposure by balancing US Dollar-denominated revenues with US Dollar-denominated liabilities, such as loans and payments, thereby offsetting currency fluctuations.</i></p> <p><i>The Group operates in multiple currencies across different markets; however, export transactions are predominantly conducted in US Dollars, while local sales were carried out in respective local currencies. Management emphasised that the Group remains focused on operational performance and adopts a prudent and neutral approach in managing foreign exchange exposure rather than speculating on currency movements.</i></p>	
Question	
Q4	What is the Board's views on the Group's overall performance and future prospects, particularly in light of ongoing uncertainties in the global economic environment? The shareholder further raised concerns regarding the Group's profitability, noting that while revenue levels remained relatively stable compared to previous years, the Group's bottom line had weakened significantly. The shareholder enquired whether this was due to increasing industry competition, cost pressures, or structural challenges within the industry, and enquired Management's view on how the Group intends to address these issues?

Response from the Board/Management:	
<p><i>Management acknowledged the challenging operating environment and noted that the Group had undertaken restructuring efforts aimed at improving performance. This included rationalising non-performing assets and focusing on strengthening performing operations, particularly in Indonesia and Thailand.</i></p> <p><i>Management explained that the decline in profitability was mainly due to rising costs, including energy and operating expenses, as well as intensified competition and excess capacity within the industry. Additionally, certain external factors, including global economic uncertainties, had further impacted performance.</i></p> <p><i>Management emphasised that mitigation measures had been implemented, including cost optimisation and operational restructuring, and expressed cautious optimism that the Group's performance would improve, barring any unforeseen global disruptions.</i></p>	
Questions	
Q5	<p>Why did the Company not disclose the Group's properties in the Annual Report? What is the status of certain non-operational assets, including land and factories that have remained idle for several years, as well as the Group's plans for disposal and utilisation of proceeds?</p>
Q6	<p>What is the Group's outlook in light of ongoing geopolitical uncertainties, particularly the impact of the Iran-related crisis, and the Group's ability to sustain operations during such challenges? Whether the Group was considering increasing its solar energy capacity given its large factory footprint? What is the status update of the insurance claim in Thailand arising from an incident in November?</p>
Response from the Board/Management:	
<p><i>In response to Q5, the Chairman informed that the complete list of the Group's properties is published and available on the Company's website for shareholders' reference. The Chairman also confirmed that some non-performing assets are in the process of being disposed of. He further acknowledged that proceeds from such disposals would assist in reducing borrowings and interest costs, thereby strengthening the Group's financial position. Management added that the disposal of non-performing assets forms part of the Group's broader restructuring efforts and would help improve cash flow and support the Group in navigating the current challenging operating environment.</i></p> <p><i>In response to Q6, Management acknowledged that the current geopolitical situation, including the Iran-related crisis, presents uncertainties. However, Management emphasised that the Group's priority was to maintain sufficient cash reserves to aid the challenging period. Management expressed cautious optimism that, once the situation stabilised, there could be opportunities arising from regional rebuilding activities.</i></p> <p><i>Management further elaborated that the prolonged adverse conditions, such as sustained high energy prices, could negatively impact not only the Group but also the broader regional economy. In response to the renewable energy, Management confirmed that the Group was actively exploring the expansion of its solar energy capacity as part of its ongoing initiatives. On the insurance claim in Thailand, Management informed that the claim was still being processed and has not yet been finalised.</i></p>	

Question	
Q7	In reference to the Company's Net Tangible Assets ("NTA") per share, what is the Board's comments in relation to the Company's share price performance?
Response from the Board/Management:	
<p><i>Management responded that the Company remains focused on the Group's business fundamentals and operational performance rather than short-term share price movements. It was emphasised that share price does not necessarily correlate directly with NTA, as it was influenced by various external factors, including market sentiment, industry outlook, and earnings prospects. Management added that while NTA reflects the Company's underlying asset strength, share price was largely driven by investors' expectations and confidence in the Company's future performance.</i></p>	
Question	
Q8	How is the Group's performance relative to peers in other markets, particularly noting that certain companies appear to be performing better despite similar global challenges? What is the Management's view on whether there were areas where the Group could further improve?
Response from the Board/Management:	
<p><i>Management explained that differences in performance across markets are largely influenced by structural and regulatory factors. In particular, certain countries, such as India, impose higher import tariffs which provide protection to domestic industries and support local players. It was further highlighted that market size was a key factor, noting that larger economies with significant domestic demand, such as India, were better able to sustain industry performance compared to smaller markets like Malaysia.</i></p> <p><i>Additionally, Management commented that the global trade conditions have become increasingly challenging, with protectionist measures observed in various countries. These factors have limited export opportunities and intensified competition in international markets.</i></p>	