

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Twenty- Eighth Annual General Meeting of Evergreen Fibreboard Berhad will be held at Forest City Phoenix International Golf Hotel, Jalan Persiaran Golf 5, Forest City Golf Resort, 81550 Gelang Patah, Johor Darul Takzim, Malaysia on Friday, 24 May 2019 at 9.00 a.m. for the following purposes: -

A G E N D A

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2018 and the Reports of the Directors and Auditors thereon.
2. To approve the payment of a final single tier dividend of 0.48 sen per ordinary share for the financial year ended 31 December 2018. **Ordinary RESOLUTION 1**
3. To re-appoint Messrs Baker Tilly Monterio Heng PLT. who retires as Auditor of the Company and authorise the Directors to fix their remuneration. **Ordinary RESOLUTION 2**
4. To re-elect the following Directors who retire during the year in accordance with Article 101 of the Company's Articles of Association:
 - a. Mr. Jonathan Law Ngee Song - Article 101 **Ordinary RESOLUTION 3**
 - b. Mr. Henry S Kuo - Article 101 **Ordinary RESOLUTION 4**
5. To approve the payment of Directors' fees and allowances amounting to RM390,660 to the Non-Executive Directors for the financial year ended 31 December 2018. **Ordinary RESOLUTION 5**
6. To approve the payment of Directors' fees and allowances to the Non-Executive Directors up to an amount of RM400,000 for the financial year ending 31 December 2019. **Ordinary RESOLUTION 6**

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions: -

7. **AUTHORITY TO ALLOT SHARES - SECTIONS 75 & 76** **Ordinary RESOLUTION 7**

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 and subject to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time, upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company (excluding treasury shares) for the time being and that the Directors be and also empowered to obtain approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad **AND THAT** such authority conferred by this resolution shall commence upon passing of this resolution until:

 - (a) the conclusion of the annual general meeting held next after the approval was given; or
 - (b) the expiry of the period within which the next annual general meeting is required to be held after the approval was given,

whichever occurs first."

8. **PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO TEN PERCENT (10%) OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY (“Proposed Renewal of Authority On Share Buy-Back”)** **Ordinary RESOLUTION 8**

“THAT subject to the provisions of the Companies Act 2016 (“the Act”), the Articles of Association of the Company, Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and other relevant authorities, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company (“Proposed Share Buy -Back Authority”) as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that: -

- (i) the maximum aggregate number of ordinary shares purchased and/or held by the Company as treasury shares shall not exceed ten percent (10%) of the total number of issued shares of the Company at any point in time;
- (ii) the funds allocated by the Company for the purpose of purchasing its shares shall not exceed the total retained profits of the Company; and
- (iii) the authority conferred by this resolution shall continue to be in force until: -
 - (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company following the forthcoming AGM, at which time the said authority will lapse, unless the authority is renewed at that meeting, either unconditionally or subject to conditions; or
 - (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340 (2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340 (4) of the Act); or
 - (c) revoked or varied by a resolution passed by the shareholders in a general meeting,

whichever occurs first.

THAT the Directors of the Company be and are hereby authorised to deal with the shares purchased at their absolute discretion, either partially or fully, in the following manner:

- (i) cancel all the shares so purchased;
- (ii) retain all the shares so purchased as treasury shares;
- (iii) retain part of the shares so purchased as treasury shares and cancel the remainder of shares; or
- (iv) deal with the treasury shares in the manner as allowed by the Act from time to time.

AND THAT the Directors of the Company be and are hereby authorised to give effect to the Proposed Share Buy-Back Authority with full power to assent for any modifications, variations and/or amendments (if any) as may be required by the relevant authorities.”

9. **DESIGNATION AS INDEPENDENT DIRECTOR** **Ordinary RESOLUTION 9**

“THAT authority be and is hereby given to continue to designate Mr. Jonathan Law Ngee Song as an Independent Director of the Company in accordance with the Malaysian Code on Corporate Governance.”

10. PROPOSED ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY

“**THAT** the existing Memorandum and Articles of Association of the Company be and is hereby replaced in its entirety and that the New Constitution of the Company as set out in Appendix I, accompanying the Annual Report for the financial year ended 31 December 2018 be and is hereby adopted as the New Constitution of the Company **AND THAT** the Board Directors of the Company be and is hereby authorised to assent to any conditions, modifications and/or amendments as may be deemed fit or necessary or required by any relevant authorities, and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing.

**SPECIAL
RESOLUTION 1**

11. To transact any other business appropriate to an Annual General Meeting, due notice of which shall have been previously given in accordance with the Companies Act 2016 and the Company’s Articles of Association.

NOTICE OF DIVIDEND ENTITLEMENT FINAL SINGLE TIER DIVIDEND OF 0.48 SEN PER ORDINARY SHARE

NOTICE IS HEREBY GIVEN THAT subject to the approval of the shareholders at the Twenty- Eighth Annual General Meeting, the final single tier dividend of 0.48 sen per ordinary share in respect of the financial year ended 31 December 2018 will be payable on 16 August 2019 to Depositors registered in the Record of Depositors at the close of business on 1 August 2019.

A Depositor shall qualify for entitlement only in respect of:

- a) Securities transferred into the Depositor’s Securities Account before 4.00 p.m. on 1 August 2019 in respect of transfer; and
- b) Securities bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

**LEONG SIEW FOONG, MAICSA NO. 7007572
SANTHI A/P SAMINATHAN, MAICSA NO. 7069709
Company Secretaries**

Johor Bahru
26 April 2019

NOTES: -

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies to attend and vote in his/ her stead. The proxy need not be a Member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of a company shall have the same rights as the member to speak at the meeting.
2. A member shall be entitled to appoint more than one proxy (subject always to a maximum of two (2) proxies at each meeting) to attend and vote at the same meeting.
3. Where a member appoints more than one (1) proxy (subject always to a maximum of two (2) proxies at each meeting) the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
4. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 (“SICDA”) which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus accounts it holds. Where a member is an authorised nominee as defined under SICDA, it may appoint one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.

5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its common seal or the hand of its attorney.
6. The instrument appointing a proxy must be deposited at Boardroom Share Registrars Sdn. Bhd. (378993-D) (formerly known as Symphony Share Registrars Sdn. Bhd.) Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor, Malaysia not less than forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof.

ORDINARY BUSINESS: -

1. **Audited Financial Statements for financial year ended 31 December 2018**

The audited financial statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 ("CA 2016") for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put for voting.

2. **Final Single Tier Dividend**

Ordinary Resolution 1, with reference to Section 131 of the CA 2016, a company may only make dividend distribution to its shareholders out of available retained profits of the company if the company is solvent. On 5 April 2019, the Board had considered the amount of dividend and decided to recommend the same for shareholders' approval.

The Directors of the Company are satisfied that the Company will be solvent as it will be able to pay its debts as and when the debts become due within twelve (12) months immediately after the distribution is made on 16 August 2019 in accordance with the requirements under Section 132(2) and (3) of the CA 2016.

3. **Appointment of Auditors**

Ordinary Resolution 2, pursuant to Section 273(b) of the Act, the terms of office of the present Auditor Messrs Baker Tilly Monterio Heng PLT, (converted from a conventional partnership, Messrs Baker Tilly Monteiro Heng on 5 March 2019) shall lapse at the conclusion of this AGM unless they are re-appointed by the shareholders to continue in office. Messrs Baker Tilly Monterio Heng PLT, have indicated their willingness to continue their services until the conclusion of the 29th AGM. The re-appointment of Messrs Baker Tilly Monterio Heng PLT as Auditors has been considered against the relevant criteria prescribed by Paragraph 15.21 of the MMLR. This proposed Resolution 2, if passed, will also give the Directors of the Company, the authority to determine the remuneration of the Auditors.

4. **Re-election of Directors who retire in accordance with Article 101 of the Company's Articles of Association ("AA")**

Ordinary Resolution 3 & 4, Article 101 of the AA provides that one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at an AGM of the Company. With the current Board size of eight (8), three (3) Directors are to retire in accordance with Article 101 of the AA. However, Mr Kuo Wen Chi who retires by rotation in accordance with Article 101 of the of the Articles of Association has notified the Board that he does not wish to seek for re-election at the 28th AGM. Hence, he shall retire at the conclusion of the 28th AGM.

Nomination Committee has assessed the performance of these Directors seeking for re-election under Article 101 based on salient criterias of their contribution to the Board's desicion making and their individual performance of their roles and responsibilities to the Company/Group.

The satisfactory outcome of the assessment was reported to the Board of Directors and the Board recommends these Directors to be re-elected according to the resolutions put forth in the forthcoming AGM.

These Directors has abstained from deliberation and participation of their own agenda in both the Nomination Committee meeting as well as the Board of Directors' meeting.

5. **Directors' Fees and Allowance**

Ordinary Resolution 5 & 6, pursuant to Section 230(1) of the CA 2016, the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries shall be pre-approved at a general meeting. In this respect, the Board shall seek shareholders' approval at the 28th Annual General Meeting ("AGM") on the Directors' fees and benefits in two (2) separate resolutions as below: -

- Ordinary Resolution 5 on payment of Directors' fees and allowance amounting to RM390,660 to the Non-Executive Directors for financial year ended 31 December 2018; and
- Ordinary Resolution 6 on payment of Directors' fee and allowance up to an amount of RM400,000 to the Non-Executive Directors for financial period 1 January to 31 December 2019 .

The Directors' benefits derived from the Company which is estimated not to exceed RM400,000 is basically the fee and meeting allowances for Board and Board Committee meetings to be attended for period from 1 January 2019 until the conclusion of the next AGM. The Board will seek shareholders' approval at the next AGM in the event the amount approved is insufficient due to any increase in Board/Board Committee meetings and/ or increase in Board size. Details of the Directors' fees and benefits paid to the Non-Executive Directors are disclosed on page 32 in the Statement on Corporate Governance of this Annual Report.

SPECIAL BUSINESS: -

6. Authority to Allot Shares - Sections 75 & 76

Ordinary Resolution 7, if passed, is primarily to give flexibility to the Board of Directors to issue and allot shares at any time in their absolute discretion without convening a general meeting. This is a renewal of a general mandate where the Company did not utilise the mandate granted in the preceding year's Annual General Meeting.

This authority, unless revoked or varied by the Company in a general meeting, will expire at the next Annual General Meeting.

The authority will provide flexibility to the Company for allotment of shares for any possible fund-raising activities, including but not limiting to further placing of shares, for the purpose of funding future investment(s), acquisition(s) and/or working capital.

7. Proposed Renewal of Share Buy-Back Authority

Ordinary Resolution 8, if passed, will empower the Board of Directors to purchase the Company's shares of up to 10% of the total number of issued shares of the Company at any point in time, by utilising the funds allocated which shall not exceed the total retained profits of the Company. The audited retained profits of the Company stood at RM333,206,913 as at 31 December 2018. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the 29th Annual General Meeting.

Please refer to Statement of Share Buy-Back dated 26 April 2019.

8. Designation as Independent Director

Ordinary Resolution 9, Mr. Jonathan Law Ngee Song is an Independent Director of the Company who has served the Company for more than nine years. In line with the Malaysian Code on Corporate Governance, the Nomination Committee has assessed his independence as defined in Bursa Securities Listing Requirements which has not been compromised. Mr Jonathan has exercised his judgment in an independent and unfettered manner, discharge his duties with reasonable care, skill and diligence at all times. He brings independent thought and experience to the Board's deliberations and decision-making process at all times and this is valuable to the Company. In that respect, the Board has recommended for Mr. Jonathan Law Ngee Song to continue to be designated as an Independent Director according to the resolution put forth in this forthcoming Annual General Meeting and to be voted via the 2 tier voting in Compliance to the MCCG

9. Proposed adoption of the Constitution of the Company

The Memorandum and Articles of Association of the Company shall have effect and enforceable pursuant to Section 619(3) of the Companies Act 2016. The Company is proposing a New Constitution to replace its existing Memorandum & Articles of Association (deemed as Constitution by Companies Act 2016) in order to bring the Constitution in line with the Companies Act 2016 and Bursa Securities Malaysia Berhad Listing Requirement and to enhance administrative efficiency. The proposed new Constitution is attached hereto and identified as Appendix I. The Appendix I on the Proposed alteration and/or amendment of the Constitution of the Company which is circulated together with the Notice of the 28th Annual General Meeting (AGM) dated 26 April 2019, shall take effect once the Proposed Special Resolution has been passed by a majority of not less than seventy-five per centum (75%) of such members who are entitled to vote and do vote in person or by proxy at the forth coming AGM.