

EVERGREEN FIBREBOARD BERHAD (217120 W)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS**Condensed Consolidated Statement of Comprehensive Income****For the Third Quarter Ended 30 September 2018**

(The figures have not been audited)

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 9 MONTHS ENDED	
	CURRENT YEAR QUARTER 30 September 2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30 September 2017 RM'000	CURRENT YEAR PERIOD TO-DATE 30 September 2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE 30 September 2017 RM'000
Revenue	288,529	260,133	842,622	768,616
Cost of sales	(238,993)	(197,890)	(681,363)	(590,259)
Gross Profit	49,536	62,243	161,259	178,357
Other operating income/(expenses)	10,952	857	24,626	(1,770)
Selling & administrative expenses	(50,991)	(39,568)	(145,580)	(122,251)
Finance costs	(1,753)	(1,896)	(5,129)	(5,212)
Profit/(Loss) Before Tax	7,744	21,636	35,176	49,124
Tax expense	(2,001)	(5,084)	(9,826)	(15,066)
Net Profit/(Loss) For The Period	5,743	16,552	25,350	34,058
Net profit/(loss) attributable to:				
Owners of the Company	5,345	15,097	24,073	31,836
Non-controlling interests	398	1,455	1,277	2,222
	5,743	16,552	25,350	34,058
Earnings per share (Note B 10)				
- Basic (Sen)	0.63	1.78	2.85	3.76
- Diluted (Sen)	0.63	1.78	2.85	3.76

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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(The figures have not been audited)

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 9 MONTHS ENDED	
	CURRENT YEAR QUARTER 30 September 2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30 September 2017 RM'000	CURRENT YEAR PERIOD TO-DATE 30 September 2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE 30 September 2017 RM'000
Net Profit/(Loss) For The Period	5,743	16,552	25,350	34,058
Other comprehensive income				
<i>Item that may be reclassified subsequently to profit or loss</i>				
Exchange differences on translation of foreign operations	21,552	47	14,447	(387)
Fair value (loss)/gain on available-for-sale financial assets	-	4	-	6
Other comprehensive income/(loss) net of tax	21,552	51	14,447	(381)
Total comprehensive income/(loss) for the period	27,295	16,603	39,797	33,677
Total comprehensive income/(loss) attributable to:				
Owners of the Company	26,897	15,148	38,520	31,455
Non-controlling interests	398	1,455	1,277	2,222
	27,295	16,603	39,797	33,677

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.

EVERGREEN FIBREBOARD BERHAD (217120 W)
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INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Statement of Financial Position

As at 30 September 2018

(The figures have not been audited)

	As at 30 September 2018 RM'000 (Unaudited)	As at 31 December 2017 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	1,022,988	1,011,951
Land use rights	34,750	35,321
Biological assets	33,903	33,300
Goodwill	9,584	17,584
Other intangible asset	121	85
Deferred tax assets	1,803	4,589
	<u>1,103,149</u>	<u>1,102,830</u>
Current assets		
Inventories	242,273	227,257
Trade receivables	123,674	88,446
Other receivables, deposits & prepayments	35,892	39,620
Current tax assets	3,426	3,108
Cash and cash equivalents	95,439	120,874
	<u>500,704</u>	<u>479,305</u>
Non current asset classified as held for sale	-	8,552
	<u>500,704</u>	<u>487,857</u>
	<u>1,603,853</u>	<u>1,590,687</u>
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent		
Share capital	344,749	344,749
Treasury shares	(483)	(393)
Retained earnings	738,631	726,230
Other reserves	82,690	68,243
	<u>1,165,587</u>	<u>1,138,829</u>
Non-controlling interests	31,271	29,994
Total equity	<u>1,196,858</u>	<u>1,168,823</u>
Non-current liabilities		
Deferred tax liabilities	43,096	45,057
Loans and borrowings	95,745	123,587
Other payables	11,377	10,534
	<u>150,218</u>	<u>179,178</u>
Current liabilities		
Trade payables	60,299	59,326
Other payables and accruals	83,249	88,919
Loans and borrowings	109,941	93,722
Current tax liabilities	3,288	719
	<u>256,777</u>	<u>242,686</u>
Total liabilities	<u>406,995</u>	<u>421,864</u>
TOTAL EQUITY AND LIABILITIES	<u>1,603,853</u>	<u>1,590,687</u>

<i>Net assets per share (RM) **</i>	<i>1.41</i>	<i>1.38</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 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.

EVERGREEN FIBREBOARD BERHAD (217120 W)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Statements of Changes in Equity
For the Financial Period Ended 30 September 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				
9 months period ended 30 September 2018										
At 1 January 2018	344,749	-	(393)	383	-	67,860	726,230	1,138,829	29,994	1,168,823
Repurchase of treasury shares	-	-	(90)	-	-	-	-	(90)	-	(90)
Total comprehensive income for the period	-	-	-	-	-	14,447	24,073	38,520	1,277	39,797
Dividends	-	-	-	-	-	-	(11,672)	(11,672)	-	(11,672)
At 30 September 2018	344,749	-	(483)	383	-	82,307	738,631	1,165,587	31,271	1,196,858
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

* 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)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS**Condensed Consolidated Statement of Cash Flows**
For the Third Quarter Ended 30 September 2018

(The figures have not been audited)

	30 September 2018 RM'000	30 September 2017 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	35,176	49,124
Adjustments for :-		
Depreciation and amortisation	54,460	48,784
Loss/(gain) on disposal of property, plant and equipment	(11,199)	(637)
Goodwill written off	8,000	-
Interest income	(1,178)	(1,153)
Interest expense	5,129	5,212
Other non-cash items	3,225	5,381
Operating profit before changes in working capital	<u>93,614</u>	<u>106,711</u>
Changes in working capital		
Net Change in inventory	(15,016)	(21,654)
Net Change in trade and other receivables	(31,500)	(33,337)
Net Change in trade and other payables	(3,853)	(19,229)
Net cash flows from/(used in)	<u>(50,370)</u>	<u>(74,220)</u>
Interest paid	(5,129)	(5,212)
Income taxes paid	(6,571)	(6,954)
	<u>(11,701)</u>	<u>(12,166)</u>
Net cash flows from/(used in) operating activities	<u>31,544</u>	<u>20,325</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
- (Acquisition)/ disposal of additional interest in a subsidiary	-	(380)
- Purchase of property, plant and equipment	(53,531)	(73,959)
- Proceeds from disposal of property, plant and equipment	20,071	22,529
- Interest received	1,178	1,153
Net cash flows from/(used in) investing activities	<u>(32,281)</u>	<u>(50,657)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
- Purchase of treasury shares	(90)	-
- Dividend Paid	(11,672)	(16,920)
- Drawdown of borrowings	53,102	59,406
- Repayment of borrowings	(66,036)	(56,632)
Net cash flows from/(used in) financing activities	<u>(24,697)</u>	<u>(14,146)</u>
Net increase/(decrease) in Cash & Cash Equivalents	(25,435)	(44,478)
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>95,439</u>	<u>115,789</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.