

NOTICE OF ANNUAL GENERAL MEETING (2017-20)

NOTICE IS HEREBY GIVEN THAT the Twenty-Seventh Annual General Meeting of Evergreen Fibreboard Berhad will be held at Phoenix Hotel, Jalan Forest City 1, Pulau Satu, 81550 Gelang Patah, Johor Darul Takzim, Malaysia on Friday, 25 May 2018 at 9.00 a.m. for the following purposes: -

A G E N D A

ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 December 2017 and the Reports of the Directors and Auditors thereon.
- To approve the payment of a final single tier dividend of 1.38 sen per ordinary share for the financial year ended 31 December 2017. **RESOLUTION 1**
- To re-appoint Messrs Baker Tilly Monterio Heng who retire as Auditors of the Company and authorise the Directors to fix their remuneration. **RESOLUTION 2**
- To re-elect the following Directors who retire during the year in accordance with Article 101 of the Company's Articles of Association:
 - Mr. Kuo Jen Chang **RESOLUTION 3**
 - Mr. Kuo Jen Chiu **RESOLUTION 4**
 - Mr. Yap Peng Leong **RESOLUTION 5**
- To re-elect Ms. Nirmala A/P Doraisamy who retires in accordance with Article 106 of the Company's Articles of Association and being eligible offers herself for re-election. **RESOLUTION 6**
- To approve the payment of Directors' Fees and Allowances amounting to RM306,100 for the Non-Executive Directors for the financial year ended 31 December 2017. **RESOLUTION 7**

SPECIAL BUSINESS

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

- ORDINARY RESOLUTION 1**
AUTHORITY TO ALLOT SHARES - SECTIONS 75 & 76 **RESOLUTION 8**
"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 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."

- ORDINARY RESOLUTION 2** **RESOLUTION 9**
PROPOSED RENEWAL OF AUTHORISATION 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 Share Buy-Back Authority")
"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 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:

- cancel all the shares so purchased;
- retain all the shares so purchased as treasury shares;
- retain part of the shares so purchased as treasury shares and cancel the remainder of the shares; or
- 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 Renewal of 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."

- ORDINARY RESOLUTION 3** **RESOLUTION 10**
DESIGNATION AS INDEPENDENT DIRECTOR
"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."
- 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 1.38 SEN PER ORDINARY SHARE

NOTICE IS HEREBY GIVEN THAT subject to the approval of the shareholders at the Twenty-Seventh Annual General Meeting, the final single tier dividend of 1.38 sen per ordinary share in respect of the financial year ended 31 December 2017 will be payable on 17 August 2018 to Depositors registered in the Record of Depositors at the close of business on 1 August 2018.

A Depositor shall qualify for entitlement only in respect of:

- Securities transferred into the Depositor's Securities Account before 4.00 p.m. on 1 August 2018 in respect of transfer; and
- Securities bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

LEONG SIEW FOONG, MAICSA NO. 7007572

ZARINA BINTI AHMAD, LS NO. 0009964

Company Secretaries

Johor Bahru

27 April 2018

NOTES: -

- A member entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies to attend and vote in his 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.
- 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.
- 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 specifies the proportions of his holdings to be represented by each proxy.
- 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.
- 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. The instrument appointing a proxy must be deposited at Level 6, Symphony House, Pusat Dagangan Dana, 1, Jalan PJJ 1A/46, 47301 Petaling Jaya, Selangor not less than forty-eight (48) hours before the time appointed for holding the Meeting or any adjournment thereof.

ORDINARY BUSINESS: -

- Audited Financial Statements for financial year ended 31 December 2017**
The audited financial statements are laid in accordance with Section 340(1)(a) of the Act for discussion only under item 1 of the Agenda. They do not require shareholders' approval and hence, will not be put for voting.

Final Single Tier Dividend

- With reference to Section 131 of the Act, a company may only make a distribution to the shareholders out of profits of the company available if the company is solvent. On 6 April 2018, the Board had considered the amount of dividend and decided to recommend the same for the shareholders' approval.
The Directors of the Company are satisfied that the Company will be solvent and 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 17 August 2018 in accordance with the requirements under Section 132(2) and (3) of the Act.

Appointment of Auditors

- Pursuant to Section 273(b) of the Act, the terms of office of the present Auditors, Messrs Baker Tilly Monterio Heng, 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, have indicated their willingness to continue their service until the conclusion of the 28th AGM. The re-appointment of Messrs Baker Tilly Monterio Heng as Auditors of the Company has been considered against the relevant criteria prescribed in 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.

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

- 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 the AGM of the Company. With the current Board size of nine (9), three (3) Directors are to retire in accordance with Article 101 of the AA.
Nomination Committee has assessed the performance of these Directors seeking for re-election under Article 101 based on salient criteria of their contribution to the Board's decision 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 had abstained from deliberation and participation of their own agenda in both the Nomination Committee meeting as well as the Board of Directors' meeting.

Re-election of Director who retire in accordance with Article 106 of the Company's Articles of Association ("AA")

- Article 106 of the AA provides that the Board shall have the power to appoint any person to be a Director to fill a casual vacancy or as an addition to the existing Board, and that any Director so appointed shall hold office until the next following AGM and shall then be eligible for re-election.
Accordingly, Ms Nirmala A/P Doraisamy who was appointed as an Independent Non-Executive Director of the Company on 1 January 2018, shall hold office until the 27th AGM and shall then be eligible for re-election pursuant to Article 106 of the AA.

Directors' fees and allowance

- Pursuant to Section 230(1) of the Companies Act 2016, the fees and allowance of the directors including any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agreed that the shareholders' approval shall be sought at the 27th Annual General Meeting ("AGM") on the Directors' fees and allowance as below:
Resolution 7 on payment of Directors' fees and allowance amounting to RM306,100 per annum for each of the Non-Executive Directors for the financial year ended 31 December 2017 and details of the Directors' Fees and Allowance to be paid to the Non-Executive Directors are disclosed on page 34 of this Annual Report.

SPECIAL BUSINESS: -

- Ordinary Resolution 1**
The Ordinary Resolution 1, 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. 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 and it will provide flexibility to the Company for allotment of shares for any possible fund raising activities, including but not limiting to further placement of shares for the purpose of funding future investment(s), acquisition(s) and/or working capital.

Ordinary Resolution 2

- Ordinary Resolution 2, if passed, will empower the 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 RM319,108,943 as at 31 December 2017. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next Annual General Meeting.
Please refer to Statement on Share Buy-Back dated 27 April 2018.

Ordinary Resolution 3

- Mr. Jonathan Law Ngee Song is an Independent Director of the Company and has served the Company for eleven years.
In line with the Malaysian Code on Corporate Governance, the Nomination Committee has assessed his independence as defined in Bursa Securities Listing Requirements without being compromised all these while. In fact, he exercised his judgment in an independent and unfettered manner, discharged his duty with reasonable care, skill and diligent bringing independent thought and experience to Board's deliberations and decision making process is valuable to the Company. To that, the Board recommends Mr. Jonathan Law Ngee Song to continue to be designated as an Independent Director according to the resolution put forth in the forthcoming Annual General Meeting.