

**HeveaBoard Berhad (275512-A)**  
**QUARTERLY REPORT - FIRST FINANCIAL QUARTER ENDED 31 MARCH 2013**  
**CONDENSED CONSOLIDATED INCOME STATEMENTS**

|  | CURRENT QUARTER         |                     | CUMULATIVE QUARTER      |                     |
|--|-------------------------|---------------------|-------------------------|---------------------|
|  | 3 Months Ended 31 March |                     | 3 Months Ended 31 March |                     |
|  | 31-Mar-13<br>RM'000     | 31-Mar-12<br>RM'000 | 31-Mar-13<br>RM'000     | 31-Mar-12<br>RM'000 |
| REVENUE                                    | 103,577                 | 104,415             | 103,577                 | 104,415             |
| COST OF SALES                              | (93,115)                | (96,537)            | (93,115)                | (96,537)            |
| GROSS PROFIT                               | 10,461                  | 7,878               | 10,461                  | 7,878               |
| OTHER INCOME/(LOSS)                        | (18)                    | 3,169               | (18)                    | 3,169               |
| OPERATING EXPENSES                         | (5,163)                 | (4,825)             | (5,163)                 | (4,825)             |
| FINANCE COSTS                              | (1,823)                 | (2,200)             | (1,823)                 | (2,200)             |
| PROFIT/(LOSS) BEFORE TAXATION              | 3,458                   | 4,022               | 3,458                   | 4,022               |
| TAXATION                                   | (383)                   | (280)               | (383)                   | (280)               |
| <b>PROFIT/(LOSS) AFTER TAXATION</b>        | <b>3,075</b>            | <b>3,741</b>        | <b>3,075</b>            | <b>3,741</b>        |
| <b>PROFIT/(LOSS) ATTRIBUTABLE TO:</b>      |                         |                     |                         |                     |
| EQUITY HOLDERS OF THE COMPANY              | 3,075                   | 3,741               | 3,075                   | 3,741               |
| NON - CONTROLLING INTERESTS                | -                       | -                   | -                       | -                   |
| <b>EARNINGS PER SHARE</b><br>- BASIC (SEN) | <b>3.40</b>             | <b>4.14</b>         | <b>3.40</b>             | <b>4.14</b>         |

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Reports for the year ended 31 December 2012)

**HeveaBoard Berhad (275512-A)**  
**QUARTERLY REPORT - FIRST FINANCIAL QUARTER ENDED 31 MARCH 2013**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

|   | As At<br>31.03.2013<br>RM'000 | As At<br>31.12.2012<br>RM'000 |
|---|-------------------------------|-------------------------------|
| <b>ASSETS</b>   |                               |                               |
| <b>NON-CURRENT ASSETS</b>   |                               |                               |
| PROPERTY, PLANT AND EQUIPMENT   | 261,775                       | 267,047                       |
| OTHER INVESTMENTS   | 15                            | 15                            |
| PREPAID LEASE PAYMENTS  | 6,127                         | 6,214                         |
| GOODWILL ON CONSOLIDATION   | 2,946                         | 2,946                         |
| <b>TOTAL NON-CURRENT ASSETS</b>   | <b>270,862</b>                | <b>276,222</b>                |
| <b>CURRENT ASSETS</b>   |                               |                               |
| INVENTORIES   | 57,705                        | 61,960                        |
| TRADE RECEIVABLES   | 38,008                        | 42,233                        |
| OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS                             | 5,393                         | 2,615                         |
| TAX REFUNDABLE  | 605                           | 659                           |
| CASH AND BANK BALANCES  | 12,808                        | 27,711                        |
| <b>TOTAL CURRENT ASSETS</b>   | <b>114,519</b>                | <b>135,178</b>                |
| <b>TOTAL ASSETS</b>   | <b>385,381</b>                | <b>411,400</b>                |
| <b>EQUITY AND LIABILITIES</b>   |                               |                               |
| <b>EQUITY</b>   |                               |                               |
| SHARE CAPITAL   | 90,400                        | 90,400                        |
| SHARE PREMIUM   | 15,526                        | 15,526                        |
| WARRANT RESERVE   | 400                           | 400                           |
| RETAINED PROFITS  | 105,344                       | 102,269                       |
| <b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>               | <b>211,670</b>                | <b>208,595</b>                |
| <b>LIABILITIES</b>  |                               |                               |
| <b>NON-CURRENT LIABILITIES</b>  |                               |                               |
| LONG TERM BORROWINGS  | 85,473                        | 87,379                        |
| OTHER LONG-TERM LIABILITIES   | 2,641                         | 2,641                         |
| PROVISION FOR RETIREMENT BENEFITS                                       | 1,774                         | 1,774                         |
| DEFERRED TAXATION   | 2,160                         | 2,160                         |
| <b>TOTAL NON-CURRENT LIABILITIES</b>                                    | <b>92,048</b>                 | <b>93,954</b>                 |
| <b>CURRENT LIABILITIES</b>  |                               |                               |
| TRADE PAYABLES  | 40,619                        | 39,437                        |
| OTHER PAYABLES AND ACCRUALS   | 5,486                         | 19,309                        |
| DIVIDEND PAYABLES   | -                             | -                             |
| PROVISION FOR TAXATION  | 568                           | 567                           |
| SHORT-TERM BORROWINGS   | 30,379                        | 45,417                        |
| BANK OVERDRAFTS   | 4,611                         | 4,121                         |
| <b>TOTAL CURRENT LIABILITIES</b>  | <b>81,663</b>                 | <b>108,851</b>                |
| <b>TOTAL LIABILITIES</b>  | <b>173,711</b>                | <b>202,805</b>                |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                     | <b>385,381</b>                | <b>411,400</b>                |
| <b>NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY OWNERS (RM)</b> | <b>2.34</b>                   | <b>2.31</b>                   |

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**HeveaBoard Berhad (275512-A)**  
**QUARTERLY REPORT - FIRST FINANCIAL QUARTER ENDED 31 MARCH 2013**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

|  | Period Ended 31 March |                |
|--|-----------------------|----------------|
|  | 2013<br>RM'000        | 2012<br>RM'000 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                        |                       |                |
| <b>Profit before taxation</b>                                      | <b>3,458</b>          | <b>4,022</b>   |
| <b>Adjustments for non-cash flow items:-</b>                       |                       |                |
| Amortisation of prepaid lease payments                             | 87                    | 106            |
| Depreciation of property, plant and equipment                      | 6,389                 | 6,339          |
| Provision for Retirement Benefit                                   | 0                     | -              |
| Interest expense   | 1,746                 | 2,667          |
| Interest income  | -                     | 10             |
| Unrealised loss/(gain) on foreign exchange                         | 896                   | (3,405)        |
| <b>Operating Profit / (Loss) Before Changes in Working Capital</b> | <b>12,576</b>         | <b>9,739</b>   |
| <b>Changes in Working Capital</b>                                  |                       |                |
| Inventories  | 4,255                 | 2,989          |
| Trade and other receivables  | 1,448                 | (7,290)        |
| Trade and other payables   | (12,641)              | 914            |
| <b>Cash Generated From Operations</b>                              | <b>5,638</b>          | <b>6,352</b>   |
| Income Tax Paid  | (328)                 | (143)          |
| Interest paid  | (1,746)               | (2,667)        |
| <b>Net Operating Cash Flows</b>                                    | <b>3,564</b>          | <b>3,542</b>   |
| <b>Cash Flow From Investing Activities</b>                         |                       |                |
| Interest received  | -                     | (10)           |
| Purchase of property, plant and equipment                          | (1,117)               | (947)          |
| <b>Net Cash Used In Investing Activities</b>                       | <b>(1,117)</b>        | <b>(957)</b>   |
| <b>Cash Flows from Financing Activities</b>                        |                       |                |
| Dividends Paid   | -                     | -              |
| Repayment to Related Parties                                       | -                     | -              |
| Net Repayment of bankers' acceptances                              | -                     | -              |
| Net Repayment of offshore foreign currency loan                    | (10,322)              | (860)          |
| Net Repayment of export credit financing                           | (118)                 | (1,175)        |
| Net repayment of hire purchase obligations                         | (903)                 | (327)          |
| Repayment of term loans  | (6,495)               | (6,743)        |
| <b>Net Financing Cash Flows</b>                                    | <b>(17,840)</b>       | <b>(9,105)</b> |
| <b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>                     | <b>(15,392)</b>       | <b>(6,521)</b> |
| <b>CASH AND CASH EQUIVALENTS AT 1 JANUARY 2013</b>                 | <b>23,590</b>         | <b>12,814</b>  |
| <b>CASH AND CASH EQUIVALENTS AT 31 MARCH 2013/2012</b>             | <b>8,198</b>          | <b>6,292</b>   |

**CASH AND CASH EQUIVALENTS**

Cash and Cash equivalents included in the condensed consolidated statement of cash flows comprise

|                        | Period Ended 31 March |                |
|------------------------|-----------------------|----------------|
|                        | 2013<br>RM'000        | 2012<br>RM'000 |
| Cash and bank balances | 12,808                | 11,175         |
| Bank overdrafts        | (4,611)               | (4,883)        |
|                        | <b>8,198</b>          | <b>6,292</b>   |

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**HeveaBoard Berhad (275512-A)**  
**QUARTERLY REPORT - FIRST FINANCIAL QUARTER ENDED 31 MARCH 2013**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

|   | Period Ended 31 March |               |                 |                  |                |
|---|-----------------------|---------------|-----------------|------------------|----------------|
|   | Share Capital         | Share Premium | Warrant Reserve | Retained Profits | Total          |
|   | RM'000                | RM'000        | RM'000          | RM'000           | RM'000         |
| At 1 January 2013                         | 90,400                | 15,526        | 400             | 102,269          | 208,595        |
| Total comprehensive income for the Period | -                     | -             | -               | 3,075            | 3,075          |
| Dividends                                 | -                     | -             | -               | -                | -              |
| <b>Balance as at 31.03.2013</b>           | <b>90,400</b>         | <b>15,526</b> | <b>400</b>      | <b>105,344</b>   | <b>211,670</b> |
| At 1 January 2012                         | 90,400                | 15,526        | 400             | 87,696           | 194,022        |
| Total comprehensive income for the Period | -                     | -             | -               | 15,477           | 15,477         |
| Dividends                                 | -                     | -             | -               | (904)            | (904)          |
| <b>Balance as at 31.12.2012</b>           | <b>90,400</b>         | <b>15,526</b> | <b>400</b>      | <b>102,269</b>   | <b>208,595</b> |

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