

HeveaBoard Berhad (275512-A)
QUARTERLY REPORT - FOURTH FINANCIAL QUARTER ENDED 31 DECEMBER 2018
CONDENSED CONSOLIDATED INCOME STATEMENTS

| | Individual Period (4th Quarter) | | Changes % | Cumulative Period | | Changes % |
|---------------------------------------|------------------------------------|--|------------------|-------------------------|---|------------------|
| | Current Year Quarter | Preceding Year Corresponding Quarter | | Current Year To-date | Preceding Year Corresponding Period | |
| | 31-Dec-18 RM'000 | 31-Dec-17 RM'000 | | 31-Dec-18 RM'000 | 31-Dec-17 RM'000 | |
| REVENUE | 126,030 | 132,676 | -5.01% | 449,115 | 544,471 | -17.51% |
| COST OF SALES | (110,987) | (117,386) | -5.45% | (406,497) | (449,806) | -9.63% |
| GROSS PROFIT | 15,043 | 15,290 | -1.62% | 42,618 | 94,665 | -54.98% |
| OTHER INCOME/(EXPENSE) | 1,470 | 1,318 | 11.53% | 6,631 | 6,101 | 8.69% |
| OPERATING EXPENSES | (12,535) | (6,197) | 102.28% | (33,594) | (33,278) | 0.95% |
| FINANCE COSTS | (572) | (213) | 168.54% | (2,076) | (1,543) | 34.54% |
| PROFIT/(LOSS) BEFORE TAXATION | 3,406 | 10,198 | -66.60% | 13,579 | 65,945 | -79.41% |
| TAXATION | 3,487 | 5,307 | -34.29% | 3,079 | (1,511) | -303.77% |
| PROFIT/(LOSS) AFTER TAXATION | 6,893 | 15,505 | -55.54% | 16,658 | 64,434 | -74.15% |
| PROFIT/(LOSS) ATTRIBUTABLE TO: | | | | | | |
| EQUITY HOLDERS OF THE COMPANY | 6,893 | 15,505 | -55.54% | 16,658 | 64,434 | -74.15% |
| NON - CONTROLLING INTERESTS | - | - | 0.00% | - | - | 0.00% |
| EARNINGS PER SHARE | | | | | | |
| - BASIC (SEN) | 1.23 | 2.88 | -57.25% | 2.98 | 11.96 | -75.12% |

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Reports for the year ended 31 December 2017)

HeveaBoard Berhad (275512-A)
QUARTERLY REPORT - FOURTH FINANCIAL QUARTER ENDED 31 DECEMBER 2018
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | As At 31.12.2018 RM'000 | As At 31.12.2017 RM'000 |
|---|-------------------------------|-------------------------------|
| ASSETS | | |
| NON-CURRENT ASSETS | | |
| PROPERTY, PLANT AND EQUIPMENT | 271,321 | 264,101 |
| PREPAID LEASE PAYMENTS | 18,306 | 18,859 |
| GOODWILL ON CONSOLIDATION | 2,946 | 2,946 |
| DEFERRED TAX ASSETS | 6,500 | 6,500 |
| TOTAL NON-CURRENT ASSETS | 299,073 | 292,406 |
| CURRENT ASSETS | | |
| INVENTORIES | 81,963 | 76,808 |
| TRADE RECEIVABLES | 35,046 | 45,321 |
| OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS | 5,775 | 13,983 |
| GST REFUNDABLE | 5,613 | 10,577 |
| TAX RECOVERABLE | 7,940 | 1,152 |
| CASH AND BANK BALANCES | 65,618 | 77,142 |
| TAX EXEMPTED INVESTMENT WITH LICENSED BANK | 39,239 | 46,239 |
| TOTAL CURRENT ASSETS | 241,194 | 271,222 |
| TOTAL ASSETS | 540,267 | 563,628 |
| EQUITY AND LIABILITIES | | |
| EQUITY | | |
| SHARE CAPITAL | 158,420 | 157,900 |
| OTHER RESERVE | 19 | 25 |
| TREASURY SHARE | (1,437) | (1,107) |
| RETAINED PROFITS | 283,732 | 300,602 |
| TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY | 440,734 | 457,420 |
| LIABILITIES | | |
| NON-CURRENT LIABILITIES | | |
| LONG TERM BORROWINGS | 14,680 | 15,607 |
| PROVISION FOR RETIREMENT BENEFITS | 835 | 876 |
| DEFERRED TAX LIABILITIES | 6,059 | 6,059 |
| TOTAL NON-CURRENT LIABILITIES | 21,574 | 22,542 |
| CURRENT LIABILITIES | | |
| TRADE PAYABLES | 31,777 | 31,171 |
| OTHER PAYABLES AND ACCRUALS | 38,681 | 45,496 |
| PROVISION FOR TAXATION | - | 1 |
| SHORT-TERM BORROWINGS | 7,501 | 6,998 |
| TOTAL CURRENT LIABILITIES | 77,959 | 83,666 |
| TOTAL LIABILITIES | 99,533 | 106,208 |
| TOTAL EQUITY AND LIABILITIES | 540,267 | 563,628 |
| NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY OWNERS (RM) | 0.79 | 0.82 |

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HeveaBoard Berhad (275512-A)
QUARTERLY REPORT - FOURTH FINANCIAL QUARTER ENDED 31 DECEMBER 2018
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

| | Period Ended 31 December | |
|---|--------------------------|-----------------|
| | 2018 RM'000 | 2017 RM'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 13,579 | 65,945 |
| Adjustments for non-cash flow items:- | | |
| Amortisation of prepaid lease payments | 553 | 229 |
| Inventories written down | 4,574 | - |
| Depreciation of property, plant and equipment | 25,993 | 22,480 |
| Expected credit losses for trade receivables | 954 | 10 |
| Interest expense | 2,076 | 1,543 |
| Interest income | (2,095) | (3,491) |
| Unrealised (gain)/loss on foreign exchange | (909) | 3,559 |
| Operating Profit Before Changes in Working Capital | 44,725 | 90,275 |
| Changes in Working Capital | | |
| Inventories | (9,731) | (6,434) |
| Trade and other receivables | 23,402 | 3,193 |
| Trade and other payables | (1,943) | (1,525) |
| Cash Used In Operations | 56,453 | 85,509 |
| Income Tax Paid | (3,710) | (9,770) |
| Interest paid | (2,076) | (1,543) |
| Net Operating Cash Flows | 50,667 | 74,196 |
| Cash Flow From Investing Activities | | |
| Interest received | 2,095 | 3,491 |
| Purchase of property, plant and equipment | (28,670) | (66,633) |
| Net Cash Used In Investing Activities | (26,575) | (63,142) |
| Cash Flows from Financing Activities | | |
| Dividends Paid | (35,739) | (33,082) |
| Drawdown of term loan | - | 13,838 |
| Net repayment of hire purchase obligations | (3,551) | (3,069) |
| Repayment of term loans | (3,510) | (7,718) |
| Proceeds from Warrants Conversion | 520 | 14,357 |
| Treasury Share | (336) | (441) |
| Net Cash Used in Financing Activities | (42,616) | (16,115) |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | (18,524) | (5,061) |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD | 123,381 | 128,442 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD | 104,857 | 123,381 |

CASH AND CASH EQUIVALENTS

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

| | Period Ended 31 December | |
|--|--------------------------|----------------|
| | 2018 RM'000 | 2017 RM'000 |
| Cash and bank balances | 65,618 | 77,142 |
| Tax Exempted investment with licensed bank | 39,239 | 46,239 |
| | 104,857 | 123,381 |

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Reports for the year ended 31 December 2017)

HeveaBoard Berhad (275512-A)
QUARTERLY REPORT - FOURTH FINANCIAL QUARTER ENDED 31 DECEMBER 2018
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Period Ended 31 December | | | | | |
|---|--------------------------|---------------|-----------------|----------------|------------------|----------------|
| | Share Capital | Share Premium | Warrant Reserve | Share Buy Back | Retained Profits | Total |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| At 1 January 2018 | 157,900 | - | 25 | (1,107) | 300,602 | 457,420 |
| Total comprehensive income for the Period | - | - | - | - | 16,658 | 16,658 |
| Proceeds from Warrants Conversion | 520 | - | (6) | - | - | 514 |
| Treasury Share | - | - | - | (330) | - | (330) |
| Dividends | - | - | - | - | (33,528) | (33,528) |
| Balance as at 31.12.2018 | 158,420 | - | 19 | (1,437) | 283,732 | 440,734 |
| At 1 January 2017 | 125,288 | 18,112 | 168 | (666) | 278,173 | 421,075 |
| Total comprehensive income for the Period | - | - | - | - | 64,434 | 64,434 |
| Proceeds from Warrants Conversion | 14,357 | 143 | (143) | - | - | 14,357 |
| Treasury Share | - | - | - | (441) | - | (441) |
| Dividends | - | - | - | - | (42,005) | (42,005) |
| Transaction to no-par value regime | 18,255 | (18,255) | - | - | - | - |
| Balance as at 31.12.2017 | 157,900 | - | 25 | (1,107) | 300,602 | 457,420 |

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