

EVERGREEN FIBREBOARD BERHAD (217120 W)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS**Condensed Consolidated Income Statement****For the Second Quarter Ended 30 June 2014**

The figures have not been audited

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 6 MONTHS ENDED	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR PERIOD TO-DATE	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE
	30 June 2014 RM'000	30 June 2013 RM'000	30 June 2014 RM'000	30 June 2013 RM'000
Revenue	215,811	225,845	455,327	452,646
Cost of sales	(195,490)	(194,183)	(396,870)	(399,030)
Gross Profit	20,321	31,662	58,457	53,616
Other operating income	346	(944)	2,229	889
Selling & administrative expenses	(39,279)	(38,879)	(78,516)	(77,148)
Finance costs	(2,975)	(3,679)	(6,648)	(7,456)
Net gain/(loss) on financial instruments at fair value	(6)	(388)	16	(473)
Share of profit/(loss) of associates	-	-	-	-
Profit/(Loss) Before Tax	(21,593)	(12,228)	(24,462)	(30,572)
Taxation - company & subsidiary	(410)	(641)	(729)	(69)
Net Profit/(Loss) For The Period	(22,003)	(12,869)	(25,191)	(30,641)
Net profit/(loss) attributable to:				
Owners of the parent	(21,692)	(11,683)	(24,274)	(27,899)
Non-controlling interests	(311)	(1,186)	(917)	(2,742)
	(22,003)	(12,869)	(25,191)	(30,641)
Earnings / (Loss) per share (Note B 12)				
- Basic (Sen)	(4.23)	(2.28)	(4.73)	(5.44)
- Diluted	(4.23)	(2.28)	(4.73)	(5.44)

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31st December 2013 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 Comprehensive Income****For the Second Quarter Ended 30 June 2014**

The figures have not been audited

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 6 MONTHS ENDED	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR PERIOD TO-DATE	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE
	30 June 2014 RM'000	30 June 2013 RM'000	30 June 2014 RM'000	30 June 2013 RM'000
Net Profit/(Loss) For The Period	<u>(22,003)</u>	<u>(12,869)</u>	<u>(25,191)</u>	<u>(30,641)</u>
Other comprehensive income				
Currency translation differences	(3,719)	(6,178)	(3,289)	4,887
Changes in fair value of cash flow hedges	378	(1,876)	1,511	(2,250)
Other comprehensive income/(loss) net of tax	<u>(3,341)</u>	<u>(8,054)</u>	<u>(1,778)</u>	<u>2,637</u>
Total comprehensive income/(loss) for the period	<u>(25,344)</u>	<u>(20,923)</u>	<u>(26,969)</u>	<u>(28,004)</u>
Total comprehensive income/(loss) attributable to:				
Owners of the parent	(25,033)	(19,737)	(26,052)	(25,262)
Non-controlling interests	<u>(311)</u>	<u>(1,186)</u>	<u>(917)</u>	<u>(2,742)</u>
	<u>(25,344)</u>	<u>(20,923)</u>	<u>(26,969)</u>	<u>(28,004)</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31st December 2013 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 Financial Position****As at 30 June 2014****The figures have not been audited**

	As at 30 June 2014 RM'000 (Unaudited)	As at 31 December 2013 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	798,670	823,129
Biological assets	17,067	16,000
Other intangible asset	141	154
Land use rights	16,500	16,728
Goodwill	19,590	19,590
	<u>851,968</u>	<u>875,601</u>
Current assets		
Investment	101	101
Inventories	223,981	211,132
Trade receivables	69,171	76,349
Other receivables, deposits & prepayments	46,169	68,035
Derivatives	36	-
Cash and cash equivalents	46,500	55,545
	<u>385,958</u>	<u>411,162</u>
TOTAL ASSETS	<u>1,237,926</u>	<u>1,286,763</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent		
Share capital	128,250	128,250
Share premium	113,129	113,129
Treasury shares	(15)	(15)
Retained earnings	522,588	546,862
Other reserve	(3,831)	(2,053)
	<u>760,121</u>	<u>786,173</u>
Non-controlling interests	21,487	22,404
Total equity	<u>781,608</u>	<u>808,577</u>
Non-current liabilities		
Deferred tax liabilities	1,806	1,209
Long-term borrowings	47,730	68,996
Other payables	8,748	8,206
	<u>58,284</u>	<u>78,411</u>
Current liabilities		
Trade payables	71,913	64,314
Other payables and accruals	60,139	64,631
Short-term borrowings	265,607	268,234
Provision for taxation	375	539
Derivatives	-	2,057
	<u>398,034</u>	<u>399,775</u>
Total liabilities	<u>456,318</u>	<u>478,186</u>
TOTAL EQUITY AND LIABILITIES	<u>1,237,926</u>	<u>1,286,763</u>
<i>Net assets per share (RM) **</i>	<i>1.52</i>	<i>1.58</i>

** Net assets per share is calculated based on Total assets (including intangibles) minus total liabilities divided by the total number of ordinary shares of RM0.25 each in issue as at 31 December 2013.

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31st December 2013 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Statements of Changes in Equity

For the Financial Period Ended 30 June 2014

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
	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				
6 months period ended 30 June 2014										
At 1 January 2014	128,250	113,129	(15)	383	(1,492)	(944)	546,862	786,173	22,404	808,577
Total comprehensive income for the period	-	-	-	-	1,511	(3,289)	(24,274)	(26,052)	(917)	(26,969)
At 30 June 2014	128,250	113,129	(15)	383	19	(4,233)	522,588	760,121	21,487	781,608
6 months period ended 30 June 2013										
At 1 January 2013	128,250	113,129	(15)	-	25	(5,207)	589,639	825,821	25,861	851,682
Total comprehensive income for the period	-	-	-	-	(2,250)	4,887	(27,899)	(25,262)	(2,742)	(28,004)
At 30 June 2013	128,250	113,129	(15)	-	(2,225)	(320)	561,740	800,559	23,119	823,678

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st December 2013 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 Second Quarter Ended 30 June 2014****The figures have not been audited**

	6 MONTHS ENDED 30 June 2014 RM'000	6 MONTHS ENDED 30 June 2013 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	(24,462)	(30,572)
Adjustment for :-		
Non-cash items	33,155	38,971
Non-operating items (which are investing/financing)	-	-
Interest income	(429)	(488)
Interest expense	6,648	7,456
Operating profit/(loss) before changes in working capital	<u>14,912</u>	<u>15,367</u>
Changes in working capital		
Net Change in inventory	(12,849)	(13,750)
Net Change in trade and other receivables	25,335	10,916
Net Change in trade and other payables	3,651	14,742
Total changes in working capital	<u>16,137</u>	<u>11,908</u>
Interest paid	(6,648)	(7,456)
Income taxes paid	2,844	(2,252)
	<u>(3,804)</u>	<u>(9,708)</u>
Net cash flow generated from/(used in) operating activities	<u>27,245</u>	<u>17,567</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
- Purchase of property, plant and equipment	(14,207)	(17,291)
- Proceeds from disposal of property, plant and equipment	99	246
- Interest received	429	488
Net cash flow generated from/(used in) investing activities	<u>(13,679)</u>	<u>(16,557)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
- Drawdown of borrowings	74,707	47,482
- Repayment of borrowings	(97,318)	(68,347)
Net cash flow generated from/(used in) financing activities	<u>(22,611)</u>	<u>(20,865)</u>
Net Change in Cash & Cash Equivalents	(9,045)	(19,855)
Cash and Cash Equivalents at beginning of period	55,545	83,814
Cash and Cash Equivalents at end of period	<u>46,500</u>	<u>63,959</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and Cash Equivalents	46,500	63,959
	<u>46,500</u>	<u>63,959</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31st December 2013 and the accompanying explanatory notes attached to the interim financial statements.