

NEXTGREEN GLOBAL BERHAD
(Company No. 719660-W)
(Incorporated in Malaysia)

THE LIST OF QUESTIONS RAISED AND RESPONSES PROVIDED DURING THE 13TH ANNUAL GENERAL MEETING WERE AS FOLLOWS:-

How would the Company face the challenges in printing business in view that printing orders have dropped significantly?

The Company still continue to receive local and overseas print orders. The Company has lately taken steps to improve its local sales by approaching the government for print orders instead of relying on export sales and printing of magazines.

With our project at Pekan Green Technology Park (“GTP Pekan”), we will use our own paper to print and this will reduce the cost of production and making our printing services very competitive.

Any chance to build similar factory i.e. Green Technology Park in Indonesia or Thailand since both countries have plenty of Empty Fruit Bunches (“EFB”)?

The Company may potentially expand its business to other countries as the Company has the know-how, experience and patented technology to effectively utilise EFB waste. Malaysia and Indonesia are amongst the few biggest palm oil producer in the world and Thailand government was very encouraging on biomass energy activities.

The Group’s revenue was recorded at RM29 million whilst the cost of sales was RM28 million. What are the actions being taken by the Company to overcome these?

The printing business has a fixed operational cost and the profit margin from printing business was not very attractive. The sales department has taken step to strengthen their position and continue its effort to diversify the customer base to boost the printing revenue and profit margin.

The Company had a RM4.0 million bank borrowing and a low gearing level of 0.045 times. The Management was looking ways to finance GTP Pekan’s activities as well as for its printing business.

What is the future prospect for GTP Pekan arising from the collaboration with Nomura? Could you explain a little bit more on the said collaboration?

The main objective of the collaboration was to get participation of IHI Corporation (“IHI”) and Nomura Holdings, Inc. (“Nomura”) to contribute their expertise for development of the Phase 2a and Phase 2b of the GTP Pekan.

At the present moment, the assessment and site visit was being conducted to ensure that the GTP Pekan was in compliance with the environmental, technological and governmental rules and regulations.

IHI is an expert in biomass plant and they are good in its water treatment system The Company is looking to adopt their water treatment system in the GTP Pekan.

IHI also has vast experience and various knowledge in energy solution and has begun commercial operation to produce pellet made from EFB and desire to secure a stable procurement route for necessary volume of EFB.

Nomura is a financial holding company whose business operations extends globally and hopes to contribute through its financial advisory services that it or any of its affiliates has gained in the financial know-how for the realisation of green technology.

The joint feasibility study for long term collaboration between the parties on the development and management of power generation and other auxiliary facilities for the phase 2 will be finalised in February 2019. If the results are positive, the Management will proceed with the investment negotiations/details with IHI and Nomura by end of March 2019.

Nomura and IHI had also indicated their interests in the development of the Phase 3, 4 and 5 of GTP Pekan.

The Hong Kong's investor, Asia Capital Investment Fund ("ACIF") has agreed to invest a sum of RM400 million. Could you provide a brief statement of their investment?

The investment of ACIF of RM200 million was for the development of Phase 2 in GTP Pekan and the investment in Green Technology Park in Johor and Green Technology Park in Sarawak were currently in negotiation stage.

ACIF has also agreed to invest in the Green Technology Park projects via a special purpose vehicle company by subscription of preference shares and loan stock.