

PRESS STATEMENT

MOA EXCHANGE CEREMONY BETWEEN UPM AND NEXTGREEN PULP & PAPER SDN BHD

In conjunction with

**7th INTERNATIONAL SYMPOSIUM ON APPLIED ENGINEERING AND SCIENCES 2019
(SAES2019)**

on 11th November 2019

1. Memorandum of Agreement (MoA) between UPM and Nextgreen Pulp & Paper Sdn. Bhd

UPM and Nextgreen Pulp & Paper Sdn. Bhd. (NGPP) signed a Memorandum of Understanding (MoU) back in 2017 for a general collaboration between the two parties.

Recently, another agreement *i.e.* a Memorandum of Agreement (MoA) has been signed by both parties, to allow for a technology licensing by NGPP from UPM. The technology involved is related to the production of nanocellulose from oil palm biomass, which has been developed by a group of UPM researchers led by Assoc. Prof. Dr Hidayah Ariffin from the Faculty of Biotechnology and Biomolecular Sciences (FBBS) and INTROP, UPM. The licensing agreement with the duration of 30 months started in August 2019 involving a licensing fee with the amount of RM 550,000 (RM 0.55 million), to be paid by NGPP to UPM.

Nanocellulose developed in UPM is a collaborative project with Kyushu Institute of Technology (Kyutech), Japan. The nanocellulose has various potential applications, such as for plastic composite making, cosmetics, as thickening agent in paint and food industries, as well as a strengthening agent for paper products.

Nanocellulose is produced from paper pulp which is produced from pulp making process. As a producer of pulp from oil palm biomass, NGPP will be working with UPM in producing paper packaging product, whereby nanocellulose will be used as an additive in the packaging product to improve its properties. Through this project, both parties aim to create a green, environmentally friendly and biodegradable food packaging product, which would help the Malaysian government towards achieving its goal in reducing the use of single-use plastics.

NGPP (wholly-owned subsidiary of Nextgreen Global Berhad) is a manufacturer of EFB pulp and paper located in Green Technology Park (GTP), Pahang, which is an eco-innovative industrial park powered by zero waste technology and renewable energy. NGPP has patented an exclusive technology for producing high-quality EFB pulp, known as Preconditioning Refiner Chemical-Recycle Bleached Mechanised Pulp (PRC-RBMP). This pulp will be used in the R&D project on sustainable food packaging in collaboration with UPM to offer a viable replacement to polystyrene food packaging following a global shift in consumer preference towards sustainable packaging solutions. The project will also add value to the oil palm industry while reducing its disposal issues.