



NEXTGREEN GLOBAL BERHAD
[Registration No. 200501037512 (719660-W)]

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2022**

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2022

	Individual period			Cumulative period		
	31.12.2022 RM'000	31.12.2021 RM'000	Changes %	31.12.2022 RM'000	31.12.2021 RM'000	Changes %
Operating revenue	5,335	14,297	-63%	32,933	51,299	-36%
Other income	25,993	9,667	169%	32,273	10,477	208%
Total revenue	31,327	23,964	31%	65,205	61,776	6%
Cost & operating expenses	(19,216)	(14,307)	34%	(48,529)	(50,135)	-3%
Profit from operations	12,112	9,657	25%	16,677	11,642	43%
Finance income	-	-	-	1	7	-
Finance cost	(1,125)	(427)	163%	(3,192)	(1,696)	88%
Profit/ (loss) before tax	10,987	9,230	19%	13,486	9,953	36%
Income tax expense	(11)	(17)	-34%	(11)	(17)	-35%
Net profit/ (loss) for the period	10,975	9,213	19%	13,475	9,936	36%
Net profit/ (loss) attributable to:						
Owners of the Company	11,005	9,188	20%	13,610	9,997	36%
Non-controlling interest	(29)	25	-217%	(135)	(61)	123%
Net profit/ (loss) for the period	10,976	9,213	19%	13,475	9,936	36%

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2022

	Individual period			Cumulative period		
	31.12.2022 RM'000	31.12.2021 RM'000	Changes %	31.12.2022 RM'000	31.12.2021 RM'000	Changes %
Net profit/ (loss) for the period	10,975	9,213	19%	13,475	9,936	36%
Other comprehensive income:						
Gain on foreign currency translation	(398)	(17)	2254%	359	264	36%
Total comprehensive income/ (loss)	10,578	9,196	15%	13,835	10,199	36%
Total comprehensive (loss)/ income for the period attributable to:						
Owners of the Company	10,607	9,171	16%	13,970	10,260	36%
Non-controlling interest	(29)	25	-217%	(135)	(61)	123%
Total comprehensive income/ (loss)	10,578	9,196	15%	13,835	10,199	36%

EARNINGS PER SHARE ATTRIBUTABLE TO OWNER OF COMPANY

	Individual period		Cumulative period	
	31.12.2022 Cent	31.12.2021 Cent	31.12.2022 Cent	31.12.2021 Cent
Basic EPS	1.42	1.32	1.76	1.44
Diluted EPS	1.24	1.26	1.53	1.37

Detail computation - Part B, note 11

Notes:

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial period ended 31 December 2021 and the accompanying notes to the Interim Financial Statements.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	As at 31.12.2022 RM'000	As at 31.12.2021 RM'000
	Unaudited	Audited
NON-CURRENT ASSETS		
Property, plant and equipment	149,294	103,950
Intangible assets	500	1,050
Goodwill	-	498
Right-use-of assets	809	1,608
Investment in associates	10,290	-
Other investments	23	23
Inventories	120,140	119,785
Deferred tax assets	114	126
Non-current assets	281,169	227,040
CURRENT ASSETS		
Inventories	50,238	6,509
Trade receivables	24,120	22,439
Other receivables, deposits and prepayments	36,145	31,272
Amount due from associate company	-	-
Tax recoverable	146	231
Fixed deposit with a licensed bank	5	37
Cash and bank balances	4,351	7,983
	115,004	68,471
TOTAL ASSETS	396,173	295,511
EQUITY		
Share capital	266,385	253,070
Redeemable convertible preference share	10,000	10,000
Reserve	(822)	(14,792)
Equity attributable to owners of the Company	275,563	248,278
Non-controlling interest	(189)	(216)
TOTAL EQUITY	275,374	248,062
NON-CURRENT LIABILITIES		
Borrowings	61,209	581
Hire purchase liabilities	517	202
Lease liabilities	168	659
Non-current liabilities	61,893	1,443
CURRENT LIABILITIES		
Trade payables	19,031	15,662
Other payables and accruals	31,629	17,759
Borrowings	7,400	11,417
Hire purchase liabilities	160	82
Lease liabilities	687	1,086
Current liabilities	58,906	46,006
Total liabilities	120,799	47,449
TOTAL EQUITY AND LIABILITIES	396,173	295,511
Net Asset per share (RM)	0.35	0.34

Notes:

The Condensed Consolidated Statements of financial position should be read in conjunction with the Audited Financial Statements for the financial period ended 31 December 2021 and the accompanying notes to the Interim Financial Statements.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR-TO-DATE ENDED 31 DECEMBER 2022

	Share capital	RCPS	Foreign currency reserve	Merger reserve	Share option reserve	Warrant reserve	Retained profit/ (loss)	Equity attributable to owners of the Company	Non- controlling interest	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
At 1 Jan 2022 (Audited)	253,070	10,000	(92)	(16,833)	-	3,364	(1,231)	248,278	(216)	248,062
Comprehensive income:	-	-	-	-	-	-	13,610	13,610	(135)	13,475
Profit for period	-	-	359	-	-	-	-	359	-	359
Other comprehensive income	-	-	359	-	-	-	13,610	13,970	(135)	13,835
Total comprehensive income										
Transactions with owners:	-	-	-	-	-	-	-	-	0	0
Acquisition of subsidiary	-	-	-	-	-	-	-	-	162	162
Disposal of subsidiary	13,316	-	-	-	-	(2,484)	2,484	13,316	-	13,316
Issue of share via ESOS	13,316	-	-	-	-	(2,484)	2,484	13,316	162	13,477
Total transactions with owners										
At 31 December 2022 (reviewed)	253,070	10,000	(92)	(16,833)	-	3,364	(1,231)	248,278	(216)	248,062
At 1 Jan 2021 (Audited)	171,566	-	(337)	(16,833)	-	-	(14,906)	139,490	(62)	139,428
Comprehensive income:	-	-	-	-	-	-	9,902	9,902	(81)	9,821
Profit for period	-	-	-	-	-	-	-	245	-	245
Other comprehensive income	-	-	245	-	-	-	-	-	-	-
Total comprehensive income	-	-	245	-	-	-	9,902	10,146	(81)	10,066
Transactions with owners:										
Acquisition of subsidiary	-	-	-	-	-	-	-	-	(73)	(73)
Issue of shares via private placements	62,122	-	-	-	-	-	-	62,122	-	62,122
Issue of share via ESOS	20,229	-	-	-	-	-	-	20,229	-	20,229
Issuance of new RCPS	-	10,000	-	-	-	-	-	10,000	-	10,000
Share option granted	-	-	-	-	-	3,364	3,774	7,138	-	7,138
Share issue expenses	(848)	-	-	-	-	-	-	(848)	-	(848)
Total transactions with owners	81,503	10,000	-	-	-	3,364	3,774	98,641	(73)	98,568
At 31 December 2021 (Audited)	253,070	10,000	(92)	(16,833)	-	3,364	(1,231)	248,278	(216)	248,062

Note: The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial period ended 31 December 2021 and the accompanying notes to the Interim Financial Statements.

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE QUARTER AND YEAR TO DATE ENDED
31 DECEMBER 2022**

	31.12.2022 RM'000	31.12.2021 RM'000
	Unaudited	Unaudited
Cash flows used in operating activities		
Profit before tax	13,486	9,953
Adjustment for:		
Share option granted under ESOS	-	7,138
Reversal of asset impairment	(20,371)	(9,517)
Depreciation expense	3,731	2,753
Amortisation of Right-use-of asset	925	1,416
Amortisation of intangible asset	1,048	-
Allowance of Impairment on receivables	8,823	2,038
Reversal of impairment on receivables	(2,565)	(112)
Unrealised gain on foreign exchange	(49)	(90)
Gain on disposal of plant & equipment	(2,597)	(133)
Gain on disposal of subsidiary	(727)	-
Plant & equipment write off	14	-
Finance income	(1)	(7)
Finance cost	3,192	1,695
Operating profit before working capital changes	4,909	15,135
Decrease/ (Increase) in inventories	463	(39,609)
Increase in trade and other receivables	(9,871)	(20,813)
Increase in trade and other payables	22,661	88
Net cash generated from/ (used in) operating activities	18,162	(45,198)
Interest received	1	7
Interest paid	(3,192)	(1,695)
Income tax refund	38	(35)
Income tax paid	-	-
Net cash used in operating activities	15,009	(45,233)
Cash flows used in investing activities		
Acquisition of property, plant & equipment	(31,591)	(27,753)
Development & construction work in progress (inventory)	(47,103)	-
Proceeds from disposal of plant & equipment	-	197
Deposit paid for purchase of plant & equipment	-	(7,617)
Proceed from fixed deposit withdrawal	-	92
Acquisition of subsidiary, net cash acquired	-	(329)
Subscription of share in associates' company	(10,290)	-
Net cash used in investing activities	(88,984)	(35,403)
Cash flows from financing activities		
Proceed from:		
Term loan	61,263	600
Hire purchase	632	-
Issuance of share	-	61,274
Exercise of ESOS	13,316	20,229
Issuance of RCPS	-	10,000
Repayment of:		
Term loan	(3,642)	(1,789)
Hire purchase	(124)	(86)
Lease liability	(937)	-
Net cash flow from financing activities	70,507	87,154
Net increase in cash and cash equivalents	(3,468)	6,517
Cash and cash equivalents at beginning of year	7,983	1,205
Effect of exchange rate changes	(164)	264
Cash and cash equivalents at end of period	4,351	7,986

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE QUARTER AND YEAR TO DATE ENDED
31 DECEMBER 2022 (Continued)**

	31.12.2022 RM'000	31.12.2021 RM'000
	Unaudited	Unaudited
Cash and cash equivalents comprise of:		
Cash and bank balances	4,351	7,986
Fixed deposits*	5	37
	4,356	8,023
*Fixed deposit pledged with licensed bank	(5)	(37)
Cash and cash equivalents at end of period	4,351	7,986

Note:

The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022**PART A – EXPLANATORY NOTES AS PER MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 INTERIM FINANCIAL REPORTING****1. BASIS OF PREPARATION**

These condensed consolidated financial statements ("Condensed Report") have been prepared in accordance with the Malaysian Financial Reporting Standard ("MFRS") 134 *Interim Financial Reporting*, the International Accounting Standard ("IAS") 34 *Interim Financial Reporting* and the requirements of the Companies Act 2016 in Malaysia, where applicable. This Condensed Report has been prepared under the historical cost convention.

The Interim Financial Report is unaudited and has been prepared in accordance with paragraph 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad.

The report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2021. These explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2021.

2. SIGNIFICANT ACCOUNT POLICY**2.1 Adoption of Amendments to Standards**

The accounting standards adopted in the preparation of the Condensed Report are consistent with those adopted in the preparation of the Group's audited financial statements for the financial year ended 31 December 2021, except for the following which were adopted at the beginning of the current financial year. These pronouncements are either not relevant or do not have any material impact on the Group's financial statements for the current financial year.

- Amendment to MFRS 16 Leases - Covid-19 - Related Rent Concessions beyond 30 June 2021
- Amendments to MFRS 3 Business Combinations - Reference to the Conceptual Framework
- Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use
- Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of Fulfilling a Contract
- Annual Improvements to MFRS Standards 2018 - 2020:
 - Amendment to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards
 - Amendment to MFRS 9 Financial Instruments
 - Amendment to MFRS 141 Agriculture

2.2 Standards issued but not yet effective

As at the date of authorisation of this Condensed Report, the following Standards and amendments to Standards have been issued by the Malaysian Accounting Standards Board ("MASB"), but are not yet effective to the Group's current financial period.

Effective for financial periods beginning on or after 1 January 2023

- MFRS 17 Insurance Contracts ("MFRS 17") and Amendments to MFRS 17
- Amendments to MFRS 101 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies
- Amendments to MFRS 112 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors
 - Definition of Accounting Estimates

Effective date of these Amendments to Standards has been deferred, and yet to be announced

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The above pronouncements are either not relevant or do not have any material impact on the Group's financial statements.

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022
PART A – EXPLANATORY NOTES AS PER MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 INTERIM FINANCIAL REPORTING
3. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The audited financial statements for the financial year ended 31 December 2021 was not subject to any qualification.

4. COMMENTS ABOUT SEASONALITY OR CYCLICALITY OF OPERATIONS

The business operations of The Group were not materially affected by seasonal or cyclical changes.

5. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no unusual items affecting the assets, liabilities, equity, net income or cash flow of the Group during the current financial quarter under review, that are unusual by reason of their nature, size or incidence.

6. CHANGES IN ESTIMATES

There were no changes in estimates of amounts which have a material effect on the results in the current quarter under review.

7. DEBT AND EQUITY SECURITIES

There was no issuance, cancellations, repurchases, resale and repayment of debt and equity securities in the period under review except the following. Details of the issued and paid-up capital of the Company as at 31 December 2022 are as follows:

	Current quarter		Year to date	
	No of shares	Proceed (RM)	No of shares	Proceed (RM)
New of shares issued – exercise of ESOS	3,410,000	1,875,500	24,210,000	13,515,500

8. DIVIDEND PAID

There was no dividend paid in the current financial period under review.

9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no valuation of the property, plant and equipment in the current quarter under review.

10. MATERIAL EVENT AFTER THE REPORTING PERIOD

There was no material event subsequent to the quarter and year-to-date ended 31 December 2022

11. CONTINGENT ASSET AND LIABILITIES

There were no changes in other contingent liabilities since the last annual audited financial statements as at 31 December 2021

12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no material changes in the composition of the Group for the current quarter ended 31 December 2022, except the following:

- a) On 1st of October, The Company has entered into a Sale and Purchase of Shares Agreement (“SPSA”) to full dispose its entire 70% equity interest in Osmocell Sdn Bhd (“OSMOCELL”) for a total consideration of RM350,000. Osmocell ceased to be subsidiary of the Group,

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022
PART A – EXPLANATORY NOTES AS PER MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 INTERIM FINANCIAL REPORTING
13. SEGMENTAL INFORMATION

Segment information is presented in respect of the Group's reportable segments which are based on the Group's management and internal reporting structure as follow:

Property and Construction	Green Technology Park developer and manager, construction and renovation work
Printing and Publishing	Printing of book, magazine, packaging or as a book publisher
Manufacturing	Manufacturing of pulps and papers, fertilizers and animal feeds
Utility & Renewable Energy	Treatment of water and waste water, produce and supply of biomass power and energy
Investment holding & others	Investment holding, providing management service within the group and dormant companies

The segmental revenue and results (for the period under review are as follows:

13.1 Operating Revenue

	Quarter ended			Year to date ended		
	31.12.2022 RM'000	31.12.2021 RM'000	Changes %	31.12.2022 RM'000	31.12.2021 RM'000	Changes %
Property & Construction	13,735	64,383	-79%	23,274	93,399	-75%
Printing & Publishing	2,514	3,236	-22%	6,282	9,225	-32%
Manufacturing	3,605	-	100%	14,480	-	100%
Utility & Renewable Energy	-	2,784	-100%	3,787	5,500	-31%
Investment Holding	50	65	-22%	126	185	-32%
Total	19,904	70,468	-72%	47,949	108,310	-56%
Intragroup sales elimination	(14,569)	(56,171)	-74%	(15,016)	(57,010)	-74%
Grand total	5,335	14,297	-63%	32,933	51,299	-36%

13.2 Administrative expenses

	Quarter ended			Year to date ended		
	31.12.2022 RM'000	31.12.2021 RM'000	Changes %	31.12.2022 RM'000	31.12.2021 RM'000	Changes %
Property & Construction	(1,239)	(538)	130%	(3,166)	(2,801)	13%
Printing & Publishing	(8,822)	(2,859)	209%	(10,793)	(5,279)	104%
Manufacturing	(1,839)	(2,080)	-12%	(7,948)	(5,449)	46%
Utility & Renewable Energy	(11)	(558)	-98%	(1,229)	(1,374)	-11%
Investment Holding	(1,006)	(1,296)	-22%	(4,021)	(10,107)	-60%
Total	(12,917)	(7,331)	76%	(27,156)	(25,010)	9%
Intragroup elimination	(311)	1,135	-127%	107	1,648	-94%
Grand total	(13,228)	(6,196)	113%	(27,049)	(23,362)	16%

13.3 Profit/ (loss) after tax

	Quarter ended			Year to date ended		
	31.12.2022 RM'000	31.12.2021 RM'000	Changes %	31.12.2022 RM'000	31.12.2021 RM'000	Changes %
Property & Construction	(900)	17,059	-105%	2,773	31,942	-91%
Printing & Publishing	(4,585)	(2,499)	83%	(3,443)	(3,874)	11%
Manufacturing	17,619	(2,313)	-862%	18,874	(5,917)	-419%
Utility & Renewable Energy	(12)	106	-112%	(183)	(136)	35%
Investment Holding	(1,054)	(1,379)	-24%	(4,272)	(10,406)	-59%
Total	11,067	10,975	1%	13,749	11,610	18%
Intragroup profit elimination	(91)	(1,762)	-95%	(274)	(1,673)	-84%
Grand total	10,976	9,213	19%	13,475	9,936	36%

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022
PART A – EXPLANATORY NOTES AS PER MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 INTERIM FINANCIAL REPORTING
13. SEGMENT INFORMATION (CONT'D)
13.4 Assets as at 31 December 2022

	Non-current			Current		
	31.12.2022 RM'000	31.12.2021 RM'000	Changes RM'000	31.12.2022 RM'000	31.12.2021 RM'000	Changes RM'000
	Unaudited	Audited		Unaudited	Audited	
Property & Construction	121,384	120,931	453	88,942	208,398	(119,456)
Printing & Publishing	20,768	30,121	(9,353)	36,946	63,750	(26,804)
Manufacturing	116,427	77,592	38,835	33,552	113,738	(80,186)
Utility & Renewable Energy	-	912	(912)	-	6,110	(6,110)
Investment Holding	119,403	93,034	26,369	207,604	310,747	(103,143)
Subtotal	377,983	322,591	55,392	367,044	702,742	(335,698)
Intragroup elimination	(96,814)	(95,551)	(1,263)	(252,040)	(367,284)	115,244
Total	281,169	227,040	54,129	115,004	335,458	(220,454)

13.5 Liabilities as at 31 December 2022

	Non-current			Current		
	31.12.2022 RM'000	31.12.2021 RM'000	Changes RM'000	31.12.2022 RM'000	31.12.2021 RM'000	Changes RM'000
	Unaudited	Audited		Unaudited	Audited	
Property & Construction	353	363	(10)	163,952	161,079	2,873
Printing & Publishing	176	64	112	52,022	53,649	(1,627)
Manufacturing	49,056	245	48,811	76,180	106,613	(30,433)
Utility & Renewable Energy	-	771	(771)	71	6,707	(6,636)
Investment Holding	12,309	-	12,309	22,407	19,277	3,130
Subtotal	61,893	1,443	60,450	314,632	347,325	(32,693)
Intragroup elimination	-	-	-	(255,725)	(242,799)	(12,926)
Total	61,893	1,443	60,450	58,906	104,526	(45,620)

14. CAPITAL COMMITMENTS

Capital commitments for the purchase of property, plant and equipment not provided for in the Condensed Report at the end of the financial period under review are as follows:

	31.12.2022 RM'000	31.12.2021 RM'000
	Unaudited	Audited
Capital expenditure – Property, Plant & Equipment		
Approved and contracted for	8,475	17,469

15. RELATED PARTY TRANSACTIONS

All related party transactions and balances within the Group had been entered into in the normal course of business and were carried out on normal commercial terms during the current quarter and year-to-date ended 31 December 2022.

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022
PART B - EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
1. GROUP PERFORMANCE REVIEW

	Individual period			Cumulative period		
	31.12.2022 RM'000	31.12.2021 RM'000	Changes %	31.12.2022 RM'000	31.12.2021 RM'000	Changes %
Operating revenue	5,335	14,297	-63%	32,933	51,299	-36%
Other income	25,993	9,667	169%	32,273	10,477	208%
Total revenue	31,327	23,964	31%	65,205	61,776	6%
Cost & operating expenses	(19,216)	(14,307)	34%	(48,529)	(50,135)	-3%
Profit from operations	12,112	9,657	25%	16,677	11,642	43%
Finance income	-	-	-	1	7	-
Finance cost	(1,125)	(427)	163%	(3,192)	(1,696)	88%
Profit/ (loss) before tax	10,987	9,230	19%	13,486	9,953	36%
Income tax expense	(11)	(17)	-34%	(11)	(17)	-35%
Net profit/ (loss) for the period	10,976	9,213	19%	13,475	9,936	36%
Net profit/ (loss) attributable to:						
Owners of the Company	11,005	9,188	20%	13,610	9,997	36%
Non-controlling interest	(29)	25	-217%	(135)	(61)	123%
Net profit/ (loss) for the period	10,976	9,213	19%	13,475	9,936	36%

Current quarter vs. Preceding Year Quarter

Group PAT increased 19 percent to RM10.97 million compared to the result of RM9.21 million in same period ended 31 December 2021. It was driven by the increased in other income which was due to reversal of impairment allowance on pulp & paper making machinery, recognition of grant income as well as gain on disposal of subsidiary. In spite of greater result of other income, it has been offset by the lower operating revenue and increased in operating expenses as well as finance cost due to increase in bank borrowing. Group operating revenue dropped significantly by 63 percent as compared to RM14.297 million in the same period in preceding year. It was mainly attributable to the absent of land sale in GTP as well as the result from deconsolidation of subsidiary. However, the shortfall has been partly cushioned by the new operating revenue from paper making segment.

Net profit attributable to the owner of the company was increased by 19 percent to RM11.0 million due to greater result profit for the period under review. Basic earnings per share (EPS) also increased to 1.42 cent from 1.32 cent as compared to same period of preceding year.

Year-to-date FY2022 ("4QFY22") vs. Year-to-date FY2021("4QFY21")

The Group's operating revenue dropped by 36 percent from RM51.30 million to RM32.93 million. It was significantly due to the lower revenue from sale of land in GTP, (FY21:RM39.23 million) as well as printing & publishing and utility & renewable energy segment. However, new operating revenue attributable to the manufacturing activities amounting to RM14.48 million partly offset the adverse performance of group operating revenue. Besides, the impact of deconsolidation of subsidiary during in Q4FY22 also contributed to the lower operating revenue of the group for the year. Group operating expenses slightly decreased due to the combination of few factors which particularly attributable to the absent of the ESOS issuance cost, increased in pre-operating expenses incurred by manufacturing division as well as increased in R&D expenses related to the Fertilizer manufacturing segment.

Group PAT increased 36 percent to RM13.48 million from the profit recorded a year ago. It was driven by the increased in other income which attributable to one-off reversal of impairment allowance, additional rental income, recognition of government grant and gain on disposal.

In line with greater profit recorded for financial year under review, net profit attributable to the owner of the company surged 36 percent to RM13.61 million. Basic earnings per share jumped to 1.76 cent from 1.44 cent on y-o-y basis.

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022
PART B - EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
2. OPERATING DIVISION/ SEGMENT PERFORMANCE REVIEW
Property & Construction

	Quarter ended			Year to date ended		
	31.12.2022 RM'000	31.12.2021 RM'000	Changes %	31.12.2022 RM'000	31.12.2021 RM'000	Changes %
Operating revenue	13,735	64,383	-79%	23,274	93,399	-75%
Operating expenses	(1,239)	(538)	130%	(3,166)	(2,801)	13%
Profit/ (loss) after tax	(900)	17,059	-105%	2,773	31,942	-91%

Current quarter vs. Preceding Year Quarter

For the current quarter under review, solely attributable to the intra group revenue. The operating revenue drop significantly by 79 percent driven by the absent of sale of land in GTP. During the quarter. Operating expenses increased by 130 percent due to one-off site office administrative expenses and receivable impairment allowance. Due to the absent of sale of land, it was a significantly gave adverse impact to the result which shown a negative turnaround of 105 percent as compared to same period in the preceding year.

Year-to-date FY2022 ("3QFY22") vs. Year-to-date FY2021("4QFY21")

Result for FY2022 declined by 91 percent to RM2.77 million from RM31.94 million as compared to FY2021. It was due to the lower performance for both performance indicator such as no of sub-divided land and land size. During the FY2022 only one (1) sub divided land was sold with total land size of 10.949 acre as compared to FY2021 where four (4) subdivided land sold with total land size of 69.51 acre. As for the operating expenses, the absent of sales commission and the reversal impairment losses on related company receivable attributed to the reduction operating expense by 8% as compared to the same period a year ago.

Printing & Publishing

	Quarter ended			Year to date ended		
	31.12.2022 RM'000	31.12.2021 RM'000	Changes %	31.12.2022 RM'000	31.12.2021 RM'000	Changes %
Operating revenue	2,514	3,236	-22%	6,282	9,225	-32%
Other income	3,999	229	1646%	10,356	770	1245%
Operating expenses	(8,822)	(2,859)	209%	(10,793)	(5,279)	104%
Profit/ (loss) after tax	(4,585)	(2,499)	83%	(3,443)	(3,874)	-11%

Current quarter vs. Preceding Year Quarter

Operating revenue decreased by 22 percent attributable to the lower revenue in both commercial & packaging printing which due to the lower job order. In spite of lower operating income, the segment had recorded non-operating income of RM3.99 million which derived from rental on factory space, reversal of receivables impairment allowance, one-off court case settlement of and service charges of printing plate and delivery on sub-contractor printing job. The operating expense was increased significantly due to the impairment of both trade and other receivables amounting to RM8.11 million. of The segment loss result for the current quarter recorded at increased by 83 percent RM1.07 which 57% lower than loss recorded in prior year attributable to the higher other income recorded.

Year-to-date FY2022 ("4QFY22") vs. Year-to-date FY2021("4QFY21")

Segment loss result however shown 11 percent decreased as compared to due to the combination of lower operating revenue, increased in impairment allowance on receivable, as well as increased in other income.

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022
PART B - EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
2. OPERATING SEGMENT PERFORMANCE REVIEW – CONT'D
Manufacturing

	Quarter ended			Year to date ended		
	31.12.22 RM'000	31.12.21 RM'000	Changes %	31.12.22 RM'000	31.12.21 RM'000	Changes %
Operating revenue	3,605	-	100%	14,480	-	100%
Other income	21,351	4	575396%	21,530	537	3909%
Operating expenses	(1,839)	(2,080)	-12%	(7,948)	(5,449)	46%
Finance cost	(1,001)	(237)	323%	(2,670)	(1,005)	166%
Profit/ (loss) after tax	17,619	(2,313)	-862%	18,874	(5,917)	-419%

Current quarter vs. Preceding Year Quarter

During the Q4FY22 division result recorded at profit of RM17.62 million, a positive turnaround from the loss of RM2.31 million recorded in the same period last year which fully backed by RM3.61 million revenue from paper making segment and reversal of impairment allowance on machinery (other income) after the completion and commercialization of paper making plant in GTP. Despite of higher in both operating revenue and other income, low quantity of paper sold and high fixed factory overhead such as depreciation of factory building and machinery, insurances, labor cost attribute to the gross loss for the period.

Year-to-date FY2022 (“3QFY22”) vs. Year-to-date FY2021 (“3QFY21”)

Net profit after tax recorded RM18.87, a positive turnaround as compared to the segment loss recorded on y-o-y basis. It was mainly due to greater operating revenue and other income contributed by paper making and fertiliser segment. However, during the year under review, only paper making segment had commenced its manufacturing activities which contributed operating revenue of RM8.12 million. In spite of fertiliser segment yet to commenced its manufacturing activity, the segment contributes RM6.36 million revenue from selling of its inventory. The division revenue was partly offset by the increased of operating expenses particularly pre-operating expenses as well as increased in finance cost due to increased in bank borrowing. Despite of low of quantity of paper sold, the paper making segment able to sell 94 percent of its total production output (2,038 MT). In relation to low production output and high fixed factory overhead cost, paper making segment suffered gross loss during its first year in operation which attribute to low operating profit in FY2022.

Utility & Renewable Energy

	Quarter ended			Year to date ended		
	31.12.22 RM'000	31.12.21 RM'000	Changes %	31.12.22 RM'000	31.12.21 RM'000	Changes %
Operating revenue	-	2,784	-100%	3,787	5,500	-31%
Operating expenses	(11)	(558)	-98%	(1,229)	(1,374)	-11%
Profit/ (loss) after tax	(12)	106	-112%	(183)	(136)	35%

No operating revenue was recorder in current quarter under review due to the deconsolidation of Osmocell Sdn Bhd. The other business segment such as renewable energy, biomass and utility are still at planning stage. Due to than reason, the division suffered lower revenue and in loss position for both current quarter and YTD period.

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022
PART B - EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
3. OPERATING SEGMENT PERFORMANCE REVIEW – CONT'D
Investment Holding

	Quarter ended			Year to date ended		
	31.12.22 RM'000	31.12.21 RM'000	Changes %	31.12.22 RM'000	31.12.21 RM'000	Changes %
Operating revenue	50	65	-22%	126	185	-32%
Operating expenses	(1,006)	(1,296)	-22%	(4,021)	(10,107)	-60%
Profit/ (loss) after tax	(1,054)	(1,379)	-24%	(4,272)	(10,406)	-59%

Operating revenue solely derived from management service fee charged to subsidiary companies. The parent company loss result for both periods demonstrated a reduction by 24 percent and 59 percent respectively as compared to same period in preceding year. It was mainly due to lower operating expenses significantly attribute to absent of ESOS issuance cost.

4. MATERIAL CHANGES IN PERFORMANCE OF OPERATING SEGMENT CURRENT QUARTER'S RESULT COMPARED TO IMMEDIATE PRECEDING QUARTER

- 1) Absent of sale of land in Green Technology Park.
- 2) Reversal of impairment on PPE which previously recognised in FY2019 amounting to RM20.37 million
- 3) Net credit and lifetime impairment allowance on trade and other receivables RM5.67 million

5. COMMENTARY ON PROSPECTS AND TARGETS

The group confident the commercial printing remain competitive in spite rise of digitalisation. Alternatively, the group is looking the option to strategies its position well in box and packing printing .

Paper making segment had commenced the operation in July 2022 and the production activities is ongoing to fulfill the customer order as well as product sample from oversea potential customer. The group confident will be able to secure new supply offtake agreement from oversea customer in the near future.

The construction of fertiliser production plant to manufacture 30,000 MT of solid and liquid organic fertilizer has been started. The targeted completion of the construction work will be in Quarter 3, 2023. The fertiliser segment will expect to contribute new stream of operating revenue to the group coming Quarter 4, 2023.

6. INCOME TAX EXPENSE

No provision for tax has been made during the Quarter under review.

7. PROFIT FORECAST AND PROFIT GUARANTEE

The Group has not issued any profit forecast or profit guarantee in the current financial year.

8. DIVIDENDS

The Board of Directors did not propose any dividend for the quarter under review.

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022
PART B - EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
9. PROFIT BEFORE TAX

The following items have been charged/(credited) in arriving at the profit before tax:

	Quarter Ended		Year-To-Date Ended	
	31.12.22 RM'000	31.12.21 RM'000	31.12.22 RM'000	31.12.21 RM'000
Share option granted under ESOS	-	-	-	7,138
Reversal of asset impairment	(20,371)	(9,517)	(20,371)	(9,517)
Depreciation expense	770	718	3,731	2,753
Amortisation of Right-use-of asset	(124)	613	925	1,416
Amortisation of intangible asset	1,048	-	1,048	-
Allowance of Impairment on receivables	8,823	2,120	8,823	2,038
Reversal of impairment on receivables	(2,514)	(112)	(2,565)	(112)
Unrealised gain on foreign exchange	-	15	(49)	(90)
Gain on disposal of plant & equipment	-	(4)	(2,597)	(133)
Gain on disposal of subsidiary	(727)	-	(727)	-
Plant & equipment write off	11	-	14	-
Finance income	-	-	(1)	(7)
Finance cost	1,125	427	3,192	1,695

10. GROUP'S BORROWINGS AND DEBT SECURITIES

Group has not issued any debt securities and the Group borrowings as at 31 December 2022 are as follows

	31.12.2022 RM'000	31.12.2021 RM'000
Secured, Denomination in Malaysia Ringgit.	Unaudited	(Audited)
NON-CURRENT		
Term loan	61,209	581
Hire purchase	517	202
Operating lease	168	659
	61,893	1,443
CURRENT		
Term loan	7,400	11,417
Hire purchase	160	82
Operating lease	687	1,086
	8,247	12,585
Grand total	70,140	14,028
Gearing ratio	0.24 times	0.02 times

11. EARNINGS PER SHARE
Basic

Basic earnings per share is calculated based on the consolidated profit for the financial year attributable to owners of the parent and the weighted average number of ordinary shares in issue during the financial year as follows:

	Quarter Ended		Year-To-Date Ended	
	31.12.2022	31.12.2021	31.12.22	31.12.2021
Profit attributable to owners of the Company (RM'000)	11,005	9,188	13,610	9,902
Weighted average number of shares issued ('000)	774,363	689,527	774,363	689,527
Basic earnings/ (loss) per share (sen)	1.42	1.33	1.76	1.44

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022
PART B - EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
11. EARNINGS/(LOSS) PER SHARE – CONT'D
Diluted

Diluted earnings per share is calculated based on the adjusted consolidated profit for the financial year attributable to the owners of the parent and the weighted average number of shares in issue during the financial year have been adjusted for the dilutive effects of all potential shares as follows:

	Quarter Ended		Year-To-Date Ended	
	31.12.22	31.12.21	31.12.22	31.12.21
Profit attributable to owners of the Company (RM'000)	11,005	9,188	13,610	9,902
Weighted average number of ordinary shares used in the calculation of basic earnings per share ('000)	774,363	689,527	774,363	689,527
Effect of dilution from:				
- Share-based payment (ESOS) ('000)	7,516	8,010	7,516	8,010
- Conversion of RCPS ('000)	106,387	62,939	106,387	62,939
Weighted average number of ordinary shares	888,266	760,476	888,266	760,476
Diluted earnings per share (sen)	1.24	1.21	1.53	1.30

12. GROUP MATERIAL LITIGATION

As at 21 February 2023, being 7 days prior to the date of this report, neither the Company nor its subsidiaries are engaged in any litigation or arbitration, either as plaintiff or defendant, which have the value of 5% of the Group's net assets. Board is not aware of any proceedings pending or threatened or of any acts likely to give rise to any proceedings, which might materially and adversely affect the financial position or business of the Company or its subsidiaries.

13. AUTHORISATION TO ISSUE

The Condensed Report was authorised for release by the Board of Directors as per Board of Directors Meeting held on 27 February 2023.