

**Date** 9 June 2022  
**Type** ANNOUNCEMENT  
**Subject** MEMORANDUM OF UNDERSTANDING  
**Description** NEXTGREEN GLOBAL BERHAD (“NEXTGREEN” OR “THE COMPANY”)  
MEMORANDUM OF UNDERSTANDING BETWEEN NEXTGREEN AND  
NATIONAL FARMERS ORGANIZATION (“NAFAS”)

## **INTRODUCTION**

The Board of Directors of Nextgreen wishes to announce that the Company had on 9 June 2022 entered into a Memorandum of Understanding (“MOU”) with National Farmers Organization (“NAFAS”) to establish a strategic cooperation for the production of organic fertilizers, animal feed and investment (‘referred to as “Project”).

Nextgreen and NAFAS are each referred to as the “Party” and collectively referred to as the “Parties”.

## **INFORMATION OF NEXTGREEN**

Nextgreen is a Public Listed Company registered in Malaysia under the Companies Act 1965 and having a business address at Level 6-02, Menara LGB, No. 1, Jalan Wan Kadir, Taman Tun Dr. Ismail, 6000 Kuala Lumpur. The principal activities of the Company are investment holding and provision of management services.

## **INFORMATION OF NAFAS**

NAFAS is the National Farmers Organization comprising 14 State Farmers’ Organisations and 279 Area Farmers Organisations. NAFAS is an organization that carries out various business and investment activities especially in agriculture.

## **SALIENT TERMS OF THE MOU**

The salient terms of the MOU are set out below:

- a) Pursuant to the MOU, the Parties intend to cooperate in the following matters:
- One working committee shall be established to implement the decision agreed by both Parties.
  - NGGB and NAFAS shall be represented by at least one (1) person to be appointed to the working committee. The appointed Working Committee has the discretion to hold meetings or deliberations and meetings as needed to discuss the purpose of the MOU.
  - Any decision and/or resolution decided by the Working Committee shall be executed by both Parties.
  - Each Party subject to the laws, regulations and national policies in force from time to time, will endeavour to take the necessary steps to promote cooperation related to Organic Fertilizers, Animal Food and Investments.

## **DURATION OF MOU**

The MOU shall be effective for one (1) year from the date of the execution of the MOU. Each Party may extend based on the discussion and written consent of both Parties.

## **RATIONALE OF THE MOU**

To establish a strategic cooperation for the production of organic fertilizers, animal feed and investment (referred to as "Project") for the purpose of bringing the country's agricultural industry to life, in line with the national green technology agenda based on Sustainable Development Goals (SDGs) and thus contributing towards assisting the government to ensure the quality of the country's food supply at affordable prices.

## **FINANCIAL EFFECTS OF THE MOU**

The MOU will not have any effect on the share capital and substantial shareholders' shareholding of Nextgreen.

The MOU is not expected to have any immediate material effect on the earnings per share, net assets per share and gearing of the Nextgreen Group for the financial year ending 31 December 2022.

## **DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS**

None of the Directors and/or major shareholders of the Company and/or persons connected with them have any interest, direct or indirect, in the MOU.

## **APPROVALS REQUIRED**

The MOU is not subject to the approval of the shareholders of Nextgreen or any regulatory authority.

## **STATEMENT BY BOARD OF DIRECTORS**

The Board of Director of Nextgreen, having reviewed and considered the terms and conditions of the MOU, is of the opinion that the MOU is in the best interest of the Company and the terms and conditions of the MOU are fair, reasonable and on terms that are not detrimental to the minority shareholders of the Company.

## **DOCUMENTS FOR INSPECTION**

The MOU is available for inspection at the registered office of Nextgreen at Level 5, Block B, Dataran PHB, Saujana Resort, Section U2, 40150 Shah Alam, Selangor during normal business hours from Monday to Friday (except public holiday) for a period of three (3) months from the date of this announcement.

This announcement is dated 9 June 2022.