



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

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2022**

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2022**

	Individual period			Cumulative period		
	30.06.2022 RM'000 (Reviewed)	30.06.2021 RM'000 (Reviewed)	Changes %	30.06.2022 RM'000 (Reviewed)	30.06.2021 RM'000 (Reviewed)	Changes %
Operating revenue	11,958	10,592	12.9	20,773	19,543	6.3
Other income	1,386	228	>100	2,541	539	>100
Total revenue	13,344	10,820	24.4	23,314	20,082	16.1
Cost & operating expenses	(12,369)	(11,491)	7.6	(20,950)	(19,976)	4.9
Profit from operations	976	(671)	>100.0	2,364	106	>100.0
Finance income	-	2	(83.7)	-	4	(75.0)
Finance cost	(591)	(458)	29.1	(942)	(807)	16.9
<b>Profit/ (loss) before tax</b>	<b>384</b>	<b>(1,127)</b>	<b>&gt;100.0</b>	<b>1,422</b>	<b>(697)</b>	<b>&gt;100.0</b>
Income tax expense	-	-	-	-	-	-
<b>Net profit/ (loss) for the period</b>	<b>384</b>	<b>(1,127)</b>	<b>&gt;100.0</b>	<b>1,422</b>	<b>(697)</b>	<b>&gt;100.0</b>
<b>Net profit/ (loss) attributable to:</b>						
Owners of the Company	445	(1,124)	>100.0	1,482	(717)	>100.0
Non-controlling interest	(61)	(3)		-60	20	
<b>Net profit/ (loss) for the period</b>	<b>384</b>	<b>(1,127)</b>	<b>&gt;100.0</b>	<b>1,422</b>	<b>(697)</b>	<b>&gt;100.0</b>

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2022**

	Individual period			Cumulative period		
	30.06.2022 RM'000 (Reviewed)	30.06.2021 RM'000 (Reviewed)	Changes %	30.06.2022 RM'000 (Reviewed)	30.06.2021 RM'000 (Reviewed)	Changes %
<b>Net profit/ (loss) for the period</b>	<b>384</b>	<b>(1,127)</b>	<b>&gt;100.0</b>	<b>1,422</b>	<b>(697)</b>	<b>&gt;100.0</b>
Other comprehensive income:						
Gain on foreign currency translation	1	10	(90.0)	65	223	(70.9)
<b>Total comprehensive income/ (loss)</b>	<b>385</b>	<b>(1,117)</b>	<b>&gt;100.0</b>	<b>1,487</b>	<b>(474)</b>	<b>&gt;100.0</b>
<b>Total comprehensive (loss)/ income for the period attributable to:</b>						
Owners of the Company	446	(1,114)	>100.0	1,547	(494)	>100
Non-controlling interest	(61)	(3)		(60)	20	0
<b>Total comprehensive income/ (loss)</b>	<b>385</b>	<b>(1,117)</b>	<b>&gt;100.0</b>	<b>1,487</b>	<b>(474)</b>	<b>&gt;100.0</b>

**EARNINGS/(LOSS) PER SHARE (SEN) ATTRIBUTABLE TO OWNER OF COMPANY**

	Individual period		Cumulative period	
	30.06.2022 Sen (Reviewed)	30.06.2021 Sen (Reviewed)	30.06.2022 Sen (Reviewed)	30.06.2021 Sen (Reviewed)
- Basic EPS	0.06	(0.17)	0.19	(0.11)
- Diluted EPS	0.05	N/A	0.17	N/A

\*Part B, note 10

**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 30 JUNE 2022**

	<b>As at 30.06.2022 RM Reviewed</b>	<b>As at 31.12.2021 RM Audited</b>
<b>Non current assets</b>		
Property, plant and equipment	105,139,931	103,950,439
Intangible assets	1,050,000	1,050,000
Goodwill	498,365	498,365
Right-use-of assets	1,160,502	1,608,249
Other investments	22,688	22,688
Inventories	119,847,025	119,784,700
Deferred tax assets	125,620	125,620
<b>Non current assets</b>	<b>227,844,132</b>	<b>227,040,061</b>
<b>Current assets</b>		
Inventories	33,989,967	6,508,978
Trade receivables	29,284,768	22,439,488
Other receivables, deposits and prepayments	38,224,770	31,271,538
Tax recoverable	146,186	231,299
Fixed deposit with a licensed bank	37,479	36,889
Cash and bank balances	16,020,028	7,982,501
<b>Current assets</b>	<b>117,724,618</b>	<b>68,470,693</b>
<b>Total assets</b>	<b>345,568,750</b>	<b>295,510,754</b>
<b>Equity</b>		
Share capital	256,856,380	253,069,630
Redeemable convertible preference share	10,000,000	10,000,000
Reserve	(13,244,733)	(14,791,957)
<b>Equity attributable to owners of the Company</b>	<b>253,611,647</b>	<b>248,277,673</b>
Non-controlling interest	(275,941)	(215,544)
<b>Total equity</b>	<b>253,335,706</b>	<b>248,062,129</b>
<b>Non current liabilities</b>		
Hire purchase liabilities	378,472	202,171
Borrowings	45,639,335	581,081
Lease liabilities	469,868	659,403
<b>Non current liabilities</b>	<b>46,487,675</b>	<b>1,442,655</b>
<b>Current liabilities</b>		
Trade payables	17,856,860	15,661,720
Other payables and accruals	17,684,203	17,759,042
Hire purchase liabilities	107,967	81,591
Borrowings	9,240,562	11,417,173
Lease liabilities	743,611	1,086,127
Tax payable	317	317
Bank overdraft	111,848	-
<b>Current liabilities</b>	<b>45,745,368</b>	<b>46,005,970</b>
<b>Total liabilities</b>	<b>92,233,044</b>	<b>47,448,625</b>
<b>Total equity and liabilities</b>	<b>345,568,750</b>	<b>295,510,754</b>
<b>Net Asset per share (RM)</b>	<b>0.33</b>	<b>0.34</b>

**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 30 JUNE 2022**

	Share capital	RCPS	Foreign currency translation 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
<b>At 1 Jan 2022 (Audited)</b>	<b>253,069,630</b>	<b>10,000,000</b>	<b>(92,447)</b>	<b>(16,832,846)</b>	<b>3,364,254</b>	<b>-</b>	<b>(1,230,918)</b>	<b>248,277,673</b>	<b>(215,544)</b>	<b>248,062,129</b>
<b>Comprehensive income:</b>										
Profit for period	-	-	-	-	-	-	1,481,942	1,481,942	(60,397)	1,421,545
Other comprehensive income	-	-	65,282	-	-	-	-	65,282	-	65,282
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>65,282</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,481,942</b>	<b>1,547,224</b>	<b>(60,397)</b>	<b>1,486,827</b>
<b>Transactions with owners:</b>										
Issue of share via ESOS	3,786,750	-	-	-	(706,401)	-	706,401	3,786,750	-	3,786,750
Total transactions with owners	3,786,750	-	-	-	(706,401)	-	706,401	3,786,750	-	3,786,750
<b>At 30 June 2022 (reviewed)</b>	<b>256,856,380</b>	<b>10,000,000</b>	<b>(27,165)</b>	<b>(16,832,846)</b>	<b>2,657,853</b>	<b>-</b>	<b>957,425</b>	<b>253,611,647</b>	<b>(275,941)</b>	<b>253,335,706</b>
<b>At 1 Jan 2021 (reviewed)</b>	<b>171,566,160</b>	<b>-</b>	<b>(337,135)</b>	<b>(16,832,846)</b>	<b>-</b>	<b>-</b>	<b>(14,906,298)</b>	<b>139,489,881</b>	<b>(61,507)</b>	<b>139,428,374</b>
Profit for period	-	-	-	-	-	-	(716,284)	(716,284)	19,640	(696,644)
Other comprehensive income	-	-	223,065	-	-	-	-	223,065	-	223,065
Total comprehensive income	-	-	223,065	-	-	-	(716,284)	(493,219)	19,640	(473,579)
<b>Transactions with owners:</b>										
Acquisition of subsidiary	-	-	-	-	-	-	-	-	(230,691)	(230,691)
Issue of shares via private placements	42,015,608	-	-	-	-	-	-	42,015,608	-	42,015,608
Issuance of new RCPS	-	10,000,000	-	-	-	-	-	10,000,000	-	10,000,000
Share option granted	-	-	-	-	1,969,920	-	-	1,969,920	-	1,969,920
Share issue expenses	(328,452)	-	-	-	-	-	-	(328,452)	-	(328,452)
Total transactions with owners	41,687,156	10,000,000	-	-	1,969,920	-	-	53,657,076	(230,691)	53,426,385
<b>At 30 June 2021 (reviewed)</b>	<b>213,253,316</b>	<b>10,000,000</b>	<b>(114,070)</b>	<b>(16,832,846)</b>	<b>1,969,920</b>	<b>-</b>	<b>(15,622,582)</b>	<b>192,653,738</b>	<b>(272,558)</b>	<b>192,381,180</b>

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 30 JUNE 2022**

	<b>30.06.2022</b>	<b>30.06.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>(Reviewed)</b>	<b>(Reviewed)</b>
<b>Cash flows used in operating activities</b>		
Profit/ (loss) before tax	1,422	(697)
Adjustment for:		
Share option granted under ESOS	-	1,970
Depreciation	1,908	1,381
Amortisation of Right-Use-Assets	569	493
Unrealised of gain on foreign exchange	(11)	(82)
PPE written off	3	-
Reversal of allowance for ECL	(51)	(82)
Gain on disposal of fixed asset	-	(9)
Interest on lease liability	41	57
Interest expense	902	750
Interest income	(1)	(4)
<b>Operating profit before working capital changes</b>	<b>4,781</b>	<b>3,777</b>
Increase in inventories	(35,941)	(35,177)
Increase in trade and other receivables	(13,758)	(7,612)
Increase/ (decrease) in trade and other payables	10,518	(3,758)
Cash used for operations	(34,400)	(42,770)
Income tax paid	(12)	(18)
Income tax refund	97	-
<b>Net cash used in operating activities</b>	<b>(34,315)</b>	<b>(42,788)</b>
<b>Cash flows used in investing activities</b>		
Addition of PPE	(2,812)	(1,081)
Addition of PPE – Construction work in progress	(8,297)	-
Proceeds from disposal of plant & equipment	-	77
Acquisition of subsidiary, net cash acquired	-	(329)
Deposit paid for purchase of plant and equipment	(5,903)	(4,000)
Placement of fixed deposit with maturity more than 3 months	-	(33)
Interest received	1	4
<b>Net cash used in investing activities</b>	<b>(17,011)</b>	<b>(5,362)</b>
<b>Cash flows from financing activities</b>		
Proceed from:		
Term loan	44,980	600
Private placement of share, net off share issuance cost	3,787	41,687
Proceeds from issuance of RCPS	-	10,000
Repayment of:		
Trade finance	-	-
Term loan	(2,177)	(467)
Hire purchase liabilities	(86)	(127)
Lease liability	(575)	(462)
Interest on lease liability	(41)	(57)
Borrowing interest	(902)	(750)
<b>Net cash flow from financing activities</b>	<b>44,987</b>	<b>50,424</b>
Net increase in cash and cash equivalents	7,860	2,274
Cash and cash equivalents at beginning of year	7,983	1,205
Effect of exchange rate changes	65	223
<b>Cash and cash equivalents at end of period</b>	<b>15,908</b>	<b>3,702</b>

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE QUARTER AND YEAR TO DATE ENDED 30 JUNE 2022 (Continued)**

	30.06.2022 RM'000	30.06.2021 RM'000
	(Reviewed)	(Reviewed)
<b>Cash and cash equivalents at end of period comprise of:</b>		
<b>Cash and cash equivalents comprise of:</b>		
Cash and bank balances	16,020	3,906
Fixed deposits*	37	162
Bank overdraft	(112)	(204)
	15,946	3,864
*Fixed deposit pledged with licensed bank	(37)	(162)
<b>Cash and cash equivalents at end of period</b>	<b>15,908</b>	<b>3,702</b>

*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 30 JUNE 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 30 JUNE 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 were 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 30 June 2022 are as follows:

	Quarter ended 30 June 2022		Year to date ended 30 June 2022	
	No of shares	Paid up (RM)	No of shares	Paid up (RM)
<b>Beginning of period</b>	-	-	<b>762,943,718</b>	<b>253,069,630</b>
New of shares issued pursuant to ESOS	-	-	6,885,000	3,786,750
<b>End of period</b>	<b>769,828,718</b>	<b>256,856,380</b>	<b>769,828,718</b>	<b>256,856,380</b>

**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 EVENTS SUBSEQUENT TO THE END OF THE QUARTER**

There was no material event subsequent to the quarter and year-to-date ended 30 June 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 changes in the composition of the Group for the current quarter ended 30 June 2022.



**NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 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. The segmental revenue and results (“Profit/ “loss”) for the period under review are as follows:

**13.1 Operating Revenue**

	Quarter ended			Year to date ended		
	30.06.22 RM'000	30.06.21 RM'000	Changes %	30.06.22 RM'000	30.06.21 RM'000	Changes %
Property & Construction	9,539	7,187	32.7	9,539	13,721	(30.5)
Printing & Publishing	1,163	2,056	(43.4)	2,421	3,824	(36.7)
Manufacturing	-	-	-	6,360	-	>100.0
Utility & Renewable Energy	1,395	1,361	2.5	2,709	2,010	34.8
Investment Holding	23	42	(45.2)	23	77	(70.1)
<b>Total</b>	<b>12,121</b>	<b>10,646</b>	<b>13.9</b>	<b>21,078</b>	<b>19,632</b>	<b>7.4</b>
Intragroup sales elimination	(163)	(54)		(304)	(89)	
<b>Grand total</b>	<b>11,958</b>	<b>10,592</b>	<b>12.9</b>	<b>20,774</b>	<b>19,543</b>	<b>6.3</b>

**13.2 Operating expenses**

	Quarter ended			Year to date ended		
	30.06.22 RM'000	30.06.21 RM'000	Changes %	30.06.22 RM'000	30.06.21 RM'000	Changes %
<b><u>OPERATING EXPENSES</u></b>						
Property & Construction	(613)	(1,012)	(39.4)	(1,283)	(1,571)	(18.4)
Printing & Publishing	(623)	(644)	(3.3)	(1,397)	(1,516)	(7.8)
Manufacturing	(2,171)	(1,577)	37.7	(4,572)	(2,455)	86.2
Utility & Renewable Energy	(439)	(253)	73.7	(823)	(485)	69.7
Investment Holding	(1,049)	(2,666)	(60.6)	(1,954)	(3,116)	(37.3)
<b>Total</b>	<b>(4,895)</b>	<b>(6,152)</b>	<b>(20.4)</b>	<b>(10,029)</b>	<b>(9,143)</b>	<b>9.7</b>
Intragroup elimination	246	137		469	253	
<b>Grand total</b>	<b>(4,649)</b>	<b>(6,015)</b>	<b>(22.7)</b>	<b>(9,560)</b>	<b>(8,890)</b>	<b>7.5</b>

**13.3 Profit/ (loss) before tax**

	Quarter ended			Year to date ended		
	30.06.22 RM'000	30.06.21 RM'000	Changes %	30.06.22 RM'000	30.06.21 RM'000	Changes %
Property & Construction	4,993	3,382	47.6	4,320	6,447	(33.0)
Printing & Publishing	(935)	(83)	(>100)	(1,411)	(1,148)	22.9
Manufacturing	(2,458)	(1,684)	46.0	701	(2,641)	(>100)
Utility & Renewable Energy	(108)	7	(>100)	(98)	100	(>100)
Investment Holding	(1,103)	(2,748)	(59.9)	(2,083)	(3,229)	(35.5)
<b>Total</b>	<b>388</b>	<b>(1,126)</b>	<b>(&gt;100)</b>	<b>1,429</b>	<b>(695)</b>	<b>(&gt;100)</b>
Intragroup profit elimination	(4)	(1)		(7)	(2)	
<b>Grand total</b>	<b>384</b>	<b>(1,127)</b>	<b>&gt;100</b>	<b>1,422</b>	<b>(697)</b>	<b>(&gt;100)</b>

**NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 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 30 June 2022**

	Non-current		Current		Total	
	30.06.22 RM'000	31.12.21 RM'000	30.06.22 RM'000	31.12.21 RM'000	30.06.22 RM'000	31.12.21 RM'000
Property & Construction	121,170	120,931	91,297	96,887	212,466	217,818
Printing & Publishing	30,671	30,121	29,561	32,321	60,231	62,442
Manufacturing	77,516	77,592	32,061	20,802	109,577	98,394
Utility & Renewable Energy	790	912	4,467	4,112	5,257	5,024
Investment Holding	93,081	93,034	197,182	195,779	290,263	288,813
<b>Subtotal</b>	<b>323,228</b>	<b>322,591</b>	<b>354,567</b>	<b>349,902</b>	<b>677,795</b>	<b>672,493</b>
Intragroup elimination	(95,384)	(95,551)	(236,842)	(281,431)	(332,226)	(376,982)
<b>Total</b>	<b>227,844</b>	<b>227,040</b>	<b>117,725</b>	<b>68,471</b>	<b>345,569</b>	<b>295,511</b>

**13.5 Liabilities as at 30 June 2022**

	Non-current		Current		Total	
	30.06.22 RM'000	31.12.21 RM'000	30.06.22 RM'000	31.12.21 RM'000	30.06.22 RM'000	31.12.21 RM'000
Property & Construction	428	363	165,753	175,555	166,181	175,918
Printing & Publishing	64	64	52,620	53,420	52,684	53,483
Manufacturing	45,225	245	57,782	92,280	103,007	92,525
Utility & Renewable Energy	771	771	5,010	4,680	5,781	5,451
Investment Holding	-	-	5,312	5,566	5,312	5,566
<b>Subtotal</b>	<b>46,488</b>	<b>1,443</b>	<b>286,478</b>	<b>331,501</b>	<b>332,965</b>	<b>332,944</b>
Consol adjustment	-	-	(240,568)	(285,495)	(240,732)	(285,495)
<b>Total</b>	<b>46,488</b>	<b>1,443</b>	<b>45,910</b>	<b>46,006</b>	<b>92,233</b>	<b>47,449</b>

**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:

	30.06.2022 RM'000	31.12.2021 RM'000
	(Reviewed)	(Audited)
<b>Capital expenditure</b>		
Approved and contracted for	10,535	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 30 June 2022.

**NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 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		
	30.06.2022 RM'000	30.06.2021 RM'000	Changes %	30.06.2022 RM'000	30.06.2021 RM'000	Changes %
	(Reviewed)	(Reviewed)		(Reviewed)	(Reviewed)	
Operating revenue	11,958	10,592	12.9	20,773	19,543	6.3
Other income	1,386	228	>100	2,541	539	>100
Total revenue	13,344	10,820	24.4	23,314	20,082	16.1
Cost & operating expenses	(12,369)	(11,491)	7.6	(20,950)	(19,976)	4.9
Profit from operations	976	(671)	>100.0	2,364	106	>100.0
Finance income	-	2	(83.7)	-	4	(75.0)
Finance cost	(591)	(458)	29.1	(942)	(807)	16.9
Profit/ (loss) before tax	384	(1,127)	>100.0	1,422	(697)	>100.0
Income tax expense	-	-	-	-	-	-
<b>Net profit/ (loss) for the period</b>	<b>384</b>	<b>(1,127)</b>	<b>&gt;100.0</b>	<b>1,422</b>	<b>(697)</b>	<b>&gt;100.0</b>
<b>Net profit/ (loss) attributable to:</b>						
<b>Owners of the Company</b>	<b>445</b>	<b>(1,124)</b>	<b>&gt;100.0</b>	<b>1,482</b>	<b>(717)</b>	<b>&gt;100.0</b>
Non-controlling interest	(61)	(3)		-60	20	

**Current quarter vs. Preceding Year Quarter**

Profit before tax ("PBT") has shown a positive turnaround for the current quarter ended 30 June 2022 ("Q2FY22") recorded a profit of RM0.384 million as compared to the loss before tax position of RM1.127 million in same period ended 30 June 2021 ("Q1FY21"). It has been driven higher revenue from operating revenue which increased by 12.9% as well as other income which was jumped to RM139 million, resulted an increased in total revenue by 24.4 per cent or RM2.52 million compared to RM10.82 million in same period a year ago.

Nevertheless, the higher operating revenue and other income, it has been offset by the increase in operating expenses and finance cost at 9.1% and 29.1% respectively. High operating expenses in the current quarter under review attributable to the increase in pre-operating expenses incurred by manufacturing division for the trial run activities in Pulp & Paper Production Plant, while the increased in finance cost was mainly due to the interest payment of the new borrowing.

Profit attributable to the owner of the company has recorded at RM0.45 million compared to loss attributable of RM1.124 million. Basic earnings per share (EPS) stood at 0.06 sen as compared to loss per share of 0.17 sen in the same period of preceding year.

**Year-to-date FY2022 ("1HFY22") vs. Year-to-date FY2021 ("1HFY21")**

In line with the increased in Group revenue for the 1HFY22, the Group Result had shown a positive turnaround compared to the 1HFY21. The result recorded a profit before tax of RM1.422 million from the loss before tax ("LBT") of RM0.697 million.

Operating revenue jumped by 6.3 per cent while other income increased by RM2.0 million for 1HFY22. New operating revenue from manufacturing division of RM6.36 million which derived from the sale of EFB compost (semi-finish fertiliser) is the key driver for the increase of the operating revenue. The other segment such Property & Construction as well as Printing & Publishing demonstrated a reduction of 30.5 and 36.7 per cent respectively compared to the operating revenue recorded in 1HFY21.

Despite of those revenue performances, operating expense was increased by 9.7 per cent to RM10.3 million from RM9.14 million in 1HFY21. It was mainly due to the increase in pre-operating expenses primarily to the trial run activities at pulp & paper manufacturing plant and higher upkeep & maintenance of aged printing machineries.

As a result, profit attributable to the owner of the company for the 2QFY22 has recorded at RM1.482 million, giving a basic earnings per share (EPS) stood at 0.19 sen as compared to loss per share of 0.11 sen.

**NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022****PART B - EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****2. OPERATING SEGMENT PERFORMANCE REVIEW****Current quarter (“Q2FY22”) vs. Preceding Year Quarter (“Q2FY21”)****Property & Construction**

The Property & Construction recorded a segment profit of RM4.99 million in Q2FY22, an increase of 47.6 per cent compared to RM3.38 million in Q2FY21 mainly due to higher operating revenue.

Operating revenue posted an increase by 32.7 per cent for Q2FY22 and as compared to Q2FY21. Revenue for the current quarter solely derived from sale of sub-divided land which demonstrated an increase by RM2.35 million as compared to RM7.187 million recorded in Q1FY2. The land size sold in Q2FY22 equivalent to 10.949 acre, while in Q2FY21, the size of the sub-divided land sold was 10 acre.

Operating expenses decreased by 39.4 per cent compared to RM1.01 million in the same quarter preceding year due to the lower marketing expenses.

**Printing & Publishing**

Segment result from Printing & Publishing recorded at loss before tax (“LBT”) amounting to RM935 thousand, an increase in LBT by more than 100 per cent as compared to LBT of RM83 thousand recorded in Q2FY21. It was mainly due to the combination of lower operating revenue and higher factory overheads cost.

Operating revenue decreased by 43.4 per cent to RM1.16 million from RM2.06 million recorded in the same period a year ago. It was mainly due to reduction in numbers of customer’s order and pattern for box & packaging printing of healthcare products and local commercial printing. However, order from oversea customer for textbook printing shown a huge improvement which recorded at RM638 thousand as compared to RM34 thousand recorded in the same period of preceding year.

Operating expenses slightly decreased by 3.3 per cent, however the factory overheads increased by 43.9% which was mainly due to high machineries repair & maintenance as compared to Q2FY21.

**Manufacturing**

During the Q2FY22 the segment result from manufacturing division shown an increase in loss before tax (“LBT”) by 46 per cent to RM2.46 million from the LBT of RM1.69 million recorded in the same period Q2FY21. Manufacturing division divided into few manufacturing segments such as Pulp & Paper, Fertiliser, Animal Feed and Tissue paper. Pulp & Paper Plant at the final trial run and fertiliser plant had commenced its construction and the other manufacturing plant at the planning stage. Thus, absent of the operating revenue and increase in pre-operating expenses as well as increase in finance cost were the key factors to the result for Q2FY22.

Pre-operating expenses demonstrated an increase by 37.7 per cent to RM2.17 million from RM1.58 million recorded in the same period a year ago. It was mainly due to trial run activities during the quarter under review at pulp & paper plant which had attributed to the increased factory manpower overheads, utilisation of raw material & consumable items for production trial run, consumption of electricity & water during the trial run, as well as other equipment rental.

**Utility & Renewable Energy**

The division financial performance was fully supported by the water and waste water treatment operation activities. The other segment such as Energy, Biomass and Utility are still at planning stage. Thus, for Q2FY22, division recorded segment loss before tax of RM108 thousand which demonstrated a negative turnaround from the segment profit in Q2FY21. It was mainly due to the increase in operating expenses. Operating revenue slightly increased by 2.5% to RM1.4 million and operating expenses increased by 73.7 per cent (RM183 thousand) which mainly due to the increased in the staff expenses and labor cost.

**NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022****PART B - EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****2. OPERATING SEGMENT PERFORMANCE REVIEW – (CONT'D)****Current quarter vs. Preceding Year Quarter****Investment Holding**

The parent company recorded loss before tax ("LBT") of RM1.10 million, a reduction by 59.9 per cent or RM1.65 million from the LBT result in Q2FY21. It was mainly due to lower operating expenses. Parent operating revenue is solely derived from Management fee charge to its subsidiaries and it does not have any impact to Group revenue as it will be eliminated at the Group level.

Operating expense for Q2FY22 recorded lower by 60.6 per cent or RM1.62 million compared to the number recorded in Q2FY21. It was mainly due to the absent of ESOS issuance cost of RM1.9 million.

**Year-to-date FY2022 ("1HFY22") vs. Year-to-date FY2021("1HFY21")****Property & Construction**

The Property & Construction recorded a segment profit of RM4.32 million for 1HFY22, declined by 33.0 per cent compared to RM6.45 million in same period a year ago due to lower revenue.

Operating revenue for 1HFY22 posted RM9.54 million, a decreased by 30.5 per cent as compared to RM10.72 million in 1HFY21. It was mainly due to the smaller size of land sold which was 10.949 acre, while in 1GFY21 the size of the subdivided land sold was 20 acres.

In spite of lower operating revenue, division's operating expenses dropped by 18.4 per cents to RM1.28 million from RM 1.57 million recorded in 1HFY21 due to the lower marketing expenses.

**Printing & Publishing**

Segment result from Printing & Publishing recorded loss before tax ("LBT") amounting to RM1.41 million, increased by 22.9 percent from LBT recorded in 1HFY21 mainly due to the lower operating revenue.

Operating revenue decreased by 36.7 per cent to RM2.24 million from RM3.82 million recorded in the same period a year ago. As noted in current quarter performance review, lower in operating revenue was mainly due to the combination of reduction in customer order and pattern for box & packaging printing and as well as local commercial printing. However, order from oversea customer for textbook printing shown a huge improvement which recorded at RM638 thousand as compared to RM34 thousand recorded in the same period of preceding year. In spite of lower operating revenue, increased in other income in 1HFY22 had cushioned the shortfall.

Operating expenses slightly decreased by 7.8 per cent or RM120 thousand mainly due the absent of mediation fee for legal case.

**Manufacturing**

1HFY22 recorded segment profit of RM0.70 million which demonstrated a positive turnaround from LBT of RM2.64 million recorded in 1HFY21 which was mainly due to new operating revenue from Fertiliser segment.

Operating revenue recorded at RM6.36 million which solely derive from selling sale of EFB compost (semi-finish fertiliser). It was the key driver factor for the increase of the operating revenue for the which was nil operating revenue was recorded in 1HFY21.

Pre-operating expenses demonstrated an increased by 86.2 per cent to RM4.57 million from RM2.46 million recorded in 1HFY21. As noted earlier, It was mainly due to expenses incurred for trial run activities at pulp & paper plant which had attributed to the increased factory manpower overheads, utilisation of raw material & consumable items, and increased in the consumption of electricity & water.

**NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**
**PART B - EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**
**2. OPERATING SEGMENT PERFORMANCE REVIEW (CONT'D)**
**Year-to-date FY2022 ("1HFY22") vs. Year-to-date FY2021("1HFY21")**
**Utility & Renewable Energy**

As noted earlier, division financial performance was fully supported by the water and waste water treatment. The other segment such as Energy, Biomass and Utility are still at planning stage. The division recorded segment loss before tax of RM98 thousand which demonstrated a negative turnaround from the segment profit or RM100 thousand recorded in 1HFY21. The situation was mainly due to mainly due to lower gross profit as well as increase in operating expenses in spite of increase of operating revenue.

Operating revenue increased by 34.6 percent to RM2.70 million from RM2.01 million recorded in 1HFY21. Operating expenses increased by 69.7 per cent which mainly due to the increased in the manpower and labor expenses.

**Investment Holding**

The parent company LBT declined by 35.5 per cent to RM2.08 million from RM3.23 million in 1HFY21 which was mainly due to lower of operating expenses significantly due to the absent of ESOS issuance cost of RM1.9 million.

**3. MATERIAL CHANGES IN PERFORMANCE OF OPERATING SEGMENT CURRENT QUARTER'S RESULT COMPARED TO IMMEDIATE PRECEDING QUARTER**
**3A. Group**

	Q2FY22 RM'000	Q1FY22 RM'000	Changes %
Operating revenue	11,958	8,815	35.7
Other income	1,386	1,155	20.0
<b>Total revenue</b>	<b>13,344</b>	<b>9,970</b>	<b>33.8</b>
Cost & operating expenses	(12,369)	(8,582)	44.1
Profit from operations	976	1,388	(29.7)
Finance income	-	0	-
Finance cost	(591)	(351)	68.4
<b>Profit before tax</b>	<b>384</b>	<b>1,037</b>	<b>(63.0)</b>
Income tax expense	-	-	-
<b>Net profit/(loss) for the period</b>	<b>384</b>	<b>1,037</b>	<b>(63.0)</b>

**3B. Division**

	Revenue			Result before tax		
	Q2FY22 RM'000	Q1FY22 RM'000	Changes %	Q2FY22 RM'000	Q1FY22 RM'000	Changes %
Property & Construction	9,539	-	-	4,993	(672)	>100.0
Printing & Publishing	1,163	1,258	(7.6)	(935)	(477)	96.0
Manufacturing	-	6,360	-	(2,458)	3,156	(>100.0)
Utility & Renewable Energy	1,395	1,313	6.2	(108)	10	(>100.0)
Investment Holding	23	25	(8.0)	(1,103)	(980)	12.6
<b>Total before elimination</b>	<b>12,121</b>	<b>8,956</b>	<b>35.3</b>	<b>388</b>	<b>1,037</b>	<b>(62.6)</b>
Inter-segment elimination	(163)	(141)	15.6	(4)	-	-
<b>Group's Total</b>	<b>11,958</b>	<b>8,815</b>	<b>35.7</b>	<b>384</b>	<b>1,037</b>	<b>(63.0)</b>

**NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**
**PART B - EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**
**3. MATERIAL CHANGES IN PERFORMANCE OF OPERATING SEGMENT CURRENT QUARTER'S RESULT COMPARED TO IMMEDIATE PRECEDING QUARTER (CONT'D)**

PBT for Q2FY22 was RM0.384 million, a decrease of 63.0 per cent from RM1.04 million in the quarter ended 31 March 2022 ("1Q2022"). In spite of improved in both operating revenue and other income in Q2FY22, there was a reduction in Group's result on a quarter-over-quarter basis due to the combination of the following factors:

- 1) Sale of land materialised in Q2 by the Property & Construction division while nil amount recorded in Q1. Thus the segment result posted a PBT of RM4.99 million from LBT of RM0.67 million.
- 2) Immaterialised of sale EFB compost (semi-finished fertiliser), increased in pre-operating expenses and finance cost of new borrowing led to negative turnaround from PBT of RM3.16 million to LBT of RM2.46 million.
- 3) Decreased in GP margin of the printing & publishing division due to higher factory overhead expenses led to the increased in LBT by 96.0 percent.
- 4) Decreased in GP and increase in operating expenses which led to the negative turnaround to LBT of RM108 thousand.

**4. COMMENTARY ON PROSPECTS AND TARGETS**

Revenue from box and packaging printing segment has a potential to grow. Moving forward, division's main focus is to strengthen the position in this segment as well as to penetrate this segment in African countries.

Pulp & Paper segment expected to start generate revenue starting September 2022. The division is actively running the trial run Pulp & Paper Manufacturing plant in GTP which had commenced in March 2022. The plant was designed to produce 10,000 MT of Wood Free Paper and 2,000 MT Unbleached Pulp for Premium Packaging Paper. This manufacturing segment is expected to contribute constant annual turnover between RM30 to RM35 million. A Fertiliser production plant using the manufacturing wastage by Pulp & Paper plant had commenced the construction and targeted to be completed in Quarter 1 2023.

Water and waste water treatment segment will continuously provide the product and services to the existing customer as well to promote their services and expertise to new customer thru multiple business synergies. With the high revenue recorded in Q1FY2022 showing the ability to sustain and contribute positive growth to the Group. Besides, giving the anticipated demand for water and waste water treatment in 410-acre GTP as alternative for the state water provider, this segment is expected augur well as supporting services to the Green Technology Park. The other segment is yet to commence its operation as still at the planning stage.

Looking to each division outlook and prospect, Group is expected positive growth in coming quarter.

**5. PROFIT BEFORE TAX**

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

	Quarter Ended		Year-To-Date Ended	
	30.06.2022 RM'000	30.06.2021 RM'000	30.06.2022 RM'000	30.06.2021 RM'000
Share option granted under ESOS	-	1,970	-	1,970
Depreciation	1,235	659	1,908	1,381
Amortisation of Right-Use-Assets	282	286	569	493
Unrealised of loss/(gain) on foreign exchange	-11	19	(11)	(82)
PPE written off	3	-	3	-
Reversal of allowance for ECL	(51)	(67)	(51)	(82)
Gain on disposal of fixed asset	-	(9)	-	(9)
Interest on lease liability	10	32	41	57
Interest expense	591	426	902	750
Interest income	-	(2)	(1)	(4)



**NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**
**PART B - EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**
**6. INCOME TAX EXPENSE**

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

A subsidiary of the Company, Ultimate Ivory Sdn Bhd (“UISB”) was granted East Coast Economic Region (“ECER”) incentive by Malaysia Investment Development Authorities. By virtue of ECER, the statutory income of UISB from property development activities under Income Tax (exemption) (No.8) Order 2016//P.U 161/2016, Income Tax Act 1067 are exempted from income tax for period of 10 years commencing from first year of assessment of 2017.

**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.

**9. GROUP'S BORROWINGS AND DEBT SECURITIES**

Group has not issued any debt securities and the Group borrowings as at 30 June 2022 are as follows

	<b>30.06.2022</b> <b>RM'000</b> <b>(Reviewed)</b>	<b>31.12.2021</b> <b>RM'000</b> <b>(Audited)</b>
<b><u>Secured</u></b>		
<b>NON CURRENT</b>		
Hire purchase	378,472	202,171
Term loan	45,639,335	581,081
Operating lease	469,868	659,403
	<b>46,487,675</b>	<b>1,442,655</b>
<b>CURRENT</b>		
Hire purchase	107,967	81,591
Term loan	9,240,562	11,417,173
Operating lease	743,611	1,086,127
Bank overdraft	111,848	-
	<b>10,203,988</b>	<b>12,584,891</b>
<b>Grand total</b>	<b>56,691,663</b>	<b>14,027,646</b>
<b>Gearing ratio</b>	<b>0.16 times</b>	<b>0.02 times</b>

**10. EARNINGS/(LOSS) 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:

	<b>Quarter Ended</b>		<b>Year-To-Date Ended</b>	
	<b>30.06.2022</b>	<b>30.06.2021</b>	<b>30.06.2022</b>	<b>30.06.2021</b>
Profit attributable to owners of the Company (RM'000)	445	(1,124)	1,482	(717)
Weighted average number of shares issued ('000)	768,991	663,354	768,991	663,354
<b>Basic earnings/ (loss) per share (sen)</b>	<b>0.06</b>	<b>(0.17)</b>	<b>0.19</b>	<b>(0.11)</b>



**NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**
**PART B - EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**
**10. 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	
	30.06.2022 RM'000	30.06.2021 RM'000	30.06.2022 RM'000	30.06.2021 RM'000
Profit attributable to owners of the Company (RM'000)	445	n/a	1,482	n/a
Weighted average number of ordinary shares used in the calculation of basic earnings per share ('000)	768,991	n/a	768,991	n/a
<i>Effect of dilution from:</i>				
- Share-based payment (ESOS) ('000)	10,943	n/a	-	n/a
- Conversion of RCPS ('000)	113,747	n/a	-	n/a
<b>Weighted average number of ordinary shares</b>	<b>893,681</b>		<b>893,681</b>	
<b>Diluted earnings per share (sen)</b>	<b>0.05</b>	<b>n/a</b>	<b>0.17</b>	<b>n/a</b>

**11. GROUP MATERIAL LITIGATION**

As at 22 August 2022, 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 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 position or business of the Company or its subsidiaries.

**12. AUTHORISATION TO ISSUE**

The Condensed Report was authorised for release by the Board of Directors as per Board of Directors Meeting held on 29 August 2022.