



Nextgreen Global Bhd (Company No: 719660-W)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR QUARTER AND PERIOD ENDED 30 JUNE 2019

(The figures have not been audited)

	Quarter ended 30 June		Period ended 30 June	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Revenue	9,981	11,757	30,534	29,849
Operating expenses	(13,192)	(11,572)	(39,264)	(36,210)
Other income/(loss)	258	423	6,239	4,328
Share of profits of associate	-	328	-	352
Interest	-	-	3	6
Finance costs	(70)	(87)	(329)	(340)
Profit/(Loss) before tax	(3,023)	849	(2,817)	(2,015)
Taxation	-	244	-	244
Net profit/(Loss) for the period	<u>(3,023)</u>	<u>1,093</u>	<u>(2,817)</u>	<u>(1,771)</u>
Other Comprehensive Income:				
Translation of foreign operation	-	(238)	-	(438)
	<u>-</u>	<u>(238)</u>	<u>-</u>	<u>(438)</u>
Total Comprehensive Income for the period	<u>(3,023)</u>	<u>855</u>	<u>(2,817)</u>	<u>(2,209)</u>
Profit/(Loss) Attributable to :				
Owners of the Company	<u>(3,023)</u>	<u>1,093</u>	<u>(2,817)</u>	<u>(1,771)</u>
Total Comprehensive Income attributable to:				
Owners of the Company	<u>(3,023)</u>	<u>855</u>	<u>(2,817)</u>	<u>(2,209)</u>
Earnings per share (sen) attributable to:				
Owners of the Company:				
Basic (Part B, Note 11)	<u>(0.63)</u>	<u>0.25</u>	<u>(0.61)</u>	<u>(0.41)</u>

Note:

The unaudited condensed consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the Interim Financial Report.

Nextgreen Global Bhd (Company No: 719660-W)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS At 30 June 2019

(The figures have not been audited)

	As at 30 June 2019 RM ' 000	(Audited) As at 30 June 2018 RM ' 000
ASSETS		
Non-current assets		
Property, plant and equipment	38,230	41,400
Land held for development	-	6,372
Other investments	12	12
Intangible assets	500	500
Other receivable	250	250
Deferred tax assets	1,472	1,472
Total non-current assets	40,464	50,006
Current assets		
Inventories	6,931	8,708
Property development costs	44,601	21,923
Trade receivables	17,727	15,302
Other receivables, deposits and prepayments	50,059	36,315
Tax recoverable	1,616	1,853
Cash and bank balances	341	586
	121,275	84,687
TOTAL ASSETS	161,739	134,693
EQUITY AND LIABILITIES		
Share capital	125,930	114,592
Warrant reserve	16,855	16,855
Share premium	-	2,798
Other reserve	(16,833)	(16,833)
Treasury shares	-	(8,195)
Foreign currency translation	-	(315)
Retained earnings	6,773	9,586
Total Equity	132,725	118,488
Non-current liabilities		
Hire purchase liabilities	299	150
Term loans	4,364	5,148
Total non-current liabilities	4,663	5,298
Current liabilities		
Trade payables	11,704	5,162
Other payables and accruals	11,238	4,791
Short term borrowings	1,274	750
Hire purchase liabilities	135	204
Total current liabilities	24,351	10,907
TOTAL EQUITY AND LIABILITIES	161,739	134,693
Net asset per share (RM)	0.29	0.27

Note:

The unaudited condensed consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the Interim Financial Report.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER AND PERIOD ENDED 30 JUNE 2019
(The figures have not been audited)**

	Non-distributable					Distributable		Total RM' 000
	Share Capital RM' 000	Translation Reserve RM'000	Warrant Reserve RM'000	Share Premium RM'000	Other Reserve RM' 000	Treasury Shares RM' 000	Retained Profits RM' 000	
As at 1 July 2018	114,592	(315)	16,855	2,798	(16,833)	(8,195)	9,586	118,488
Total comprehensive income for the quarter	-	362	-	-	-	-	52	414
Loss on disposal/ cost of disposal				(1,445)		3,957		2,512
As at 30 September 2018	114,592	47	16,855	1,353	(16,833)	(4,238)	9,638	121,414
Gains on disposal/ cost of disposal	-	-	-	490	-	4,238	-	4,728
Total comprehensive income for the quarter	-	-	-	-	-	-	112	112
As at 31 December 2018	114,592	47	16,855	1,843	(16,833)	-	9,750	126,254
Transfer Recycle on disposal	1,843	(47)		(1,843)			-	(47)
Private Placement	9,512	-	-	-	-	-	-	9,512
Total comprehensive income for the quarter							46	46
As at 31 March 2019	125,947	-	16,855	-	(16,833)	-	9,796	135,765
Private placement expense	(17)	-	-	-	-	-	-	(17)
Total comprehensive income for the quarter	-	-	-	-	-	-	(3,023)	(3,023)
As at 30 June 2019	125,930	-	16,855	-	(16,833)	-	6,773	132,725

The unaudited Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the Interim Financial Report.

Nextgreen Global Bhd (Company No: 719660-W)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT 30 June 2019
(The figures have not been audited)

	Cumulative	
	12 months ended 30 June	
	2019	2018
	RM'000	RM'000
Cash Flows From Operating Activities		
Loss before tax	(2,817)	(2,015)
Adjustments for:		
Depreciation and amortisation	3,017	3,185
Gains on foreign exchange (unrealised)	(108)	(129)
Allowance for doubtful debts	-	282
Interest expense	329	340
Share of profits of associate	-	(352)
(Gains)/Loss on disposal of assets	131	(974)
Gains on disposal of shares	(4,607)	-
	<u>(4,055)</u>	<u>337</u>
Changes in working capital:		
Inventories	1,777	54
Receivables	(6,511)	3,094
Property development costs	(22,678)	-
Payables	12,989	1,794
Cash used in/(generated from) operations	<u>(18,478)</u>	<u>5,279</u>
Interest paid	(329)	(340)
Taxes paid	(15)	(45)
Net cash used in/(generated from) operating activities	<u>(18,822)</u>	<u>4,894</u>
Cash Flows From Investing Activities		
Purchase of Property, plant & equipment	-	(662)
Land development cost	-	(8,818)
Net cash used in investing activities	<u>-</u>	<u>(9,480)</u>
Cash Flows From Financing Activities		
Proceeds from disposal of shares and assets	168	286
Decrease in bank borrowings	(180)	(952)
Proceeds from Private Placement	9,585	-
Resale of treasury shares	7,240	3,912
Proceeds from disposal of shares	1,932	-
Net cash generated from financing activities	<u>18,577</u>	<u>3,246</u>
Net Decrease in cash and cash equivalents	(245)	(1,340)
Effects of foreign exchange rate changes	-	438
Cash and cash equivalents at beginning	586	1,488
Cash and cash equivalents at end #	<u>341</u>	<u>586</u>

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the Interim Financial Statement.

Please refer to Part A, Note 14 for the analysis of Cash and Cash equivalents

Nextgreen Global Bhd (Company No: 719660-W)
Notes To The Interim Report
For The Quarter and Period Ended 30 June 2019
(The figures have not been audited)

Part A-Explanatory Notes Pursuant to FRS 134

1 Basis of Preparation

The unaudited interim financial statements have been prepared and presented in accordance with the reporting requirements outlined in the Malaysian Financial Reporting Standard ("MFRS") No.134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The unaudited interim financial statements report should be read in conjunction with the audited consolidated financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the audited consolidated financial statements.

The Group has adopted the new and revised Malaysian Financial Reporting Standards (MFRSs) amendments to published standards and IC Interpretations that become mandatory for the current reporting period. The adoption of these new and revised MFRSs and IC Interpretations does not result in significant changes in the accounting policies of the Group.

The Group has not adopted the new standards, amendments to published standards and interpretations that have been issued but not yet effective. These new standards, amendments to published standards and interpretations do not result in significant changes in accounting policies of the Group upon their initial application other than the following:

- (i) MFRS 9 Financial Instruments (effective for financial periods beginning on or after 1 January 2018);
- (ii) MFRS 15 Revenue from Contracts with Customers (effective for financial periods beginning on or after 1 January 2018);
- (iii) MFRS 16 Leases (effective for financial periods beginning on or after 1 January 2019).

The Group is in the process of making an assessment where the impact of the above new standards is expected to be in the period of initial application.

2 Auditors' Report on Preceding Annual Financial Statements

The audited financial statements for the financial year ended 30 June 2018 were not subject to any qualification.

3 Comments about Seasonality or Cyclicity of Operations

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

4 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review.

5 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.

6 Debt and Equity Securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities in the current quarter under review except the following:

7 Dividend Paid

The Company did not pay any dividend in the quarter under review.

Nextgreen Global Bhd (Company No: 719660-W)
Notes To The Interim Report
For The Quarter and Period Ended 30 June 2019
(The figures have not been audited)

8 Segmental Information

Segmental Information for the Group is presented as follows:

	Quarter Ended 30 June 2019 RM'000	Period Ended 30 June 2019 RM'000
Printing and publishing		
Revenue		
Export market	6,603	14,199
Local market	3,378	15,535
	<u>9,981</u>	<u>29,734</u>
	RM'000	RM'000
Park Developer		
Revenue	-	<u>800</u>

During the quarter under reviewed, the Company did not generate any revenue from the park development.

9 Valuation of Property, Plant and Equipment

There were 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 were no material events between the end of the current quarter and the date of this report, which are likely to substantially affect the current quarter results under review.

11 Changes in the Composition of the Group

During the quarter under review, there is no change in the composition of the Group

12 Contingent Liabilities

The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at 23 August 2019, the latest practicable date which is not earlier than 7 days from the date of issuance of these financial results.

13 Capital Commitments

As at 23 August 2019 (the latest practicable date which is not earlier than 7 days from the date of issuance of these financial results), the Group did not have any material commitment for contracted capital expenditure which might have a material impact on the financial position or business of the Group.

14 Cash and Cash Equivalents

(Bank overdraft)/Cash at bank

As at 30 June 2019 RM'000	As at 30 June 2018 RM'000
<u>(206)</u>	<u>586</u>

Nextgreen Global Bhd (Company No: 719660-W)
Notes To The Interim Report
For The Quarter and Period Ended 30 June 2019
(The figures have not been audited)

PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

1 Analysis of performance

	Quarter Ended 30.06.2019 RM'000	Quarter Ended 30.06.2018 RM'000
Revenue	<u>9,981</u>	<u>11,757</u>
Profit/(Loss) After Tax	<u>(3,023)</u>	<u>849</u>

The 4th quarter revenue dropped RM1.78 million compared with the same quarter in the preceding year which included sales proceeds from a disposal of a developed land of RM3 million. If we compared the printing business alone for these quarters, the revenue for the current quarter actually went up by RM1.2 million. However, the printing business incurred a higher cost for paper and overheads in the current quarter together with higher pre-operating expenses as the intensity for the preparation of the pulp and paper production is approaching.

2 Variation of Results Against Preceding Quarter

	Quarter Ended 30.06.2019 RM'000	Quarter Ended 31.03.2019 RM'000
Revenue	<u>9,981</u>	<u>3,911</u>
Profit After Tax (PAT)	<u>(3,023)</u>	<u>46</u>

Compared with the preceding quarter, the current quarter revenue increased by RM6.07 million due to higher overseas print orders. The losses incurred due to higher paper cost and overheads in the printing business together with the rising expenses in industrial property development and the expenses incurred in preparation for the business of pulp and paper.

3 Prospects

With the expected completion of the production facility for the pulp and paper business in December 2019 and its ready buyers of the products and the potential investors/buyers of developed land at the Pekan industrial park, the Group will be able to turn around its business from losses to profits. This will help improve the working capital of the printing business to enable it to purchase paper at lower costs and be competitive in winning print orders. In view of the foregoing, the Group will be able to perform satisfactorily.

4 Profit Forecast and Profit Guarantee

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

5 Taxation

	Period Ended 30 June 2019 RM'000
Provision of Income tax	<u>-</u>

No provision for tax has been made as the subsidiaries are making losses

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Notes To The Interim Report
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(The figures have not been audited)

6 The following items have been deducted/(credited) in arriving at the Net Profit:

	Quarter Ended 30 June 2019 RM'000	Period Ended 30 June 2019 RM'000
Depreciation and amortisation	737	3,017
Foreign exchange loss/(gains)	54	(91)

Interest as appeared on the Comprehensive Income Statement refers to bank interest only.

*There are no gains or losses on derivative, exceptional items, provision for and write off of inventories, impairment of assets.

7 Group's Borrowings and Debt Securities

The Company's borrowing in the quarter under review as follows:

	RM '000
Bank borrowing -12 months	1,274
Bank borrowing -more than 12 months	4,364
Hire purchase-12 months	135
Hire purchase-more than 12 months	299
	<u><u>6,072</u></u>

The bank borrowing of more than 12 months refers to a 10 year flexible fixed term loan of RM8 million taken out to acquire the Company's factory.

The bank borrowing- 12 months refers to trade facility, overdraft facility and term loan of 12 months and less.

8 Material Litigation

Neither the Company nor its subsidiaries are engaged in any litigation or arbitration, either as plaintiff or defendant, which have a material effect on the financial position of the Company or its subsidiaries and the 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.

9 Dividends

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

Nextgreen Global Bhd (Company No: 719660-W)
Notes To The Interim Report
For The Quarter and Period Ended 30 June 2019
(The figures have not been audited)

10 Earnings Per Share

Basic earnings per share is calculated by dividing net profit/(loss) attributable to ordinary equity holders by the weighted average number of ordinary shares in issue (excluding treasury shares) during the period.

Weighted average number of shares for calculation of basic earnings per share:

	Quarter Ended 30 June 2019 RM'000	Period Ended 30 June 2019 RM'000
Profits/(Loss) attributable to shareholders	<u>(3,023)</u>	<u>(2,817)</u>
Weighted average number of shares in issue ('000)	<u>479,667</u>	<u>464,794</u>
Basic earnings per share (sen)	<u>(0.63)</u>	<u>(0.61)</u>

11 Corporate Proposals

(a) The corporate exercise for rights issue together with free warrants was completed on 22 October 2015.

(b) Status of Utilisation of Proceeds

The Company raised total gross proceeds of RM41,640,984 from the Rights Issue. The utilisation of proceeds as at 23 August 2019 (the latest practicable date not earlier than 7 days from the date of issue of this report) is as follows:

	Proposed Utilisation	Actual utilised as at 23.08.19	Balance to be utilised	Extended to 22 Oct 19 For Utilisation
	RM'000	RM'000	RM'000	
Acquisition of land	7,000	7,000	-	
Purchase of plant & machinery & other ancillary facilities	33,641	29,624	4,017	Within 12 months
Estimated expenses in relation to the Corporate Exercises	1,000	1,000	-	
	<u>41,641</u>	<u>37,624</u>	<u>4,017</u>	

The Company raised total proceeds of RM9,585,000 from 1st and 2nd tranche of the private placement in March 19 and raised total proceeds of RM8,600,000 from 3rd and 4th tranche of the private placement in July 19.

The utilisation of proceeds as at 23 August 2019 (the latest practicable date not earlier than 7 days from the date of the issuance of this report) is as follows:

	Proposed Utilisation	Actual utilised as at 23.08.19	Balance to be utilised	
	RM'000	RM'000	RM'000	
Payment for the land	6,337	-	6,337	
Infrastructural and construction work	9,505	9,505	-	Within 12 months
Working capital for the Group	2,193	2,193	-	Within 12 months
Estimated expenses in relation to the Corporate Exercises	150	150	-	Immediate
	<u>18,185</u>	<u>11,848</u>	<u>6,337</u>	

12 Authorisation for Issue

The unaudited interim financial statements were authorised for issuance by the Board of Directors.