



NEXTGREEN GLOBAL BERHAD
(Company no: 719660-W)

**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENT
FOR FIRST QUARTER ENDED 31 MARCH 2020**

**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
for the First Quarter ended March 31, 2020**

(The figures have not been audited)

	Individual Period 3 months ended			Cumulative Period 3 months ended		
	31.03.2020 RM'000	31.03.2019 RM'000	Changes %	31.03.2020 RM'000	31.03.2019 RM'000	Changes %
Revenue	7,763	-	-	7,763	-	-
Other operating income	-	-	-	-	-	-
	7,763	-	-	7,736	-	-
Other operating expenses	(6,376)	-	-	(6,376)	-	-
Profit from operations	1,546	-	-	1,546	-	-
Finance income	1	-	-	1	-	-
Finance cost	(195)	-	-	(195)	-	-
Profit/(Loss) before tax	1,352	-	-	1,352	-	-
Income tax expense	-	-	-	-	-	-
Profit for the period	1,352	-	-	1,352	-	-
Other Comprehensive Income						
Foreign currency translation	328	-	-	328	-	-
Total comprehensive income for the period	1,680	-	-	1,680	-	-
Profit for the financial period attributable to:						
Owners of the Company	1,352	-	-	1,352	-	-
Non-controlling interest	-	-	-	-	-	-
	1,352	-	-	1,352	-	-
Total Comprehensive Income attributable to:						
Owners of the Company	1,680	-	-	1,680	-	-
Non-controlling interest	-	-	-	-	-	-
	1,680	-	-	1,680	-	-
Earnings per share ("EPS") attributable to the equity holders of the Company (sen)						
- Basic EPS (Note Part B, No:10)	0.26	-	-	0.26	-	-

Notes:

- i) The financial year end of the Group has been changed from 30 June to 31 December w.e.f from Financial Year ended 31 December 2019. Therefore, there will be no comparative financial information available for both individual and cumulative periods ended 31 March 2020.
- ii) 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 2019 and the accompanying notes to the Interim Financial Statements.

**Condensed Consolidated Statements of Financial Position
As at March 31, 2020**

	Reviewed As at 31.03.2020 RM'000	Audited As at 31.12.2019 RM'000
Assets		
Property, plant and equipment	53,040	53,865
Intangible asset	500	500
Other investments	13	13
Inventories	6,805	6,457
Deferred tax assets	148	148
Non-current assets	60,506	60,983
Current assets		
Inventories	53,775	45,207
Trade receivables	16,105	13,285
Other receivables, deposits and prepayments	7,844	8,707
Tax recoverable	1,310	1,307
Fixed deposit with a licensed bank	58	55
Cash and bank balances	2,020	1,685
Current assets	81,113	70,246
Total assets	141,619	131,229
Equity and liabilities		
Share capital	146,636	135,678
Retained earnings	(34,577)	(36,182)
Equity attributable to owners of the Company	112,059	99,497
Non-controlling interest	-	-
Total equity	112,059	99,497
Hire purchase liabilities	201	235
Borrowings	10,000	5,100
Non-current liabilities	10,201	5,335
Trade payables	10,879	11,842
Other payables and accruals	8,251	14,002
Tax payable	-	-
Borrowings	216	430
Hire purchase liabilities	13	123
Current liabilities	19,539	26,397
Total liabilities	29,560	31,732
Total equity and liabilities	141,619	131,229
Net Asset per share (RM)	0.22	0.20

Note:

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial period ended 31 December 2019 and the accompanying notes to the Interim Financial Statements.

Condensed Consolidated Statements of Changes in Equity for the Fourth Quarter ended March 31, 2020
(The figures have not been audited)

	Share capital RM'000	Share premium RM'000	Foreign currency translation reserve RM'000	Merger reserve RM'000	Treasury shares RM'000	Warrant reserve RM'000	Retained profits/ (Accumulated loss) RM'000	Equity attributable to owners of the Company RM'000	Non- controlling interest RM'000	Total equity RM'000
At 1 Jan 2020 (Reviewed)	135,678	-	(214)	(16,833)	-	16,855	(35,990)	99,497	-	99,497
Adjustment on retained profit	-	-	-	-	-	-	(75)	(75)	-	(75)
Profit for period	-	-	-	-	-	-	1,352	1,352	-	1,352
Other comprehensive income, net of income tax	-	-	328	-	-	-	-	328	-	328
Total comprehensive income	-	-	114	-	-	-	1,352	1,680	-	1,680
Transactions with owners:										
Issue of shares pursuant to private placements	11,000	-	-	-	-	-	-	11,000	-	11,000
Share issue expenses	(42)	-	-	-	-	-	-	(42)	-	(42)
Total transactions with owners	10,958	-	-	-	-	-	-	10,958	-	10,958
At 31 March 2020	146,636	-	114	(16,833)	-	16,855	(34,713)	112,059	-	112,059
At 1 July 2018 (Audited)	114,592	2,798	(315)	(16,833)	(8,195)	16,855	9,586	118,487	-	118,487
Loss for the period	-	-	-	-	-	-	(45,575)	(45,575)	-	(45,575)
Other comprehensive income	-	-	101	-	-	-	-	101	-	101
Total comprehensive income	-	-	101	-	-	-	(45,575)	(45,474)	-	(45,474)
Transactions with owners:										
Transfer from share premium	1,843	(1,843)	-	-	-	-	-	-	-	-
Disposal treasury shares	-	(955)	-	-	8,195	-	-	7,240	-	7,240
Issue of shares pursuant to private placements	19,385	-	-	-	-	-	-	19,385	-	19,385
Share issue expenses	(141)	-	-	-	-	-	-	-	-	(141)
	21,807	(2,798)	-	-	-	-	-	26,484	-	26,484
At 31 December 2019	135,678	-	(214)	(16,833)	-	16,855	(35,990)	99,497	-	99,497

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 2019 and the accompanying notes to the Interim Financial Statements.

**Condensed Consolidated Statements of Cash Flows
for the First Quarter ended March 31, 2020**

(The figures have not been audited)

	Current period ended 31.03.2020 RM'000	Corresponding period ended 31.03.2019 RM'000
Cash flows from/(used in) operating activities		
Profit before tax	1,352	-
Adjustment for:		
Depreciation	825	-
Realised/ Unrealised of (gain)/ loss on foreign exchange	(129)	-
Interest expense	195	-
Interest income	(1)	-
Operating profit before working capital changes	2,242	-
(Increase)/Decrease in inventories	(8,992)	-
(Increase)/Decrease in trade and other receivables	(1,829)	-
Increase in trade and other payables	(8,714)	-
Cash used for operations	(17,292)	-
Income tax paid	(3)	-
Net cash used in operating activities	(17,295)	-
Cash flows from/(used in) investing activities		
Placement of fixed deposit with maturity more than 3 months	(4)	-
Interest received	1	-
Net cash used in investing activities	(3)	-
Cash flows from/(used) in financing activities		
Proceeds from:		
-Term loan	6,900	-
-Private placement of share	10,958	-
Repayment of:		
-Trade finance	(168)	-
-Hire purchase liabilities	(144)	-
-Interest paid	(195)	-
Net cash flow from financing activities	17,350	-
Net increased in cash and cash equivalents	53	-
Cash and cash equivalents at beginning of year	1,423	-
Effect of exchange rate changes	328	-
Cash and cash equivalents at end of period	1,805	-
Cash and cash equivalents comprise of:		
Cash and bank balance	2,020	-
Fixed deposits*	58	-
Bank overdraft	(215)	-
	1,863	-
*Fixed deposit pledged with licensed bank	(58)	-
Cash and cash equivalents at end of period	1,805	-

Notes:

The financial year end of the Group has been changed from 30 June to 30 September. As such, there will be no comparative financial information available for the corresponding quarter ended 31 March 2019.

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020
PART A – EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD (“FRS”) 134 INTERIM FINANCIAL REPORTING
6. DEBT AND EQUITY SECURITIES

On 14 October 2019, the Group had announced to undertake a proposed private placement of up to 15% of the total number of issued share entailing 115,905,423 new shares in tranches. On 30 October 2019, the Group announced that Bursa Securities, vide its letter dated 30 October 2019, approved the listing and quotation to be issued pursuant to the Proposed Private Placement.

The details of issuance were as follow:

Tranches	Date issued	No of shares	Issue Price (RM)	Proceed (RM)
1st tranche	15/01/2020	10,000,000	0.40	4,000,000
2nd tranche	17/03/2020	5,000,000	0.40	2,000,000
3rd tranche	25/03/2020	12,500,000	0.40	5,000,000
		<u>27,500,000</u>		<u>11,000,000</u>

7. DIVIDEND PAID

There was no dividend paid in the current financial period to date.

8. SEGMENTAL INFORMATION

Segmental results for the financial period ended 31 March 2020 are as follows:

Business Segment	Revenue RM'000	Elimination RM'000	Consolidation RM'000	Profit/ loss after tax RM'000
Printing & Publishing	2,849	(1)	2,848	(398)
Manufacturing	-	-	-	(904)
Property Development	4,915	-	4,915	3,277
General construction	-	-	-	(10)
Others	59	(59)	-	(613)
Total	<u>7,821</u>	<u>(60)</u>	<u>7,763</u>	<u>1,352</u>

Note: The financial year end of the Group has been changed from 30 June to 31 December w.e.f from Financial Year ended 31 December 2019. Therefore, there will be no comparative segmental result available for the corresponding preceding quarter.

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 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

There were no changes in other contingent liabilities since the last annual financial statements as at 31 December 2019.

13. CAPITAL COMMITMENTS

There were no material changes in capital commitments since the last annual financial statements as at 31 December 2019.

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020

PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. REVIEW OF PERFORMANCE

The Group recorded total revenue of RM7.76 million and profit after tax (PBT) of RM1.35 million for the current quarter ended 31 March 2020. The key driver to the Group's result is from Property Development and Management segment which posted revenue of RM4.92 million and RM3.28 million profit before tax. It was derived from the sale of 8.68 acres' land in Green Technology Park in Pekan, Pahang. Printing and Publishing segment contributed RM2.85 million revenues to the Group. However, it had recorded loss before tax of RM398 thousand which was mainly due to the factory fixed overhead and higher operating expenses. Beside, pre-operating expenses for Manufacturing segment incurred during the current quarter under review also one of the key factor contributed to the lower Group's result for the first quarter ended 31 March 2020.

2. COMPARISON WITH PRECEDING QUARTER'S RESULTS

Group has changed the financial year end cycle from 30 June to 31 December starting for the financial year end 31 December 2019. Therefore, there was no available comparative analysis to be made with the Preceding Quarter's result.

3. PROSPECTS

The overall domestic market sentiment on consumer spending remains weak and uncertain for private sector market. The Board remain cautious and expects the financial year to remain challenging in view of global uncertainties and the continuous impact of Covid-19 pandemic. However, the Group are expecting positive turn around after the second quarter of the year 2020.

4. PROFIT FORECAST AND PROFIT GUARANTEE

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

5. INCOME TAX EXPENSE

The Group did not incur any tax expense during the current period under review.

6. PROFIT BEFORE TAX

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

	3 months ended	3 months ended
	31/03/2010	31/03/2019
	RM'000	RM'000
Depreciation expenses	(825)	-
Foreign exchange gain/ (loss) - Realised	(9)	-
- Unrealised	138	-

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020

PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

7. GROUP'S BORROWINGS AND DEBT SECURITIES

The Group borrowings as at 31 March 2020 are as follows:

	RM Denomination		Total RM'000
	Current RM'000	Non-current RM'000	
Secured			
<u>As at 31 March 2020</u>			
Hire purchase	13	201	214
Term loan	-	10,000	12,000
Bank overdraft	215	-	215
	228	10,201	12,429

Group's gearing ratio was stood at 0.21 time as of current quarter

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.

10. EARNINGS/ (LOSS) PER SHARE

Basic (Loss)/ Earnings per ordinary shares calculated by dividing net profit/(loss) attributable to owner of the company and weighted average number of ordinary shares in issue (excluding treasury shares) during the period.

	3 months ended 31/03/2010 RM'000	18 months ended 31/12/2019 RM'000
Profit/(loss) attributable to owners of the Company	1,352	(45,575)
Weighted average number of ordinary shares issued	520,000	459,513
Earnings/ (Loss) Per Share (sen)	0.26	(9.92)

11. AUTHORISATION TO ISSUE

The interim financial statements were authorized for release by the Board of Directors as per the Board Meeting held on 27 June 2020.