



**NEXTGREEN GLOBAL BERHAD**

(Company no: 719660-W)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2020**

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2020**

	Quarter Ended			Year-To-Date Ended		
	30.06.2020 RM'000 (Reviewed)	30.06.2019 RM'000	Changes %	30.06.2020 RM'000 (Reviewed)	30.06.2019 RM'000	Changes %
Revenue	602	-	-	8,365	-	-
Other operating income	2,430	-	-	2,589	-	-
	3,032	-	-	10,954	-	-
Other operating expenses	(3,996)	-	-	(10,373)	-	-
Profit from operations	(964)	-	-	582	-	-
Finance income	-	-	-	1	-	-
Finance cost	(314)	-	-	(509)	-	-
Profit/(Loss) before tax	(1,278)	-	-	74	-	-
Income tax expense	-	-	-	-	-	-
Profit/(Loss) for the period	(1,278)	-	-	74	-	-
Other Comprehensive Income						
Foreign currency translation	(11)	-	-	318	-	-
Total comprehensive income for the period	(1,288)	-	-	392	-	-
Profit for the financial period attributable to:						
Owners of the Company	(1,278)	-	-	74	-	-
Non-controlling interest	-	-	-	-	-	-
	(1,278)	-	-	74	-	-
Total Comprehensive Income attributable to:						
Owners of the Company	(1,288)	-	-	392	-	-
Non-controlling interest	-	-	-	-	-	-
	(1,288)	-	-	392	-	-
<b>Earning/ (Loss) per share attributable to the equity holders of the Company (sen)</b>						
- Basic (Note Part B, No:10)	(0.24)	-	-	0.01	-	-

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 30 June 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 30 JUNE 2020**

	Reviewed As at 30.06.2020 RM'000	Audited As at 31.12.2019 RM'000
<b>Assets</b>		
Property, plant and equipment	52,547	53,865
Intangible asset	500	500
Other investments	13	13
Inventories	6,757	6,457
Deferred tax assets	148	148
<b>Non-current assets</b>	<b>59,965</b>	<b>60,983</b>
<b>Current assets</b>		
Inventories	55,368	45,207
Trade receivables	12,967	13,285
Other receivables, deposits and prepayments	10,752	8,707
Tax recoverable	1,310	1,307
Fixed deposit with a licensed bank	58	55
Cash and bank balances	2,402	1,685
<b>Current assets</b>	<b>82,857</b>	<b>70,246</b>
<b>Total assets</b>	<b>142,822</b>	<b>131,229</b>
<b>Equity and liabilities</b>		
Share capital	148,636	135,678
Retained earnings	(35,916)	(36,182)
Equity attributable to owners of the Company	112,846	99,497
Non-controlling interest	-	-
<b>Total equity</b>	<b>112,846</b>	<b>99,497</b>
Hire purchase liabilities	170	235
Borrowings	10,000	5,100
<b>Non-current liabilities</b>	<b>10,170</b>	<b>5,335</b>
Trade payables	9,932	11,842
Other payables and accruals	9,806	14,002
Tax payable	-	-
Borrowings	-	430
Hire purchase liabilities	68	123
<b>Current liabilities</b>	<b>19,806</b>	<b>26,397</b>
<b>Total liabilities</b>	<b>29,976</b>	<b>31,732</b>
<b>Total equity and liabilities</b>	<b>142,822</b>	<b>131,229</b>
<b>Net Asset per share (RM)</b>	<b>0.21</b>	<b>0.20</b>

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 YEAR-TO-DATE ENDED 30 JUNE 2020**

	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
Profit/ (Loss) for period	-	-	-	-	-	-	74	74	-	74
Other comprehensive income, net of income tax	-	-	318	-	-	-	-	318	-	318
Total comprehensive income	-	-	318	-	-	-	74	392	-	392
<b>Transactions with owners:</b>										
Issue of shares pursuant to private placements	13,000	-	-	-	-	-	-	13,000	-	13,000
Share issue expenses	(42)	-	-	-	-	-	-	(42)	-	(42)
Total transactions with owners	12,958	-	-	-	-	-	-	12,958	-	12,958
<b>At 30 June 2020</b>	<b>148,636</b>	<b>-</b>	<b>104</b>	<b>(16,833)</b>	<b>-</b>	<b>16,855</b>	<b>(35,916)</b>	<b>112,846</b>	<b>-</b>	<b>112,846</b>
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
<b>At 31 December 2019</b>	<b>135,678</b>	<b>-</b>	<b>(214)</b>	<b>(16,833)</b>	<b>-</b>	<b>16,855</b>	<b>(35,990)</b>	<b>99,497</b>	<b>-</b>	<b>99,497</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 2019 and the accompanying notes to the Interim Financial Statements.

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEAR-TO-DATE ENDED 30 JUNE 2020**

	Year-To-Date Ended	
	30.06.2020 RM'000 (Reviewed)	30.06.2019 RM'000 (reviewed)
<b>Cash flows from/(used in) operating activities</b>		
Profit/ (Loss) before tax	74	-
Adjustment for:		
Depreciation	1,318	-
Realised/ Unrealised of (gain)/ loss on foreign exchange	146	-
Interest expense	509	-
Interest income	(1)	-
<b>Operating profit before working capital changes</b>	<b>2,046</b>	<b>-</b>
(Increase)/Decrease in inventories	(10,461)	-
(Increase)/Decrease in trade and other receivables	(1,874)	-
Increase in trade and other payables	(6,106)	-
Cash used for operations	(16,394)	-
Income tax paid	(2)	-
<b>Net cash used in operating activities</b>	<b>(16,397)</b>	<b>-</b>
<b>Cash flows from/(used in) investing activities</b>		
Placement of fixed deposit with maturity more than 3 months	(4)	-
Interest received	1	-
<b>Net cash used in investing activities</b>	<b>(3)</b>	<b>-</b>
Cash flows from/(used) in financing activities		
Proceeds from:		
-Term loan	4,900	-
-Private placement of share	12,958	-
Repayment of:		
-Trade finance	(216)	-
-Hire purchase liabilities	(120)	-
-Interest paid	(509)	-
<b>Net cash flow from financing activities</b>	<b>17,013</b>	<b>-</b>
Net increased in cash and cash equivalents	661	-
Cash and cash equivalents at beginning of year	1,423	-
Effect of exchange rate changes	318	-
<b>Cash and cash equivalents at end of period</b>	<b>2,402</b>	<b>-</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash and bank balance	2,402	-
Fixed deposits*	58	-
Bank overdraft	-	-
	2,460	-
*Fixed deposit pledged with licensed bank	(58)	-
<b>Cash and cash equivalents at end of period</b>	<b>2,402</b>	<b>-</b>

**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 30 June 2020.



**NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020**
**PART A – EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD (“FRS”) 134 INTERIM FINANCIAL REPORTING**
**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**

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 of private placement were as follow:

<b>Tranches</b>	<b>Date issued</b>	<b>No of shares</b>	<b>Issue Price (RM)</b>	<b>Proceed (RM)</b>
1 <sup>st</sup> tranche	15/01/2020	10,000,000	0.40	4,000,000
2 <sup>nd</sup> tranche	17/03/2020	5,000,000	0.40	2,000,000
3 <sup>rd</sup> tranche	25/03/2020	12,500,000	0.40	5,000,000
4 <sup>th</sup> tranche	29/06/2020	5,000,000	0.40	2,000,000
		32,500,000		13,000,000

**7. DIVIDEND PAID**

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

**8. SEGMENT INFORMATION**

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 both corresponding preceding quarter Year-To-Date

Results for the Quarter and Year-To-Date ended

	<b>Printing &amp; Publishing</b>		<b>Property Development</b>		<b>Manufacturing</b>		<b>Others</b>		<b>Intragroup elimination</b>		<b>Total</b>	
	<b>Q2</b>	<b>YTD</b>	<b>Q2</b>	<b>YTD</b>	<b>Q2</b>	<b>YTD</b>	<b>Q2</b>	<b>YTD</b>	<b>Q2</b>	<b>YTD</b>	<b>Q2</b>	<b>YTD</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	608	3,457	-	4,915	-	-	12	69	(18)	(76)	602	8,365
Other income	267	552	7	7	12	12	2,253	2,253	(110)	(234)	2,430	2,590
Overhead	(2,910)	(6,441)	(327)	(1,965)	(758)	(1,662)	(442)	(1,123)	128	310	(4,310)	(10,881)
<b>Profit/(Loss) before tax</b>	<b>(2,034)</b>	<b>(2,432)</b>	<b>(320)</b>	<b>2,957</b>	<b>(746)</b>	<b>(1,650)</b>	<b>1,823</b>	<b>1,199</b>			<b>(1,278)</b>	<b>74</b>

**NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020****PART A – EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD (“FRS”) 134 INTERIM FINANCIAL REPORTING****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 30 JUNE 2020****PART B - EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA  
MALAYSIA SECURITIES BERHAD****1. REVIEW OF PERFORMANCE**

The Group recorded total revenue of RM602 thousand and Loss before tax of RM1,278 million for the current quarter ended 30 June 2020. The segmental performance was tabulated on item 8, Part A of the explanatory notes to financial statement.

In spite of lower operating revenue, the group recorded other operating income of RM2,430 million which was mainly derived from reclassification of deposit received to deposit forfeited amounting to RM2,241 million. Nextgreen Global Berhad has entered into an Agreement for Sale and Purchase of Shares ("SPSA") with Chan Chen Shin ("Purchaser") on 09 April 2019 for the disposal of BHS Palau Incorporated. Due to the non-performing of purchaser obligation and upon seeking legal opinion, the company is in a right position to terminate the agreement and forfeit the deposit received.

Property Development has not recorded any revenue for the current quarter. However, the progress of the GTP development picking up better after MCO. As for Manufacturing segment, Revenue is yet to be recorded as the Pulp & Paper Manufacturing Plant is still at construction stage. This segment had incurred RM758 thousand pre-operating expenses for the current quarter and RM1,662 million for Quarter Year-To-Date.

Printing & Publishing segment business activities was affected during Movement Control Order (MCO) issued by the Malaysia Government due COVID-19 pandemic. Lower revenue recorded was the key factor contributed to loss before tax of RM2,034 million for the current quarter and RM2,432 million for Quarter-Year-To-date under reviewed

**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 during COVID-19 Pandemic. 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 in second half of the year 2020.

The Company expects more print orders from local customers, both private and government sectors as the Government has announced Recovery Movement Control Order (RMCO) to resume the business activities. The Group via its subsidiary, BHS Book Printing has diverse its operational activities by offering box and packaging printing job to the customers. The company also has remaining RM2.2 million book printing job from Ministry of Education which need to complete the delivery within next 6 months. Therefore, the sales are expected to be higher as compared to the current quarter.

On Property development segment, the Company is presently actively negotiating with few potential buyers to sell few piece of sub-divided land in the GTP.

**NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020**

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

**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:

	Year-To-Date ended 30/06/2020	Year-To-Date ended 30/06/2019
	RM'000	RM'000
Depreciation expenses	(1,318)	-
Foreign exchange gain/ (loss) - Realised	39	-
- Unrealised	117	-

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 figure available for corresponding preceding quarter Year-To-Date

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

The Group borrowings as at 30 June 2020 are as follows:

	RM Denomination		Total RM'000
	Current RM'000	Non-current RM'000	
Secured			
<u>As at 30 June 2020</u>			
Hire purchase	68	170	238
Term loan	-	10,000	10,000
Bank overdraft	-	-	-
	<b>68</b>	<b>10,170</b>	<b>10,238</b>

Group's gearing ratio was stood at 0.09 time as of Year-To-Date ended 30 June 2020

**NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020**

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

**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. EARNING/ (LOSS) PER SHARE**

Basic Earning/ (Loss) 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 under reviewed.

	<b>Quarter ended 30.06.2020</b>	<b>Year-To-Date ended 30.06.2020 RM'000</b>	<b>18 months ended 31/12/2019 RM'000</b>
Profit/(loss) attributable to owners of the Company	(1,278)	74	(45,575)
Weighted average number of ordinary shares issued	526,667	526,667	459,513
<b>Earnings/ (Loss) Per Share (sen)</b>	<b>(0.24)</b>	<b>0.01</b>	<b>(9.92)</b>

**11. AUTHORISATION TO ISSUE**

The interim financial statements were authorized for release by the Board of Directors as per the Board Meeting held on 22 August 2020.