



NEXTGREEN GLOBAL BERHAD
(Company no: 719660-W)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2020**

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2020**

	Quarter Ended			Year-To-Date Ended		
	31.12.2020 RM'000 (Reviewed)	31.12.2019 RM'000	Chg %	31.12.2020 RM'000 (Reviewed)	31.12.2019 RM'000	Chg %
Revenue	7,446	-	-	32,276	-	-
Non operating revenue	369	-	-	3,211	-	-
Total revenue	7,815	-	-	35,487	-	-
Operating expenses	(8,870)	-	-	(30,046)	-	-
(Loss) / profit from operations	(1,055)	-	-	5,441	-	-
Finance income	-	-	-	2	-	-
Finance cost	(501)	-	-	(1,264)	-	-
(Loss) / profit before tax	(1,556)	-	-	4,179	-	-
Income tax expense	(11)	-	-	(11)	-	-
Net (loss)/ profit for the period/ year	(1,567)	-	-	4,168	-	-
Other Comprehensive loss:						
Foreign currency translation	(230)	-	-	(123)	-	-
Total comprehensive (loss)/ income for the period/ year	(1,797)	-	-	4,045	-	-
Net (loss)/ profit for the period/ year attributable to:						
Owners of the Company	(1,505)	-	-	4,230	-	-
Non-controlling interest	(62)	-	-	(62)	-	-
	(1,567)	-	-	4,168	-	-
Total comprehensive (loss) / income for the period/ year attributable to:						
Owners of the Company	(1,735)	-	-	4,107	-	-
Non-controlling interest	(62)	-	-	(62)	-	-
	(1,797)	-	-	4,045	-	-
Basic earnings/ (loss) per share						
- Note Part B, No:10	(0.27)	-	-	0.77	-	-

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 December 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 31 DECEMBER 2020

	Reviewed As at 31.12.2020 RM'000	Audited As at 31.12.2019 RM'000
Non current assets		
Property, plant and equipment	65,979	53,865
Intangible asset	1,050	500
Right-use-of asset	801	-
Other investments	22	13
Inventories	6,338	6,457
Deferred tax assets	137	148
Non current assets	74,327	60,983
Current assets		
Inventories	73,693	45,207
Trade receivables	13,154	13,285
Other receivables, deposits and prepayments	12,371	8,707
Tax recoverable	174	1,307
Fixed deposit with a licensed bank	-	55
Cash and bank balances	1,205	1,685
Current assets	100,597	70,246
Total assets	174,924	131,229
Equity		
Share capital	171,566	135,678
Reserve	(32,074)	(36,182)
Equity attributable to owners of the Company	139,492	99,497
Non-controlling interest	(62)	-
Total equity	139,430	99,497
Non current liabilities		
Hire purchase liabilities	120	235
Lease liability	134	-
Borrowings	10,000	5,100
Non current liabilities	10,254	5,335
Current liabilities		
Trade payables	8,968	11,842
Other payables and accruals	13,505	14,002
Tax payable	-	-
Borrowings	2,000	430
Lease liability	688	-
Hire purchase liabilities	79	123
Current liabilities	25,240	26,397
Total liabilities	35,494	31,732
Total equity and liabilities	174,924	131,229
Net Asset per share (RM)	0.23	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 YEAR-TO-DATE ENDED 31 DECEMBER 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	(35,989)	99,497		99,497
Profit for period	-	-	-	-	-	-	4,230	4,230	(62)	4,168
Other comprehensive loss	-	-	(123)	-	-	-	-	(123)	-	(123)
Total comprehensive income	-	-	(123)	-	-	-	4,230	4,107	(62)	4,045
Transactions with owners:										
Transfer from warrant reserve	-	-	-	-	-	(16,855)	16,855	-	-	-
Issue of shares pursuant to private placements	36,093	-	-	-	-	-	-	36,093	-	36,093
Share issue expenses	(205)	-	-	-	-	-	-	(205)	-	(205)
Total transactions with owners	35,888	-	-	-	-	(16,855)	16,855	35,888	-	35,888
At 31 December 2020	171,566	-	(337)	(16,833)	-	-	(14,904)	139,492	(62)	139,430
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 YEAR-TO-DATE ENDED 31 DECEMBER 2020**

	Year-To-Date Ended	
	31.12.2020 RM'000	31.12.2019 RM'000
	(Reviewed)	(Reviewed)
Cash flows from/(used in) operating activities		
Profit/ (loss) before tax	4,179	-
Adjustment for:		
Depreciation expense	2,575	-
Amortisation of Right-use-of asset	659	-
Allowance for Expected Credit Loss	1,396	-
Reversal of allowance for Expected Credit Loss (ECL)	(48)	-
Unrealised gain on foreign exchange	(33)	-
Gain on disposal of plant & equipment	(181)	-
Plant & equipment write off	17	-
Write-down inventory value	8	-
Increase in fair value of quoted investment	(10)	-
Dividend income	(1)	-
Interest expense of lease liability	62	-
Interest expense	1,202	-
Interest income	(2)	-
Operating profit before working capital changes	9,823	-
Increase in inventories	(28,375)	-
Increase in trade and other receivables	(4,247)	-
Increase in trade and other payables	(3,369)	-
Cash used for operations	(26,168)	-
Income tax refunded	1,136	-
Income tax paid	(3)	-
Net cash used in operating activities	(25,035)	-
Cash flows from/(used in) investing activities		
Addition of property, plant & equipment	(14,850)	-
Payment intangible asset	(550)	-
Proceeds from disposal of plant & equipment	320	-
Deposit paid for purchase of plant & equipment	(600)	-
Proceed from fixed deposit withdrawal	55	-
Dividend received	1	-
Interest received	2	-
Net cash used in investing activities	(15,622)	-
Cash flows from/(used) in financing activities		
Proceed from term loan	6,900	-
Proceed from Private placement of share	35,888	-
Repayment of trade finance	(168)	-
Repayment of lease liability	(639)	-
Repayment of Hire purchase liabilities	(159)	-
Interest expense of lease liability	(62)	-
Interest paid	(1,202)	-
Net cash flow from financing activities	40,558	-
Net increased in cash and cash equivalents	(99)	-
Cash and cash equivalents at beginning of year	1,423	-
Effect of exchange rate changes	(119)	-
Cash and cash equivalents at end of period	1,205	-

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR-TO-DATE ENDED 31 DECEMBER 2020 (Continued)**

	Year-To-Date Ended	
	31.12.2020	31.12.2019
	RM'000	RM'000
<hr/>		
Cash and cash equivalents at end of period comprise of:		
Cash and bank balance	1,205	-
	<hr/>	<hr/>
	1,205	-
	<hr/>	<hr/>

Notes:

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. As such, there will be no comparative financial information available for the corresponding period ended 31 December 2019.

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

PART A – EXPLANATORY NOTES AS PER MALAYSIA FINANCIAL REPORTING STANDARD (“MFRS”) 134 INTERIM FINANCIAL REPORTING

1. BASIS OF PREPARATION

The Interim Financial Report is unaudited and has been prepared in compliance with Malaysian Financial Reporting Standard (“MFRS”) 134 Interim Financial Reporting, issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad (“BMSB”).

The report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2019. 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 2019.

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 2019, except for the following:

Effective for financial periods beginning on or after 1 January 2019

- MFRS 16 Lease

Effective for financial periods beginning on or after 1 January 2020

- Amendments to MFRS 3 Business Combinations - Definition of a Business
- Amendments to MFRS 7 Financial Instruments: Disclosures, MFRS 9 Financial Instruments and MFRS 139 Financial Instruments: Recognition and Measurement - Interest Rate Benchmark Reform
- Amendments to MFRS 101 Presentation of Financial Statements and MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Material

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.

Effective for financial periods beginning on or after 1 June 2020

- Amendments to MFRS 16 Leases - Covid-19 - Related Rent Concessions

Effective for financial periods beginning on or after 1 January 2021

- MFRS 17 Insurance Contracts

Effective for financial periods beginning on or after 1 January 2022

- Amendments to MFRS 3 Business Combinations - Reference to the Conceptual Framework
- Amendments to MFRS 101 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current
- 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

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 impact on the financial statements of the Group.

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

PART A – EXPLANATORY NOTES AS PER MALAYSIA 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 2019 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 current quarter under review and year to date except the following:

- a) 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 Group

The issuance of this private placement has been completed as of 31 December 2020. The details are as follow:

Tranches	Date issued	No of shares	Issue Price (RM)	Proceed (RM)
1 st tranche	15/01/2020	10,000,000	0.400	4,000,000
2 nd tranche	17/03/2020	5,000,000	0.400	2,000,000
3 rd tranche	25/03/2020	12,500,000	0.400	5,000,000
4 th tranche	29/06/2020	5,000,000	0.400	2,000,000
5 th tranche	20/07/2020	10,000,000	0.400	4,000,000
6 th tranche	03/08/2020	7,000,000	0.400	2,800,000
7 th tranche	18/09/2020	17,625,000	0.400	7,050,000
8 th tranche (Final)	02/10/2020	8,500,000	0.405	3,442,500
		75,625,000		30,292,500

- b) On 28 October 2020, the Group had announced to undertake a proposed private placement of up to **20%** of the total number of issued share entailing 127,554,100 new shares in tranches. On 19 November 2020, the Group announced that Bursa Securities, vide its letter dated 19 November 2020, approved the listing and quotation to be issued pursuant to the Proposed Private Placement.

The details of issuance of private placement as of 31 December 2020 were as follow:

Tranches	Date issued	No of shares	Issue Price (RM)	Proceed (RM)
1 st tranche	02/12/2020	14,500,000	0.400	5,800,000
		14,500,000		5,800,000

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2020
**PART A – EXPLANATORY NOTES AS PER MALAYSIA FINANCIAL REPORTING STANDARD (“MFRS”) 134
INTERIM FINANCIAL REPORTING**
6. SEGMENT 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 for the period under review are as follows:

 (i) Fourth Quarter ended 31 December 2020

	Investment Holding	Printing & Publishing	Manufacturing	Property Dev & Construction	Utility & Energy	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External	-	3,379	-	4,067	-	-	7,446
Inter-segment	74	160	-	-	-	(234)	-
	74	3,539	-	4,067	-	(234)	7,446
Result							
Profit/ (Loss) from operation	(1,668)	(1,976)	(898)	2,091	(4)	1,400	(1,055)
Interest income	-	-	-	-	-	-	-
Finance cost	(100)	(56)	(379)	(10)	-	44	(501)
Segment result	(1,768)	(2,032)	(1,277)	2,081	(4)	1,444	(1,556)
Tax expense							(11)
Loss after tax							(1,567)

 (ii) Year to date ended 31 December 2020

	Investment Holding	Printing & Publishing	Manufacturing	Property Dev & Construction	Utility & Energy	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External	-	8,966	-	23,310	-	-	32,276
Inter-segment	203	966	-	-	-	(1,169)	-
	203	9,932	-	23,310	-	(1,169)	32,276
Result							
Profit/ (Loss) from operation	(932)	(4,775)	(2,715)	12,476	(13)	1,400	5,441
Interest income	-	2	-	-	-	-	2
Finance cost	(183)	(71)	(1,041)	(13)	-	44	(1,264)
Segment result	(1,115)	(4,844)	(3,756)	12,463	(13)	1,444	4,179
Tax expense							(11)
Profit after tax							4,168

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.

7. DIVIDEND PAID

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

8. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no valuation of the property, plant and equipment in the current quarter under review.

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

**PART A – EXPLANATORY NOTES AS PER MALAYSIA FINANCIAL REPORTING STANDARD (“MFRS”) 134
INTERIM FINANCIAL REPORTING**

9. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE QUARTER

There was no material event subsequent to the quarter and year-to-date ended 31 December 2020 except the following:

9.1 On 29 January 2021 the company has announced that the Company had on 29 January 2021 entered into a Joint Venture Agreement (“JV Agreement”) with Dengkil Paper Mill Sdn Bhd [Registration No. 201301041968 (1071793-T)] (“DPMSB”), to undertake a joint venture through a special purpose vehicle to engage in the business of setting up and operating of a 5000MT per annum tissue paper mill in Malaysia and such other related business as the parties may mutually agree from time to time (“Joint Venture”) (“Proposed Joint Venture”). The company agreed to subscribe 5,100,000 ordinary shares in the JV Company (“NGGB Subscription Shares”) and DPMSB agreed to subscribe 4,900,000 (“DPMSB Subscription Shares”) at an issue price of RM1.00 each, and upon the terms and condition of JV Agreement.

9.2 On 10 March 2021 the company has announced to proposes to undertake two (2) proposals:

- a) Proposed Redeemable Convertibles Preference Share (RCPS)
The Proposed RCPS entails the issuance of 200,000,000 RCPS to the RCPS Subscribers at the Issue Price of RM0.05 each in the following manner: -
(i) 40,000,000 RCPS to Dato' Gan Kong Hiok;
(ii) 100,000,000 RCPS to Dengkil Paper Mill Sdn Bhd; and
(iii) 60,000,000 RCPS to HSC Green Holdings Sdn Bhd.

The RCPS will be issued in a single tranche and will raise gross proceeds of RM10.00 million

- b) Proposed Amendments entail the amendments on the relevant clauses of the Constitution to facilitate the implementation of the Proposed RCPS

10. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group for the current quarter ended 31 December 2020 except as follows:

10.1 Incorporation of new wholly-own subsidiary companies

a) Nextgreen Agrofeed Sdn Bhd (“NASB”)

NASB was incorporated on 21 September 2020 with an issued and paid-up capital of RM2.00 comprising two (2) ordinary shares. The intended principal activity of NASB is to manufacture and trading of animal feed

b) Nextgreen Utilities Sdn Bhd (“NUSB”)

NUSB was incorporated on 21 September 2020 with an issued and paid-up capital of RM2.00 comprising two (2) ordinary shares. The intended principal activity of NUSB is treatment of waste water.

11. CONTINGENT ASSET AND LIABILITIES

As at 31 December 2020, the Group contingent liabilities are as follows:

a) Corporate Guarantee

Corporate guarantees totaling RM10 million were issued to OSK Capital Sdn Bhd for the Term Loan facilities granted to a subsidiary company.

b) 3rd Party 1st legal charge

The 3rd party 1st legal charge over the Property owned by sister subsidiary in favor of OSK Capital Sdn Bhd for Term Loan granted to a subsidiary company.

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2020**PART A – EXPLANATORY NOTES AS PER MALAYSIA FINANCIAL REPORTING STANDARD (“MFRS”) 134
INTERIM FINANCIAL REPORTING****12. CAPITAL COMMITMENTS**

Capital commitments for the purchase of property, plant and equipment not provided for in the Condensed Report as at the end of the financial period are as follows:

	As at 31.12.2020 RM'000	As at 31.12.2019 RM'000
Capital expenditure		
Approved and contracted for	2,662	32,770

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

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

1. REVIEW OF PERFORMANCE

The Group recorded loss after tax of RM1.567 million for the current quarter under reviewed. The key factor contributed to the result was mainly due to the provision of Expected Credit Loss (ECL) amounting to RM1.39 million. The provision of ECL was made based on receivables aged group above 30 days past due. However, those ECL has no impact to the Group cash outflow and it is recoverable. Group recorded Profit after tax of RM4.168 million for the financial year end 31 December 2020. The group result was supported by the higher revenue from Property Development & Construction Segment. The Group revenue for current quarter recorded at RM7.446 million, which was lower as compared to Quarter 3 (RM16.465 million). The Group revenue for the financial year ended 31 December 2020 recorded at RM32.276 million. The segmental revenue and result of the Group was tabulated on item 6, Part A of the explanatory notes to financial statement.

Property Development & Construction segment recorded RM4.067 million in revenue which was 54.6% of the total Group revenue for the current quarter under review. Those revenue was derived from sale of one (1) piece of sub-divided land in GTP amounting to RM3.267 million and RM0.8 million from the consultancy fee of Design & Built of 5,000 MT Tissue & Paper plant in GTP. As for the financial year 2020, this segment attribute RM23.310 million revenues which was 72.2% of the total Group Revenue. This segment has achieved a Profit before tax (PBT) of RM2.141 million for the current quarter and RM12.463 million for the year to date ended 31 December 2020. The activities of sale the sub divided land in GTP was the key driver for this achievement.

Printing & Publishing segment recorded RM3.539 million revenues for the quarter under review and RM9.932 million for the financial year 31 December 2020. Covid-19 Pandemic has affected its normal business activities. The commercial printing order from existing local and overseas customer has reduced due during this pandemic. In line with the lower revenue and high fixed factory overhead, this segment continues recorded loss before tax for current quarter of RM2.032 million and RM4.844 million for year to date ended 31 December 2020.

As for manufacturing segment, its yet to contribute the portioning revenue to the Group as the Pulp & Paper Manufacturing Plant is still under construction. Prior to the commercialization of the production plant, this segment recorded a loss before tax amounting to RM1.277 million for the quarter and RM3.756 million for year to date ended 31 December 2020, pre pre-operating expenses such as manpower and administrative cost with no operating revenue recorded are the key factor contributed to the performance during the year

The Utility and Energy segment is yet to commence its operation and remain dormant during the financial year ended 31 December 2020.

The holding company has recorded revenue of RM0.74 million for current quarter and RM0.203 million for year to date ended 31 December 2020 which solely derived from Management fee charged to the its subsidiaries. Besides, the company also recorded RM2.242 million of other income which derived from the forfeiture of deposit received for the termination of contract for disposal of its subsidiary. Due to high operating expenditures such as corporate expenses, the company recorded RM1.115 million losses before tax for the year to date ended 31 December 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, the 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 Group expected positive turn around in year of 2021 in line with the post pandemic projected recovery.

BHS Book Printing had diverse it operational activities by offering box and packaging printing services to the market to overcome shortcoming of the commercial printing of book, leaflet & magazine printing job. On the Property development segment, the Company is continuing looking for few prospect to sell sub-divided land in the GTP. As for Manufacturing segment, the Group is positively looking forward on the progress of the construction work of the Pulp & Paper Manufacturing plant which was expected to start commercialization in 3rd quarter 2021 and expected to contribute new revenue stream to the group.

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 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

	Quarter ended 31.12.2020 RM'000	Year-To- Date ended 31.12.2020 RM'000
Expected Malaysia income tax payable	-	-
Deferred Tax (Note 5.2)	(11)	(11)
Basic Earnings/ (Loss) Per Share (sen)	(11)	(11)

5.1 No provision for tax has been made as the company and the subsidiaries are making losses.

5.2 Deferred tax is in respect of tax effect from on intragroup profit derived from sale of Property, plant & equipment.

	Quarter ended 31.12.2020 RM'000	Year-To- Date ended 31.12.2020 RM'000
At beginning of the period/year Recognised in profit and loss	148	148
- Current period/ year	(11)	(11)
At end of the period/ year	137	137

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.

6. PROFIT BEFORE TAX

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

	Year-To-Date ended 31/12/2020 RM'000	Year-To-Date ended 31/12/2019 RM'000
Depreciation expense	2,575	-
Amortisation of Right-use-of asset	659	-
Allowance for Expected Credit Loss	1,396	-
Reversal of allowance for Expected Credit Loss (ECL)	(48)	-
Unrealised gain on foreign exchange	(33)	-
Gain on disposal of plant & equipment	(181)	-
Plant & equipment write off	17	-
Write-down inventory value	8	-
Increase in fair value of quoted investment	(10)	-
Dividend income	(1)	-
Interest expense of lease liability	62	-
Interest expense	1,202	-
Interest income	(2)	-

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.

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2020
PART B - EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
7. GROUP'S BORROWINGS AND DEBT SECURITIES

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

	Current RM'000	Non-current RM'000	Total RM'000
Secured			
Hire purchase	79	120	199
Term loan	2,000	10,000	12,000
	2,079	10,120	12,199

Group's gearing ratio was stood at 0.07 time as of Year-To-Date ended 31 December 2020

8. MATERIAL LITIGATION

As at 19 March 2021, 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.

9. DIVIDENDS

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

10. BASIC 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.

	Quarter ended 31.12.2020	Year-To-Date ended 31.12.2020	18 months ended 31.12.2019
Profit/(loss) attributable to owners of the Company (RM'000)	(1,505)	4,230	(45,575)
Weighted average number of ordinary shares issued ('000)	548,792	548,792	459,513
Basic Earnings/ (Loss) Per Share (sen)	(0.27)	0.77	(9.92)

11. REVIEW BY EXTERNAL AUDITORS

The Board had engaged the external auditors to review and report on the Condensed Report of Nextgreen Global Berhad for the quarter and year-to-date ended 31 December 2020 in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

The external auditors reported to the Board that nothing had come to their attention to cause them to believe that the Condensed Report was not prepared, in all material respects, in accordance with the MFRS 134 Interim Financial Reporting and IAS 34 Interim Financial Reporting. The report was made to the Board in accordance with the terms of the engagement letter with the external auditors and for no other purpose.

12. AUTHORISATION TO ISSUE

The Condensed Report were authorized for release by Board of Director as per Board of Director Meeting held on 27 March 2021.