



Nextgreen Global Bhd (Company No: 719660-W)
(formerly known as BHS Industries Bhd)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2018**
(The figures have not been audited)

	Second Quarter 3 months ended 31 Dec		Cumulative Quarters 6 months ended 31 Dec	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Revenue	8,410	5,799	16,642	9,327
Operating expenses	(9,778)	(7,709)	(19,053)	(14,629)
Other income/(loss)	1,571	2,286	2,747	2,468
Share of profits of associate	-	24	-	24
Interest	-	2	2	5
Finance costs	(91)	(90)	(174)	(168)
Profit/(Loss) before tax	112	312	164	(2,973)
Taxation	-	-	-	-
Net profit/(Loss) for the period	<u>112</u>	<u>312</u>	<u>164</u>	<u>(2,973)</u>
Other Comprehensive Income:				
Translation of foreign operation	-	(77)	362	(104)
	<u>-</u>	<u>(77)</u>	<u>362</u>	<u>(104)</u>
Total Comprehensive Income for the period	<u>112</u>	<u>235</u>	<u>526</u>	<u>(3,077)</u>
Profit/(Loss) Attributable to :				
Owners of the Company	<u>112</u>	<u>312</u>	<u>164</u>	<u>(2,973)</u>
Total Comprehensive Income attributable to:				
Owners of the Company	<u>112</u>	<u>235</u>	<u>526</u>	<u>(3,077)</u>
Earnings per share (sen) attributable to:				
Owners of the Company:				
Basic (Part B, Note 11)	<u>0.02</u>	<u>0.07</u>	<u>0.04</u>	<u>(0.69)</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)
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS At 31 December 2018

(The figures have not been audited)

	As at 31 Dec-18 RM ' 000	(Audited) As at 30 June 2018 RM ' 000
ASSETS		
Non-current assets		
Property, plant and equipment	39,681	41,400
Land held for development	6,530	6,372
Other investments	13	12
Intangible assets	500	500
Other receivable	250	250
Deferred tax assets	1,472	1,472
Total non-current assets	48,446	50,006
Current assets		
Inventories	9,564	8,708
Property development costs	31,503	21,923
Trade receivables	13,961	15,302
Other receivables, deposits and prepayments	42,741	36,315
Tax recoverable	1,924	1,853
Cash and bank balances	840	586
	100,533	84,687
TOTAL ASSETS	148,979	134,693
EQUITY AND LIABILITIES		
Share capital	114,592	114,592
Warrant reserve	16,855	16,855
Share premium	1,843	2,798
Other reserve	(16,833)	(16,833)
Treasury shares	-	(8,195)
Foreign currency translation	47	(315)
Retained earnings	9,750	9,586
Total Equity	126,254	118,488
Non-current liabilities		
Hire purchase liabilities	183	150
Term loans	4,772	5,148
Total non-current liabilities	4,955	5,298
Current liabilities		
Trade payables	6,594	5,162
Other payables and accruals	9,537	4,791
Short term borrowings	1,464	750
Hire purchase liabilities	175	204
Total current liabilities	17,770	10,907
TOTAL EQUITY AND LIABILITIES	148,979	134,693
Net asset per share (RM)	0.28	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 SECOND QUARTER ENDED 31 DECEMBER 2018**
(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
	<u>114,592</u>	<u>47</u>	<u>16,855</u>	<u>1,843</u>	<u>(16,833)</u>	<u>-</u>	<u>9,750</u>	<u>126,254</u>

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)

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

AS AT 31 December 2018

(The figures have not been audited)

	Cumulative	
	6 months ended 31 December	
	2018	2017
	RM'000	RM'000
Cash Flows From Operating Activities		
Loss before tax	164	(2,973)
Adjustments for:		
Depreciation and amortisation	1,561	1,587
Gains on foreign exchange (unrealised)	(213)	(43)
Interest expense	174	168
Share of profits of associate	-	(24)
(Gains)/Loss on disposal of assets	131	(166)
	<u>1,817</u>	<u>(1,451)</u>
Changes in working capital:		
Inventories	(856)	(2,913)
Receivables	(4,825)	5,254
Property development costs	(9,580)	(1,835)
Payables	6,178	(333)
Cash used in operations	<u>(7,266)</u>	<u>(1,278)</u>
Interest paid	(174)	(168)
Taxes refund	50	30
Net cash generated from/(used in) operating activities	<u>(7,390)</u>	<u>(1,416)</u>
Cash Flows From Investing Activities		
Purchase of Property, plant & equipment	-	(288)
Net cash used in investing activities	<u>-</u>	<u>(288)</u>
Cash Flows From Financing Activities		
Proceeds from disposal of assets	168	187
Increase in bank borrowings	42	1,012
Resale of treasury shares	7,240	-
Net cash generated from financing activities	<u>7,282</u>	<u>1,199</u>
Net Decrease in cash and cash equivalents	(108)	(505)
Effects of foreign exchange rate changes	362	290
Cash and cash equivalents at beginning	<u>586</u>	<u>1,488</u>
Cash and cash equivalents at end #	<u>840</u>	<u>1,273</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)
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Notes To The Interim Report
For The Second Quarter Ended 31 December 2018
(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:

	No	RM
Disposal of treasury shares	9,365,100	<u>4,728,199</u>

7 Dividend Paid

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

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8 Segmental Information

Segmental Information for the Group is presented as follows:

	3 months Ended 31 Dec 2018 RM'000	6 months Ended 31 Dec 2018 RM'000
Printing and publishing		
Revenue		
Export market	3,406	9,114
Local market	4,204	6,728
	<u>7,610</u>	<u>15,842</u>
 Operating profit/(loss) after tax	 (15)	 37
	RM'000	RM'000
Park Developer		
Revenue	<u>800</u>	<u>800</u>
 Operating profit	 <u>127</u>	 <u>127</u>

During the quarter under reviewed, the Company generated revenue of RM800,000 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 18 Feb 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 18 Feb 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

	As at 31 Dec 2018 RM'000	As at 30 June 2018 RM'000
Cash at bank	<u>840</u>	<u>586</u>

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

1 Analysis of performance

	2nd Quarter 31.12.2018 RM'000	2nd Quarter 31.12.2017 RM'000
Revenue	<u>8,410</u>	<u>5,799</u>
Profit/(Loss) After Tax	<u>112</u>	<u>312</u>

The revenue for the current quarter increased by RM2.61 million over the same quarter in the preceding year. However the operating costs were increased by RM2.07 million which can be attributed to higher costs incurred for the printing business and increased business activities which gave rise to higher pre-operating costs compared with the same quarter in the preceding year.

2 Variation of Results Against Preceding Quarter

	Current Quarter 31.12.2018 RM'000	Preceding Quarter 30.09.2018 RM'000
Revenue	<u>8,410</u>	<u>8,232</u>
Profit After Tax (PAT)	<u>112</u>	<u>52</u>

Compared with the preceding quarter, the current quarter revenue increased by RM0.18 million. The small increase in revenue has also gave rise to a small increase in profits while the costs remain relatively stable for the two quarters.

3 Prospects

Although the tough market condition continued for printing business and the increased activities on the pre-operating businesses, the Group is in the process of streamlining its operation to dispose of non-core businesses and focus on its core businesses of printing and pulp and paper. In view of the foregoing, the board is of the view that the Group will perform satisfactorily in the financial year ending 2019.

4 Profit Forecast and Profit Guarantee

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

5 Taxation

	6 months Ended 31 Dec 2018 RM'000
Provision of Income tax	<u>-</u>

No provision has been made on the profits of a subsidiary as there are losses brought forward for offset against the profits arising

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

	3 month Ended 31 Dec 2018 RM'000	6 months Ended 31 Dec 2018 RM'000
Depreciation and amortisation	779	1,561
Foreign exchange loss/(gains)	27	(187)

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	1,464
Bank borrowing -more than 12 months	4,772
Hire purchase-12 months	175
Hire purchase-more than 12 months	183
	6,594

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.

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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:

	3 months Ended 31 Dec 2018 RM'000	6 months Ended 31 Dec 2018 RM'000
Profits/(Loss) attributable to shareholders	112	164
Weighted average number of shares in issue ('000) (Excluding treasury shares)	455,221	446,567
Basic earnings per share (sen)	0.02	0.04

11 Corporate Proposals

(a) The corporate exercise for rights issue together with free wanrrants 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 18 Feb 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 18.02.19	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	28,404	5,237	Within 12 months
Estimated expenses in relation to the Corporate Exercises	1,000	1,000	-	
	41,641	36,404	5,237	

12 Authorisation for Issue

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