



JKG LAND BERHAD

(Company No: 154232-K)
(Incorporated in Malaysia under the Companies Act, 1965)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 OCTOBER 2019

	(Unaudited) As at 31-Oct-19 RM'000	(Audited) As at 31-Jan-19 RM'000
Assets		
Non-Current Assets		
Property, plant and equipment	25,560	23,786
Investment property	44,454	44,506
Investment in an associate	-	-
Other investments	18	18
Inventories	293,246	287,480
Deferred tax assets	8,746	8,746
Deposits	8,500	8,500
	380,524	373,036
Current Assets		
Inventories	114,503	152,455
Contract asset	81,729	26,285
Contract cost	41,704	30,010
Trade and other receivables	19,948	16,773
Current tax assets	1,356	2,187
Short term investments	700	1,829
Cash and cash equivalents	87,477	75,910
	347,417	305,449
TOTAL ASSETS	727,941	678,485
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share capital	231,159	231,159
Retained earnings	239,256	231,488
	470,415	462,657
Non-Controlling Interests	(57)	(42)
Total Equity	470,358	462,605
Non-Current Liabilities		
Deferred tax liabilities	15	15
Loan and borrowings	69,003	69,003
	69,018	69,018
Current Liabilities		
Trade and other payables	19,906	24,432
Contract liabilities	6,468	4,473
Current tax payables	1,353	45
Loan and borrowings	160,838	117,912
	188,565	146,862
Total Liabilities	257,583	215,880
TOTAL EQUITY AND LIABILITIES	727,941	678,485
Net assets per share attributable to equity holders of the parent (RM)	0.21	0.20

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for year ended 31 January 2019 and the accompanying notes attached to the interim financial statements)



JKG LAND BERHAD

(Company No: 154232-K)
(Incorporated in Malaysia under the Companies Act, 1965)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Financial Period Ended 31 October 2019

	<u>Attributable to owners of the Company</u>			Non-Controlling Interests <u>RM'000</u>	Total Equity <u>RM'000</u>
	<u>Distributable</u>				
	Share Capital <u>RM'000</u>	Retained Earnings <u>RM'000</u>	Total <u>RM'000</u>		
<u>9 Months Ended 31 October 2019</u>					
At 1 February 2019	231,159	231,488	462,647	(42)	462,605
Total Comprehensive income for the period	-	10,043	10,043	(15)	10,028
Dividend	-	(2,275)	(2,275)	-	(2,275)
At 31 October 2019	<u>231,159</u>	<u>239,256</u>	<u>470,415</u>	<u>(57)</u>	<u>470,358</u>

For The Financial Period Ended 31 October 2018

	<u>Attributable to owners of the Company</u>			Non-Controlling Interests <u>RM'000</u>	Total Equity <u>RM'000</u>
	<u>Distributable</u>				
	Share Capital <u>RM'000</u>	Retained Earnings <u>RM'000</u>	Total <u>RM'000</u>		
<u>9 Months Ended 31 October 2018</u>					
At 1 February 2018	231,159	231,932	463,091	(5)	463,086
Total Comprehensive income for the period	-	490	490	(16)	474
Dividend	-	(2,275)	(2,275)	-	(2,275)
At 31 October 2018	<u>231,159</u>	<u>230,147</u>	<u>461,306</u>	<u>(21)</u>	<u>461,285</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for year ended 31 January 2019 and the accompanying notes attached to the interim financial statements)



JKG LAND BERHAD

(Company No: 154232-K)
(Incorporated in Malaysia under the Companies Act, 1965)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME For The Financial Period Ended 31 October 2019

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 31-Oct-19 RM'000	Preceding Year Corresponding Quarter 31-Oct-18 RM'000	% + / (-)	Current Year To Date 31-Oct-19 RM'000	Preceding Year Corresponding Period 31-Oct-18 RM'000	% + / (-)
Revenue	31,172	25,314	23.1	126,607	61,074	107.3
Cost of sales	(21,652)	(20,771)		(96,398)	(46,499)	
Gross profit	9,520	4,543	109.6	30,209	14,575	107.3
Selling and marketing expenses	(269)	(420)		(1,072)	(1,108)	
Administrative expenses	(3,984)	(3,201)		(12,625)	(11,572)	
Other operating income	456	875		1,192	2,230	
Operating profit	5,723	1,797	218.5	17,704	4,125	329.2
Share of results of an associate	-	-		-	-	
Profit before interest and tax	5,723	1,797	218.5	17,704	4,125	329.2
Finance income	598	527		1,749	1,839	
Finance costs	(2,295)	(1,144)		(6,110)	(3,524)	
Profit / (Loss) before tax	4,026	1,180	241.2	13,343	2,440	446.8
Tax expenses	(1,002)	(484)		(3,315)	(1,966)	
Profit and total comprehensive income for the period	3,024	696	334.5	10,028	474	2,015.6
Profit and total comprehensive income for the period attributable to :						
Owners of the Company	3,025	705	329.1	10,043	490	1,949.6
Non-controlling interests	(1)	(9)		(15)	(16)	
Profit and total comprehensive income for the period	3,024	696	334.5	10,028	474	2,015.6
	Sen	Sen		Sen	Sen	
Basic earnings per share	0.13	0.03	329.1	0.44	0.02	1949.6

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for year ended 31 January 2019 and the accompanying notes attached to the interim financial statements)



JKG LAND BERHAD

(Company No: 154232-K)
(Incorporated in Malaysia under the Companies Act, 1965)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS For The Financial Period Ended 31 October 2019

	Current year to 31-Oct-2019 RM'000	Preceding year to 31-Oct-2018 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	13,343	2,440
Adjustment for :		
Depreciation of property, plant and equipment	1,759	1,270
Depreciation of investment property	64	64
Interest income	(1,749)	(1,839)
Gain on redemption of short term fund	-	(13)
Gain on disposal of motor vehicle	(10)	-
Dividend received	(1)	(1)
Fair value adjustment on short term investment	(10)	(196)
Interest expense	3,815	3,524
Operating profit before changes in working capital	17,211	5,249
Changes in working capital		
Inventories	37,952	7,783
Contract assets	(55,444)	(27,034)
Contract cost	(11,694)	(15,356)
Trade and other receivables	(3,175)	4,784
Trade and other payables	(4,526)	2,099
Contract liabilities	1,995	1,749
	(34,892)	(25,975)
Cash used in operating activities	(17,681)	(20,726)
Tax paid	(1,176)	(3,899)
Net cash used in operating activities	(18,857)	(24,625)
CASH FLOW FROM INVESTING ACTIVITIES		
Additions of property, plant and equipment	(3,555)	(2,843)
Additions of investment properties	(12)	-
Additions to non-current inventories	(5,766)	(4,519)
Proceeds from disposal of motor vehicle	32	-
Redemption / (Additions) of short term investments	1,139	4,080
Acquisition of subsidiary	-	(41,144)
Interest received	1,749	1,839
Gain on redemption of short term fund	-	13
Dividend received	1	1
Withdrawal of fixed deposits-aged more than 3 months	-	15,000
Net cash used in investing activities	(6,412)	(27,573)
CASH FLOW FROM FINANCING ACTIVITIES		
Drawdown / (Repayment) of term loans and borrowings	42,926	37,201
Dividend paid to shareholders of the company	(2,275)	(2,275)
Interest paid	(3,815)	(3,524)
Net cash (used in)/ from investing activities	36,836	31,402
Net (decrease)/increase in cash and cash equivalents	11,567	(20,796)
Cash and cash equivalents at beginning of the period	75,910	110,447
Cash and cash equivalents at end of the period	87,477	89,651
Cash and cash equivalents at end of the period comprised of :		
Fixed Deposit Placed With Licensed Banks-aged within 3 months	63,456	65,342
Cash and Bank Balances	24,021	24,309
	87,477	89,651

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for year ended 31 January 2019 and the accompanying notes attached to the interim financial statements)

SELECTED EXPLANATORY NOTES

PART A : Explanatory notes pursuant to Malaysian Financial Reporting Standard (“MFRS”) 134

1. Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with MFRS 134, Interim Financial Reporting and other MFRSs issued by the Malaysian Accounting Standard Board (“MASB”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”).

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 January 2019 which have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards (“IFRSs”) and the Companies Act 2016. These explanatory notes attached to the condensed consolidated interim financial statements 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 January 2019.

2. Accounting Policies

The significant accounting policies, method of computation and basis of consolidation applied in the consolidated condensed interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 January 2019 save for the adoption of the following:

MFRS 16	Leases
Amendments to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement
IC Interpretation 23	Uncertainty over Income Tax Treatments
Annual Improvements to MFRSs 2015 – 2017 Cycle	

The initial adoption of the above MFRS, amendments to MFRSs, IC Interpretation and annual improvements to MFRS does not have any material impact on the financial statements of the Group, except as mentioned below :

MFRS 16. Leases

The adoption of MFRS 16 resulted in changes in accounting policies and adjustments to the financial statements. The accounting policies that relate to identification of lease arrangements and accounting treatments for both lessors and lessees are amended to comply with MFRS 16. In accordance with the transition requirements under MFRS 16, comparatives are not restated and the financial impact on the adoption of this Standard is recognized in retained earnings as at 1 February 2019.

Based on the assessment, the Group does not expect the application of MFRS 16 to have significant financial impact on the interim financial statements.

3. Audit Report Qualification and Status

The financial statements of the Group for the financial year ended 31 January 2019 were not subject to any audit qualification.

4. Seasonal or Cyclical Factors

The Group’s business operations are not materially affected by seasonal or cyclical factors.



JKG LAND BERHAD

(Company No: 154232-K)
(Incorporated in Malaysia under the Companies Act, 1965)

SELECTED EXPLANATORY NOTES

5. Unusual Items

There were no unusual items for the current financial period under review.

6. Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial year that have a material effect for the current financial period under review.

7. Debt & Equity Securities, Share Buy-Backs and Treasury Shares

There was no issuance, cancellations, repurchases, resale and repayment of debt and equity securities during the financial period under review.

8. Dividend Paid

The first and final dividend of 0.1 sen per share on 2,274,930,000 ordinary shares amounting to RM2,274,930 in respect of the financial year ended 31 January 2019 was approved by the shareholders during the Annual General Meeting on 10 July 2019 and was paid on 16 August 2019.

9. Segmental Information

The Group's activities comprise the following main business segments which are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and to assess its performance :-

Property development:	Development of residential, commercial and other properties
Cultivation of oil palm:	Cultivation of oil palm and Sale of fresh fruit bunches (FFB)
Others:	Operations related to investment holdings and provision of management services

9 months ended 31 October 2019	Property Development RM'000	Cultivation of Oil Palm RM'000	Others RM'000	Group RM'000
Segment Revenue	124,609	1,086	912	126,607
Segment Result				
Operating profit before tax	16,400	392	912	17,704
Share of results of an associate				-
Profit before interest and tax				17,704
Finance income				1,749
Finance costs				(6,110)
Profit before tax				13,343
Tax expense				(3,315)
Profit after tax				10,028
Segment assets	673,502	9,890	44,549	727,941
Investment in associates				-
Total assets				727,941



JKG LAND BERHAD

(Company No: 154232-K)
(Incorporated in Malaysia under the Companies Act, 1965)

SELECTED EXPLANATORY NOTES

9. Segmental Information (cont'd)

9 months ended 31 October 2018	Property Development RM'000	Cultivation of Oil Palm RM'000	Others RM'000	Group RM'000
Segment Revenue	58,750	1,354	970	61,074
Segment Result				
Operating profit before tax	2,540	615	970	4,125
Share of results of an associate				-
Profit before interest and tax				4,125
Finance income				1,839
Finance costs				(3,524)
Profit before tax				2,440
Tax expense				(1,966)
Profit after tax				474
Segment assets	652,749	9,951	3,461	666,161
Investment in associates				-
Total assets				666,161

10. Valuation of Property, Plant and Equipment

There was no valuation of property, plant and equipment carried out during the current financial period ended 31 October 2019.

11. Material Subsequent Event

There were no material events subsequent to the financial period ended 31 October 2019.

12. Changes in the Composition of the Group

There were no changes in the composition of the Group up to the date of this announcement since the preceding financial year ended 31 January 2019.

13. Contingent Liabilities

There were no material contingent liabilities for the Group as at 31 October 2019.

14. Capital Commitments

There were no capital commitments for the Group as at 31 October 2019.



JKG LAND BERHAD

(Company No: 154232-K)
(Incorporated in Malaysia under the Companies Act, 1965)

SELECTED EXPLANATORY NOTES

Part B : Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of BMSB

1. Performance Review

The Group posted a revenue of RM31.172 million and RM126.607 million, an increase of 23.1% and 107.3% respectively over the preceding corresponding quarter and financial period. Similarly, the Group's pre-tax profit for the current financial quarter and financial period registered a PBT of RM4.027million and RM13.343 million, increased by 241.3% and 446.8% respectively as compared to the PBT reported in preceding corresponding quarter and financial period. The higher revenue and PBT were contributed by the property development segment.

The performance of the various operating segments were analysed as follows :-

	Quarter ended 31 October			9-months ended 31 October		
	2019 RM'000	2018 RM'000	% + / (-)	2019 RM'000	2018 RM'000	% + / (-)
<u>Segment Revenue</u>						
Property Development	30,623	24,593	24.5	124,609	58,750	112.1
Cultivation of Oil Palm	243	380	(36.1)	1,086	1,354	(19.8)
Others	306	340	(10.0)	912	970	(6.0)
Total	31,172	25,313	23.1	126,607	61,074	107.3
<u>Segment Results</u>						
Property Development	5,352	1,333	301.5	16,400	2,540	545.7
Cultivation of Oil Palm	66	124	(46.8)	392	615	(36.3)
Others	306	340	(10.0)	912	970	(6.0)
Total operating profit	5,724	1,797	218.5	17,704	4,125	329.2
Share of results of an associate	0	0		0	0	
Profit before interest and tax	5,724	1,797	218.5	17,704	4,125	329.2
Finance income	598	527	13.5	1,749	1,839	(4.9)
Finance costs	(2,295)	(1,144)	100.6	(6,110)	(3,524)	73.4
Profit / (Loss) before tax	4,027	1,180	241.3	13,343	2,440	446.8
Tax expense	(1,002)	(484)		(3,315)	(1,966)	
Profit after tax	3,025	696	334.6	10,028	474	2,015.6
Non-controlling interests	1	10		15	16	
Profit attributable to owners of the Company	3,026	706	328.6	10,043	490	1,949.6

SELECTED EXPLANATORY NOTES
1. Performance Review (cont'd)
a) Property Development

For the current financial quarter under review, the Group's property development segment achieved a revenue of RM30.623 million and an operating profit of RM5.352 million, which were 24.5% and 301.5% higher when compared to the corresponding quarter in the preceding year. For the current financial period-to-date, the Group reported a revenue of RM124.609 million and an operating profit of RM16.400 million representing an increase of 112.1% and 545.7% over the revenue and operating profits in the preceding corresponding financial period. The improvement in both revenue and operating profits were due to higher sales achieved and higher progress of construction works mainly from its existing on-going development project in Kula Lumpur, namely The ERA @ Duta North.

	Quarter ended 31 October			9-months ended 31 October		
	2019	2018	%	2019	2018	%
	RM'000	RM'000	+ / (-)	RM'000	RM'000	+ / (-)
Revenue	30,623	24,593	24.5	124,609	58,750	112.1
Cost of sales	(21,475)	(20,515)		(95,704)	(45,760)	
Gross profit	9,148	4,078		28,905	12,990	
Selling and marketing expenses	(269)	(419)		(1,072)	(1,108)	
Administrative expenses	(3,984)	(3,201)		(12,625)	(11,572)	
Other operating income	457	875		1,192	2,230	
Operating profit	5,352	1,333	301.5	16,400	2,540	545.7

b) Cultivation of oil palm

For the current financial quarter and financial period under review, this segment reported drops of 36.1% and 19.8% in revenue, 46.8% and 36.3% in operating profits respectively compared to the preceding corresponding quarter and financial period. This was mainly due to lower commodity prices as a result of adverse market demand conditions in addition to lower Fresh Fruit Bunch (FFB) production by 30.2% during the current quarter under review as compared to the preceding financial quarter.

c) Others

The revenue and operating profit from others segment comprised mainly rental income and management services income for the Group. The revenue and operating profit, both registered a decrease of 10.0% for the current financial quarter and 6.0% for the current financial period as compared to the preceding corresponding financial quarter and financial period. This was mainly due to the cessation of management services contract since November 2018.

2. Material Changes in Profit Before Tax for Quarter Reported On as Compared to the Immediate Preceding Quarter

The Group registered a revenue of RM31.172 million, a decrease by 44.2% compared with RM55.883 million reported in the immediate preceding quarter. Likewise, the Group posted a PBT of RM4.027 million, a drop of 45.3% as compared to the PBT of RM7.360 million in the immediate preceding quarter. The lower current performance in comparison was due to the recognition of lower sales and work progress.



JKG LAND BERHAD

(Company No: 154232-K)
(Incorporated in Malaysia under the Companies Act, 1965)

SELECTED EXPLANATORY NOTES

2. Material Changes in Profit Before Tax for Quarter Reported On as Compared to the Immediate Preceding Quarter (cont'd.)

	Quarter Ended		%
	31-10-2019	31-07-2019	
	RM'000	RM'000	+ / (-)
<u>Segment Revenue</u>			
Property Development	30,623	55,180	(44.5)
Cultivation of Oil Palm	243	397	(38.8)
Investment Holding	306	306	0
Total	31,172	55,883	(44.2)
<u>Segment Results</u>			
Property Development	5,352	8,520	(37.2)
Cultivation of Oil Palm	66	132	(50.0)
Investment Holding	306	306	0
Total operating profit	5,724	8,958	(36.1)
Share of results of an associate	-	-	
Profit before interest and tax	5,724	8,958	(36.1)
Finance income	598	582	2.7
Finance costs	(2,295)	(2,180)	5.3
Profit before tax	4,027	7,360	(45.3)
Tax expense	(1,002)	(1,600)	
Profit after tax	3,025	5,760	(47.5)
Non-controlling interests	1	4	
Profit attributable to owners of the Company	3,026	5,764	(47.5)

3. Commentary on Prospects

Under the prolonged global and domestic uncertainties, the property market is expected to remain subdued in the subsequent periods of FY2020.

With the introduction of various government incentives to boost home ownership in the recent National Budget, the Group will continue to focus on being market-driven in its products offerings whilst continue to unlock the value of its landbanks at strategic locations across the Klang Valley and Northern Regions.

Against the backdrop of the challenging business environment, the Group expects to deliver satisfactory performance for FY2020.

4. Variance of Actual Profit from Forecast Profit

There was no profit forecast given for the current financial period ended 31 October 2019.



JKG LAND BERHAD

(Company No: 154232-K)
(Incorporated in Malaysia under the Companies Act, 1965)

SELECTED EXPLANATORY NOTES

5. Taxation

Tax charged for the current quarter and financial period ended 31 October 2019 comprised the followings:-

	Quarter Ended 31-10-2019 RM'000	9-months Cumulative 31-10-2019 RM'000
In respect of the current quarter/ year to-date Malaysian income tax	1,002	3,315

For the financial period ended 31 October 2019, the effective tax rate of the group is slightly higher than the statutory tax rate mainly due to losses in certain subsidiaries which are not available to set off against taxable profits in other subsidiaries within the Group. The above tax figures are based on best estimates and internal assessment.

6. Status of Corporate Proposals

As at 31 October 2019, there were no outstanding corporate proposals.

7. Group Borrowings and Debt Securities

The Group's borrowings as at the end of the current financial period under review are as follows :

	As at 31-10-2019		
	Long term RM'000	Short term RM'000	Total RM'000
Secured Term loans	69,003	160,838	229,841

8. Material Litigation

There were no material litigations, which would have a material adverse effect on the financial results for the current financial period under review.

9. Proposed Dividend

No interim dividend was proposed during the current financial period under review.

10. Earnings per share attributable to owners of the Company

The basic earnings per share has been calculated by dividing the Group's net profit attributable to owners of the Company for the period by the weighted average number of ordinary shares in issue during the period.

	Quarter Ended		9-months Cumulative	
	31-10-2019 RM'000	31-10-2018 RM'000	31-10-2019 RM'000	31-10-2018 RM'000
Net profit/(loss) attributable to owners of the Company	3,025	705	10,043	490
Weighted average number of ordinary shares in issued	2,274,930	2,274,930	2,274,930	2,274,930
Basic earnings/(loss) per share	Sen 0.13	Sen 0.03	Sen 0.44	Sen 0.02

There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the financial period ended 31 October 2019.



JKG LAND BERHAD

(Company No: 154232-K)
(Incorporated in Malaysia under the Companies Act, 1965)

SELECTED EXPLANATORY NOTES

11. Notes to the Comprehensive Income Statement

	Quarter Ended 31-10-2019 RM'000	9-months Cumulative 31-10-2019 RM'000
a) Interest income	598	1,749
b) Other income	456	1,192
c) Interest expense	(2,295)	(6,110)
d) Depreciation and amortization	(633)	(1,823)
e) Provision for and write off of receivables	-	-
f) Provision for and write off of inventories	-	-
g) Gain/(Loss) on disposal of quoted and unquoted investments or properties	-	-
h) Fair value gain/ (loss) on short term investment	-	10
i) Impairment of assets	-	-
j) Foreign exchange gain / (loss)	-	-
k) Gain / (Loss) on derivatives	NA	NA
l) Exceptional items	NA	NA