

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2022

	(Unaudited) As at 30-Apr-22 RM'000	(Audited) As at 31-Jan-22 RM'000
Assets		
Non-Current Assets		
Property, plant and equipment	32,466	27,053
Right-of-use assets	1,416	1,619
Investment property	42,316	42,338
Other investments	18	18
Inventories	254,211	254,092
Deferred tax assets	4,540	4,540
Deposits	38,500	38,500
	373,467	368,160
Current Assets		
Inventories	204,736	208,723
Contract asset	2,001	104,337
Contract cost	2,777	127
Trade and other receivables	85,933	48,601
Current tax assets	759	780
Short term investments	9,700	9,700
Cash and cash equivalents	178,757	88,652
		460,920
TOTAL ASSETS	<u>858,130</u>	<u>829,080</u>
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share capital	231,159	231,159
Retained earnings	295,008	293,198
	526,167	524,357
Non-Controlling Interests	(93)	(91)
Total Equity	<u>526,074</u>	<u>524,266</u>
Non-Current Liabilities		
Deferred tax liabilities	15	15
Lease liabilities	660	867
	675	882
Current Liabilities		
Trade and other payables	75,094	81,339
Contract liabilities	25,329	862
Lease liabilities	837	837
Current tax payables	121	894
Loan and borrowings	230,000	220,000
	331,381	303,932
Total Liabilities	<u>332,056</u>	<u>304,814</u>
TOTAL EQUITY AND LIABILITIES	<u>858,130</u>	<u>829,080</u>
Net assets per share attributable to equity holders of the parent (RM)	0.23	0.23

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for year ended 31 January 2022 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 30 April 2022

	Attributable to owners of the Company			Non-Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Retained Earnings RM'000	Total RM'000		
<u>3 Months Ended 30 April 2022</u>					
At 1 February 2022	231,159	293,198	524,357	(91)	524,266
Total Comprehensive income for the period	-	1,810	1,810	(2)	1,808
Dividend	-	-	-	-	-
At 30 April 2022	<u>231,159</u>	<u>295,008</u>	<u>526,167</u>	<u>(93)</u>	<u>526,074</u>

For The Financial Period Ended 30 April 2021

	Attributable to owners of the Company			Non-Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Retained Earnings RM'000	Total RM'000		
<u>3 Months Ended 30 April 2021</u>					
At 1 February 2021	231,159	268,366	499,525	(60)	499,465
Total Comprehensive income for the period	-	8,231	8,231	(2)	8,229
Dividend	-	-	-	-	-
At 30 April 2021	<u>231,159</u>	<u>276,597</u>	<u>507,756</u>	<u>(62)</u>	<u>507,694</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for year ended 31 January 2022 and the accompanying notes attached to the interim financial statements)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For The Financial Period Ended 30 April 2022

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 30-Apr-22 RM'000	Preceding Year Corresponding Quarter 30-Apr-21 RM'000	% + / (-)	Current Year To Date 30-Apr-22 RM'000	Preceding Year Corresponding Period 30-Apr-21 RM'000	% + / (-)
Revenue	20,073	50,038	(59.9)	20,073	50,038	(59.9)
Cost of sales	(12,362)	(35,558)		(12,362)	(35,558)	
Gross profit	7,711	14,480	(46.7)	7,711	14,480	(46.7)
Selling and marketing expenses	(306)	(127)		(306)	(127)	
Administrative expenses	(4,153)	(3,674)		(4,153)	(3,674)	
Other operating income	920	1,110		920	1,110	
Operating profit	4,172	11,789	(64.6)	4,172	11,789	(64.6)
Share of results of an associate	-	-		-	-	
Profit before interest and tax	4,172	11,789	(64.6)	4,172	11,789	(64.6)
Finance income	124	431		124	431	
Finance costs	(1,366)	(1,348)		(1,366)	(1,348)	
Profit /(Loss) before tax	2,930	10,872	(73.1)	2,930	10,872	(73.1)
Tax expenses	(1,122)	(2,643)		(1,122)	(2,643)	
Profit and total comprehensive income for the period	1,808	8,229	(78.0)	1,808	8,229	(78.0)
Profit and total comprehensive income for the period attributable to :						
Owners of the Company	1,810	8,231	(78.0)	1,810	8,231	(78.0)
Non-controlling interests	(2)	(2)		(2)	(2)	
Profit and total comprehensive income for the period	1,808	8,229	(78.0)	1,808	8,229	(78.0)
	Sen	Sen		Sen	Sen	
Basic earnings per share	0.08	0.36	(78.0)	0.08	0.36	(78.0)

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for year ended 31 January 2022 and the accompanying notes attached to the interim financial statements)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For The Financial Period Ended 30 April 2022

	Current period to 30-Apr-2022 RM'000	Preceding period to 30-Apr-2021 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	2,930	10,872
Adjustment for :		
Depreciation of property, plant and equipment	507	565
Depreciation of right-of-use assets	203	202
Depreciation of investment property	22	22
Interest income	(124)	(431)
Finance costs	1,366	1,348
Operating profit before changes in working capital	4,904	12,578
Changes in working capital		
Inventories	3,987	(3,878)
Contract assets	102,336	(2,322)
Contract cost	(2,650)	4,162
Trade and other receivables	(37,332)	(4,673)
Trade and other payables	(6,245)	(3,695)
Contract liabilities	24,467	1,574
	84,563	(8,832)
Cash used in operating activities	89,467	3,746
Interest received	1	132
Tax paid	(1,874)	(2,372)
Net cash used in operating activities	87,594	1,506
CASH FLOW FROM INVESTING ACTIVITIES		
Additions of property, plant and equipment	(5,920)	(146)
Additions of investment property	-	-
Additions to non-current inventories	(119)	(464)
Additions of deposit paid for land acquisition	-	-
Interest received	123	299
(Withdrawal) / Additions of fixed deposits aged more than 3 months	-	(13,500)
Net cash used in investing activities	(5,916)	(13,811)
CASH FLOW FROM FINANCING ACTIVITIES		
Drawdown /(Repayment) of term loans and borrowings	10,000	800
Dividend paid to shareholders of the company	-	-
Interest paid	(1,366)	(1,348)
Payment of lease liabilities	(207)	(199)
Net cash (used in)/ from investing activities	8,427	(747)
Net (decrease)/increase in cash and cash equivalents	90,105	(13,052)
Cash and cash equivalents at beginning of the period	88,652	110,829
Cash and cash equivalents at end of the period	178,757	97,777

Cash and cash equivalents at end of the period comprised of :

Fixed Deposit Placed With Licensed Banks-aged within 3 months	28,780	70,233
Cash and Bank Balances	149,977	27,544
	178,757	97,777

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for year ended 31 January 2022 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 2022 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 2022.

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 2022 except for the adoption of the following new MFRSs/amendments that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group :

Amendments to MFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021
Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment- Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts-Cost of Fulfilling a Contract
Annual Improvement to MFRSs Standards 2018-2020 :	
• Amendments to MFRS 1	First time adoption of Malaysian Financial Reporting Standards
• Amendments to MFRS 9	Financial Instruments
• Amendments to MFRS 16	Leases
• Amendments to MFRS 141	Agriculture

The adoption of the abovementioned amendments to MFRSs standards does not have material impact on the financial statements of the Group.

3. Audit Report Qualification and Status

The financial statements of the Group for the financial year ended 31 January 2022 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.

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.

SELECTED EXPLANATORY NOTES
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

There was no dividend paid during the financial period under review.

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

3 months ended 30 April 2022	Property Development RM'000	Cultivation of Oil Palm RM'000	Others RM'000	Group RM'000
Segment Revenue	18,678	989	406	20,073

Segment Result

Operating profit before tax	3,166	714	292	4,172
Share of results of an associate				-
Profit before interest and tax				4,172
Finance income				124
Finance costs				(1,366)
Profit before tax				2,930
Tax expense				(1,122)
Profit after tax				1,808
Segment assets	805,521	10,036	42,573	858,130
Total assets				858,130

3 months ended 30 April 2021	Property Development RM'000	Cultivation of Oil Palm RM'000	Others RM'000	Group RM'000
Segment Revenue	49,212	515	311	50,038

Segment Result

Operating profit before tax	11,212	324	253	11,789
Share of results of an associate				-
Profit before interest and tax				11,789
Finance income				431
Finance costs				(1,348)
Profit before tax				10,872
Tax expense				(2,643)
Profit after tax				8,229
Segment assets	755,216	10,009	3,344	768,569
Total assets				768,569

SELECTED EXPLANATORY NOTES**10. Valuation of Property, Plant and Equipment**

There was no valuation of property, plant and equipment carried out during the current financial period ended 30 April 2022.

11. Material Subsequent Event

There were no material events subsequent to the financial period ended 30 April 2022.

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 2022.

13. Contingent Liabilities

There were no material contingent liabilities for the Group as at 30 April 2022.

14. Capital Commitments

There were no capital commitments for the Group as at 30 April 2022.

SELECTED EXPLANATORY NOTES
Part B : Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of BMSB
1. Performance Review

For the current quarter and financial period, the Group recorded a revenue of RM20.073 million, a decrease of 59.9%, and the PBT decreased by 73.1% to RM2.93 million compared to the corresponding quarter and financial period of the preceding year. The decreased PBT was mainly due to lower recognition of revenue in tandem with the completion of Phase 1 of The ERA while Phase 2 has not reached advanced stages of construction despite the improvement in cultivation of oil palm segment and others segment.

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

	Quarter ended 30 April			3-months ended 30 April		
	2022 RM'000	2021 RM'000	% + / (-)	2022 RM'000	2021 RM'000	% + / (-)
<u>Segment Revenue</u>						
Property Development	18,678	49,212	(62.0)	18,678	49,212	(62.0)
Cultivation of Oil Palm	989	515	92.0	989	515	92.0
Others	406	311	30.5	406	311	30.5
Total	20,073	50,038	(59.9)	20,073	50,038	(59.9)
<u>Segment Results</u>						
Property Development	3,166	11,212	(71.8)	3,166	11,212	(71.8)
Cultivation of Oil Palm	714	324	120.4	714	324	120.4
Others	292	253	15.4	292	253	15.4
Total operating profit	4,172	11,789	(64.6)	4,172	11,789	(64.6)
Share of results of an associate	-	-		-	-	
Profit before interest and tax	4,172	11,789	(64.6)	4,172	11,789	(64.6)
Finance income	124	431		124	431	
Finance costs	(1,366)	(1,348)		(1,366)	(1,348)	
Profit / (Loss) before tax	2,930	10,872	(73.1)	2,930	10,872	(73.1)
Tax expense	(1,122)	(2,643)		(1,122)	(2,643)	
Profit after tax	1,808	8,229	(78.0)	1,808	8,229	(78.0)
Non-controlling interests	2	2		2	2	
Profit attributable to owners of the Company	1,810	8,231	(78.0)	1,810	8,231	(78.0)

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

For the current quarter and financial period, the Group recorded a decrease of 62.0% in revenue and 71.8% in operating profit as compared to the corresponding quarter and financial period of the preceding year. These were mainly due to lower progress of construction works from its ongoing residential and mixed development projects in Kulim, Kedah whereas its two development projects, each in Kulim, Kedah and Kuala Lumpur were completed with most of the sales recognized in the preceding financial year. Furthermore, sales from new launches namely Phase 4A and Phase 4B in Kulim, Kedah, and Phase 2 of The Era @ Duta North in Kuala Lumpur are yet to be recognized in accordance with the MFRS framework.

	Quarter ended 30 April			3-months ended 30 April		
	2022	2021	%	2022	2021	%
	RM'000	RM'000	+ / (-)	RM'000	RM'000	+ / (-)
Revenue	18,678	49,212	<i>(62.0)</i>	18,678	49,212	<i>(62.0)</i>
Cost of sales	(11,973)	(35,309)		(11,973)	(35,309)	
Gross profit	6,705	13,903		6,705	13,903	
Selling and marketing expenses	(306)	(127)		(306)	(127)	
Administrative expenses	(4,153)	(3,674)		(4,153)	(3,674)	
Other operating income	920	1,110		920	1,110	
Operating profit	3,166	11,212	<i>(71.8)</i>	3,166	11,212	<i>(71.8)</i>

b) Cultivation of oil palm

For the current quarter and financial period, the revenue for this segment registered an increase of 92.0% and operating profit improved by 120.4% to RM714,000 when compared to the corresponding quarter and financial period of the preceding financial year. The sharp rise in the operating profit is principally due to stronger CPO prices and better Fresh Fruit Bunches (FFB) harvesting during the reporting financial period.

c) Others

The revenue and operating profit from the other segment comprised mainly of rental income and provision of management services. For the current quarter and financial period, the revenue of this segment registered an increase of 30.5% and operating profit improved by 15.4% when compared to the corresponding quarter and financial period of the preceding financial year. The increase in revenue and operating profit are mainly due to the addition of 3 new tenants for SMI factories and increments in rental income from existing tenants. In addition, the provision of management services since the third quarter of the preceding financial year contributed to the better performance for the current quarter and financial period.

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

The Group's PBT decreased by 85.2% to RM2.930 million compared to the immediate preceding quarter. This is mainly due to lower progress of construction works from its ongoing residential development projects in Phase 3A and Phase 3B of Taman Puteri and mixed development project in Taman Desa Cinta Sayang in Kulim, Kedah. Furthermore, there was lower contribution from its main revenue contributor namely Phase 1 of The Era @ Duta North in Kuala Lumpur for the current quarter as the project was completed during the immediate preceding quarter.

	Quarter Ended		%
	30-4-2022	31-01-2022	
	RM'000	RM'000	+ / (-)
<u>Segment Revenue</u>			
Property Development	18,678	88,867	(79.0)
Cultivation of Oil Palm	989	460	115.0
Investment Holding	406	400	1.5
Total	20,073	89,727	(77.6)
<u>Segment Results</u>			
Property Development	3,166	19,479	(83.7)
Cultivation of Oil Palm	714	178	301.1
Investment Holding	292	270	8.1
Total operating profit	4,172	19,927	(79.1)
Share of results of an associate	-	-	
Profit before interest and tax	4,172	19,927	(79.1)
Finance income	124	432	
Finance costs	(1,366)	(608)	
Profit before tax	2,930	19,751	(85.2)
Tax expense	(1,122)	(4,967)	
Profit after tax	1,808	14,784	(87.8)
Non-controlling interests	2	1	
Profit attributable to owners of the Company	1,810	14,785	(87.8)

SELECTED EXPLANATORY NOTES
3. Commentary on Prospects

As the country moves towards to the endemic phase on 1 April 2022, there is an encouraging momentum of recovery following the resumption of economic activities in various sectors. However, global and domestic economic outlook is expected to remain uncertain and fragile in the near term due to the ongoing geopolitical conflict which has already triggered inflationary pressures, weakening of domestic currency, supply shock and labour shortages. As a result, the overall economic condition impacted the property market adversely pertaining to interest rates and mortgage lending policies of financial institutions, compounded by construction materials price hike and labour shortages.

The Group endeavours to cushion such impact through our strategy of having a diversified property portfolio of landed and high-rise developments in multiple locations within the Kland Valley and Kedah to enable us to capture different market segments and through selectively pacing new launches according to prevailing market conditions and prudent financial and liquidity management.

The Group is currently leveraging on the proven success of Phase 1 of The ERA to drive the sales of Phase 2 and continue to roll out new projects in our ever-expanding township development in Kulim, Kedah. As such, the Board is confident that the Group will continue to perform satisfactory for FY2023.

4. Variance of Actual Profit from Forecast Profit

There was no profit forecast given for the current financial period ended 30 April 2022.

5. Taxation

Tax charged for the current quarter and financial period ended 30 April 2022 comprised the followings:-

	Quarter Ended 30-04-2022 RM'000	3-months Cumulative 30-04-2022 RM'000
In respect of the current quarter/ period-to-date Malaysian income tax	1,122	1,122

Income tax expense is recognised based on management's best estimation. The Group's consolidated effective tax rates for the current quarter and financial period ended 30 April 2022 were higher than the Malaysian's statutory tax rate mainly due to certain expenses not deductible under the tax legislation and losses in certain subsidiaries which are not available to set off against taxable profit of other subsidiaries.

6. Status of Corporate Proposals

As at 30 April 2022, there were no outstanding corporate proposals.

SELECTED EXPLANATORY NOTES
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 30-04-2022		
	Long term RM'000	Short term RM'000	Total RM'000
Secured Term loans	-	230,000	230,000

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

In view of the current challenging and uncertain business environment, the Board of Directors has not proposed any dividend for the current financial period ended 30 April 2022.

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 financial period by the weighted average number of ordinary shares in issue during the period.

	Quarter Ended		3-months Cumulative	
	30-04-2022 RM'000	30-04-2021 RM'000	30-04-2022 RM'000	30-04-2021 RM'000
Net profit/(loss) attributable to owners of the Company	1,810	8,231	1,810	8,231
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	0.08	0.36	0.08	0.36

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 30 April 2022.

11. Notes to the Comprehensive Income Statement

	Quarter Ended 30-04-2022 RM'000	3-months Cumulative 30-04-2022 RM'000
a) Interest income	124	124
b) Other income	920	920
c) Interest expense	(1,366)	(1,366)
d) Depreciation and amortization	(732)	(732)
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	-	-
i) Impairment of assets	-	-
j) Foreign exchange gain / (loss)	-	-
k) Gain / (Loss) on derivatives	NA	NA
l) Exceptional items	NA	NA