

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2022**

	(Unaudited) As at 31-July-22 RM'000	(Audited) As at 31-Jan-22 RM'000
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	31,936	27,053
Right-of-use assets	1,214	1,619
Investment property	41,903	42,338
Other investments	18	18
Inventories	254,831	254,092
Deferred tax assets	4,540	4,540
Deposits	43,500	38,500
	377,942	368,160
<b>Current Assets</b>		
Inventories	196,196	208,723
Contract asset	1,418	104,337
Contract cost	9,972	127
Trade and other receivables	75,055	48,601
Current tax assets	1,172	780
Short term investments	9,700	9,700
Cash and cash equivalents	180,179	88,652
	473,692	460,920
<b>TOTAL ASSETS</b>	<b>851,634</b>	<b>829,080</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to Owners of the Company</b>		
Share capital	231,159	231,159
Retained earnings	302,047	293,198
	533,206	524,357
<b>Non-Controlling Interests</b>	(98)	(91)
<b>Total Equity</b>	<b>533,108</b>	<b>524,266</b>
<b>Non-Current Liabilities</b>		
Deferred tax liabilities	15	15
Lease liabilities	452	867
	467	882
<b>Current Liabilities</b>		
Trade and other payables	71,083	81,339
Contract liabilities	15,199	862
Lease liabilities	837	837
Current tax payables	940	894
Loan and borrowings	230,000	220,000
	318,059	303,932
<b>Total Liabilities</b>	<b>318,526</b>	<b>304,814</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>851,634</b>	<b>829,080</b>
<b>Net assets per share attributable to equity holders of the parent (RM)</b>	<b>0.23</b>	<b>0.23</b>

*(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

(Registration No: 198601005073 (154232-K))  
(Incorporated in Malaysia under the Companies Act, 1965)

### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Financial Period Ended 31 July 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		
<b><u>6 Months Ended 31 July 2022</u></b>					
At 1 February 2022	231,159	293,198	524,357	(91)	524,266
Total Comprehensive income for the period	-	8,849	8,849	(7)	8,842
Dividend	-	-	-	-	-
At 31 July 2022	<u>231,159</u>	<u>302,047</u>	<u>533,206</u>	<u>(98)</u>	<u>533,108</u>

For The Financial Period Ended 31 July 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		
<b><u>6 Months Ended 31 July 2021</u></b>					
At 1 February 2021	231,159	268,366	499,525	(60)	499,465
Total Comprehensive income for the period	-	8,714	8,714	(30)	8,684
Dividend	-	-	-	-	-
At 31 July 2021	<u>231,159</u>	<u>277,080</u>	<u>508,239</u>	<u>(90)</u>	<u>508,149</u>

*(The Condensed Consolidated Statement of Changes in Equity 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

(Registration No: 198601005073 (154232-K))  
(Incorporated in Malaysia under the Companies Act, 1965)

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME For The Financial Period Ended 31 July 2022

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 31-July-22 RM'000	Preceding Year Corresponding Quarter 31-July-21 RM'000	% + / (-)	Current Year To Date 31-July-22 RM'000	Preceding Year Corresponding Period 31-July-21 RM'000	% + / (-)
<b>Revenue</b>	38,586	26,728	44.4	58,660	76,766	(23.6)
Cost of sales	(24,883)	(23,297)		(37,245)	(58,856)	
<b>Gross profit</b>	13,703	3,431	299.4	21,415	17,910	19.6
Selling and marketing expenses	(331)	(188)		(637)	(315)	
Administrative expenses	(4,389)	(3,613)		(8,542)	(7,287)	
Other operating income	1,314	1,027		2,234	2,137	
<b>Operating profit</b>	10,297	657	1467.3	14,470	12,445	16.3
Share of results of an associate	-	-		-	-	
<b>Profit before interest and tax</b>	10,297	657	1467.3	14,470	12,445	16.3
Finance income	561	373		684	804	
Finance costs	(1,698)	(354)		(3,064)	(1,701)	
<b>Profit /(Loss) before tax</b>	9,160	676	1255.0	12,090	11,548	4.7
Tax expenses	(2,126)	(221)		(3,248)	(2,864)	
<b>Profit and total comprehensive income for the period</b>	7,034	455	1445.9	8,842	8,684	1.8
<b>Profit and total comprehensive income for the period attributable to :</b>						
Owners of the Company	7,039	483	1357.3	8,849	8,714	1.5
Non-controlling interests	(5)	(28)		(7)	(30)	
<b>Profit and total comprehensive income for the period</b>	7,034	455	1445.9	8,842	8,684	1.8
	<b>Sen</b>	<b>Sen</b>		<b>Sen</b>	<b>Sen</b>	
<b>Basic earnings per share</b>	0.31	0.02	1450.0	0.39	0.38	2.6

(The Condensed Consolidated Statement of Comprehensive Income 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 31 July 2022**

	Current period to 31-July-2022 RM'000	Preceding period to 31-July-2021 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	12,090	11,548
Adjustment for :		
Depreciation of property, plant and equipment	1,017	1,113
Depreciation of right-of-use assets	405	405
Depreciation of investment property	435	43
Interest income	(684)	(804)
Finance costs	3,064	1,701
Operating profit before changes in working capital	16,327	14,006
Changes in working capital		
Inventories	12,527	(9,722)
Contract assets	102,919	(17,210)
Contract cost	(9,845)	7,193
Trade and other receivables	(26,454)	(8,457)
Trade and other payables	(10,256)	4,166
Contract liabilities	14,337	2,792
	83,228	(21,238)
Cash used in operating activities	99,555	(7,232)
Interest received	90	266
Tax paid	(3,594)	(3,980)
Net cash used in operating activities	96,051	(10,946)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions of property, plant and equipment	(5,900)	(150)
Additions of investment property	-	-
Additions to non-current inventories	(739)	(2,971)
Additions of deposit paid for land acquisition	(5,000)	(30,000)
Interest received	594	538
(Withdrawal) / Additions of fixed deposits aged more than 3 months	-	(11,000)
Net cash used in investing activities	(11,045)	(43,583)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Drawdown /(Repayment) of term loans and borrowings	10,000	31,000
Dividend paid to shareholders of the company	-	-
Interest paid	(3,064)	(1,701)
Payment of lease liabilities	(415)	(401)
Net cash (used in)/ from investing activities	6,521	28,898
Net (decrease)/increase in cash and cash equivalents	91,527	(25,631)
Cash and cash equivalents at beginning of the period	88,652	110,829
Cash and cash equivalents at end of the period	<b>180,179</b>	<b>85,198</b>

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

Fixed Deposit Placed With Licensed Banks-aged within 3 months	27,650	57,765
Cash and Bank Balances	152,529	27,433
	<b>180,179</b>	<b>85,198</b>

*(The Condensed Consolidated Statement of Cash Flows 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

6 months ended 31 July 2022	Property Development RM'000	Cultivation of Oil Palm RM'000	Others RM'000	Group RM'000
Segment Revenue	56,052	1,795	813	58,660

**Segment Result**

Operating profit before tax	12,661	1,231	578	14,470
Share of results of an associate				-
Profit before interest and tax				14,470
Finance income				684
Finance costs				(3,064)
Profit before tax				12,090
Tax expense				(3,248)
Profit after tax				<b>8,842</b>

Segment assets	799,540	9,948	42,146	851,634
Total assets				<b>851,634</b>

6 months ended 31 July 2021	Property Development RM'000	Cultivation of Oil Palm RM'000	Others RM'000	Group RM'000
Segment Revenue	75,089	1,123	554	76,766

**Segment Result**

Operating profit before tax	11,325	679	441	12,445
Share of results of an associate				-
Profit before interest and tax				12,445
Finance income				804
Finance costs				(1,701)
Profit before tax				11,548
Tax expense				(2,864)
Profit after tax				<b>8,684</b>

Segment assets	794,685	9,983	3,339	808,007
Total assets				<b>808,007</b>

**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 31 July 2022.

**11. Material Subsequent Event**

There were no material events subsequent to the financial period ended 31 July 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 31 July 2022.

**14. Capital Commitments**

There were no capital commitments for the Group as at 31 July 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, the Group reported a revenue of RM38.586 million, an increase of 44.4% as compared with RM26.728 million recorded in the corresponding quarter of the preceding year, mainly contributed by the on-going property development projects in Kulim, Kedah. The Group's PBT surged 1255% to RM9.160 million from RM0.676 million reported for preceding year's corresponding quarter. This was mainly due to higher contributions from the Group's on-going projects in Kulim, Kedah and Phase 1 of The ERA.

For the cumulative six-months financial period, the Group posted a revenue of RM58.660 million, a decrease of 23.6% as compared with revenue of RM76.766 million registered in the preceding year's corresponding period due to the completion of Phase 1 of The ERA. Despite the lower revenue, the Group reported PBT of RM12.090 million, an increase of 4.7% as compared with RM11.548 million registered in the preceding year's corresponding period. This was mainly attributed to better results from the on-going projects in Kulim, Kedah.

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

	Quarter ended 31 July			6-months ended 31 July		
	2022	2021	%	2022	2021	%
	RM'000	RM'000	+ / (-)	RM'000	RM'000	+ / (-)
<b><u>Segment Revenue</u></b>						
Property Development	37,374	25,877	44.4	56,052	75,089	(25.4)
Cultivation of Oil Palm	806	608	32.6	1,795	1,123	59.8
Others	406	243	67.1	813	554	46.8
<b>Total</b>	<b>38,586</b>	<b>26,728</b>	<b>44.4</b>	<b>58,660</b>	<b>76,766</b>	<b>(23.6)</b>
<b><u>Segment Results</u></b>						
Property Development	9,494	114	8228.1	12,661	11,325	11.8
Cultivation of Oil Palm	517	355	45.6	1,231	679	81.3
Others	286	188	52.1	578	441	31.1
<b>Total operating profit</b>	<b>10,297</b>	<b>657</b>	<b>1467.3</b>	<b>14,470</b>	<b>12,445</b>	<b>16.3</b>
Share of results of an associate	-	-		-	-	
<b>Profit before interest and tax</b>	<b>10,297</b>	<b>657</b>	<b>1467.3</b>	<b>14,470</b>	<b>12,445</b>	<b>16.3</b>
Finance income	561	373		684	804	
Finance costs	(1,698)	(354)		(3,064)	(1,701)	
<b>Profit /(Loss) before tax</b>	<b>9,160</b>	<b>676</b>	<b>1255.0</b>	<b>12,090</b>	<b>11,548</b>	<b>4.7</b>
Tax expense	(2,126)	(221)		(3,248)	(2,864)	
<b>Profit after tax</b>	<b>7,034</b>	<b>455</b>	<b>1445.9</b>	<b>8,842</b>	<b>8,684</b>	<b>1.8</b>
Non-controlling interests	5	28		7	30	
<b>Profit attributable to owners of the Company</b>	<b>7,039</b>	<b>483</b>	<b>1357.3</b>	<b>8,849</b>	<b>8,714</b>	<b>1.5</b>



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

For the current quarter, the Group reported a growth of 44.4% in revenue and 8228.1% in operating profit as compared to the corresponding quarter of the preceding year. These were mainly due to higher progress of construction works from its ongoing projects, namely Taman Desa Cinta Sayang and Taman Puteri in Kulim, Kedah, and higher profit contribution from completed properties of Phase 1 of The ERA, Kuala Lumpur.

For the cumulative six-months financial period, the Group registered lower revenue of 25.4% but higher PBT of 11.8% as compared with the preceding year's corresponding period. The lower revenue was mainly due to the completion of Phase 1 of The ERA while the improved PBT were mainly contributed by the on-going projects in Kulim, Kedah.

	Quarter ended 31 July			6-months ended 31 July		
	2022	2021	%	2022	2021	%
	RM'000	RM'000	+ / (-)	RM'000	RM'000	+ / (-)
<b>Revenue</b>	<b>37,374</b>	<b>25,877</b>	<b>44.4</b>	<b>56,052</b>	<b>75,089</b>	<b>(25.4)</b>
Cost of sales	(24,474)	(22,989)		(36,446)	(58,299)	
Gross profit	12,900	2,888		19,606	16,790	
Selling and marketing expenses	(331)	(188)		(637)	(315)	
Administrative expenses	(4,389)	(3,613)		(8,542)	(7,287)	
Other operating income	1,314	1,027		2,234	2,137	
<b>Operating profit</b>	<b>9,494</b>	<b>114</b>	<b>8228.1</b>	<b>12,661</b>	<b>11,325</b>	<b>11.8</b>

**b) Cultivation of oil palm**

For the current quarter and financial period, the revenue for this segment registered an increase of 32.6% and 59.8%, and operating profit improved by 45.6% and 81.3% respectively when compared to the corresponding quarter and financial period of the preceding financial year. The growth in revenue and operating profit were mainly due to higher CPO prices and better Fresh Fruit Bunches (FFB) harvesting for 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 67.1% and 46.8%, and operating profit improved by 52.1% and 31.1% respectively when compared to the corresponding quarter and financial period of the preceding financial year. The increase in revenue and operating profit were mainly due to the addition of 3 new tenants for SMI factories in the first quarter and 8 new tenants for single storey shops during the second quarter coupled with increments in rental income from existing tenants. In addition, the provision of management services since the third quarter of the preceding financial year has also contributed to better performance for the 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 increased by 212.6% to RM9.160 million as compared to RM2.930 million posted in the immediate preceding quarter. This was mainly driven by higher profit contribution from on-going projects in Kulim, Kedah and Phase 1 of The ERA.

	Quarter Ended		%
	31-7-2022	30-4-2022	
	RM'000	RM'000	+/(−)
<b><u>Segment Revenue</u></b>			
Property Development	37,374	18,678	100.1
Cultivation of Oil Palm	806	989	(18.5)
Investment Holding	406	406	-
<b>Total</b>	<b>38,586</b>	<b>20,073</b>	<b>92.2</b>
<b><u>Segment Results</u></b>			
Property Development	9,494	3,166	199.9
Cultivation of Oil Palm	517	714	(27.6)
Investment Holding	286	292	(2.1)
<b>Total operating profit</b>	<b>10,297</b>	<b>4,172</b>	<b>146.8</b>
Share of results of an associate	-	-	
<b>Profit before interest and tax</b>	<b>10,297</b>	<b>4,172</b>	<b>146.8</b>
Finance income	561	124	
Finance costs	(1,698)	(1,366)	
<b>Profit before tax</b>	<b>9,160</b>	<b>2,930</b>	<b>212.6</b>
Tax expense	(2,126)	(1,122)	
<b>Profit after tax</b>	<b>7,034</b>	<b>1,808</b>	<b>289.0</b>
Non-controlling interests	5	2	
<b>Profit attributable to owners of the Company</b>	<b>7,039</b>	<b>1,810</b>	<b>288.9</b>

**3. Commentary on Prospects**

In general, the prospect of the property development market is expected to be challenging as operational activities continued to be affected by supply chain disruptions, spiraling materials costs, skilled labour shortage and the recent announcement of a 25-basis point increase in overnight policy rate which will further increase borrowing costs for prospective homeowners. Notwithstanding these adverse conditions, there is continued demand for affordably priced properties of the Group.

With the encouraging sales momentum achieved in Phase 2 of The Era along with good take up rates for our residential and commercial properties in Kulim, Kedah, the Group will continue to roll out new project in Klang Valley and launch new phases of its existing Taman Puteri's township development project.

Barring any unforeseen circumstances, the Group is confident to achieve satisfactory results for FY2023.

**4. Variance of Actual Profit from Forecast Profit**

There was no profit forecast given for the current financial period ended 31 July 2022.

**SELECTED EXPLANATORY NOTES**
**5. Taxation**

Tax charged for the current quarter and financial period ended 31 July 2022 comprised the following:-

	<b>Quarter Ended 31-7-2022 RM'000</b>	<b>6-months Cumulative 31-7-2022 RM'000</b>
In respect of the current quarter/ period-to-date Malaysian income tax	2,126	3,248

Income tax expense is recognised based on management's best estimation. The Group's consolidated effective tax rates for the current financial period ended 31 July 2022 was slightly higher than the Malaysian's statutory tax rate mainly due to losses in certain subsidiaries which are not available to set off against taxable profit of other subsidiaries.

**6. Status of Corporate Proposals**

As at 31 July 2022, 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 :

	<b>As at 31-7 -2022</b>		
	<b>Long term RM'000</b>	<b>Short term RM'000</b>	<b>Total RM'000</b>
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 31 July 2022.

**SELECTED EXPLANATORY NOTES**
**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		6-months Cumulative	
	31-07-2022	31-07-2021	31-07-2022	31-07-2021
	RM'000	RM'000	RM'000	RM'000
Net profit/(loss) attributable to owners of the Company	7,039	483	8,849	8,714
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	<u>0.31</u>	<u>0.02</u>	<u>0.39</u>	<u>0.38</u>

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 July 2022.

**11. Notes to the Comprehensive Income Statement**

	Quarter Ended	6-months Cumulative
	31-07-2022	31-07-2022
	RM'000	RM'000
a) Interest income	561	684
b) Other income	1,314	2,234
c) Interest expense	(1,698)	(3,064)
d) Depreciation and amortization	(1,125)	(1,857)
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