

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 OCTOBER 2022

	(Unaudited) As at 31-Oct-22 RM'000	(Audited) As at 31-Jan-22 RM'000
Assets		
Non-Current Assets		
Property, plant and equipment	31,612	27,053
Right-of-use assets	1,012	1,619
Investment property	41,686	42,338
Other investments	18	18
Inventories	261,625	254,092
Deferred tax assets	4,540	4,540
Deposits	4,500	38,500
	383,993	368,160
Current Assets		
Inventories	197,677	208,723
Contract asset	1,391	104,337
Contract cost	14,107	127
Trade and other receivables	61,161	48,601
Current tax assets	3,812	780
Short term investments	9,700	9,700
Cash and cash equivalents	173,737	88,652
	461,585	460,920
TOTAL ASSETS	<u>845,578</u>	<u>829,080</u>
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share capital	231,159	231,159
Retained earnings	303,660	293,198
	534,819	524,357
Non-Controlling Interests	(101)	(91)
Total Equity	<u>534,718</u>	<u>524,266</u>
Non-Current Liabilities		
Deferred tax liabilities	15	15
Lease liabilities	242	867
	257	882
Current Liabilities		
Trade and other payables	65,432	81,339
Contract liabilities	13,374	862
Lease liabilities	837	837
Current tax payables	960	894
Loan and borrowings	230,000	220,000
	310,603	303,932
Total Liabilities	<u>310,860</u>	<u>304,814</u>
TOTAL EQUITY AND LIABILITIES	<u>845,578</u>	<u>829,080</u>
Net assets per share attributable to equity holders of the parent (RM)	0.24	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 31 October 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		
9 Months Ended 31 October 2022					
At 1 February 2022	231,159	293,198	524,357	(91)	524,266
Total Comprehensive income for the period	-	10,462	10,462	(10)	10,452
Dividend	-	-	-	-	-
At 31 October 2022	231,159	303,660	534,819	(101)	534,718

For The Financial Period Ended 31 October 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		
9 Months Ended 31 October 2021					
At 1 February 2021	231,159	268,366	499,525	(60)	499,465
Total Comprehensive income for the period	-	10,046	10,046	(30)	10,016
Dividend	-	-	-	-	-
At 31 October 2021	231,159	278,412	509,571	(90)	509,481

(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 31 October 2022

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 31-Oct-22 RM'000	Preceding Year Corresponding Quarter 31-Oct-21 RM'000	% +/(-)	Current Year To Date 31-Oct-22 RM'000	Preceding Year Corresponding Period 31-Oct-21 RM'000	% +/(-)
Revenue	22,249	18,321	<i>21.4</i>	80,909	95,087	<i>(14.9)</i>
Cost of sales	(14,349)	(12,979)		(51,594)	(71,834)	
Gross profit	7,900	5,342	<i>47.9</i>	29,315	23,253	<i>26.1</i>
Selling and marketing expenses	(183)	(165)		(820)	(480)	
Administrative expenses	(4,389)	(3,166)		(12,930)	(10,452)	
Other operating income	1,194	1,205		3,427	3,341	
Operating profit	4,522	3,216	<i>40.6</i>	18,992	15,662	<i>21.3</i>
Share of results of an associate	-	-		-	-	
Profit before interest and tax	4,522	3,216	<i>40.6</i>	18,992	15,662	<i>21.3</i>
Finance income	558	345		1,242	1,148	
Finance costs	(1,944)	(1,749)		(5,008)	(3,450)	
Profit /(Loss) before tax	3,136	1,812	<i>73.1</i>	15,226	13,360	<i>14.0</i>
Tax expenses	(1,526)	(480)		(4,774)	(3,344)	
Profit and total comprehensive income for the period	1,610	1,332	<i>20.9</i>	10,452	10,016	<i>4.4</i>
Profit and total comprehensive income for the period attributable to :						
Owners of the Company	1,613	1,332	<i>21.1</i>	10,462	10,046	<i>4.1</i>
Non-controlling interests	(3)	0		(10)	(30)	
Profit and total comprehensive income for the period	1,610	1,332	<i>20.9</i>	10,452	10,016	<i>4.4</i>
	Sen	Sen		Sen	Sen	
Basic earnings per share	0.07	0.06	<i>21.1</i>	0.46	0.44	<i>4.1</i>

(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 31 October 2022

	Current period to 31-Oct-22 RM'000	Preceding period to 31-Oct-21 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	15,226	13,360
Adjustment for :		
Depreciation of property, plant and equipment	1,529	1,680
Depreciation of right-of-use assets	607	607
Depreciation of investment property	652	64
Interest income	(1,242)	(1,148)
Finance costs	5,008	3,450
Operating profit before changes in working capital	21,780	18,013
Changes in working capital		
Inventories	11,046	(19,807)
Contract assets	102,946	12,757
Contract cost	(13,980)	8,852
Trade and other receivables	(12,560)	(9,253)
Trade and other payables	(15,907)	(6,166)
Contract liabilities	12,512	2,081
	84,057	(11,536)
Cash used in operating activities	105,837	6,477
Interest received	135	415
Tax paid	(7,740)	(5,866)
Net cash used in operating activities	98,232	1,026
CASH FLOW FROM INVESTING ACTIVITIES		
Additions of property, plant and equipment	(6,088)	(469)
Additions of investment property	-	-
Additions to non-current inventories	(7,533)	(3,292)
Additions of deposit paid for land acquisition	(5,000)	(30,000)
Interest received	1,107	733
(Withdrawal) / Additions of fixed deposits aged more than 3 months	-	(9,000)
Net cash used in investing activities	(17,514)	(42,028)
CASH FLOW FROM FINANCING ACTIVITIES		
Drawdown /(Repayment) of term loans and borrowings	10,000	20,700
Dividend paid to shareholders of the company	-	-
Interest paid	(5,008)	(3,450)
Payment of lease liabilities	(625)	(604)
Net cash (used in)/ from investing activities	4,367	16,646
Net (decrease)/increase in cash and cash equivalents	85,085	(24,356)
Cash and cash equivalents at beginning of the period	88,652	110,829
Cash and cash equivalents at end of the period	173,737	86,473

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

Fixed Deposit Placed With Licensed Banks-aged within 3 months	25,663	39,787
Cash and Bank Balances	148,074	46,686
	173,737	86,473

(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

9 months ended 31 October 2022	Property Development RM'000	Cultivation of Oil Palm RM'000	Others RM'000	Group RM'000
Segment Revenue	77,593	2,081	1,235	80,909

Segment Result

Operating profit before tax	16,775	1,311	906	18,992
Share of results of an associate				-
Profit before interest and tax				18,992
Finance income				1,242
Finance costs				(5,008)
Profit before tax				15,226
Tax expense				(4,774)
Profit after tax				10,452

Segment assets	793,774	9,921	41,883	845,578
Total assets				845,578

9 months ended 31 October 2021	Property Development RM'000	Cultivation of Oil Palm RM'000	Others RM'000	Group RM'000
Segment Revenue	92,647	1,504	936	95,087

Segment Result

Operating profit before tax	14,002	903	757	15,662
Share of results of an associate				0
Profit before interest and tax				15,662
Finance income				1,148
Finance costs				(3,450)
Profit before tax				13,360
Tax expense				(3,344)
Profit after tax				10,016

Segment assets	774,387	9,966	3,343	787,696
Total assets				787,696

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 October 2022.

11. Material Subsequent Event

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

14. Capital Commitments

There were no capital commitments for the Group as at 31 October 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 recorded a PBT of RM3.136 million on the back of revenue of RM22.249 million, an increase of 73.1% and 21.4% respectively as compared with the corresponding quarter of the preceding year. For the cumulative nine-months financial period, the Group reported a PBT of RM15.226 million on the back of revenue of RM80.909 million as compared to RM13.360 million PBT and RM95.087 million revenue recorded in the preceding corresponding financial period.

The analysis of the performance for each operating segment for the current financial period are as follows :-

	Quarter ended 31 October			9-months ended 31 October		
	2022 RM'000	2021 RM'000	% +/(-)	2022 RM'000	2021 RM'000	% +/(-)
<u>Segment Revenue</u>						
Property Development	21,540	17,558	22.7	77,593	92,647	(16.2)
Cultivation of Oil Palm	286	381	(24.9)	2,081	1,504	38.4
Others	423	382	10.7	1,235	936	31.9
Total	22,249	18,321	21.4	80,909	95,087	(14.9)
<u>Segment Results</u>						
Property Development	4,113	2,677	53.6	16,775	14,002	19.8
Cultivation of Oil Palm	80	223	(64.1)	1,311	903	45.2
Others	329	316	4.1	906	757	19.7
Total operating profit	4,522	3,216	40.6	18,992	15,662	21.3
Share of results of an associate	0	0		0	0	
Profit before interest and tax	4,522	3,216	40.6	18,992	15,662	21.3
Finance income	538	345	61.7	1,242	1,148	8.2
Finance costs	(1,944)	(1,749)	11.1	(5,008)	(3,450)	45.2
Profit /(Loss) before tax	3,136	1,812	73.1	15,226	13,360	14.0
Tax expense	(1,526)	(480)		(4,774)	(3,344)	
Profit after tax	1,610	1,332	20.9	10,452	10,016	4.4
Non-controlling interests	3	0		10	30	
Profit attributable to owners of the Company	1,613	1,332	21.1	10,462	10,046	4.1

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

For the current quarter, the Group reported a growth of 22.7% in revenue and 53.6% in operating profit as compared to the corresponding quarter of the preceding year. These were mainly due to higher sales contribution from the completed properties in Taman Desa Cinta Sayang, Kulim Kedah and higher progress of construction works from the ongoing projects in Taman Puteri, Kulim Kedah.

For the cumulative nine-months financial period, the Group registered a higher PBT of 19.8% on the back of the lower revenue of 16.2% as compared with the preceding year's corresponding period. The improved PBT was mainly driven by the better profit margin from the completed properties and ongoing projects in Kulim, Kedah.

	Quarter ended 31 October			9 months ended 31 October		
	2022	2021	%	2022	2021	%
	RM'000	RM'000	+ / (-)	RM'000	RM'000	+ / (-)
Revenue	21,540	17,558	22.7	77,593	92,647	(16.2)
Cost of sales	(14,049)	(12,755)		(50,495)	(71,054)	
Gross profit	7,491	4,803		27,098	21,593	
Selling and marketing expenses	(183)	(165)		(820)	(480)	
Administrative expenses	(4,389)	(3,166)		(12,930)	(10,452)	
Other operating income	1,194	1,205		3,427	3,341	
Operating profit	4,113	2,677	53.6	16,775	14,002	19.8

b) Cultivation of oil palm

	Quarter ended 31 October			9 months ended 31 October		
	2022	2021	%	2022	2021	%
	RM'000	RM'000	+ / (-)	RM'000	RM'000	+ / (-)
Revenue	286	381	(24.9)	2,081	1,504	38.4
Operating profit	80	223	(64.1)	1,311	903	45.2

For the third quarter ended 31 October 2022, the revenue and operating profit for this segment both registered a decline of 24.9% and 64.1% respectively as compared to the corresponding quarter of the preceding year. This was mainly due to lower CPO price and higher cost of production for the current quarter.

For the cumulative nine-months financial period, both the revenue and operating profit increased by 38.4% and 45.2% respectively as compared with the preceding year's corresponding period, were mainly due to higher CPO prices and higher Fresh Fruit Bunches (FFB) harvesting for the reporting financial period.

SELECTED EXPLANATORY NOTES
1. Performance Review (Cont'd)
c) Others

	Quarter ended 31 October			9 months ended 31 October		
	2022	2021	%	2022	2021	%
	RM'000	RM'000	+ / (-)	RM'000	RM'000	+ / (-)
Revenue	423	382	10.7	1,235	936	31.9
Operating profit	329	316	4.1	906	757	19.7

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 increased by 10.7% and 31.9%, and operating profit improved by 4.1% and 19.7% respectively when compared with the corresponding quarter and financial period of the preceding financial year. The growth in revenue and operating profit were mainly due to the addition of 3 new tenants for SMI factories in the first quarter, 8 new tenants for single storey shops in 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 current financial period.

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

The Group's PBT decreased by 65.8% to RM3.136 million compared to RM9.160 million posted in the immediate preceding quarter. This was mainly due to lower property revenue contribution from the completed and on-going projects in Kulim, Kedah and Phase 1 of THE ERA.

	Quarter Ended		%
	31-10-2022	31-7-2022	
	RM'000	RM'000	+ / (-)
<u>Segment Revenue</u>			
Property Development	21,540	37,374	(42.4)
Cultivation of Oil Palm	286	806	(64.5)
Investment Holding	423	406	4.2
Total	22,249	38,586	(42.3)
<u>Segment Results</u>			
Property Development	4,113	9,494	(56.7)
Cultivation of Oil Palm	80	517	(84.5)
Investment Holding	329	286	15.0
Total operating profit	4,522	10,297	(56.1)
Share of results of an associate	0	-	
Profit before interest and tax	4,522	10,297	(56.1)
Finance income	538	561	
Finance costs	(1,944)	(1,698)	
Profit before tax	3,136	9,160	(65.8)
Tax expense	(1,526)	(2,126)	
Profit after tax	1,610	7,034	(77.1)
Non-controlling interests	3	5	
Profit attributable to owners of the Company	1,613	7,039	(77.1)

SELECTED EXPLANATORY NOTES
3. Commentary on Prospects

The domestic economy continues to recover and record improving growth momentum arising from the full reopening of the economy and low base effects of the negative growth registered last year. Bank Negara expects economic growth to be sustained albeit at a slower pace in the fourth quarter due to tighter monetary conditions and a challenging global economic environment.

Looking ahead, The Group is of the view that the demand for affordably priced properties of the Group will continue. New launches during the quarter have garnered overwhelming response, with satisfactory take-up rates for commercial properties in Phase 1S of Taman Puteri, Kulim Kedah and residential properties in Phase 2 of THE ERA

Barring any unforeseen economic development, the Group is poised to deliver 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 October 2022.

5. Taxation

Tax charged for the current quarter and financial period ended 31 October 2022 comprised the followings:-

	Quarter Ended 31-10-2022 RM'000	9-months Cumulative 31-10-2022 RM'000
Malaysian income tax		
- Current year	1,185	4,433
- Prior years	341	341
	1,526	4,774

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 October 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 October 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 :

	As at 31-10 -2022		
	Long term RM'000	Short term RM'000	Total RM'000
Secured Term loans	-	230,000	230,000

SELECTED EXPLANATORY NOTES
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 October 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		9-months Cumulative	
	31-10-2022	31-10-2021	31-10-2022	31-10-2021
	RM'000	RM'000	RM'000	RM'000
Net profit/(loss) attributable to owners of the Company	1,613	1,332	10,462	10,046
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>0.07</u>	<u>0.06</u>	<u>0.46</u>	<u>0.44</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 October 2022.

11. Notes to the Comprehensive Income Statement

	Quarter Ended	9-months Cumulative
	31-10-2022	31-10-2022
	RM'000	RM'000
a) Interest income	558	1,242
b) Other income	1,194	3,427
c) Interest expense	(1,944)	(5,008)
d) Depreciation and amortization	(931)	(2,788)
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