

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2023

	(Unaudited) As at 31-Jan-23 RM'000	(Audited) As at 31-Jan-22 RM'000
Assets		
Non-Current Assets		
Property, plant and equipment	31,231	27,053
Right-of-use assets	809	1,619
Investment property	39,072	42,338
Other investments	18	18
Inventories	261,338	254,092
Deferred tax assets	3,484	4,540
Deposits	43,500	38,500
	379,452	368,160
Current Assets		
Inventories	199,319	208,723
Contract asset	9,568	104,337
Contract cost	19,038	127
Trade and other receivables	37,885	48,601
Current tax assets	1,776	780
Short term investments	9,700	9,700
Cash and cash equivalents	144,088	88,652
	421,374	460,920
TOTAL ASSETS	<u>800,826</u>	<u>829,080</u>
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share capital	231,159	231,159
Retained earnings	318,425	293,198
	549,584	524,357
Non-Controlling Interests	(102)	(91)
Total Equity	549,482	524,266
Non-Current Liabilities		
Deferred tax liabilities	15	15
Lease liabilities	-	867
	15	882
Current Liabilities		
Trade and other payables	42,247	81,339
Contract liabilities	672	862
Lease liabilities	867	837
Current tax payables	1,243	894
Loan and borrowings	206,300	220,000
	251,329	303,932
Total Liabilities	251,344	304,814
TOTAL EQUITY AND LIABILITIES	<u>800,826</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 Year Ended 31 January 2023

	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>12 Months Ended 31 January 2023</u>					
At 1 February 2022	231,159	293,198	524,357	(91)	524,266
Total Comprehensive income for the period	-	25,227	25,227	(11)	25,216
Dividend	-	-	-	-	-
At 31 January 2023	231,159	318,425	549,584	(102)	549,482

For The Financial Year Ended 31 January 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>12 Months Ended 31 January 2022</u>					
At 1 February 2021	231,159	268,366	499,525	(60)	499,465
Total Comprehensive income for the period	-	24,832	24,832	(31)	24,801
Dividend	-	-	-	-	-
At 31 January 2022	231,159	293,198	524,357	(91)	524,266

(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 Year Ended 31 January 2023

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 31-Jan-23 RM'000	Preceding Year Corresponding Quarter 31-Jan-22 RM'000	% + / (-)	Current Year To Date 31-Jan-23 RM'000	Preceding Year Corresponding Period 31-Jan-22 RM'000	% + / (-)
Revenue	26,000	89,727	<i>(71.0)</i>	106,910	184,814	<i>(42.2)</i>
Cost of sales	3,562	(64,355)		(48,032)	(136,189)	
Gross profit	29,562	25,372	<i>16.5</i>	58,878	48,625	<i>21.1</i>
Selling and marketing expenses	(191)	(682)		(1,011)	(1,162)	
Administrative expenses	(6,343)	(5,459)		(19,273)	(15,912)	
Other operating income	717	696		4,144	4,038	
Operating profit	23,745	19,927	<i>19.2)</i>	42,738	35,589	<i>20.1</i>
Share of results of an associate	-	-		-	-	
Profit before interest and tax	23,745	19,927	<i>19.2</i>	42,738	35,589	<i>20.1</i>
Finance income	710	432		1,953	1,580	
Finance costs	(2,450)	(608)		(7,458)	(4,058)	
Profit /(Loss) before tax	22,005	19,751	<i>11.4</i>	37,233	33,111	<i>12.4</i>
Tax expenses	(7,242)	(4,967)		(12,017)	(8,310)	
Profit and total comprehensive income for the period	14,763	14,784	<i>(0.1)</i>	25,216	24,801	<i>1.7</i>
Profit and total comprehensive income for the period attributable to :						
Owners of the Company	14,765	14,785	<i>(0.1)</i>	25,227	24,832	<i>1.6</i>
Non-controlling interests	(2)	(1)		(11)	(31)	
Profit and total comprehensive income for the period	14,763	14,784	<i>(0.1)</i>	25,216	24,801	<i>1.7</i>
	Sen	Sen		Sen	Sen	
Basic earnings per share	0.65	0.65	<i>(0.1)</i>	1.11	1.09	<i>1.6</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 Year Ended 31 January 2023

	Current period to 31-Jan-23 RM'000	Preceding period to 31-Jan-22 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	37,233	33,111
Adjustment for :		
Depreciation of property, plant and equipment	2,054	2,187
Depreciation of right-of-use assets	810	809
Depreciation of investment property	869	85
Interest income	(1,953)	(1,580)
Finance costs	7,458	4,058
Operating profit before changes in working capital	46,471	38,670
Changes in working capital		
Inventories	9,404	(37,016)
Contract assets	94,769	6,194
Contract cost	(18,911)	19,845
Trade and other receivables	10,716	(36,653)
Trade and other payables	(36,695)	44,638
Contract liabilities	(190)	(3)
	59,093	(2,995)
Cash used in operating activities	105,564	35,675
Interest received	267	442
Tax paid	(11,608)	(8,904)
Net cash used in operating activities	94,223	27,213
CASH FLOW FROM INVESTING ACTIVITIES		
Additions of property, plant and equipment	(6,232)	(2,151)
Additions of investment property	-	-
Additions to non-current inventories	(7,246)	-
Additions of deposit paid for land acquisition	(5,000)	(30,000)
Interest received	1,686	1,138
(Withdrawal) / Additions of fixed deposits aged more than 3 months	-	(9,000)
Net cash used in investing activities	(16,792)	(40,013)
CASH FLOW FROM FINANCING ACTIVITIES		
Drawdown /(Repayment) of term loans and borrowings	(13,700)	(2,000)
Dividend paid to shareholders of the company	-	-
Interest paid	(7,458)	(6,569)
Payment of lease liabilities	(837)	(808)
Net cash (used in)/ from investing activities	(21,995)	(9,377)
Net (decrease)/increase in cash and cash equivalents	55,436	(22,177)
Cash and cash equivalents at beginning of the period	88,652	110,829
Cash and cash equivalents at end of the period	144,088	88,652

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

Fixed Deposit Placed With Licensed Banks-aged within 3 months	35,306	34,801
Cash and Bank Balances	108,782	53,851
	144,088	88,652

(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 year 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 year 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 year under review.

8. Dividend Paid

There was no dividend paid during the financial year 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

12 months ended 31 January 2023	Property Development RM'000	Cultivation of Oil Palm RM'000	Others RM'000	Group RM'000
Segment Revenue	102,739	2,500	1,671	106,910

Segment Result

Operating profit before tax	40,024	1,477	1,237	42,738
Share of results of an associate				0
Profit before interest and tax				42,738
Finance income				1,953
Finance costs				(7,458)
Profit before tax				37,233
Tax expense				(12,017)
Profit after tax				25,216
Segment assets	751,583	9,964	39,279	800,826
Total assets				800,826

12 months ended 31 January 2022	Property Development RM'000	Cultivation of Oil Palm RM'000	Others RM'000	Group RM'000
Segment Revenue	181,514	1,964	1,336	184,814

Segment Result

Operating profit before tax	33,481	1,081	1,027	35,589
Share of results of an associate				0
Profit before interest and tax				35,589
Finance income				1,580
Finance costs				(4,058)
Profit before tax				33,111
Tax expense				(8,310)
Profit after tax				24,801
Segment assets	776,572	9,964	42,544	829,080
Total assets				829,080

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 year ended 31 January 2023.

11. Material Subsequent Event

There were no material events subsequent to the financial year ended 31 January 2023.

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 January 2023.

14. Capital Commitments

There were no capital commitments for the Group as at 31 January 2023.

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 71.0% lower revenue and 11.4% higher Profit Before Tax ("PBT ") compared with the corresponding quarter of the preceding year. For the current financial year, the Group reported a revenue of RM106.9 million, decreased by 42.2% as compared with the preceding financial year. Nevertheless, the Group's PBT registered an increase of 12.4% against PBT reported for the preceding financial year. The decrease in revenue and increase in PBT were mainly attributable to the Group's property development segment.

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

	Quarter ended 31 January			12-months ended 31 January		
	2023 RM'000	2022 RM'000	% + / (-)	2023 RM'000	2022 RM'000	% + / (-)
<u>Segment Revenue</u>						
Property Development	25,146	88,867	(71.7)	102,739	181,514	(43.4)
Cultivation of Oil Palm	419	460	(8.9)	2,500	1,964	27.3
Others	435	400	8.8	1,671	1,336	25.1
Total	26,000	89,727	(71.0)	106,910	184,814	(42.2)
<u>Segment Results</u>						
Property Development	23,248	19,479	19.3	40,024	33,481	19.5
Cultivation of Oil Palm	167	178	(6.2)	1,477	1,081	36.6
Others	330	270	22.2	1,237	1,027	20.4
Total operating profit	23,745	19,927	19.2	42,738	35,589	20.1
Share of results of an associate	0	0		0	0	
Profit before interest and tax	23,745	19,927	19.2	42,738	35,589	20.1
Finance income	710	432	64.4	1,953	1,580	23.6
Finance costs	(2,450)	(608)	303.0	(7,458)	(4,058)	83.8
Profit /(Loss) before tax	22,005	19,751	11.4	37,233	33,111	12.4
Tax expense	(7,242)	(4,967)		(12,017)	(8,310)	
Profit after tax	14,763	14,784	(0.1)	25,216	24,801	1.7
Non-controlling interests	2	1		11	31	
Profit attributable to owners of the Company	14,765	14,785	(0.1)	25,227	24,832	1.6

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

For the property development segment, the Group's revenue for the current quarter and financial year under review were lower by 71.7% and 43.4% respectively compared to the corresponding period of the preceding financial year. However, the Group registered a higher operating profit of 19.3% and 19.5% respectively for the current quarter and financial year under review as compared with the corresponding period of the preceding financial year.

The decreased in revenue was mainly due to completion of Phase 1 of The ERA while Phase 2 has yet to reach advanced stages of construction albeit higher revenue contribution from the Group's completed and on-going development projects in Kulim, Kedah for the current financial year. The increase in operating profit and gross profit for the current quarter was mainly due to cost adjustments made on finalizing of account for construction contract of Phase 1 of The ERA during the current quarter.

	Quarter ended 31 January			12-months ended 31 January		
	2023	2022	%	2023	2022	%
	RM'000	RM'000	+ / (-)	RM'000	RM'000	+ / (-)
Revenue	25,146	88,867	(71.7)	102,739	181,514	(43.4)
Cost of sales	3,919	(63,943)		(46,575)	(134,997)	
Gross profit	29,065	24,924		56,164	46,517	
Selling and marketing expenses	(191)	(682)		(1,011)	(1,162)	
Administrative expenses	(6,343)	(5,459)		(19,273)	(15,912)	
Other operating income	717	696		4,144	4,038	
Operating profit	23,248	19,479	19.3	40,024	33,481	19.5

b) Cultivation of oil palm

	Quarter ended 31 January			12-months ended 31 January		
	2023	2022	%	2023	2022	%
	RM'000	RM'000	+ / (-)	RM'000	RM'000	+ / (-)
Revenue	419	460	(8.9)	2,500	1,964	27.3
Operating profit	167	178	(6.2)	1,477	1,081	36.6

For the quarter under review, the revenue and operating profit for this segment both registered a decline of 8.9% and 6.2% respectively as compared to the corresponding quarter of the preceding year. This was mainly due to lower CPO price despite better Fresh Fruit Bunches (FFB) harvesting for current quarter.

For the current financial year, the revenue and operating profit both increased by 27.3% and 36.6% respectively as compared with the preceding financial year, were mainly due to higher average CPO prices and higher Fresh Fruit Bunches (FFB) harvesting for FY2023.

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

	Quarter ended 31 January			12-months ended 31 January		
	2023	2022	%	2023	2022	%
	RM'000	RM'000	+ / (-)	RM'000	RM'000	+ / (-)
Revenue	435	400	8.8	1,671	1,336	25.1
Operating profit	330	270	22.2	1,237	1,027	20.4

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 year, the revenue increased by 8.8% and 25.1%, and operating profit improved by 22.2% and 20.4% respectively when compared with the corresponding period of the preceding financial year. The growth in revenue and operating profit were mainly due to the additional tenancy for 8 units single storey shops in the second quarter coupled with increments in rental income from existing tenants.

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

The Group's PBT increased by 601.7% to RM22.005 million compared to RM3.136 million posted in the immediate preceding quarter. This was mainly due to cost adjustments made on finalizing of account for construction contract of Phase 1 of The ERA during the current quarter.

	Quarter Ended		%
	31-01-2023	31-10-2022	
	RM'000	RM'000	+ / (-)
<u>Segment Revenue</u>			
Property Development	25,146	21,540	16.7
Cultivation of Oil Palm	419	286	46.5
Investment Holding	435	423	2.8
Total	26,000	22,249	16.9
<u>Segment Results</u>			
Property Development	23,248	4,113	465.2
Cultivation of Oil Palm	167	80	108.8
Investment Holding	330	329	0.3
Total operating profit	23,745	4,522	425.1
Share of results of an associate	0	0	
Profit before interest and tax	23,745	4,522	425.1
Finance income	710	558	27.2
Finance costs	(2,450)	(1,944)	26.0
Profit before tax	22,005	3,136	601.7
Tax expense	(7,242)	(1,526)	
Profit after tax	14,763	1,610	817.0
Non-controlling interests	2	3	
Profit attributable to owners of the Company	14,765	1,613	815.4

SELECTED EXPLANATORY NOTES
3. Commentary on Prospects

The domestic economy is projected to moderate in year 2023 due to inflationary pressures, tightening of monetary policy by Bank Negara Malaysia with rising interest rate and challenging global economic environment.

Despite the current challenging environment, quality properties in prime locations still offer an attractive asset class for savvy purchasers to hedge inflation. In addition, it is encouraging to note that in the recently announced Budget 2023, the government continued with the exemption of stamp duty for first home ownership. This is expected to attract the interests of middle-to-upper income first time buyers as well as those who are looking to upgrade their properties, which bodes well for our product range in the Klang Valley and Kedah. Going forward, the Group remains focused on delivering competitive and differentiated property products that can sustain its growth momentum.

While we do anticipate sporadic headwinds in the ensuing year, all of the Group's projects are progressing well and barring unforeseen circumstances, are expected to contribute positively to the earnings of the Group and deliver a satisfactory financial performance for the year 2024.

4. Variance of Actual Profit from Forecast Profit

There was no profit forecast given for the current financial year ended 31 January 2023.

5. Taxation

Tax charged for the current quarter and financial year ended 31 January 2023 comprised the followings:-

	Quarter Ended	12-months Cumulative 31-01-2023
	RM'000	RM'000
Malaysian income tax		
- Current year	5,729	10,163
- Prior years	457	798
	<u>6,186</u>	<u>10,961</u>
Deferred tax expense	1,056	1,056
Total	<u>7,242</u>	<u>12,017</u>

Income tax expense is recognised based on management's best estimation. The Group's consolidated effective tax rates for the current financial year ended 31 January 2023 was 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 and certain expenses being not deductible for tax purpose.

6. Status of Corporate Proposals

As at 31 January 2023, there were no outstanding corporate proposals.

7. Group Borrowings and Debt Securities

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

	As at 31-01-2023		
	Long term	Short term	Total
	RM'000	RM'000	RM'000
Secured Term loans	-	206,300	206,300

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 year 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 year ended 31 January 2023.

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		12-months Cumulative	
	31-01-2023	31-01-2022	31-01-2023	31-01-2022
	RM'000	RM'000	RM'000	RM'000
Net profit/(loss) attributable to owners of the Company	14,765	14,785	25,227	24,832
Weighted average number of ordinary shares in issued	2,274,930	2,274,930	2,274,930	2,274,930
	Sen	Sen	Sen	Sen
Basic earnings/(loss) per share	0.65	0.65	1.11	1.09

There are no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the financial year ended 31 January 2023.

11. Notes to the Comprehensive Income Statement

	Quarter Ended	12-months Cumulative
	31-01-2023	31-01-2023
	RM'000	RM'000
a) Interest income	710	1,953
b) Other income	717	4,144
c) Interest expense	(2,450)	(7,458)
d) Depreciation and amortization	(945)	(3,733)
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