

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2023

	(Unaudited) As at 30-Apr-23 RM'000	(Audited) As at 31-Jan-23 RM'000
Assets		
Non-Current Assets		
Property, plant and equipment	33,230	31,231
Right-of-use assets	607	809
Investment property	38,591	39,072
Other investments	18	18
Inventories	265,646	261,338
Deferred tax assets	3,484	3,484
Deposits	43,500	43,500
	385,076	379,452
Current Assets		
Inventories	201,080	199,319
Contract asset	19,953	9,568
Contract cost	22,418	19,038
Trade and other receivables	31,280	38,148
Current tax assets	1,912	1,776
Short term investments	9,700	9,700
Cash and cash equivalents	139,843	144,088
	426,186	421,637
TOTAL ASSETS	<u>811,262</u>	<u>801,089</u>
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share capital	231,159	231,159
Retained earnings	320,672	318,425
	551,831	549,584
Non-Controlling Interests	(103)	(102)
Total Equity	551,728	549,482
Non-Current Liabilities		
Loan and borrowings	220,000	-
Deferred tax liabilities	15	15
	220,015	15
Current Liabilities		
Loan and borrowings	395	206,300
Lease liabilities	653	867
Current tax liabilities	1,359	1,243
Contract liabilities	-	672
Trade and other payables	37,112	42,510
	39,519	251,592
Total Liabilities	259,534	251,607
TOTAL EQUITY AND LIABILITIES	<u>811,262</u>	<u>801,089</u>
Net assets per share attributable to equity holders of the parent (RM)	0.24	0.24

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for year ended 31 January 2023 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 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>3 Months Ended 30 April 2023</u>					
At 1 February 2023	231,159	318,425	549,584	(102)	549,482
Total Comprehensive income for the period	-	2,247	2,247	(1)	2,246
Dividend	-	-	-	-	-
At 30 April 2023	231,159	320,672	551,831	(103)	551,728

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	231,159	295,008	526,167	(93)	526,074

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for year ended 31 January 2023 and the accompanying notes attached to the interim financial statements)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For The Financial Period Ended 30 April 2023

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 30-Apr-23 RM'000	Preceding Year Corresponding Quarter 30-Apr-22 RM'000	% + / (-)	Current Year To Date 30-Apr-23 RM'000	Preceding Year Corresponding Period 30-Apr-22 RM'000	% + / (-)
Revenue	20,592	20,073	2.6	20,592	20,073	2.6
Cost of sales	(11,721)	(12,362)		(11,721)	(12,362)	
Gross profit	8,871	7,711	15.0	8,871	7,711	15.0
Selling and marketing expenses	(460)	(306)		(460)	(306)	
Administrative expenses	(4,280)	(4,153)		(4,280)	(4,153)	
Other operating income	505	920		505	920	
Operating profit	4,636	4,172	11.1	4,636	4,172	11.1
Share of results of an associate	-	-		-	-	
Profit before interest and tax	4,636	4,172	11.1	4,636	4,172	11.1
Finance income	528	124		528	124	
Finance costs	(1,918)	(1,366)		(1,918)	(1,366)	
Profit before tax	3,246	2,930	10.8	3,246	2,930	10.8
Tax expenses	(1,000)	(1,122)		(1,000)	(1,122)	
Profit and total comprehensive income for the period	2,246	1,808	24.2	2,246	1,808	24.2
Profit and total comprehensive income for the period attributable to :						
Owners of the Company	2,247	1,810	24.1	2,247	1,810	24.1
Non-controlling interests	(1)	(2)		(1)	(2)	
Profit and total comprehensive income for the period	2,246	1,808	24.2	2,246	1,808	24.2
	Sen	Sen		Sen	Sen	
Basic earnings per share	0.10	0.08		0.10	0.08	

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for year ended 31 January 2023 and the accompanying notes attached to the interim financial statements)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For The Financial Period Ended 30 April 2023

	Current period to 30-Apr-23 RM'000	Preceding period to 30-Apr-22 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	3,246	2,930
Adjustment for :		
Depreciation of property, plant and equipment	622	507
Depreciation of right-of-use assets	202	203
Depreciation of investment property	149	22
Gain on disposal of motor vehicles	(44)	-
Interest income	(528)	(124)
Finance costs	1,918	1,366
Operating profit before changes in working capital	5,565	4,904
Changes in working capital		
Inventories	(1,761)	3,987
Contract assets	(10,385)	102,336
Contract cost	(3,380)	(2,650)
Trade and other receivables	6,868	(37,332)
Contract liabilities	(672)	(6,245)
Trade and other payables	(5,066)	24,467
	(14,396)	84,563
Cash (used in) / generated from operations	(8,831)	89,467
Interest received	128	1
Tax paid	(1,020)	(1,874)
Net cash (used in) / generated from operating activities	(9,723)	87,594
CASH FLOW FROM INVESTING ACTIVITIES		
Additions of property, plant and equipment	(2,756)	(5,920)
Additions of investment property	-	-
Additions of non-current inventories	(4,308)	(119)
Proceeds from disposal of motor vehicles	179	-
Interest received	400	123
Net cash used in investing activities	(6,485)	(5,916)
CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment)/ Drawdown of revolving credits	(206,300)	10,000
Drawdown of Islamic Medium Term Notes	220,000	-
Payment of lease liabilities	(214)	(207)
Interest paid	(1,523)	(1,366)
Net cash from financing activities	11,963	8,427
Net (decrease)/increase in cash and cash equivalents	(4,245)	90,105
Cash and cash equivalents at beginning of the period	144,088	88,652
Cash and cash equivalents at end of the period	139,843	178,757

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

Fixed Deposit Placed With Licensed Banks-aged within 3 months	36,269	28,780
Cash and Bank Balances	103,574	149,977
	139,843	178,757

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for year ended 31 January 2023 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 2023.

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 2023 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 :

MFRS 17	Insurance contracts
Amendments to MFRS 17	Insurance contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 101	Presentation of Financial Statements – Disclosure of Accounting Policies
Amendments to MFRS 108	Accounting Polices, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
Amendments to MFRS 112	Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Tr ansaction.

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 2023 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

The Group did not undertake any issuance, cancellations, repurchases, resale and repayment of debt and equity securities during the financial period under review except for the issuance of RM220 million of unrated Islamic Medium Term Notes pursuant to a Sukuk Wakalah Programme based on the Shariah principle of Wakalah Bi Al-Istithmar established on 11 April 2023 (“Sukuk Wakalah Programme”), which matures between 2026 to 2028 with a yield rate of 5.75% to 6.25% per annum.

The proceeds from the issuance of the Sukuk Wakalah will be utilized by its subsidiaries, JKG Central Park Sdn. Bhd. for the following Shariah-compliant purposes:

- a) To repay its existing financing facilities; and
- b) To provide for working capital requirements.

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 2023	Property Development RM'000	Cultivation of Oil Palm RM'000	Others RM'000	Group RM'000
Segment Revenue	19,262	696	634	20,592
Segment Result				
Operating profit before tax	4,020	475	141	4,636
Share of results of an associate				-
Profit before interest and tax				4,636
Finance income				528
Finance costs				(1,918)
Profit before tax				3,246
Tax expense				(1,000)
Profit after tax				2,246
Segment assets	762,526	9,931	38,805	811,262
Total assets				811,262

SELECTED EXPLANATORY NOTES
9. Segmental Information (Cont'd)

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

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 2023.

11. Material Subsequent Event

There were no material events subsequent to the financial period ended 30 April 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 2023.

13. Contingent Liabilities

There were no material contingent liabilities for the Group as at 30 April 2023.

14. Capital Commitments

There were no capital commitments for the Group as at 30 April 2023.

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

The Group's revenue for the current quarter and financial period increased by 2.6% as compared to the corresponding period of the preceding year. The Group's profit before tax ("PBT") registered an increase of 10.8% in the current quarter and financial period against PBT reported for the prior year's corresponding period. The increase in revenue and 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 30 April			3-months ended 30 April		
	2023 RM'000	2022 RM'000	% + / (-)	2023 RM'000	2022 RM'000	% + / (-)
Segment Revenue						
Property Development	19,262	18,678	3.1	19,262	18,678	3.1
Cultivation of Oil Palm	696	989	(29.6)	696	989	(29.6)
Others	634	406	56.2	634	406	56.2
Total	20,592	20,073	2.6	20,592	20,073	2.6
Segment Results						
Property Development	4,020	3,166	27.0	4,020	3,166	27.0
Cultivation of Oil Palm	475	714	(33.5)	475	714	(33.5)
Others	141	292	(51.7)	141	292	(51.7)
Total operating profit	4,636	4,172	11.1	4,636	4,172	11.1
Share of results of an associate	-	-		-	-	
Profit before interest and tax	4,636	4,172	11.1	4,636	4,172	11.1
Finance income	528	124	325.8	528	124	325.8
Finance costs	(1,918)	(1,366)	40.4	(1,918)	(1,366)	40.4
Profit / (Loss) before tax	3,246	2,930	10.8	3,246	2,930	10.8
Tax expense	(1,000)	(1,122)		(1,000)	(1,122)	
Profit after tax	2,246	1,808	24.2	2,246	1,808	24.2
Non-controlling interests	1	2		1	2	
Profit attributable to owners of the Company	2,247	1,810	24.1	2,247	1,810	24.1

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

For the property development segment, the Group's revenue and operating profit for the current quarter and financial period under review were higher by 3.1% and 27.0% respectively compared to the corresponding period of the preceding financial year.

The increased revenue was contributed by the progress of construction works from Phase 2 of The ERA albeit lower progress of construction works from the near completion residential projects namely Phase 3 and Phase 4 of Taman Puteri in Kulim, Kedah for the current quarter. The increase in operating profit for the current quarter was mainly due to recognition of project cost savings for the completed units of The ERA sold during the current quarter.

	Quarter ended 30 April			3-months ended 30 April		
	2023	2022	%	2023	2022	%
	RM'000	RM'000	+ / (-)	RM'000	RM'000	+ / (-)
Revenue	19,262	18,678	3.1	19,262	18,678	3.1
Cost of sales	(11,007)	(11,973)		(11,007)	(11,973)	
Gross profit	8,255	6,705		8,255	6,705	
Selling and marketing expenses	(460)	(306)		(460)	(306)	
Administrative expenses	(4,280)	(4,153)		(4,280)	(4,153)	
Other operating income	505	920		505	920	
Operating profit	4,020	3,166	27.0	4,020	3,166	27.0

b) Cultivation of oil palm

	Quarter ended 30 April			3-months ended 30 April		
	2023	2022	%	2023	2022	%
	RM'000	RM'000	+ / (-)	RM'000	RM'000	+ / (-)
Revenue	696	989	(29.6)	696	989	(29.6)
Operating profit	475	714	(33.5)	475	714	(33.5)

For the current quarter and financial period under review, the revenue and operating profit for this segment both registered a decline of 29.6% and 33.5% respectively as compared to the corresponding period of the preceding year. These were mainly due to lower CPO price and a decrease in Fresh Fruit Bunches (FFB) harvested for the current quarter.

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

	Quarter ended 30 April			3-months ended 30 April		
	2023	2022	%	2023	2022	%
	RM'000	RM'000	+ / (-)	RM'000	RM'000	+ / (-)
Revenue	634	406	56.2	634	406	56.2
Operating profit	141	292	(51.7)	141	292	(51.7)

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 56.2% but the operating profit dropped by 51.7% respectively when compared with the corresponding period of the preceding financial year. The growth in revenue was mainly due to additional rental income generated from the leasing of retail component of The ERA "Rain Tree Rain". However, higher initial renovation costs incurred on the said retail component resulted in lower operating profit for the current quarter.

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 RM3.246 million compared to RM22.005 million posted in the immediate preceding quarter. This was mainly due to lower progress of construction works from its main revenue contributor namely Phase 2 of The ERA in Kuala Lumpur and its near completion residential projects namely Phase 3 and Phase 4 of Taman Puteri in Kulim, Kedah in the current quarter. The higher PBT in the immediate preceding quarter was supported by the contribution from the cost adjustments made on finalizing of account for construction contract of Phase 1 of The ERA.

	Quarter Ended		%
	30-04-2023	31-01-2023	
	RM'000	RM'000	+ / (-)
Segment Revenue			
Property Development	19,262	25,146	(23.4)
Cultivation of Oil Palm	696	419	66.1
Investment Holding	634	435	45.7
Total	20,592	26,000	(20.8)
Segment Results			
Property Development	4,020	23,248	(82.7)
Cultivation of Oil Palm	475	167	184.4
Investment Holding	141	330	(57.3)
Total operating profit	4,636	23,745	(80.5)
Share of results of an associate	-	0	
Profit before interest and tax	4,636	23,745	(80.5)
Finance income	528	710	(25.6)
Finance costs	(1,918)	(2,450)	(21.7)
Profit before tax	3,246	22,005	(85.2)
Tax expense	(1,000)	(7,242)	
Profit after tax	2,246	14,763	(84.8)
Non-controlling interests	1	2	
Profit attributable to owners of the Company	2,247	14,765	(84.8)

SELECTED EXPLANATORY NOTES
3. Commentary on Prospects

The Malaysian GDP growth is expected to moderate in 2023 due to slower external demand as a result of weakening global trade along with geopolitical tensions, elevated price pressures and tighter global financial conditions. Amid the foregoing, the domestic property market is expected to remain cautiously optimistic in 2023 as the Government, through its expansionary Budget continues to formulate and execute favourable measures outlined in the revised Budget 2023 and the 12th Malaysia Plan in support of the property market.

The increase in the OPR of another 25-basis points on 3 May 2023, making it its fifth increase since May 2022, while anticipated to impact property transactions for the remainder of the year, is expected to be cushioned by the relatively healthy demand, improving household financial stability and the gradually rising shift to properties in choice of assets to hedge against inflation.

Barring unforeseen circumstances, all of the Group's projects which are progressing well are expected to contribute positively to the earnings and deliver a satisfactory financial performance for the financial year 2024.

4. Variance of Actual Profit from Forecast Profit

There was no profit forecast given for the current financial period ended 30 April 2023.

5. Taxation

Tax charged for the current quarter and financial period ended 30 April 2023 comprised the followings:-

	Quarter Ended 30-04-2023 RM'000	3-months Cumulative 30-04-2023 RM'000
Malaysian income tax	1,000	1,000

Income tax expense is recognised based on management's best estimation. The Group's consolidated effective tax rates for the current financial period ended 30 April 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 30 April 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 period under review are as follows :

	As at 30-04-2023		
	Long term RM'000	Short term RM'000	Total RM'000
Unrated Islamic Medium Term Notes (unsecured)	220,000	395	220,395

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 Group's current operating requirements and its plan for business expansion, the Board of Directors has not proposed any dividend for the current financial period ended 30 April 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		3-months Cumulative	
	30-4-2023	30-4-2022	30-4-2023	30-4-2022
	RM'000	RM'000	RM'000	RM'000
Net profit/(loss) attributable to owners of the Company	2,247	1,810	2,247	1,810
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	0.10	0.08	0.10	0.08

There are 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 2023.

11. Notes to the Comprehensive Income Statement

	Quarter Ended	3-months Cumulative
	30-04-2023	30-04-2023
	RM'000	RM'000
a) Interest income	528	528
b) Other income	505	505
c) Interest expense	(1,918)	(1,918)
d) Depreciation and amortization	(973)	(973)
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