

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 OCTOBER 2023

	(Unaudited) As at 31-Oct -23 RM'000	(Audited) As at 31-Jan-23 RM'000
Assets		
Non-Current Assets		
Property, plant and equipment	32,790	31,231
Right-of-use assets	202	809
Investment property	38,184	39,072
Other investments	18	18
Inventories	266,448	261,338
Deferred tax assets	3,484	3,484
Deposits	43,723	43,500
	384,849	379,452
Current Assets		
Inventories	179,311	199,319
Contract asset	38,026	9,568
Contract cost	34,329	19,038
Trade and other receivables	44,112	38,148
Current tax assets	3,702	1,776
Short term investments	9,700	9,700
Cash and cash equivalents	131,105	144,088
	440,285	421,637
TOTAL ASSETS	825,134	801,089
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share capital	231,159	231,159
Retained earnings	326,928	318,425
	558,087	549,584
Non-Controlling Interests	(104)	(102)
Total Equity	557,983	549,482
Non-Current Liabilities		
Loan and borrowings	220,000	-
Deferred tax liabilities	15	15
	220,015	15
Current Liabilities		
Loan and borrowings	431	206,300
Lease liabilities	219	867
Current tax liabilities	-	1,243
Contract liabilities	6,727	672
Trade and other payables	39,759	42,510
	47,136	251,592
Total Liabilities	267,151	251,607
TOTAL EQUITY AND LIABILITIES	825,134	801,089
Net assets per share attributable to equity holders of the parent (RM)	0.25	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 31 October 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>9 Months Ended 31 October 2023</u>					
At 1 February 2023	231,159	318,425	549,584	(102)	549,482
Total Comprehensive income for the period	-	8,503	8,503	(2)	8,501
Dividend	-	-	-	-	-
At 31 October 2023	231,159	326,928	558,087	(104)	557,983

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		
<u>9 Months Ended 31 October 2022</u>					
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

(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 31 October 2023

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 31-Oct-23 RM'000	Preceding Year Corresponding Quarter 31-Oct-22 RM'000	% + / (-)	Current Year To Date 31-Oct-23 RM'000	Preceding Year Corresponding Period 31-Oct-22 RM'000	% + / (-)
Revenue	45,436	22,249	<i>104.2</i>	105,833	80,909	<i>30.8</i>
Cost of sales	(32,221)	(14,349)		(72,303)	(51,594)	
Gross profit	13,215	7,900	<i>67.3</i>	33,530	29,315	<i>14.4</i>
Selling and marketing expenses	(333)	(183)		(1,164)	(820)	
Administrative expenses	(3,868)	(4,389)		(15,256)	(12,930)	
Other operating income	1,076	1,194		1,940	3,427	
Operating profit	10,090	4,522	<i>123.1</i>	19,050	18,992	<i>0.3</i>
Share of results of an associate	-	-		-	-	
Profit before interest and tax	10,090	4,522	<i>123.1</i>	19,050	18,992	<i>0.3</i>
Finance income	770	558		1,806	1,242	
Finance costs	(3,328)	(1,944)		(9,199)	(5,008)	
Profit before tax	7,532	3,136	<i>140.2</i>	11,657	15,226	<i>(23.4)</i>
Tax expenses	(976)	(1,526)		(3,156)	(4,774)	
Profit and total comprehensive income for the period	6,556	1,610	<i>307.2</i>	8,501	10,452	<i>(18.7)</i>
Profit and total comprehensive income for the period attributable to :						
Owners of the Company	6,557	1,613	<i>306.5</i>	8,503	10,462	<i>(18.7)</i>
Non-controlling interests	(1)	(3)		(2)	(10)	
Profit and total comprehensive income for the period	6,556	1,610	<i>307.2</i>	8,501	10,452	<i>(18.7)</i>
	Sen	Sen		Sen	Sen	
Basic earnings per share	0.29	0.07		0.37	0.46	

(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 31 October 2023

	Current period to 31-Oct-23 RM'000	Preceding period to 31-Oct-22 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	11,657	15,226
Adjustment for :		
Depreciation of property, plant and equipment	1,825	1,529
Depreciation of right-of-use assets	607	607
Depreciation of investment property	556	652
Gain on disposal of motor vehicles)	(44)	-
Interest income	(1,806)	(1,242)
Finance costs	9,199	5,008
Operating profit before changes in working capital	21,994	21,780
Changes in working capital		
Inventories	20,008	11,046
Contract assets	(28,458)	102,946
Contract cost	(15,291)	(13,980)
Trade and other receivables	(5,964)	(12,560)
Contract liabilities	6,055	12,512
Trade and other payables	(2,419)	(15,907)
	(26,069)	84,057
Cash (used in) / generated from operations	(4,075)	105,837
Interest received	461	135
Tax paid	(6,325)	(7,740)
Net cash (used in) / generated from operating activities	(9,939)	98,232
CASH FLOW FROM INVESTING ACTIVITIES		
Additions of property, plant and equipment	(3,519)	(6,088)
Additions of investment property	-	-
Additions of non-current inventories	(5,110)	(7,533)
Additions of deposit paid for land acquisition	(223)	(5,000)
Proceeds from disposal of motor vehicles	179	-
Interest received	1,345	1,107
Net cash used in investing activities	(7,328)	(17,514)
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	(648)	(625)
Interest paid	(8,768)	(5,008)
Net cash from financing activities	4,284	4,367
Net (decrease)/increase in cash and cash equivalents	(12,983)	85,085
Cash and cash equivalents at beginning of the period	144,088	88,652
Cash and cash equivalents at end of the period	131,105	173,737

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

Fixed Deposit Placed With Licensed Banks-aged within 3 months	92,073	25,663
Cash and Bank Balances	39,032	148,074
	131,105	173,737

(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 2023 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 Policies, 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 Transaction.

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.

SELECTED EXPLANATORY NOTES
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.

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 was 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.

During the period under review, the Group repaid short term loan and borrowings of RM220 million from the proceeds of Sukuk Wakalah.

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 2023	Property Development RM'000	Cultivation of Oil Palm RM'000	Others RM'000	Group RM'000
Segment Revenue	102,709	1,635	1,489	105,833
Segment Result				
Operating profit before tax	18,336	961	(247)	19,050
Share of results of an associate				-
Profit before interest and tax				19,050
Finance income				1,806
Finance costs				(9,199)
Profit before tax				11,657
Tax expense				(3,156)
Profit after tax				8,501
Segment assets	776,840	9,908	38,386	825,134
Total assets				825,134

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

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

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 2023.

11. Material Subsequent Event

There were no material events subsequent to the financial period ended 31 October 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 31 October 2023.

14. Capital Commitments

There were no capital commitments for the Group as at 31 October 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 registered an increase of 104.2% and 140.2% respectively in both revenue and Profit Before Tax ("PBT ") compared with the corresponding quarter of the preceding year. For the financial period, the Group's revenue increased by 30.8% as compared to the corresponding period of the preceding year. However, the Group's PBT registered a decrease of 23.4% in the current financial period against PBT reported for the prior year's corresponding period.

The increase in revenue and PBT for the current quarter was mainly due to higher contribution from the property development segment. However, the decrease in PBT for the financial period was attributable to higher financing costs arising from the higher funding environment despite the increase in revenue.

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		
	2023	2022	%	2023	2022	%
	RM'000	RM'000	+ / (-)	RM'000	RM'000	+ / (-)
<u>Segment Revenue</u>						
Property Development	44,887	21,540	108.4	102,709	77,593	32.4
Cultivation of Oil Palm	338	286	18.2	1,635	2,081	(21.4)
Others	211	423	(50.1)	1,489	1,235	20.6
Total	45,436	22,249	104.2	105,833	80,909	30.8
<u>Segment Results</u>						
Property Development	10,374	4,113	152.2	18,336	16,775	9.3
Cultivation of Oil Palm	141	80	76.3	961	1,311	(26.7)
Others	(425)	329	(229.2)	(247)	906	(127.3)
Total operating profit	10,090	4,522	123.1	19,050	18,992	0.3
Share of results of an associate	-	-		-	-	
Profit before interest and tax	10,090	4,522	123.1	19,050	18,992	0.3
Finance income	770	558	38.0	1,806	1,242	45.4
Finance costs	(3,328)	(1,944)	71.2	(9,199)	(5,008)	83.7
Profit before tax	7,532	3,136	140.2	11,657	15,226	(23.4)
Tax expense	(976)	(1,526)		(3,156)	(4,774)	33.9
Profit after tax	6,556	1,610	307.2	8,501	10,452	(18.7)
Non-controlling interests	1	3		2	10	
Profit attributable to owners of the Company	6,557	1,613	306.5	8,503	10,462	(18.7)

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

For the current quarter and financial period under review, the revenue for property development segment increased by 108.4% and 32.4% respectively, and operating profit was higher by 152.2% and 9.3% respectively as compared to the corresponding period of the preceding financial year. The increased revenue was mainly contributed by the progress of construction works form Phase 2 of The ERA project. Lower operating profit for the financial period ended 31 October 2023 was mainly due to higher operating and administrative expenses due to rising costs and a lower other operating income from the oil palm estate held for future property development in Keladi Land Sdn Bhd.

	Quarter ended 31 October			9-months ended 31 October		
	2023	2022	%	2023	2022	%
	RM'000	RM'000	+ / (-)	RM'000	RM'000	+ / (-)
Revenue	44,887	21,540	<i>108.4</i>	102,709	77,593	<i>32.4</i>
Cost of sales	(31,388)	(14,049)		(69,893)	(50,495)	
Gross profit	13,499	7,491		32,816	27,098	
Selling and marketing expenses	(333)	(183)		(1,164)	(820)	
Administrative expenses	(3,868)	(4,389)		(15,256)	(12,930)	
Other operating income	1,076	1,194		1,940	3,427	
Operating profit	10,374	4,113	<i>152.2</i>	18,336	16,775	<i>9.3</i>

b) Cultivation of oil palm

	Quarter ended 31 October			9-months ended 31 October		
	2023	2022	%	2023	2022	%
	RM'000	RM'000	+ / (-)	RM'000	RM'000	+ / (-)
Revenue	338	286	<i>18.2</i>	1,635	2,081	<i>(21.4)</i>
Operating profit	141	80	<i>76.3</i>	961	1,311	<i>(26.7)</i>

For the current quarter under review, the revenue and operating profit for the cultivation of oil palm segment increased by 18.2% and 76.3% respectively compared with the preceding year's corresponding period, mainly due to 23% increase in Fresh Fruit Bunches (FFB) harvested for the current financial quarter. Whilst, the revenue and operating profit for the nine months period ended 31 October 2023 dropped by 21.4% and 26.7% respectively as compared to the corresponding period of the preceding year, mainly due to lower CPO price despite higher FFB harvested for the financial period.

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

	Quarter ended 31 October			9-months ended 31 October		
	2023	2022	%	2023	2022	%
	RM'000	RM'000	+ / (-)	RM'000	RM'000	+ / (-)
Revenue	211	423	(50.1)	1,489	1,235	20.6
Operating (loss)/profit	(425)	329	(229.2)	(247)	906	(127.3)

The revenue and operating profit from Others segment comprised mainly of rental income and provision of management services. For the current quarter, revenue decreased 50.1% and reported an operating loss of RM425,000 respectively as compared to the preceding year's corresponding quarter. For the financial period under review, the revenue increased by 20.6% respectively, whilst the operating loss was RM247,000 when compared with the corresponding periods of the preceding financial year. The decrease in revenue for the current quarter was mainly due to the termination of a few tenancies in the Northern Region for the current financial period under review, while occupancy of RainTreeRain has reached 67%, with tenancies in their initial periods of lease however has yet to reach optimal levels to cover operating costs.

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

The Group's PBT increased by 756.9% to RM7.532 million compared to RM0.879 million posted in the immediate preceding quarter on the back of an increase of 14.1% in revenue. This was mainly due to higher profit contributions from the Group's on-going projects for the immediate preceding quarter.

	Quarter Ended		% + / (-)
	31-10-2023 RM'000	31-07-2023 RM'000	
Segment Revenue			
Property Development	44,887	38,500	16.4
Cultivation of Oil Palm	338	601	(43.8)
Investment Holding	211	644	(67.2)
Total	45,436	39,805	14.1
Segment Results			
Property Development	10,374	3,942	163.2
Cultivation of Oil Palm	141	345	(59.1)
Investment Holding	(425)	37	(1248.6)
Total operating profit	10,090	4,324	133.3
Share of results of an associate	-	-	
Profit before interest and tax	10,090	4,324	133.3
Finance income	770	508	51.6
Finance costs	(3,328)	(3,953)	(15.8)
Profit before tax	7,532	879	756.9
Tax expense	(976)	(1,180)	
Profit after tax	6,556	(301)	2278.1
Non-controlling interests	1	-	
Profit attributable to owners of the Company	6,557	(301)	2278.4

SELECTED EXPLANATORY NOTES
3. Commentary on Prospects

Malaysia's property outlook remains positive, mainly arising from the implementation of several key infrastructure projects and our government's plan to relax the conditions for Malaysia My Second Home (MM2H) applications, which is expected to bring in more foreign tourists and investors to Malaysia. In addition, the RM10 billion Housing Credit Guarantee Scheme as proposed in the recent Budget 2024 is also envisaged to have a positive impact on the property development sector, going forward.

However, the effects of inflating prices as well as on-going geopolitical factors continues to dampen the business operating environment. In view of this, the Group will continue to be resilient in tandem with the prevailing buyer sentiments to determine the timing and pricing of project launches in both Central and Northern Regions.

All the Group's projects are progressing well and are expected to contribute positively to the earnings and deliver a satisfactory 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 31 October 2023.

5. Taxation

Tax charged for the current quarter and financial period ended 31 October 2023 comprised the followings:-

	Quarter Ended 31-10-2023 RM'000	9-months Cumulative 31-10-2023 RM'000
Malaysian income tax	976	3,156

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 2023 was higher than the Malaysian's statutory tax rate mainly due to non-deductible expenses and unrecognized tax losses for certain loss-making entities.

6. Status of Corporate Proposals

As at 31 October 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 31-10-2023		
	Long term RM'000	Short term RM'000	Total RM'000
Unrated Islamic Medium Term Notes (unsecured)	220,000	431	220,431

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 31 October 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		9-months Cumulative	
	31-10-2023	31-10-2022	31-10-2023	31-10-2022
	RM'000	RM'000	RM'000	RM'000
Net profit/(loss) attributable to owners of the Company	6,557	1,613	8,503	10,462
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	0.29	0.07	0.37	0.46

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 31 October 2023.

11. Notes to the Comprehensive Income Statement

	Quarter	9-months
	Ended	Cumulative
	31-10-2023	31-10-2023
	RM'000	RM'000
a) Interest income	770	1,806
b) Other income	1,076	1,940
c) Interest expense	(3,328)	(9,199)
d) Depreciation and amortization	(1,015)	(2,988)
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