



**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
For the 3rd Quarter Ended 31 December 2023**

	Note	Current Quarter		Year To-date	
		<u>31/12/23</u> 3-months	<u>31/12/22</u> 3-months	<u>31/12/23</u> 9-months	<u>31/12/22</u> 9-months
		RM'000	RM'000	RM'000	RM'000
Revenue	9	5,502	6,054	14,664	18,052
Cost of sales		(3,989)	(4,710)	(10,500)	(13,419)
Gross profit		1,513	1,344	4,164	4,633
Other income		247	203	798	645
Other operating expenses		(1,278)	(1,185)	(4,178)	(4,306)
Administrative expenses		(224)	(98)	(476)	(331)
Finance costs		-	-	-	-
Profit before tax	10	258	264	308	641
Tax expense	20	(37)	(40)	(63)	(40)
Profit for the period		221	224	245	601
Other comprehensive income, net of tax		-	-	-	-
Profit and other comprehensive income for the period		221	224	245	601
Profit and other comprehensive income for the period attributable to :					
Owners of the Company		221	224	245	601
Basic Profit per share attributable to owners of the Company (sen)	25	0.05	0.05	0.05	0.13

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes.



Condensed Consolidated Statements of Financial Position

		Unaudited	Audited
		As at	As at
		<u>31/12/23</u>	<u>31/3/23</u>
	Note	RM'000	RM'000
ASSETS			
<u>Non-current assets</u>			
Property, plant and equipment	11	12,041	12,194
Investment properties		5,813	5,508
Intangible asset		112	156
Right-of-use assets		496	37
<u>Current assets</u>			
Inventories		8,251	7,934
Trade receivables		7,636	6,556
Non-trade receivables, deposits and prepayments		5,714	3,247
Tax recoverable		575	441
Deposits with licensed financial institutions		24,448	24,199
Cash and bank balances		4,531	5,749
		51,155	48,126
TOTAL ASSETS		69,617	66,021
EQUITY AND LIABILITIES			
Share Capital	7	44,955	44,955
Retained earnings		19,915	19,670
TOTAL EQUITY		64,870	64,625
<u>Current liabilities</u>			
Trade payables		-	320
Non-trade payables and accruals		4,236	1,035
Lease liabilities		503	38
Tax payable		8	3
		4,747	1,396
TOTAL LIABILITIES		4,747	1,396
TOTAL EQUITY AND LIABILITIES		69,617	66,021
Net assets per share (RM)		<u>0.14</u>	<u>0.14</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes.



**Condensed Consolidated Statements of Changes in Equity
For the 3rd Quarter Ended 31 December 2023**

	Attributable to Owners of the Company			Non- Controlling Interest	Total Equity
	Share Capital	Distributable Retained Earnings	Total		
	RM'000	RM'000	RM'000		
At 1 April 2022	44,955	19,669	64,624	-	64,624
Profit and other comprehensive income for the period	-	601	601		601
At 31 December 2022	44,955	20,270	65,225	-	65,225
At 1 April 2023	44,955	19,670	64,625	-	64,625
Profit and other comprehensive income for the period	-	245	245	-	245
At 31 December 2023	44,955	19,915	64,870	-	64,870

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes.



Condensed Consolidated Statements of Cash Flows

	9-months <u>31/12/23</u> RM'000	9-months <u>31/12/22</u> RM'000
Cash flows from operating activities		
Profit before tax	308	641
Adjustments for:-		
Depreciation of property, plant and equipment	221	342
Depreciation of investment property	30	45
Amortisation of intangible asset	44	45
Depreciation of right-of use assets	211	214
Gain on disposal of property, plant and equipment	(49)	(8)
Loss on disposal of investment in subsidiary company	-	280
Reversal of impairment of trade receivables no longer required	-	(133)
Impairment of inventories	11	13
Reversal of impairment of inventories no longer required	(1,317)	(971)
Unrealised foreign exchange loss	54	2
Interest expense on lease liabilities	18	5
Interest income	(611)	(385)
Operating (loss) / profit before changes in working capital	<u>(1,080)</u>	90
Inventories	989	816
Receivables	(3,601)	(1,119)
Payables	(135)	(910)
Cash used in operations	<u>(3,827)</u>	(1,123)
Tax paid	(215)	(219)
Tax refund	22	50
Net cash used in operating activities	<u>(4,020)</u>	(1,292)
Cash flows from investing activities		
Purchase of property, plant and equipment	(420)	(175)
Proceeds from disposal of property, plant and equipment	3,067	1
Proceeds from disposal of investments in subsidiary company	-	1,367
Withdrawal of fixed deposits (> 3 months)	3,509	1,768
Interest received	611	385
Net cash generated from investing activities	<u>6,767</u>	3,346
Cash flows from financing activities		
Repayment of lease liabilities	(211)	(214)
Interest expense on lease liabilities	(18)	(5)
Net cash used in financing activities	<u>(229)</u>	(219)
Net increase in cash and cash equivalents	<u>2,518</u>	1,835
Cash and cash equivalents as at 1 April	<u>24,546</u>	22,912
Cash and cash equivalents as at end of period	<u>27,064</u>	24,747
Cash and cash equivalents comprise the following amounts:		
Deposits with licensed banks (< 3 months)	22,533	19,792
Cash and bank balances	4,531	4,955
	<u>27,064</u>	24,747

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes.



Part A - Explanatory Notes Pursuant to MFRS 134

1 Basis of Preparation

The unaudited interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards, MFRS 134 : Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 March 2023. The explanatory notes attached to the 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 March 2023.

2 Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the preparation of the financial statements of the Group for the financial year ended 31 March 2023.

The Group has not adopted the following accounting standards and interpretations (including the consequential amendments) that have been issued by the MASB but are not yet effective for the current financial period:

<u>MFRSs and Interpretations</u>	<u>Effective for annual periods beginning on or after</u>
• MFRS 17, Insurance Contracts	1 January 2023
• Amendments to MFRS 17, Insurance Contracts	1 January 2023
• Amendment to MFRS 17 Insurance Contracts: Initial Application of MFRS 17 and MFRS 9 — Comparative Information	1 January 2023
• Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	1 January 2023
• Amendments to MFRS 112, Income Tax: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
• Amendments to MFRS 16, Leases: Lease Liability in a Sale and Leaseback	1 January 2024
• Amendments to MFRS 101, Presentation of Financial Statements: Non-current Liabilities with Covenants	1 January 2024
• Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements	1 January 2024
• Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128 Investment in Associate and Joint Ventures: Sales or Contribution of Assets Between an Investor and its Associate or Joint Venture	Deferred

The initial application of the accounting standards, amendments or interpretations are not expected to have any material impact to the financial statements of the Group.

3 Auditors' Report

The auditors' report on the financial statements for the year ended 31 March 2023 was not subject to any qualification.

4 Seasonality or Cyclical Factors

There were no material factors of a seasonal or cyclical nature which affected the operations of the Group during the financial quarter under review.

5 Unusual Items

There were no items in the current quarter affecting assets, liabilities, equity, net income, or cash flows of the Group that are unusual because of their nature, size or incidence.



6 Changes in Estimates

There were no other changes in estimates of amounts reported previously, that would have had a material effect on the figures reported in the current financial quarter under review.

7 Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial quarter under review.

8 Dividend Payment

There was no dividend payment made in the current financial quarter under review.

9 Segment Information

Segment Revenue

Investment holding
Distribution and trading
Logistics related services
Others
Total including inter-segment sales
Elimination of inter-segment sales
Total

<u>31/12/23</u> 3-months RM'000	<u>31/12/22</u> 3-months RM'000	<u>31/12/23</u> 9-months RM'000	<u>31/12/22</u> 9-months RM'000
-	-	-	-
5,288	5,874	14,025	16,316
-	-	-	889
292	258	863	1,077
5,580	6,132	14,888	18,282
(78)	(78)	(224)	(230)
5,502	6,054	14,664	18,052
<u>Segment Results - Profit before tax</u>			
(53)	9	(58)	(122)
531	385	1,231	1,106
-	-	-	(242)
(306)	(52)	(1,123)	129
172	342	50	871
86	(78)	258	(230)
258	264	308	641

10 Profit before tax

There are no items applicable pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad other than the following :

(Income) / Expenses

Interest income
Foreign exchange loss - realised
Depreciation and amortisation
Reversal of impairment of trade receivables no longer required
Impairment of inventories
Reversal of impairment of inventories no longer required
Gain on disposal of Property, Plant and Equipment

<u>31/12/23</u> 3-months RM'000	<u>31/12/22</u> 3-months RM'000	<u>31/12/23</u> 9-months RM'000	<u>31/12/22</u> 9-months RM'000
(202)	(159)	(611)	(385)
8	24	28	54
83	117	295	432
-	-	-	(133)
(56)	3	11	13
(354)	(384)	(1,317)	(971)
-	(7)	(49)	(8)

11 Valuation of Assets

There has been no revaluation of property, plant and equipment as the Group does not adopt a revaluation policy on the said assets.



12 Subsequent Events

There were no material events subsequent to the end of the financial period that have not been reflected in the financial statements for the current financial quarter under review.

13 Changes in Group Composition

There were no changes in the composition of the Group during the financial quarter under review.

14 Capital Commitments

There were no material capital commitments as at the end of the current financial quarter under review.

Part B - Explanatory Notes

(Appendix 9B of Listing Requirements of BMSB)

15 Review of Performance

Quarter 3, FYE 2024 vs Quarter 3, FYE 2023

For the quarter ended 31 December 2023, the Group recorded a revenue of RM5.50 million compared with RM6.05 million reported in the preceding year's corresponding quarter, a decline of 9.1%. Notwithstanding the lower revenue generated, profit before tax remained comparable for the two quarters, which was RM0.26 million respectively.

Distribution and Trading

This segment recorded a revenue of RM5.29 million, as compared to RM5.87 million reported in the preceding year's corresponding quarter, a decline of 9.9%. Lower revenue was reported due to postponement of delivery schedules for bathroom products, coupled with lower demand from the hand tools and power tools markets. In the current quarter under review, revenue from Electric Motors Division increased by 83.6% to RM1.01 million as compared with the revenue of RM0.55 million reported in the preceding year's corresponding quarter.

Notwithstanding the lower revenue generated, this segment recorded a 35.9% higher profit before tax of RM0.53 million as compared to a profit before tax of RM0.39 million reported in the preceding year's corresponding quarter, mainly due to a write back of provision for impairment of slow moving inventories.

Others

This segment recorded a higher revenue of RM0.29 million compared with the RM0.26 million reported in the preceding year's corresponding quarter, due mainly to higher rental income generated during the current quarter under review.

Year-to-date 31 December 2023 vs 9 months ended 31 December 2022

For the 9 months period ended 31 December 2023, the Group recorded a revenue of RM14.7 million, compared to RM18.1 million reported in the preceding year corresponding period, a decline of 18.8%. In line with lower revenue, the Group recorded a lower profit before tax of RM0.31 million as compared to profit before tax of RM0.64 million reported in the preceding year corresponding period.

Distribution and Trading

This segment recorded a revenue of RM14.0 million, a 14.1% decline from the RM16.3 million reported in the preceding year corresponding period. For the 9 months period, cumulative decline in revenue from Power Tools Division was by 33.9%, Bathroom Products Division by 24.7%, Electric Motors Division by 12.0% respectively, as compared with the revenue reported in the preceding year's corresponding period. Nevertheless, revenue from Hand Tools Division was higher by 2.1% from the revenue reported in the preceding year's corresponding period.

Notwithstanding the lower revenue generated, this segment recorded a 10.8% higher profit before tax of RM1.23 million as compared to a profit before tax of RM1.11 million reported in the preceding year corresponding period.



15 Review of Performance (Continued)

Others

For the 9 months period ended 31 December 2023, this segment recorded a lower revenue of RM0.86 million and a loss before tax of RM1.12 million compared to a revenue of RM1.08 million and profit before tax of RM0.13 million reported in the preceding year corresponding period.

The loss suffered for the reporting financial period was mainly attributable to JKB Development Sdn Bhd (“JKBD”), a wholly-owned subsidiary of the Company, which incurred higher operating expenses in relation to the proposed disposal of an investment property, as well as interest expense incurred on an instalment plan for payment of land conversion premium and development charges for the same investment property.

16 Current Quarter vs Preceding Quarter Results

The Group recorded a higher revenue at RM5.50 million for the current quarter under review, representing an improvement of 15.5% or RM0.74 million as compared to RM4.76 million reported in the immediate preceding quarter. Profit before tax for the current quarter under review was however lower at RM0.26 million, compared to a profit before tax of RM0.71 million in the immediate preceding quarter. The lower profit was primarily attributable to the higher other operating expenses and the lower write back of provision for impairment of slow moving inventories.

17 Commentary on Prospects

The Board anticipates the country’s economic outlook for the remaining financial quarter to remain challenging. In view of our commitments to continue creating shareholders value and promoting long term sustainable growth for the Group, the Board will be mindful of navigating the business through the current challenging economic conditions. The Board will continue its efforts to increase and diversify our revenue stream and improve the profitability of JKB Group moving forward.

18 Profit Forecast and Guarantee

The Group has not provided any profit forecast or profit guarantee in any public document.

19 Taxation

	<u>31/12/23</u> 3-months RM'000	<u>31/12/22</u> 3-months RM'000	<u>31/12/23</u> 9-months RM'000	<u>31/12/22</u> 9-months RM'000
Income tax - current year	38	25	64	25
Under / (Over) provided in previous year	(1)	15	(1)	15
Tax expense	37	40	63	40
Profit before taxation	<u>258</u>	<u>264</u>	<u>308</u>	<u>641</u>
Tax at 24% (previous year - 24%)	62	62	74	154
Income tax under / (over) provided in previous year	(1)	15	(1)	15
Unrecognised tax losses brought forward (utilised)	(244)	(29)	(260)	(49)
Deferred tax asset not recognised	187	(99)	399	(144)
Effects of transactions :-				
Non-deductible expenses	(30)	30	138	39
Income not taxable	63	59	(287)	25
Tax expense	37	38	63	40

The effective tax rates for the current financial quarter and period to-date were higher than the statutory rate due to certain non-deductible expenses for income tax purposes and non-recognition of deferred tax asset due to uncertainty of its recoverability.



20 Corporate Proposals

On 5 October 2023, the Company announced that JKBD, a wholly-owned subsidiary of the Company, had entered into a sale and purchase agreement ("SPA") for the proposed disposal of a parcel of leasehold industrial land held under Pajakan Mukim 1029, Lot 30487, Jalan Genting Kelang, Mukim of Setapak, District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur ("the Land") to Urban Reach Sdn Bhd ("URSB"), a 55% subsidiary of FCW Holdings Berhad ("FCW"), a related party, for a cash consideration of RM43.08 million ("the Proposed Disposal"). The Group expects to realise a net gain of RM37.54 million upon completion of the Proposed Disposal.

The Proposed Disposal is subject to and conditional upon the following approvals being obtained or fulfilled on or before 5 February 2024 ("Cut-Off Date"):

- (i) the shareholders of the Company and FCW at the respective Extraordinary General Meetings to be convened; and
- (ii) the State Authority for the transfer of the Land from JKBD to URSB.

As at the date of this report, all Conditions Precedent have been fulfilled, except for the item (ii) above.

On 5 February 2024, the Company announced that JKBD and URSB had on even date mutually agreed to extend the Cut-Off Date for a period of 3 months until 5 May 2024 in order to fulfil the last Condition Precedent under the SPA, i.e. to obtain the written approval of the State Authority for the transfer of the Land from JKBD to URSB.

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Board expects the Proposed Disposal to be completed by the 2nd quarter of 2024.

The full announcement can be viewed on the Company's website.

The Company intends to use the proceeds from the sale of land in the following manner:-

Use of proceeds	Amount (RM'000)	Expected time frame for usage of proceeds
Special interim dividend of 1 sen per JKB share	4,496	Within 2 months (from the unconditional date of the SPA for the Proposed Disposal)
Estimated expenses in relation to the Proposed Disposal	1,400	Immediately
Acquisition of new business(es) / asset(s) to be identified	37,184	Within 36 months from the date of receipt of the Disposal Consideration
Total	43,080	

21 Group Borrowings

There were no borrowings as at the end of the current financial quarter under review.

22 Material Litigation

No new material litigation has arisen nor were there any material changes to any case which had been pending since the last annual balance sheet date.

23 Dividends

The Company did not declare any dividend during the current financial quarter under review.

24 Earnings Per Share

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the current financial period.

	<u>31/12/23</u> 3-months	<u>31/12/22</u> 3-months	<u>31/12/23</u> 9-months	<u>31/12/22</u> 9-months
Profit / (Loss) attributable to ordinary equity holders of the parent (RM'000)	221	224	245	601
Weighted average number of ordinary shares in issue ('000)	449,550	449,550	449,550	449,550
Basic profit / (loss) per share (sen)	0.05	0.05	0.05	0.13

By order of the Board

Boon Shi Hou
Executive Director

Kuala Lumpur
Date : 26 February 2024