



**LAND & GENERAL BERHAD (COMPANY NO. 196401000184 (5507-H))**

**Condensed Consolidated Statement of Comprehensive Income  
for the financial period ended 31 December 2022**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 months ended		9 months ended	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	61,683	42,154	156,970	120,497
Operating expenses	(47,634)	(37,008)	(125,558)	(100,090)
Other operating income	727	2,781	2,009	9,412
<b>Profit from operations</b>	14,776	7,927	33,421	29,819
Fair value changes through profit and loss	(328)	21	(7,310)	(1,599)
Finance costs	(2,197)	(3)	(4,870)	(7)
Share of results of joint ventures	293	535	4,767	4,980
Share of results of associate	(570)	(330)	228	(1,178)
<b>Profit before taxation</b>	11,974	8,150	26,236	32,015
Income tax expense	(3,409)	(4,154)	(8,554)	(9,809)
<b>Profit for the period</b>	8,565	3,996	17,682	22,206
<b>Other comprehensive income that will be subsequently reclassified to profit or loss :</b>				
Foreign currency translation differences from foreign operations	(82)	(204)	(743)	(1,616)
	(82)	(204)	(743)	(1,616)
<b>Total comprehensive income for the period</b>	8,483	3,792	16,939	20,590
<b>Profit attributable to:</b>				
- Owners of the Company	8,162	4,183	17,061	22,385
- Non-controlling interests	403	(187)	621	(179)
	8,565	3,996	17,682	22,206
<b>Total comprehensive income attributable to:</b>				
- Owners of the Company	8,080	3,979	16,318	20,769
- Non-controlling interests	403	(187)	621	(179)
	8,483	3,792	16,939	20,590
<b>Earnings per share attributable to Owners of the Company (sen):</b>				
- Basic	0.27	0.14	0.57	0.75

*The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2022.*



**LAND & GENERAL BERHAD (COMPANY NO. 196401000184 (5507-H))**

**Condensed Consolidated Statement of Financial Position**

**as at 31 December 2022**

		(Unaudited) 31/12/2022	(Audited) 31/03/2022
	Note	RM'000	RM'000
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment		134,492	132,200
Investment properties		92,526	90,923
Inventories	A15	574,439	568,711
Investment in joint ventures		16,654	15,150
Investment in associate		137,720	137,391
Other investments	A14	-	6,338
Deferred tax assets		14,350	13,236
Other non-current assets		256	273
		<u>970,437</u>	<u>964,222</u>
<b>Current Assets</b>			
Inventories	A15	440,094	423,588
Trade and other receivables		51,417	67,607
Other current assets		1,552	1,468
Contract asset		54,190	31,179
Contract cost		5,943	2,934
Tax recoverable		1,002	1,520
Short term funds		44,232	76,323
Deposits, cash and bank balances		63,520	41,618
		<u>661,950</u>	<u>646,237</u>
<b>TOTAL ASSETS</b>		<b><u>1,632,387</u></b>	<b><u>1,610,459</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital		660,232	660,232
Retained profits		445,386	443,191
Other reserves		12,538	13,281
		<u>1,118,156</u>	<u>1,116,704</u>
<b>Non-controlling interests</b>		<u>90,254</u>	<u>89,633</u>
		<u>1,208,410</u>	<u>1,206,337</u>
<b>Non-current Liabilities</b>			
Provisions		3,639	3,639
Trade and other payables		192	192
Borrowings	B7	160,665	169,813
Deferred tax liabilities		24,291	24,195
		<u>188,787</u>	<u>197,839</u>
<b>Current Liabilities</b>			
Provisions		27,993	28,640
Trade and other payables		168,804	130,541
Contract liabilities		8,624	12,196
Borrowings	B7	26,932	31,244
Tax payable		2,764	3,577
Lease Liabilities		73	85
		<u>235,190</u>	<u>206,283</u>
<b>Total Liabilities</b>		<u>423,977</u>	<u>404,122</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>1,632,387</u></b>	<b><u>1,610,459</u></b>

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2022.*



LAND & GENERAL BERHAD (COMPANY NO. 196401000184 (5507-H))

Condensed Consolidated Statement of Changes in Equity  
for the financial period ended 31 December 2022

	Attributable to owners of the Company							Non-Controlling interests RM'000	Total equity RM'000
	Non-distributable					Total RM'000			
	Share capital RM'000	Redeemable Preference Shares RM'000	Capital reserve RM'000	Foreign Exchange Reserve RM'000	Retained profits RM'000				
<b>At 1 April 2022</b>	660,232	-	12,133	1,148	443,191	1,116,704	89,633	1,206,337	
Total comprehensive income for the financial period	-	-	-	(743)	17,061	16,318	621	16,939	
Dividend for the financial year ended 31 March 2022	-	-	-	-	(14,866)	(14,866)	-	(14,866)	
<b>At 31 December 2022</b>	<b>660,232</b>	<b>-</b>	<b>12,133</b>	<b>405</b>	<b>445,386</b>	<b>1,118,156</b>	<b>90,254</b>	<b>1,208,410</b>	

Condensed Consolidated Statement of Changes in Equity  
for the financial period ended 31 December 2021

	Attributable to owners of the Company							Non-Controlling interests RM'000	Total equity RM'000
	Non-distributable					Total RM'000			
	Share capital RM'000	Redeemable Preference Shares RM'000	Capital reserve RM'000	Foreign Exchange Reserve RM'000	Retained profits RM'000				
<b>At 1 April 2021</b>	660,232	-	12,133	2,183	438,385	1,112,933	90,054	1,202,987	
Total comprehensive income for the financial period	-	-	-	(1,616)	22,385	20,769	(179)	20,590	
Dividend paid to a non-controlling interest	-	-	-	-	-	-	(500)	(500)	
Equity injection from non-controlling interest	-	-	-	-	-	-	500	500	
Dividend for the financial year ended 31 March 2021	-	-	-	-	(14,866)	(14,866)	-	(14,866)	
<b>At 31 December 2021</b>	<b>660,232</b>	<b>-</b>	<b>12,133</b>	<b>567</b>	<b>445,904</b>	<b>1,118,836</b>	<b>89,875</b>	<b>1,208,711</b>	

The Condensed Consolidated Statement of Change In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2022.



## Condensed Consolidated Statement of Cash Flows

for the financial period ended 31 December 2022

	CUMULATIVE PERIOD	
	(Unaudited)	
	31/12/2022	31/12/2021
	RM'000	RM'000
<b>Cash Flows From Operating Activities</b>		
Cash receipts from customers	151,957	116,836
Cash payments to suppliers and employees	(93,058)	(90,065)
Interest received	739	341
Dividend on short term funds	812	772
Tax paid, net	(9,837)	(7,778)
Other operating payments, net	(17,593)	(10,619)
<b>Net cash inflow from operating activities</b>	<b>33,020</b>	<b>9,487</b>
<b>Cash Flows From Investing Activities</b>		
Additional investment in joint venture	(1,350)	-
Partial purchase price paid for acquisition of land	(10,206)	(1,361)
Purchase of property, plant & equipment	(736)	(946)
Withdrawal of deposits with period more than 3 months	421	4,842
(Placement)/ Withdrawal of deposits pledged as security for bank guarantee facility	(43)	20,758
Withdrawal/(Placement) of short term funds	31,959	(41,383)
Dividend received from investment	19	38
Distribution of profit from a joint venture	3,974	6,195
<b>Net cash outflow from investing activities</b>	<b>24,038</b>	<b>(11,857)</b>
<b>Cash Flows From Financing Activities</b>		
Drawdown of bank borrowings	5,880	16,513
Repayment of bank borrowings	(19,844)	(32,663)
Additional equity contribution from non-controlling interest	-	500
Dividend paid to shareholders	(14,866)	(14,866)
Dividend paid to a non-controlling interest of a subsidiary company	-	(500)
Interest payments	(6,338)	(5,906)
<b>Net cash outflow from financing activities</b>	<b>(35,168)</b>	<b>(36,922)</b>
<b>Net change in cash &amp; cash equivalents</b>	<b>21,890</b>	<b>(39,292)</b>
Effects of foreign exchange rate changes	(110)	(339)
Cash & cash equivalents at beginning of financial period	37,000	87,606
<b>Cash &amp; cash equivalents at end of financial period</b>	<b>58,780</b>	<b>47,975</b>
<b>Cash &amp; cash equivalents at end of financial period comprise:</b>		
Cash on hand and at banks	59,129	50,867
Deposits with financial institutions	4,391	4,681
<b>Deposits, cash and bank balances</b>	<b>63,520</b>	<b>55,548</b>
<b>Less:</b>		
Deposits pledged as security for bank guarantee	(2,666)	(2,619)
Deposits placements for periods exceeding 90 days	(1,574)	(2,062)
Bank overdraft	(500)	(2,891)
	<b>58,780</b>	<b>47,976</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2022.

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 – PARAGRAPH 16**

**Notes to the Interim Financial Report**

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2022.

**A1. Basis of Preparation**

The significant accounting policies, methods of computation and basis of consolidation applied in these interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 March 2022, except for the adoption of the following Amendments to MFRS that are effective for the Group’s financial year beginning 1 April 2022:-

- Amendments to MFRS 3, Business Combinations – Reference to the Conceptual Framework
- Amendments to MFRS 9, Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)
- Amendments to Illustrative Examples accompanying MFRS 16, Leases (Annual Improvements to MFRS Standards 2018–2020)
- Amendments to MFRS 116, Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to MFRS 141, Agriculture (Annual Improvements to MFRS Standards 2018–2020)

The adoption of the abovementioned amendments does not have any material financial impact on the interim financial statements of the Group.

**A2. Audit Qualification**

The audit report of the Group’s audited financial statements for the financial year ended 31 March 2022 was not subjected to any qualification.

**A3. Seasonality and Cyclicity Factors**

The business operations of the Group were not materially affected by any seasonal and cyclical factors during the financial period under review.

**A4. Nature and Amounts of Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

There were no unusual items affecting assets, liabilities, equity, net income or cash flow during the financial period under review.

**LAND & GENERAL BERHAD (COMPANY NO. 196401000184 (5507-H))**

**A5. Changes in Estimates of Amounts Reported in Prior Interim Periods of the Current Financial Period or Prior Financial Periods**

There were no changes in estimates of amounts reported in prior interim periods of the current financial period or prior financial periods that has any material effect in the current financial period.

**A6. Issuance and Repayment of Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resales and repayments of debt and equity securities during the current financial period under review.

As at 31 December 2022, the number of ordinary shares in issue is 2,973,135,003.

**A7. Dividends Paid**

No dividend was paid nor declared by the Company during the current financial quarter/period under review.

The single tier final dividend proposed in respect of the financial year ended 31 March 2022 of 0.5 Sen per ordinary share was approved on 15 September 2022 and paid on 18 October 2022.

**A8. Segmental Reporting**

The operating segment information for the financial period ended 31 December 2022 is as follows:

**Revenue for the 9 months ended 31 December 2022**

	<b>Properties RM'000</b>	<b>Education RM'000</b>	<b>Others RM'000</b>	<b>Elimination RM'000</b>	<b>Total RM'000</b>
Revenue from third parties	129,969	22,366	4,335	-	156,670
Interest & returns of short term funds	-	-	300	-	300
	129,969	22,366	4,635	-	156,970
Inter-segment Revenue	83	-	4,872	(4,955)	-
Total revenue	130,052	22,366	9,507	(4,955)	156,970

**Segment results for the 9 months ended 31 December 2022**

	<b>Properties RM'000</b>	<b>Education RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
Segment results	30,582	8,700	(1,345)	37,936
Non-reportable segment*				(4,515)
Loss on fair value changes through profit or loss				(7,310)
Finance costs				(4,870)
Share of results of joint ventures				4,767
Share of results of associate				228
Profit before taxation				26,236

\*Refers to investment holding and dormant companies.

**LAND & GENERAL BERHAD (COMPANY NO. 196401000184 (5507-H))**

**Segment assets as at 31 December 2022**

	<b>Properties RM'000</b>	<b>Education RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
Segment assets	1,247,941	79,192	115,052	1,442,185
Non-reportable segment*				20,476
Investment in joint ventures				16,654
Investment in associate				137,720
Deferred tax assets				14,350
Tax recoverable				1,002
Total assets				<u>1,632,387</u>

**Segment liabilities as at 31 December 2022**

	<b>Properties RM'000</b>	<b>Education RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
Segment liabilities	324,465	40,098	946	365,509
Non-reportable segment*				31,413
Deferred tax liabilities				24,291
Tax payable				2,764
Total liabilities				<u>423,977</u>

\*Refers to investment holding and dormant companies

**A9. Other operating income**

	<b>Current Quarter RM'000</b>	<b>Cumulative Period RM'000</b>
Interest income	199	365
Dividends from short term funds	296	895
Others	232	749
	<u>727</u>	<u>2,009</u>

**LAND & GENERAL BERHAD (COMPANY NO. 196401000184 (5507-H))****A10. Profit Before Taxation**

The following amounts have been included in arriving at profit before taxation:

	<b>Current Quarter RM'000</b>	<b>Cumulative Period RM'000</b>
Interest income	221	408
Dividends from short term funds	348	1,154
Loss on fair value changes through profit or loss on		
-other investments	-	(6,338)
-contingent consideration	(328)	(972)
Depreciation and amortisation	(1,591)	(4,761)
Interest expenses #	(2,197)	(4,870)
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# Interest expenses incurred is as follows:

	<b>Current Quarter RM'000</b>	<b>Cumulative Period RM'000</b>
Interest expense on:		
- Bank borrowings	2,196	6,224
- Lease liabilities	1	4
	<hr/>	<hr/>
	2,197	6,228
Less:		
Interest expenses capitalised into qualifying asset	-	(1,358)
Interest expenses	2,197	4,870
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**A11. Valuations of Property, Plant, and Equipment**

The valuations of land and buildings have been brought forward without amendment from the previous audited financial statements.

**A12. Material Events Subsequent to the End of the Financial Period**

On 2 November 2021, the Group incorporated Forward Victory Sdn Bhd (“FVSB”) (formerly known as Billion Megastar Sdn Bhd) via its existing wholly-owned subsidiary, Brilliant Forward Sdn Bhd (formerly known as Sri Damansara Club Bhd).

On 10 January 2022, the Group announced the proposed acquisition of a parcel of leasehold commercial land held under Pajakan Negeri 117584 Lot 5240, Pekan Desa Puchong, Daerah Petaling, Negeri Selangor, measuring approximately 14,366.353 square metres (or approximately 3.55 acres) for a total cash consideration of RM68,041,000 via FVSB. As of 31 March 2022, a deposit of RM6,804,000 was paid for the said acquisition.

The Group has paid RM17,010,180 being 25% of the purchase price and the acquisition is deemed completed on 27 October 2022. Subsequently on 27 January 2023, the Group settled RM51,030,540, being 75% of the purchase price via loan drawdown.

There are no known material subsequent events up-till the date of this report which may affect the Group’s financial position.

## LAND & GENERAL BERHAD (COMPANY NO. 196401000184 (5507-H))

### A13. Changes in the Composition of the Group

There were no other significant changes in the composition of the Group for the current financial period ended 31 December 2022.

On 1 July 2022, Land & General Berhad together with Malaysia Land Properties Sdn. Bhd. (“Mayland”) and Land Pacific Development Sdn. Bhd. (“LPDSB”) jointly agreed to invest in a customer referral mobile application that serves primarily to market corporate partners’ properties, which will be managed by Unitland Sdn. Bhd. (“ULSB”). Accordingly, the Group subscribed to 1 ordinary share at RM1.00 per share in ULSB, representing 33.33% equity in ULSB, with Mayland and LPDSB each holding 33.33%.

### A14. Other Investments

This refers to the Company’s investment in Vietnam Industrial Investments Ltd (“VII”) which was previously a quoted investment on the Australian Securities Exchange (ASX).

VII shares were suspended from trading from 16 September 2019 and the last traded price on 12 September 2019 was AUD0.31 per share. As of 31 March 2021, the Company had written down the fair value of its investment in VII to 50% discount from its last traded price prior to its suspension on 16 September 2019 (AUD0.31 per share). VII shares were removed from ASX official list on 29 October 2021.

VII’s latest publicly available interim audited financial statement for the half year ended 30 June 2020 was issued with a disclaimer of opinion by its auditors with respect to, amongst others, recoverability of VII Group’s loans, advances and receivables from its strategic partner, Nam Thuan Steel Joint Stock Company, and emphasis of matter on the material uncertainties on the going concern of VII Group.

Despite management’s best efforts to obtain updated financial and operations information on VII, there has not been any formal replies to our inquiries and the last available consolidated audited accounts for the VII was 30 June 2020. In light of the above, the Company has taken a prudent measure to make a full provision to impair the remaining investment in VII of RM6.083 million in its books. Management will continue to evaluate available options to recover its investment in VII.

### A15. Inventories

	31/12/2022	31/03/2022
	RM’000	(Audited) RM’000
<b>Non-current</b>		
- Land held for property development	574,439	568,711
<b>Current</b>		
- Property development units in progress	370,744	329,212
- Completed development units	69,139	94,270
- Others	211	106
	<u>440,094</u>	<u>423,588</u>
	<u>1,014,533</u>	<u>992,299</u>

**LAND & GENERAL BERHAD (COMPANY NO. 196401000184 (5507-H))**

**A16. Capital Commitments**

	<b>31/12/2022</b>	<b>31/03/2022</b>
	<b>RM'000</b>	<b>(Audited) RM'000</b>
Approved and contracted for		
- Investment in joint venture	2,325	3,225
- Investment properties and property, plant and equipment	9,074	13,133
Approved but not contracted for		
- property, plant and equipment	284	284
	<u>11,683</u>	<u>16,642</u>

**A17. Others**

The Company has provided the following corporate guarantee to a financial institution for credit facilities granted to:-

	<b>31/12/2022</b>	<b>31/03/2022</b>
	<b>RM'000</b>	<b>RM'000</b>
- Associate company	13,437	21,667
	<u>13,437</u>	<u>21,667</u>

**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Review of Performance of the Company and its Principal Subsidiaries**

(a) For the quarter ended 31 December 2022

Quarter	Revenue		Operating profit	
	3Q2023 RM'000	3Q2022 RM'000	3Q2023 RM'000	3Q2022 RM'000
Property	52,762	33,983	14,346	4,785
Education	7,732	6,609	2,903	2,428
Others	1,189	1,562	(2,473)	714
<b>Total</b>	<b>61,683</b>	<b>42,154</b>	<b>14,776</b>	<b>7,927</b>
Loss on fair value changes			(328)	21
Finance costs			(2,197)	(3)
Share of results of joint ventures			293	535
Share of results of associated company			(570)	(330)
<b>Profit Before Tax</b>			<b>11,974</b>	<b>8,150</b>

For the quarter under review, the Group recorded a revenue of RM61.68 million (3Q2022: RM42.15 million) and pre-tax profit of RM11.97 million (3Q2022: RM8.15 million). The Group's higher revenue and pre-tax profit were mainly contributed by its property and education division.

**Property division**

The property division registered a revenue of RM52.76 million (3Q2022: RM33.98 million) and an operating profit of RM14.35 million (3Q2022: RM4.79 million) during the quarter.

The division's higher revenue and operating profit was mainly due to further construction progress of its existing projects namely Seresta, Sena Parc Phase 1C and Astoria Phase 2 together with new sales for the quarter. Also contributing to the increase in the quarter were the sales of its completed units of Sena Parc Phase 1A and Astoria Ampang Phase 1.

**Education division**

The education division recorded a revenue of RM7.73 million (3Q2022: RM6.61 million) and operating profit of RM2.90 million (3Q2022: RM2.43 million), reflecting an improved revenue and profit with the increase in student enrolment and fees for its international schools against the corresponding period.

**Other divisions**

Other divisions recorded a revenue of RM1.19 million (3Q2022: RM1.56 million), a slight decrease in revenue due to the decline in palm oil prices for plantation during the quarter. In addition, there were no further write back of provision for financial obligation for the quarter (3Q2022: RM2.08 million). As a result of these, the division suffered an operating loss of RM2.47 million (3Q2022: operating profit of RM0.71 million).

The Group recorded a pre-tax profit of RM11.97 million (3Q2022: RM8.15 million) for the quarter due to improved profit from property division. The finance costs charged out for the quarter was due to the cessation of capitalisation following the launch of Astoria Phase 2.

**LAND & GENERAL BERHAD (COMPANY NO. 196401000184 (5507-H))**(b) For the 9 months period ended 31 December 2022

Quarter	Revenue		Operating profit	
	YTD 3Q2023 RM'000	YTD 3Q2022 RM'000	YTD 3Q2023 RM'000	YTD 3Q2022 RM'000
Property	129,969	96,918	30,582	19,359
Education	22,366	18,854	8,700	7,327
Others	4,635	4,725	(5,861)	3,133
<b>Total</b>	<b>156,970</b>	<b>120,497</b>	<b>33,421</b>	<b>29,819</b>
Loss on fair value changes			(7,310)	(1,599)
Finance costs			(4,870)	(7)
Share of results of joint ventures			4,767	4,980
Share of results of associated company			228	(1,178)
<b>Profit Before Tax</b>			<b>26,236</b>	<b>32,015</b>

For the 9 months period under review, the Group registered a revenue of RM156.97 million (YTD 3Q2022: RM120.50 million) and an operating profit of RM33.42 million (YTD3Q2022: RM29.82 million), an increase in both revenue and operating profit compared to the corresponding period of preceding year. The increase was mainly due to the improved contribution from both property and education divisions.

**Property division**

The property division recorded a revenue of RM129.97 million (YTD 3Q2022: RM96.92 million) and an operating profit of RM30.58 million (YTD 3Q2022: RM19.36 million) for the period. The period's revenue and operating profit was higher compared to the corresponding period of the preceding year was mainly from the construction progress and further sales of Seresta, Sena Parc Phase 1C and Astoria Phase 2 coupled with the sales of completed units of Sena Parc Phase 1A and Astoria Ampang Phase 1.

**Education division**

The education division posted a revenue of RM22.37 million (YTD 3Q2022: RM18.85 million) and an operating profit of RM8.70 million (YTD 3Q2022: RM7.33 million) mainly due to the increased student enrolment and fees for its international school as mentioned in B1 (a).

**Other division**

On the back of a revenue of RM4.64 million (YTD 3Q2022: RM4.73 million), other division recorded an operating loss of RM5.86 million (YTD 3Q2022: profit of RM3.13 million) for the period ended 31 December 2022.

The division's operating loss for the period was mainly due to no exceptional write back as mentioned in B1 (a) earlier (YTD3Q2022: RM6.24 million), and no one-off rubberwood sales during the period (YTD3Q2022: RM1.28 million).

Despite the increase revenue and operating profit, the Group recorded a lower pre-tax profit of RM26.24 million (YTD 3Q2022: RM32.02 million) for the period, mainly due to the following:-

- Loss on fair value changes of RM6.08 million arising mainly from the full provision for impairment of the investment in Vietnam Industrial Investments Ltd ("VII"); and
- Finance costs charged out with the launch of Astoria Phase 2 during the period.

**B2. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter**

Quarter	Revenue		Operating profit	
	3Q2023 RM'000	2Q2023 RM'000	3Q2023 RM'000	2Q2023 RM'000
Property	52,762	59,645	14,346	13,812
Education	7,732	7,578	2,903	3,297
Others	1,189	1,625	(2,473)	(1,755)
<b>Total</b>	<b>61,683</b>	<b>68,848</b>	<b>14,776</b>	<b>15,354</b>
Loss on fair value changes			(328)	(6,445)
Finance costs			(2,197)	(2,017)
Share of results of joint ventures			293	4,653
Share of results of associated company			(570)	1,108
<b>Profit Before Tax</b>			<b>11,974</b>	<b>12,653</b>

The Group's revenue for the current quarter stood at RM61.68 million (2Q2023:RM68.85 million) due to lower revenue from property division arising from lower sales. The Group recorded an operating profit of RM14.78 million compared to its preceding quarter (2Q2023: RM15.35 million).

The marginal drop in operating profit was mainly due to the improved operating profit from property division, which offset the operating loss in plantation due to the decline in palm oil prices and increased production costs. The increase in operating profit for property division despite the lower revenue was mainly due to costs revision as certain projects progress to near completion.

The Group recorded a lower pre-tax profit of RM11.97 million (2Q2023: RM12.65 million) due to lower revenue and operating profit notwithstanding the loss on fair value changes of RM6.45 million in the preceding quarter.

**B3. Prospects**

The Malaysian Gross Domestic Product (GDP) rose 7.0% year on year in the 4Q2022 (3Q2022: 14.2% year on year), translating into 2022 annual GDP growth of 8.7% (2021: 3.1%) which was the highest level since 2000 when the economy grew by 8.9% then. At 7.0%, the growth was still above the long-term average of 5.1%, driven by private-sector activity, which remained the key driver of growth, supported by private consumption and investment.

For 2023, the global GDP is expected to be slower as major economies are still battling with inflation, which is impeding growth with an expectation of mild global recession. The Malaysian economy however, is expected to expand at a more moderate pace amid a challenging external environment. *[Source: BNM Malaysian report on Malaysian economy outlook for 4Q2022]*. Amid these, the Group believes that its results for the coming financial year ending 31 March 2023 will remain satisfactory as the Group focus to complete its existing Seresta project for handover within the next few months.

**LAND & GENERAL BERHAD (COMPANY NO. 196401000184 (5507-H))**

**B4. Variance of actual results from forecast profits and shortfall in Profit Guarantee**

Not applicable.

**B5. Tax expense**

	Individual Quarter		Cumulative Period	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	RM'000	RM'000	RM'000	RM'000
Income tax:				
- Malaysian income tax	3,715	2,210	8,686	6,826
- Foreign jurisdiction income tax	(25)	633	1,132	1,729
- (Over)/Under provision in prior years	(246)	1,549	(246)	1,549
	3,444	4,392	9,572	10,104
Deferred tax				
- Current year	(35)	(631)	(35)	(631)
- Under/(Over) provision in prior years	-	393	(983)	336
	3,409	(238)	8,554	9,809

The domestic income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated chargeable income for the year, while taxation for its joint venture, Hidden Valley Australia Pty Ltd is calculated at 30% being the prevailing statutory tax rate in that jurisdiction.

The effective tax rate (excluding share of results of associate and joint ventures) of the Group is higher than the statutory tax rate in the current financial year mainly due to certain expenses being non-deductible.

**B6. Corporate Development**

There was no corporate proposal announced for the current quarter.

**B7. Borrowings and Lease Liabilities**

The Group's total borrowings as at 31 December 2022 are as follows:

	Short Term RM'000	Long Term RM'000	Total RM'000
Secured:			
Bank overdraft	500	-	500
Term loans	19,827	123,138	142,965
Bridging loan	4,824	37,519	42,343
Revolving credit	1,674	-	1,674
Hire purchase	107	8	115
<b>Total borrowings</b>	<b>26,932</b>	<b>160,665</b>	<b>187,597</b>

All denominated in the local currency.

**B8. Material Litigation**

On 11 March 2021, Sri Damansara Sdn Bhd (“SDSB”), a wholly-owned subsidiary of the Company received a Notice of Additional Assessment (Form JA) from Inland Revenue Board (“IRB”) in respect of Year of Assessment (“YA”) 2018, wherein a sum of RM6.69 million of additional taxes and penalties was sought by IRB in relation to the sale of a piece of land in the previous year where IRB is of the view that the sale is subject to corporate tax instead of real property gain tax.

SDSB is of the view that the said additional taxes and penalties levied by IRB are open to challenge and has hence, engaged tax solicitors to assist in challenging the said disputed additional taxes and penalties imposed by IRB.

**A. Judicial Review Application at the High Court of Malaya**

On 15 March 2021, SDSB filed an Application for Judicial Review to the High Court of Kuala Lumpur (“High Court”) in challenging the said notice of additional assessment and the Court had fixed the hearing for leave to commence judicial review on 21 April 2021. Nonetheless, during the hearing for leave to commence judicial review, the Court was informed that the IRB had filed an application to intervene in the judicial review proceedings. Thus, the hearing for the leave application was vacated and Court subsequently fixed the hearing date for the IRB’s application to intervene on 10 June 2021, which is to be disposed of first before the leave application is heard.

Due to the implementation of Full Movement Control Order and upon the Attorney General Chamber’s and the IRB’s requests to adjourn the hearing, the hearing for the IRB’s application to intervene was adjourned to 12 April 2022. However, the court vacated the hearing and the next hearing date was fixed on 18 July 2022. On 18 July 2022, IRB’s application to intervene under Enclosure 17 was struck off with no order as to cost. IRB has appealed against the decision by the High Court judge and the appeal is now fixed at the Court of Appeal on 20 July 2023.

In the meantime, at the High Court on 8 December 2022, the judge had decided not to grant leave for SDSB to commence judicial review. Pursuant thereto, SDSB had instructed its solicitors to file an Appeal and Motion of Stay. The Motion of Stay at the Court of Appeal was heard and dismissed with cost on 9 February 2023. The judges were of the view that there was no reason to grant a stay as there is no execution proceedings. As for the Notice of Appeal to the Court of Appeal, the case management to fix the hearing date is on 8 March 2023.

**B. Appeal at the Special Commissioners of Income Tax (“SCIT”)**

On 9 April 2021, SDSB had filed a notice of appeal (“Form Q”) to the IRB in respect of the Form JA for the YA 2018. On 22 September 2021, the Form Q was registered at the SCIT. Accordingly, the SCIT had fixed 22 October 2021 as the first case mention. Subsequently the Court had ordered parties to proceed with the filing of cause papers and attended the case management on 24 March 2022. Following the case management, the court had fixed the hearing date on 10 April 2023 and 11 April 2023.

**LAND & GENERAL BERHAD (COMPANY NO. 196401000184 (5507-H))**

**B9. Dividend Proposed**

No dividend has been proposed for the financial period ended 31 December 2022.

**B10. Earnings per Share**

Basic

The basic earnings per share is calculated by dividing the net profit attributable to owners of the Company for the period by the weighted average number of ordinary shares outstanding during the period.

	<b>Individual Quarter</b>		<b>Cumulative Period</b>	
	<b>31/12/2022</b>	<b>31/12/2021</b>	<b>31/12/2022</b>	<b>31/12/2021</b>
Profit attributable to owners of the Company (RM'000)	8,162	4,183	17,061	22,385
Weighted average number of ordinary shares ('000)	2,973,135	2,973,135	2,973,135	2,973,135
Basic earnings per share (sen)	<u>0.27</u>	<u>0.14</u>	<u>0.57</u>	<u>0.75</u>

21 February 2023