



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

**Condensed Consolidated Statement of Comprehensive Income
for the financial period ended 31 March 2023**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 months ended		12 months ended	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022
	RM'000	RM'000	RM'000	RM'000
Revenue	92,209	72,427	249,179	192,924
Operating expenses	(71,133)	(61,240)	(196,691)	(161,330)
Other operating income	624	3,013	2,633	12,425
Profit from operations	21,700	14,200	55,121	44,019
Fair value changes through profit and loss	(328)	(1,819)	(7,638)	(3,418)
Finance costs	(2,196)	(2)	(7,066)	(9)
Share of results of joint ventures	(172)	(715)	4,595	4,265
Share of results of associate	(5,547)	(13,355)	(5,319)	(14,533)
Profit before taxation	13,457	(1,691)	39,693	30,324
Income tax expense	(4,735)	(1,264)	(13,289)	(11,073)
Profit for the period	8,722	(2,955)	26,404	19,251
Other comprehensive income that will be subsequently reclassified to profit or loss :				
Foreign currency translation differences from foreign operations	(1,046)	581	(1,789)	(1,035)
	(1,046)	581	(1,789)	(1,035)
Total comprehensive income for the period	7,676	(2,374)	24,615	18,216
Profit attributable to:				
- Owners of the Company	9,586	(2,713)	26,647	19,672
- Non-controlling interests	(864)	(242)	(243)	(421)
	8,722	(2,955)	26,404	19,251
Total comprehensive income attributable to:				
- Owners of the Company	8,540	(2,132)	24,858	18,637
- Non-controlling interests	(864)	(242)	(243)	(421)
	7,676	(2,374)	24,615	18,216
Earnings per share attributable to Owners of the Company (sen):				
- Basic	0.32	(0.09)	0.90	0.66

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 March 2023

		(Unaudited) 31/03/2023 RM'000	(Audited) 31/03/2022 RM'000
ASSETS	Note		
Non-current Assets			
Property, plant and equipment		136,341	132,200
Investment properties		94,662	90,923
Inventories	A15	585,047	568,711
Investment in joint ventures		16,370	15,150
Investment in associate		132,072	137,391
Other investments	A14	-	6,338
Deferred tax assets		15,542	13,236
Other non-current assets		1,269	273
		<u>981,303</u>	<u>964,222</u>
Current Assets			
Inventories	A15	403,480	423,588
Trade and other receivables		55,086	67,607
Other current assets		1,400	1,468
Contract asset		95,160	31,179
Contract cost		12,016	2,934
Tax recoverable		1,955	1,520
Short term funds		37,104	76,323
Deposits, cash and bank balances		75,628	41,618
		<u>681,829</u>	<u>646,237</u>
TOTAL ASSETS		<u>1,663,132</u>	<u>1,610,459</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		660,232	660,232
Retained profits		454,972	443,191
Other reserves		11,492	13,281
		<u>1,126,696</u>	<u>1,116,704</u>
Non-controlling interests		89,390	89,633
		<u>1,216,086</u>	<u>1,206,337</u>
Non-current Liabilities			
Provisions		3,728	3,639
Trade and other payables		251	192
Borrowings	B7	195,437	169,813
Deferred tax liabilities		24,570	24,195
		<u>223,986</u>	<u>197,839</u>
Current Liabilities			
Provisions		28,272	28,640
Trade and other payables		141,801	130,541
Contract liabilities		14,081	12,196
Borrowings	B7	32,811	31,244
Tax payable		5,008	3,577
Lease Liabilities		1,087	85
		<u>223,060</u>	<u>206,283</u>
Total Liabilities		<u>447,046</u>	<u>404,122</u>
TOTAL EQUITY AND LIABILITIES		<u>1,663,132</u>	<u>1,610,459</u>

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 March 2023

	Attributable to owners of the Company							Total equity RM'000
	Non-distributable					Total RM'000	Non-Controlling interests RM'000	
	Share capital RM'000	Redeemable Preference Shares RM'000	Capital reserve RM'000	Foreign Exchange Reserve RM'000	Retained profits RM'000			
At 1 April 2022	660,232	-	12,133	1,148	443,191	1,116,704	89,633	1,206,337
Total comprehensive income for the financial period	-	-	-	(1,789)	26,647	24,858	(243)	24,615
Dividend paid to a non-controlling interest	-	-	-	-	-	-	(3,499)	(3,499)
Equity injection from non-controlling interest	-	-	-	-	-	-	3,499	3,499
Dividend for the financial year ended 31 March 2022	-	-	-	-	(14,866)	(14,866)	-	(14,866)
At 31 March 2023	660,232	-	12,133	(641)	454,972	1,126,696	89,390	1,216,086

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

	Attributable to owners of the Company							Total equity RM'000
	Non-distributable					Total RM'000	Non-Controlling interests RM'000	
	Share capital RM'000	Redeemable Preference Shares RM'000	Capital reserve RM'000	Foreign Exchange Reserve RM'000	Retained profits RM'000			
At 1 April 2021	660,232	-	12,133	2,183	438,385	1,112,933	90,054	1,202,987
Total comprehensive income for the financial period	-	-	-	(1,035)	19,672	18,637	(421)	18,216
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)
At 31 March 2022	660,232	-	12,133	1,148	443,191	1,116,704	89,633	1,206,337

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 March 2023

	CUMULATIVE PERIOD	
	(Unaudited)	
	31/03/2023	31/03/2022
	RM'000	RM'000
Cash Flows From Operating Activities		
Cash receipts from customers	222,991	191,279
Cash payments to suppliers and employees	(130,541)	(104,645)
Interest received	522	629
Dividend on short term funds	1,246	1,111
Tax paid, net	(14,248)	(13,536)
Other operating payments, net	(19,575)	(24,235)
Net cash inflow from operating activities	60,395	50,603
Cash Flows From Investing Activities		
Additional investment in joint venture	(1,350)	-
Purchase price paid for acquisition of land	(68,041)	-
Purchase of property, plant & equipment	(1,046)	(9,094)
Addition to investment properties	-	(8,544)
Loan repayment by joint venture	-	2,589
Withdrawal of deposits with period more than 3 months	429	4,909
(Placement)/ Withdrawal of deposits pledged as security for bank guarantee facility	(82)	20,753
Withdrawal/(Placement) of short term funds	39,411	(73,413)
Dividend received from investment	19	38
Distribution of profit from a joint venture	3,955	3,740
Net cash outflow from investing activities	(26,705)	(59,022)
Cash Flows From Financing Activities		
Drawdown of bank borrowings	56,081	23,873
Repayment of bank borrowings	(31,438)	(42,411)
Additional equity contribution from non-controlling interest	3,499	500
Dividend paid to shareholders	(14,866)	(14,866)
Dividend paid to a non-controlling interest of a subsidiary company	(3,499)	(500)
Interest payments	(8,905)	(8,282)
Net cash outflow from financing activities	872	(41,686)
Net change in cash & cash equivalents	34,562	(50,105)
Effects of foreign exchange rate changes	(203)	(501)
Cash & cash equivalents at beginning of financial period	37,000	87,606
Cash & cash equivalents at end of financial period	71,359	37,000
Cash & cash equivalents at end of financial period comprise:		
Cash on hand and at banks	71,357	36,850
Deposits with financial institutions	4,271	4,768
Deposits, cash and bank balances	75,628	41,618
Less:		
Deposits pledged as security for bank guarantee	(2,704)	(2,624)
Deposits placements for periods exceeding 90 days	(1,565)	(1,994)
	71,359	37,000

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 March 2023, the number of ordinary shares in issue is 2,973,135,003.

A7. Dividends Paid

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 March 2023 is as follows:

Revenue for the 12 months ended 31 March 2023

	Properties RM'000	Education RM'000	Others RM'000	Elimination RM'000	Total RM'000
Revenue from third parties	213,276	30,335	5,148	-	248,759
Interest & returns of short term funds and others	67	-	353	-	420
	<u>213,343</u>	<u>30,335</u>	<u>5,501</u>	<u>-</u>	<u>249,179</u>
Inter-segment Revenue	110	-	6,435	(6,545)	-
Total revenue	<u>213,453</u>	<u>30,335</u>	<u>11,936</u>	<u>(6,545)</u>	<u>249,179</u>

Segment results for the 12 months ended 31 March 2023

	Properties RM'000	Education RM'000	Others RM'000	Total RM'000
Segment results	51,699	11,363	(2,315)	60,747
Non-reportable segment*				(5,626)
Loss on fair value changes through profit or loss				(7,638)
Finance costs				(7,066)
Share of results of joint ventures				4,595
Share of results of associate				(5,319)
Profit before taxation				<u>39,693</u>

*Refers to investment holding and dormant companies.

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

Segment assets as at 31 March 2023

	Properties RM'000	Education RM'000	Others RM'000	Total RM'000
Segment assets	1,272,464	83,977	114,508	1,470,949
Non-reportable segment*				26,243
Investment in joint ventures				16,370
Investment in associate				132,072
Deferred tax assets				15,542
Tax recoverable				1,955
Total assets				<u>1,663,132</u>

Segment liabilities as at 31 March 2023

	Properties RM'000	Education RM'000	Others RM'000	Total RM'000
Segment liabilities	339,593	44,393	1,209	385,195
Non-reportable segment*				32,273
Deferred tax liabilities				24,570
Tax payable				5,008
Total liabilities				<u>447,046</u>

*Refers to investment holding and dormant companies

A9. Other operating income

	Current Quarter RM'000	Cumulative Period RM'000
Interest income	327	692
Dividends from short term funds	297	1,194
Others	-	747
	<u>624</u>	<u>2,633</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:

	Current Quarter RM'000	Cumulative Period RM'000
Interest income	413	821
Dividends from short term funds	332	1,486
Loss on fair value changes through profit or loss on		
-other investments	-	(6,338)
-contingent consideration	(328)	(1,300)
Depreciation and amortisation	(1,853)	(6,614)
Interest expenses #	(2,196)	(7,066)
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Interest expenses incurred is as follows:

	Current Quarter RM'000	Cumulative Period RM'000
Interest expense on:		
- Bank borrowings	2,195	8,420
- Lease liabilities	1	4
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	2,196	8,424
Less:		
Interest expenses capitalised into qualifying asset	-	(1,358)
Interest expenses	2,196	7,066
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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 ("BFSB") (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 was deemed completed on 27 October 2022. The balance purchase price was settled via loan drawdown on 27 January 2023.

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 March 2023.

On 17 June 2022, Land & General Berhad (“LGB”) together with Malaysia Land Properties Sdn. Bhd. (“Mayland”) and Land Pacific Development Sdn. Bhd. (“LPDSB”) jointly executed an agreement to invest in a customer referral mobile application that serves primarily to market corporate partners’ properties, which will be managed by Unit1land 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%.

Subsequently on 2 May 2023, LGB, Mayland and LPDSB agreed to terminate the programme. With the termination, Unit1land Limited had offered and LGB had agreed to sell its 1 ordinary share held in ULSB for RM1.00.

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 had not been any formal replies to our inquiries from the Board and management of VII. In light of the above, the Company had taken a prudent measure to make a full provision to impair the remaining investment in VII of RM6.083 million in its books.

On 24 August 2022, Maybank Hanoi Branch and its related entity, Maybank International Labuan Branch filed a winding up application against VII. The said application was heard at the Supreme Court of New South Wales and the judgement order to wind up VII in insolvency was issued on 30 September 2022. At the same time, the Court appointed Deloitte Australia as the liquidator of VII.

Based on the liquidators’ recent update, their investigations regarding the affairs of VII and potential recovery action(s) are continuing and they are currently in negotiations with respect to the realisation of VII’s assets.

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

A15. Inventories

	31/03/2023	31/03/2022
	RM'000	(Audited) RM'000
Non-current		
- Land held for property development	585,047	568,711
Current		
- Property development units in progress	338,366	329,212
- Completed development units	64,951	94,270
- Others	163	106
	<u>403,480</u>	<u>423,588</u>
	<u>988,527</u>	<u>992,299</u>

A16. Capital Commitments

	31/03/2023	31/03/2022
	RM'000	(Audited) RM'000
Approved and contracted for		
- Investment in joint venture	1,875	3,225
- Investment properties and property, plant and equipment	6,035	13,133
Approved but not contracted for		
- property, plant and equipment	284	284
	<u>8,194</u>	<u>16,642</u>

A17. Others

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

	31/03/2023	31/03/2022
	RM'000	RM'000
- Associate company	11,522	21,667
	<u>11,522</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 March 2023

Quarter	Revenue		Operating profit	
	4Q2023 RM'000	4Q2022 RM'000	4Q2023 RM'000	4Q2022 RM'000
Property	83,374	64,200	21,116	12,281
Education	7,969	6,548	2,663	1,822
Others	866	1,679	(2,079)	97
Total	92,209	72,427	21,700	14,200
Loss on fair value changes			(328)	(1,819)
Finance costs			(2,196)	(2)
Share of results of joint ventures			(172)	(715)
Share of results of associated company			(5,547)	(13,355)
Profit Before Tax			13,457	(1,691)

For the quarter under review, the Group recorded a revenue of RM92.21 million (4Q2022: RM72.43 million) and pre-tax profit of RM13.46 million (4Q2022: loss of RM1.69 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 RM83.37 million (4Q2022: RM64.20 million) and an operating profit of RM21.12 million (4Q2022: RM12.28 million) during the quarter.

The division's higher revenue and operating profit was mainly due to sales from its existing Seresta project and also Sena Parc Phase 1C together with their respective construction progress. While Sena Parc Phase 1C's vacant possession was handed over in March 2023, construction of Seresta is near completion. 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 coupled with the new sales for Astoria Phase 2 together with further progress in its construction for the quarter.

Education division

The education division recorded a revenue of RM7.97 million (4Q2022: RM6.55 million) and operating profit of RM2.66 million (4Q2022: RM1.82 million), reflecting an improved revenue and profit mainly from the increase in its international school's student's enrolment coupled with fees increase for both its private and international schools, against the corresponding quarter.

Other divisions

Other divisions recorded a revenue of RM0.87 million (4Q2022: RM1.68 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 (4Q2022: RM2.08 million). As a result of these, the division suffered an operating loss of RM2.08 million (4Q2022: operating profit of RM0.10 million).

For the quarter under review, the Group recorded a pre-tax profit of RM13.46 million (4Q2022: loss of RM1.69 million) due to:-

- the increased finance costs charged out for the quarter due to the cessation of capitalisation following the launch of Astoria Phase 2; and
- the share of loss from its associate company, Country Garden Properties (M) Sdn Bhd ("CGPM") arising mainly from the mutual settlement of RM2.70 million between parties and the under accrual of costs for sold inventories of RM1.35 million (4Q2022: share of loss of RM13.35 million mainly due to the impairment loss of RM14.25 million from its Serendah land).

LAND & GENERAL BERHAD (COMPANY NO. 196401000184 (5507-H))(b) For the 12 months period ended 31 March 2023

Quarter	Revenue		Operating profit	
	YTD 4Q2023 RM'000	YTD 4Q2022 RM'000	YTD 4Q2023 RM'000	YTD 4Q2022 RM'000
Property	213,343	161,118	51,699	31,640
Education	30,335	25,402	11,363	9,149
Others	5,501	6,404	(7,941)	3,230
Total	249,179	192,924	55,121	44,019
Loss on fair value changes			(7,638)	(3,418)
Finance costs			(7,066)	(9)
Share of results of joint ventures			4,595	4,265
Share of results of associated company			(5,319)	(14,533)
Profit Before Tax			39,693	30,324

For the 12 months period under review, the Group registered a revenue of RM249.18 million (YTD 4Q2022: RM192.92 million) and an operating profit of RM55.12 million (YTD4Q2022: RM44.02 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 RM213.34 million (YTD 4Q2022: RM161.12 million) and an operating profit of RM51.70 million (YTD 4Q2022: RM31.64 million) for the period. The period's revenue and operating profit was higher compared to the corresponding period of the preceding year due 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 RM30.34 million (YTD 4Q2022: RM25.40 million) and an operating profit of RM11.36 million (YTD 4Q2022: RM9.15 million) respectively. The increase was mainly due to increased students' enrolment and also fees for both its private and international schools.

Other division

On the back of a revenue of RM5.50 million (YTD 4Q2022: RM6.40 million), other division recorded an operating loss of RM7.94 million (YTD 4Q2022: profit of RM3.23 million) for the year ended 31 March 2023.

The division's operating loss for the period was mainly due to no exceptional write back as mentioned in B1 (a) earlier (YTD4Q2022: RM8.32 million), and no one-off rubberwood sales during the year (YTD4Q2022: RM1.28 million).

The Group recorded a pre-tax profit of RM39.69 million (YTD 4Q2022: RM30.32 million) for the year, resulting from 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; and
- Loss on share of results of associated company, CGPM of RM25.32 million mainly from the recognition of mutual settlement between parties over a golf course on Serendah project and under accrual of costs for sold units.

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

Quarter	Revenue		Operating profit	
	4Q2023 RM'000	3Q2023 RM'000	4Q2023 RM'000	3Q2023 RM'000
Property	83,374	52,762	21,116	14,346
Education	7,969	7,732	2,663	2,903
Others	866	1,189	(2,079)	(2,473)
Total	92,209	61,683	21,700	14,776
Loss on fair value changes			(328)	(328)
Finance costs			(2,196)	(2,197)
Share of results of joint ventures			(172)	293
Share of results of associated company			(5,547)	(570)
Profit Before Tax			13,457	11,974

The Group's revenue and operating profit for the current quarter stood at RM92.21 million (3Q2023:RM61.68 million) and RM21.70 million (3Q2023:RM14.78 million) respectively. The higher revenue and operating profit were mainly from property division due to construction progress from Seresta and higher sales from completed units, Astoria Ampang Phase 1 and Sena Parc Phase 1A.

The Group recorded a higher pre-tax profit of RM13.46 million (3Q2023: RM11.97 million) due to higher revenue and operating profit notwithstanding the loss on associate company of RM5.55 million in the quarter due to reason as mentioned in B1(a).

B3. Prospects

The Malaysia's economy, as measured by gross domestic product (GDP), grew 5.6% year-on-year (y-o-y) in the first quarter of 2023 (1Q2023), driven by further expansion of household spending, strong growth in employment as well as continued expansion, which have supported private consumption spending.

Headline and core inflation are expected to moderate but would remain above historical average in 2023. The moderation reflects lower global cost factors amid easing supply chain disruptions and lower commodity prices. However, core inflation will remain at elevated levels amid firm demand conditions. [Source: BNM Malaysian report on Malaysian economy outlook for 1Q2023].

Against this backdrop of inflationary pressures coupled with the unexpected hike in Overnight Policy Rate recently to 3% by Bank Negara Malaysia, the Group acknowledges that the coming financial year 2024 will remain challenging for the residential property market. Nevertheless, the Group is confident of a satisfactory performance in the coming year with the completion of Seresta and also plans underway for the launch of Damansara Livista in Sri Damansara and Wynn Residences in Puchong. Both projects are ideally located in well-established commercial areas with major highways, MRT/LRT and shopping malls nearby. The Group believes these projects will be well received by homebuyers.

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

Not applicable.

B5. Tax expense

	Individual Quarter		Cumulative Period	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022
	RM'000	RM'000	RM'000	RM'000
Income tax:				
- Malaysian income tax	5,719	3,703	14,405	10,529
- Foreign jurisdiction income tax	127	(1,136)	1,259	594
- (Over)/Under provision in prior years	(272)	(218)	(518)	1,330
	5,574	2,349	15,146	12,453
Deferred tax				
- Current year	(1,030)	792	(1,065)	239
- Over provision in prior years	191	(1,877)	(792)	(1,619)
	4,735	1,264	13,289	11,073

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

On 31 March 2023, the Company announced a business venture and shareholders' agreement ("BVSA") between Brilliant Forward Sdn Bhd, its' wholly owned subsidiary and Low Gay Teck ("LGT"), Managing Director of the Company, to develop a parcel of leasehold land held under Pajakan Negeri 117,584, Lot 5240, Pekan Desa Puchong, Daerah Petaling, Negeri Selangor via Forward Victory Sdn Bhd ("FVSB"). Under the BVSA, LGT shall subscribe to a 10% equity stake in FVSB. As LGT is a director of the Company, the entry into the BVSA is a related party transaction and the Company shall seek shareholders approval at an Extraordinary General Meeting to be convened.

There was no other corporate proposal announced for the current quarter.

B7. Borrowings and Lease Liabilities

The Group's total borrowings as at 31 March 2023 are as follows:

	Short Term RM'000	Long Term RM'000	Total RM'000
Secured:			
Term loans	22,526	167,169	189,695
Bridging loan	10,248	28,229	38,477
Hire purchase	37	39	76
Total borrowings	32,811	195,437	228,248

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 appeal against the High Court’s decision in dismissing SDSB’s leave application, the Court of Appeal has directed parties to attend the hearing on 19 October 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. The examination in chief, cross examination and re- examination of SDSB’s witness was conducted on 10 April 2023. Thereafter SCIT adjourned the matter to 19 June 2023 for the examination-in-chief, cross-examination and re-examination of the Revenue’s witnesses.

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B9. Dividend Proposed

The Board is pleased to propose a final single tier dividend payment of 0.6 sen per ordinary share (2022: 0.5 sen per ordinary share) in respect of the financial year ended 31 March 2023, for shareholders' approval at the forthcoming Annual General Meeting. The payment and entitlement dates will be announced at a later date.

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.

	Individual Quarter		Cumulative Period	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022
Profit attributable to owners of the Company (RM'000)	9,586	(2,132)	26,647	19,672
Weighted average number of ordinary shares ('000)	2,973,135	2,973,135	2,973,135	2,973,135
Basic earnings per share (sen)	0.32	(0.09)	0.90	0.66

31 May 2023