

INCH KENNETH KAJANG RUBBER PUBLIC LIMITED COMPANY (990261 M)
(Incorporated in Scotland)

**UNAUDITED CONDENSED CONSOLIDATED
STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED 31 DECEMBER 2020**

	Current Year Quarter	Preceding Year Corresponding Quarter	Changes		Current Year To date	Preceding Year Corresponding Period	Changes	
	31.12.2020 RM'000	31.12.2019 RM'000	RM	%	31.12.2020 RM'000	31.12.2019 RM'000	RM	%
Group revenue	1,663	1,656			10,061	14,214		
Operating expenses	(5,740)	(7,836)			(22,424)	(25,500)		
Other operating income and expenses	2	(273)			476	4,544		
Operating profit/(loss)	(4,073)	(6,453)			(11,887)	(6,742)		
Finance income	149	361			1,030	1,550		
Finance costs	(28)	(18)			(95)	(159)		
Revaluation of investment property	33	480			33	156		
Gain on disposal of investment	0	0			0	0		
Realised gain on redemption of short term investments	36	238			(677)	558		
Impairment of investment in associate / subsidiary	0	0			0	0		
Share of results of associate	395	(395)			(4,313)	(2,280)		
Profit/(Loss) before tax	(3,488)	(5,787)			(15,909)	(6,917)		
Taxation (note 13)	31	657			31	7		
Net Profit/(Loss)	<u>(3,457)</u>	<u>(5,130)</u>			<u>(15,878)</u>	<u>(6,910)</u>		
Earnings/(Loss) Per Share:								
Basic and diluted (sen)	(0.91)	(1.35)			(4.05)	(1.82)		

Exchange Rate as at 31 December 2020:

£1 = RM5.4904

IRM = £ 0.1821

(The condensed consolidated statement of profit or loss should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements)

INCH KENNETH KAJANG RUBBER PUBLIC LIMITED COMPANY (990261 M)
(Incorporated in Scotland)

UNAUDITED CONDENSED CONSOLIDATED
STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED 31 DECEMBER 2020

	Current Year Quarter 31.12.2020 RM'000	Preceding Quarter 30.9.2020 RM'000	Changes RM	Changes %
Group revenue	1,663	4,306		
Operating expenses	(5,740)	(5,178)		
Other operating income and expenses	<u>2</u>	<u>178</u>		
Operating profit/(loss)	(4,073)	(694)		
Finance income	149	418		
Finance costs	(28)	(39)		
Revaluation of investment property	33	-		
Gain on disposal of investment	-	-		
Realised (loss)/gain on redemption of short term investments	36	28		
Impairment of investment in associate / subsidiary	-	-		
Share of results of associate	<u>395</u>	<u>(1,877)</u>		
Profit/(Loss) before tax	(3,488)	(2,164)		
Taxation (note 13)	31	-		
Net Profit/(Loss)	<u><u>(3,457)</u></u>	<u><u>(2,164)</u></u>		
Earnings/(Loss) Per Share:				
Basic and diluted (sen)	(0.91)	(0.57)		

Exchange Rate as at 31 December 2020:

£1 = RM5.4904

1RM = £ 0.1821

(The condensed consolidated statement of profit or loss should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements)

INCH KENNETH KAJANG RUBBER PUBLIC LIMITED COMPANY (990261 M)
(Incorporated in Scotland)

UNAUDITED CONDENSED CONSOLIDATED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2020

	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To date	Preceding Year Corresponding Period
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
	RM'000	RM'000	RM'000	RM'000
Net loss for the period	(3,457)	(5,130)	(15,878)	(6,910)
Other comprehensive (loss)/income :				
Revaluation of equity and short term investments	257	(272)	(505)	669
Reclassification adjustments on short term investments	-	-	-	-
Revaluation of freehold lands	-	10,861	-	10,972
Exchange differences on translating foreign operations	(92)	641	341	(369)
Total comprehensive (loss)/income for the period	<u>(3,292)</u>	<u>6,100</u>	<u>(16,042)</u>	<u>4,362</u>

(The condensed consolidated statement of comprehensive income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements)

INCH KENNETH KAJANG RUBBER PUBLIC LIMITED COMPANY (990261 M)
(Incorporated in Scotland)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Notes	31.12.2020 RM'000 (Unaudited)	31.12.2019 RM'000 (Audited)
ASSETS			
Non-current assets			
Property, plant & equipment	16	46,479	47,065
Land held for development	20	519,342	516,885
Intangible assets	17	13	19
Investment property	18	23,930	23,770
Right of Use Assets	19	2,513	442
Investment in associated undertaking	21	2,887	7,200
Goodwill on consolidation	22	-	-
Available-for-sale investments	23	752	765
		595,916	596,146
Current assets			
Inventories		1,833	1,579
Trade and other receivables		76,585	72,564
Short term investments	24	21,303	18,619
Cash and cash equivalents	25	5,600	29,720
		105,321	122,482
TOTAL ASSETS		701,237	718,628
EQUITY AND LIABILITIES			
Equity attributable to shareholders of the Company			
Share capital		287,343	287,343
Share premium		8	8
Property revaluation reserve		286,123	286,123
Investment revaluation reserve		18,196	17,691
Foreign currency translation reserve		(704)	(1,045)
Retained earnings		49,788	69,680
		640,754	659,800
Less : Treasury shares	26	(31,939)	(31,939)
TOTAL EQUITY		608,815	627,861
Current liabilities			
Trade and other payables		2,549	2,908
Lease Liability		2,531	457
Taxation payable		70	83
		5,150	3,448
Non-current liabilities			
Employee entitlements		246	214
Deferred Tax Liabilities		85,771	85,771
Deferred Government Grant		1,255	1,334
		87,272	87,319
TOTAL LIABILITIES		92,422	90,767
TOTAL EQUITY AND LIABILITIES		701,237	718,628
Net assets per share		1.61	1.66

(The condensed consolidated statement of financial position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements)

INCH KENNETH KAJANG RUBBER PUBLIC LIMITED COMPANY (990261 M)
(Incorporated in Scotland)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2020**

	Share Capital RM'000	Share Premium RM'000	Property Revaluation Reserve RM'000	Investment Revaluation Reserve RM'000	Foreign Exchange Reserve RM'000	Retained Earnings RM'000	Treasury Shares RM'000	Total Equity RM'000
12 Months ended 31 December 2020								
At 1 January 2020	287,343	8	286,123	17,691	(1,045)	69,680	(31,939)	627,861
Loss for the period	-	-	-	-	-	(15,878)	-	(15,878)
Other comprehensive (loss)/income:								
Revaluation of freehold lands	-	-	-	-	-	-	-	-
Revaluation of investments	-	-	-	505	-	-	-	505
Foreign currency translation	-	-	-	-	341	-	-	341
Total comprehensive (loss)/income	-	-	-	505	341	-	-	846
Other movements:								
Dividends paid	-	-	-	-	-	4,014	-	4,014
Share buyback	-	-	-	-	-	-	-	-
At 31 December 2020	287,343	8	286,123	18,196	(704)	49,788	(31,939)	608,815
12 Months ended 31 December 2019								
At 1 January 2019	287,343	8	275,151	17,022	(676)	80,726	(26,333)	633,241
Loss for the period	-	-	-	-	-	(6,910)	-	(6,910)
Other comprehensive income/(loss):								
Revaluation of freehold lands	-	-	10,972	-	-	-	-	10,972
Revaluation of investments	-	-	-	669	-	-	-	669
Foreign currency translation	-	-	-	-	(369)	-	-	(369)
Total comprehensive (loss)/income	-	-	10,972	669	(369)	-	-	11,302
Other movements:								
Dividends paid	-	-	-	-	-	(4,136)	-	(4,136)
Share buyback	-	-	-	-	-	-	(5,606)	(5,606)
At 31 December 2019	287,343	8	286,123	17,691	(1,045)	69,680	(31,939)	627,861

(The condensed consolidated statement of changes in equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements)

INCH KENNETH KAJANG RUBBER PUBLIC LIMITED COMPANY (990261 M)
(Incorporated in Scotland)

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

	12 months ended	
	31.12.2020	31.12.2019
	RM'000	RM'000
Cash flows from operating activities		
Group operating loss	(11,887)	(6,980)
Adjustments for :		
Dividend income	-	-
Fixed asset written off	-	-
Provision for diminution in value stocks	-	-
Gain on disposal of assets	-	-
Depreciation and amortisation	1,586	2,299
Operating loss before changes in working capital	<u>(10,301)</u>	<u>(4,681)</u>
Changes in working capital:		
Decrease/(Increase) in current assets	(4,021)	3,843
(Decrease)/Increase in current liabilities	1,702	(1,424)
Decrease/(Increase) in inventories	(254)	889
Taxation refund	-	7
Tax paid	13	-
Net cash used in operating activities	<u>(12,861)</u>	<u>(1,366)</u>
Investing activities		
Proceed from disposal of assets	-	-
Proceed from disposal of shares in associate	-	-
Proceed from disposal of investment	-	25,614
Interest and dividends received	1,030	1,550
Short term investments	(8,705)	(5,606)
Payment to acquire property, plant and equipment	1,312	(16,081)
Payment to acquire intangible assets	-	-
Net cash generated from investing activities	<u>(6,363)</u>	<u>5,477</u>
Financing activities		
Interest paid	-	-
Repayment of lease liability	(882)	(694)
Dividend paid	(4,014)	(4,136)
Net cash used in financing activities	<u>(4,896)</u>	<u>(4,830)</u>
Increase/(decrease) in cash and cash equivalents	(24,120)	(719)
Cash and cash equivalents at 1 January	29,720	30,439
Cash and cash equivalents at 31 December	<u>5,600</u>	<u>29,720</u>
Cash and cash equivalents comprise of :		
Cash and bank balances	5,556	3,970
Short term deposits	44	25,750
	<u>5,600</u>	<u>29,720</u>

(The condensed consolidated cash flow statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements)

INCH KENNETH KAJANG RUBBER PUBLIC LIMITED COMPANY (990261 M)

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL INFORMATION
FOR THE PERIOD ENDED 31 DECEMBER 2020**

1. Basis of preparation and accounting policies

1.1 Reporting entity

Inch Kenneth Kajang Rubber Public Limited Company (“the Company”) is a company incorporated in Scotland with its registered office at 7 Castle Street, Edinburgh EH2 3AP, Scotland. The principal operating office is at 26th Floor Menara Promet (KH), Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia. All of the operations of the Company and its subsidiaries are located in Malaysia and Thailand.

The consolidated unaudited financial information of the Company as at 31 December 2020 includes the Company, its subsidiaries and its interest in an associated undertaking (together referred to as the “Group”).

1.2 Basis of preparation

The unaudited financial information has been prepared on a going concern basis and in accordance with IAS34 Interim Financial Reporting. The financial information has been prepared under the historical cost convention except for the fair value measurement of available-for-sale investments and freehold estate lands. The financial information is also presented to comply in all material respects of the requirement of the Malaysian FRS 134 Interim Financial Reporting and Chapter 9 of the Bursa Malaysia Listing Requirements.

The unaudited quarterly consolidated financial information to 31 December 2020 included in this Announcement has been prepared by applying accounting policies consistent with those used in the preparation of the most recent audited financial statements of the Group, being for the year ended 31 December 2019. The consolidated financial statements of the Group for the year ended 31 December 2019 are available at Bursa Malaysia website, the Company’s registered office in Scotland and its operating office in Malaysia.

In relation to the announcement of the results for the fourth quarter ended 31 December 2019 (“the announcement”), filed with the Bursa Malaysia Securities Berhad (“BURSA”) and concurrently notified to the Singapore Stock Exchange (together “the exchanges”) on 26 February 2021. Under BURSA listing regulations, we are required to file our unaudited announcement for the quarter ended 31 December 2020 by 28 February 2021. According to BURSA listing regulations, there is no requirement for the auditors to agree to the announcement prior to its filing.

As directors of the Company, we recognise that we are responsible for preparing and issuing the announcement. There is now an unavoidable risk that the Company may need to revise its financial information in the light of final audit findings or other developments occurring between the preliminary announcement being notified to the exchanges and the formal completion of the audit.

1.3 Changes in accounting policies

On 19 November 2011, the Malaysian Accounting Standards Board (“MASB”) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (“MFRS Framework”). The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 “Agriculture” and/or IC Interpretation 15 “Agreements for Construction of Real Estate”, including their parent, significant investor and venturer (herein called “Transitioning Entities”).

Based on the MASB announcement on 2 September 2014, adoption of the MFRS Framework by Transitioning Entities will only be mandatory for annual periods beginning on or after 1 January 2017.

INCH KENNETH KAJANG RUBBER PUBLIC LIMITED COMPANY (990261 M)

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

1. Basis of preparation and accounting policies (*continued*)

The subsidiaries within the Group fall within the scope definition of Transitioning Entities and have opted to defer adoption of the new MFRS Framework. However the Group financial statements will continue to be prepared using the IFRS Framework for the financial statements for the year ending 31 December 2020. The subsidiaries have fully complied with these requirements for the financial year ending 31 December 2019.

The Group foresees that there will be no material impact on the financial statements as the real estate business would only be operational after 2020 and the current oil palm plantation has already exceeded its normal economic lifespan.

1.4 Non-statutory accounts

The financial information contained in this report does not constitute full statutory accounts within the meaning of Section 434 of the United Kingdom's Companies Act 2006.

1.5 Independent auditors' report of preceding financial year ended 31 December 2019

There was no qualification made on the preceding audited financial statements for the year ended 31 December 2019, further it did not contain a statement under section 498(2) or 498(3) of the Companies Act 2006 and did not include reference to any matters to which the auditor drew attention by way of emphasis.

1.6 Approval by Board of Directors

This consolidated interim financial information was approved by the Board of Directors on 24 February 2021.

2. Review of performance

The Group's turnover was RM10.061 million for the cumulative quarter ended 31 December 2020 as compared to RM14.214 million for the corresponding cumulative quarter in the preceding year. The decrease by RM4.153 million was mainly due to lower tourist arrival due to the Covid 19 pandemic.

The revenue of the associate company, Concrete Engineering Products Berhad ("CEPCO") for the 12 months ended 31 December 2020 decreased to RM64.571 million (IKKR's share: RM14.464 million) compared to RM105.214 million (IKKR's share: RM23.571 million) in the preceding year, a decrease of RM9.107 million in respect of IKKR's share. The decreased sales volume in Cepco is due to delays in shipment and order due to the pandemic.

The Group's loss after tax for the cumulative quarter ended 31 December 2020 was RM15.878 million as compared to a loss of RM6.910 million for the corresponding cumulative quarter ended 31 December 2019.

3. Comparison with preceding quarter

The Group recorded a pre-tax loss of RM3.488 million for the current quarter under review compared to a pre-tax loss of RM2.164 million in the 3rd quarter 2020. The loss incurred in this quarter was mainly due to lower revenue from the resort.

INCH KENNETH KAJANG RUBBER PUBLIC LIMITED COMPANY (990261 M)

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED 31 DECEMBER 2020**

4. Commentary on prospects

Our plans to diversify into the property sector are in the final stages. We have completed the online submission process of our Master Plan, and are now pending a few technical matters to be finalized before deliberation by Majlis Perbandaran Kajang Planning Council. This will however not have any financial impact on the Group.

5. Comparison with profit forecasts

As the Group does not issue profit forecasts, no comparison can be made.

6. Changes in composition of the Group

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

7. Status of corporate proposals

There are no corporate proposals that have been announced but not completed as at the date of this announcement.

8. Realised and Unrealised Profits

The breakdown of retained profits of the Group as at 31 December 2020, pursuant to the format prescribed by Bursa, is as follows:

	As at 31 Dec 2020 RM'000	As at 31 Dec 2019 RM'000
Total Retained Profits of the Company and its subsidiaries:		
Retained Profits b/f	84,138	92,904
- Realised	(15,878)	(6,910)
- Unrealised	4,313	2,280
- Dividends	(4,014)	(4,136)
	68,559	84,138
- Realised	(7,151)	(4,871)
- Unrealised	(4,313)	(2,280)
	(11,464)	(7,151)
Less : Consolidation effects	(7,307)	(7,307)
Total Group Retained Profit	49,788	69,680

INCH KENNETH KAJANG RUBBER PUBLIC LIMITED COMPANY (990261 M)

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED 31 DECEMBER 2020**

9. Segmental reporting

Segmental reporting for the period ended 31 December 2020 is as follows:

	Plantation	Tourism	Manufacturing	Property	Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
From external customers	145	4,852	4,803	261	-	10,061
Segment revenues						
Finance income	-	85	-	-	945	1,030
Gain in sales of assets	-	-	-	-	-	-
Share of profit of CEPCO	-	-	-	-	(4,313)	(4,313)
Impairment of Associate	-	-	-	-	-	-
Realised gain on redemption of short term investment	-	-	-	-	(677)	(677)
Depreciation and amortisation	-	(1,207)	(97)	(92)	(190)	(1,586)
Tax expenses	-	36	-	(5)	-	31
Other expenses	(137)	(6,785)	(5,821)	(720)	(6,961)	(20,424)
Segment profit/(loss)	8	(3,019)	(1,115)	(556)	(11,196)	(15,878)
Segment assets	130,000	39,597	8,500	480,132	43,008	701,237
Segment liabilities	24,938	1,867	468	61,254	3,895	92,422
Other disclosures						
Investment in CEPCO	-	-	-	-	2,887	2,887
Capital expenditure						
Tangible	-	883	4	-	149	1,036
Assets under construction	-	276	-	-	-	276
Intangible	-	-	-	-	-	-

(As at 31 December 2020, the revenue of our associate company, Cepco is RM51.179 million for the 12 months ended 31 December 2019 (IKKR's share: RM14.464 million))

	Current Year To Date 31.12.2020 RM'000	Last Year To date 31.12.2019 RM'000	Comments
Revenue			
Plantation	145	166	Lower FFB collection due to MCO
Tourism	4,852	11,220	Decrease in overall tourist arrival to Malaysia
Manufacturing	4,803	2,497	Higher demand
Property	261	261	
Others	0	0	
	<u>10,061</u>	<u>14,214</u>	
Revenue of Assc : Cepco	14,464	23,572	Less take off of new projects
Total Group Revenue	<u>24,525</u>	<u>37,786</u>	

10. Seasonal or cyclical factors

The performance of the Group is subject to some seasonality fluctuation in the manufacturing and tourism sector.

INCH KENNETH KAJANG RUBBER PUBLIC LIMITED COMPANY (990261 M)

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED 31 DECEMBER 2020**

11. Material changes in estimates

There were no material changes in accounting estimates of amounts, reported in prior interim periods of the current financial year or in prior financial year, that have a material effect in the current quarter.

12. Impairment in value of subsidiaries and associate

There was no impairment on investment in associate during the financial period ended 31 December 2020.

13. Taxation

	Current Quarter Ended 31 Dec 2020 RM'000	Cumulative Year To-Date 31 Dec 2020 RM'000
Corporation taxation – credit/(charge)	<u>31</u>	<u>31</u>

Other than the subsidiary in Thailand which is a tax resident there, the Company and the Group are tax resident in Malaysia. The Group is liable to corporation tax in Malaysia and Thailand but is not subject to United Kingdom corporation tax.

The effective tax rate on the Group's loss is higher than the statutory tax rate substantially due to the non-taxability of losses due to impairment in investments and stocks.

14. Loss per share

The basic and diluted loss per share for the current quarter and cumulative year to-date have been computed based on Group's loss for the financial current quarter/cumulative year to-date divided by the weighted average number of ordinary shares of £0.10 each in issue after adjusting for movements in treasury shares during the financial current quarter/cumulative year to-date. The Company does not have any outstanding share options or other potentially dilutive financial instruments currently in issue.

	Current Quarter Ended		Cumulative Year To-date Ended	
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
Net loss attributable to the owners of the Company (RM'000)	<u>(3,457)</u>	<u>(5,130)</u>	<u>(15,878)</u>	<u>(6,910)</u>
Weighted average number of ordinary shares in issue after adjusting for movements in treasury shares (No. of Shares ('000))	<u>378,675</u>	<u>378,675</u>	<u>378,675</u>	<u>378,675</u>
Basic and diluted loss per share (Sen)	<u>(0.91)</u>	<u>(1.35)</u>	<u>(4.05)</u>	<u>(1.82)</u>

INCH KENNETH KAJANG RUBBER PUBLIC LIMITED COMPANY (990261 M)

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED 31 DECEMBER 2020**

15. Dividends proposed and paid

Detail of the interim dividend proposed by the Board of Directors are as follows:

Interim dividend for financial year ended	31 December 2019
Approved and declared on	17 March 2020
Date paid	20 April 2020
Number of ordinary shares on which dividends were paid ('000)	378,675
Dividend per share (single-tier)	£0.002 (RM0.0106)
Net dividend to be paid (RM'000)	4,014

16. Property, plant & equipment

	Freehold Lands RM'000	Prepaid Land and Land Improvements RM'000	Buildings RM'000	Assets under Construction RM'000	Others RM'000	Total RM'000
Cost						
At 1 January 2020	20,263	10,025	33,736	1,622	14,546	80,192
Additions / Adjustments	-	-	676	276	360	1,312
Revaluation	-	-	-	-	-	-
Land held for development (Note 19)	-	-	-	-	-	-
Disposal	-	-	-	(317)	-	-
Exchange differences	(4)	(10)	(53)	-	(46)	(317)
At 31 Dec 2020	20,259	10,015	34,359	1,581	14,860	81,074
Accumulated depreciation						
At 1 January 2020	-	781	21,337	-	11,009	33,127
Charge for period	-	34	791	-	761	1,586
On disposal	-	-	-	-	-	-
Exchange differences	-	(2)	(10)	-	(106)	(118)
At 31 Dec 2020	-	813	22,118	-	11,664	34,595
Net book value						
At 31 Dec 2020	20,259	9,202	12,241	1,581	3,196	46,479
At 31 Dec 2019	20,263	9,244	12,399	1,622	3,537	47,065

17. Intangible assets

Computer software and corporate website creation

Group and Company	31 Dec 2020 RM'000	31 Dec 2019 RM'000
Cost		
At 1 January	268	268
Additions	15	-
Disposals	-	-
Total	283	268
Accumulated depreciation		
At 1 January	249	224
Charge for period	21	25
On disposals	-	-
Total	270	249
Net book value	13	19

INCH KENNETH KAJANG RUBBER PUBLIC LIMITED COMPANY (990261 M)

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED 31 DECEMBER 2020**

18. Investment Property

Group	31 Dec 2020 RM'000	31 Dec 2019 RM'000
Net Book Value		
At 1 January	23,770	23,290
Addition / (Disposal)	127	324
Fair value adjustment on revaluation	33	156
Total	23,930	23,770

Included in investment property is apartment in Cheras, Kuala Lumpur and factory building in Jenjarom, Selangor.

The fair value of the investment property is based on market comparable data.

19. Right-of-use Assets

Group	31 Dec 2020 RM'000	31 Dec 2019 RM'000
Net Book Value		
At 1 January	442	-
Addition / (Disposal)	2,548	1,104
Depreciation	(477)	(662)
Total	2,513	442

The Group and the Company leases an office building that run to 3 years, with an option to renew the lease after the date

20. Carrying amount of property, plant and equipment

Fair value measurement of the Group's and Company's freehold lands

The Group's freehold lands are stated at their revalued amounts, being the fair value at the date of revaluation. In order to establish the 31 December 2020 valuation of the Group's freehold lands, valuations were obtained.

- On 27 January 2021 by Nilai Properties Consultants Sdn Bhd (V(1) 0065), an independent valuer not related to the Group, using the open market basis method. The total valuation of the land in Kajang and Bangi at 31 December 2020 is RM495.41 million. The Group's lands are currently being used for the Group's plantation activities for growing of oil palm fresh fruit bunches. The Group has been given consent for the change of use of the lands. Further commentary on the Group's plans for its land is included in the Chairman's Statement.

There is no indication of any significant difference between the carrying amount and market values of land and buildings shown above at 31 December 2020 except freehold lands which are held under Inch Kenneth Kajang Rubber Public Limited Company, Inch Kenneth Development (M) Sdn Bhd and Motel Desa Sdn Bhd. The historical cost of the above freehold lands of the Group is RM107.242 million and of the Company is RM0.407 million. There are no restrictions on the title of the Group's property, plant and equipment.

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**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION
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20. Carrying amount of property, plant and equipment (continued)

As the freehold land held under Inch Kenneth Development (M) Sdn Bhd has been earmarked for property development, the carrying value of the land and all expenditure incurred, as stated in Note 16, to realize the development project has been reclassified to Land Held For Development. Total as at to date is RM492.94 million.

The fair values of all the freehold lands of the Group and Company are classified as Level 2. There were no transfers between Levels 1 and 2 during current quarter under review.

Based on IFRS 13, a three-level fair value hierarchy as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

21. Investment in associated undertaking

The Group's investment in associated undertaking represents a 22.40% interest in Concrete Engineering Products Berhad ("CEPCO"), a public company incorporated in Malaysia. The principal activity of CEPCO is the manufacture and distribution of prestressed spun concrete piles and poles. The Group's investment in CEPCO is accounted for under the equity accounting method as follows:

	31 Dec 2020 RM'000
Shares	
At 1 January 2020 and 31 Dec 2020	40,914
Share of retained profits	
At 1 January 2020	10,439
Share of loss for 2020	(4,313)
At 31 Dec 2020	6,126
Share of dividend	
At 1 January 2020	(1,104)
Share of dividend 2020	-
At 31 Dec 2020	(1,104)
Impairment of goodwill	
At 1 January 2020	(43,049)
Impairment 2020	-
At 31 Dec 2020	(43,049)
Net book value	
At 31 Dec 2020	2,887
At 31 Dec 2019	7,200

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**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION
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21. **Investment in associated undertaking (continued)**

The Group's share of the net assets of CEPCO as at 31 December 2020 comprised:

	31 Dec 2020 RM'000
Share of assets	
Share of non-current assets	18,466
Share of current assets	14,472
	<hr/> 32,938 <hr/>
Share of liabilities	
Share of non-current liabilities	1,335
Share of current liabilities	14,908
	<hr/> 16,243 <hr/>
Share of net assets	16,695
Goodwill (net of impairment) arising on the acquisition of CEPCO	(13,808)
	<hr/> 2,887 <hr/> <hr/>

The Group's share of the results of CEPCO for the financial period ended 31 December 2020 was as follows:

	31 Dec 2020 RM'000
Share of revenue	<hr/> 14,464 <hr/>
Share of operating profit	(3,937)
Share of finance costs	(376)
Share of taxation	-
	<hr/>
Share of profit for the financial period – included in Group statement of profit or loss	<hr/> (4,313) <hr/> <hr/>

INCH KENNETH KAJANG RUBBER PUBLIC LIMITED COMPANY (990261 M)

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION
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22.	Goodwill on consolidation		
		31 Dec 2020	31 Dec 2019
		RM'000	RM'000
	At cost		
	At 1 January	4,573	4,573
	Arising from acquisition of new subsidiary	-	-
	Total	<u>4,573</u>	<u>4,573</u>
	Accumulated impairment		
	At 1 January	(4,573)	(4,573)
	Impairment losses	-	-
	Total	<u>(4,573)</u>	<u>(4,573)</u>
	Carrying amount at end of the financial period	<u>-</u>	<u>-</u>
23.	Equity investments		
		31 Dec 2020	31 Dec 2019
		RM'000	RM'000
	Quoted shares:		
	Balance at 1 January	765	815
	Addition/(Disposal) of investments	-	-
	Fair value adjustments	<u>(13)</u>	<u>(50)</u>
	Balance at fair values	<u>752</u>	<u>765</u>
24.	Short term investments		
		31 Dec 2020	31 Dec 2019
		RM'000	RM'000
	Investments on unit trusts with:		
	Licensed investment banks	<u>21,303</u>	<u>18,619</u>

Unquoted unit trusts are measured at mark to market based on the net asset value at each reporting date. The time weighted rate of return of these investments at the reporting date were between 4.0% and 4.1% (2019: 3.5% to 3.8%).

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25. Cash and cash equivalents

	31 Dec 2020	31 Dec 2019
	RM'000	RM'000
Cash at bank	5,300	3,728
Cash in hand	55	45
Deposits with Licensed banks	44	25,750
Investments Licensed banks	201	197
	<u>5,600</u>	<u>29,720</u>
Total	<u>5,600</u>	<u>29,720</u>

The effective interest rates of deposits at the reporting date were between 3.4% (2019: 3.05%). Included in Group's 2020 deposits with licensed banks is the short term deposits totalling to RM43,718 which was pledged with commercial banks as collateral for issuing letters of guarantee.

The investments with licensed banks are qualified as a cash equivalent as they are readily convertible to a known amount of cash with an insignificant risk of changes in value.

26. Repurchases equity securities - Treasury Shares

Share buyback by the Company

A total of 42,075,000 shares were bought back and retained as treasury shares as at 31 December 2020 at the total cost of RM31.939 million (average of RM0.76 per share). No further share buyback can be done as we have reached the maximum allowable under the Act. There are also no resale or cancellation of treasury shares.

The issued and paid up share capital of the Company remains at 420,750,000 ordinary shares of £0.10 each.

27. Profit on sale of unquoted investments and/or properties

There were no sales of unquoted investments and/or properties outside the ordinary course of business of the Group for the period under review.

28. Off balance sheet financial instruments

During the period under review, the Group has not entered into any financial instruments contract involving off "statement of financial position".

29. Changes in material contingent liabilities or contingent assets

There have been no changes in material contingent liabilities or contingent assets since the last annual statement of financial position date.

INCH KENNETH KAJANG RUBBER PUBLIC LIMITED COMPANY (990261 M)

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE PERIOD ENDED 31 DECEMBER 2020**

30. Notes to the statement of profit or loss

Included in the statement of profit or loss for the current quarter and financial year-to-date, are as follows:-

	Current Quarter 31 Dec 2020 RM'000	Current Year-to-Date 31 Dec 2020 RM'000
Interest income	149	1,030
Other income including investment income	2	476
Depreciation and amortisation	158	1,586
Provision for or write-off of receivables	-	-
Provision for or write-off of assets	-	-
Provision for or write-off of inventories	-	-
Gain/(loss) on disposal of quoted/unquoted investments	-	-
Increase/(decrease) in fair value of investment property	-	-
Increase/(decrease) in fair value of quoted investment	-	-
Realised gain on redemption of short term investments	-	-
Gain on disposal of assets	-	-
Impairment of associate	-	-
Provision for contingent liability	-	-
Foreign exchange loss	-	-

31. Debt and equity securities-

There were no issues or repayments of debt securities or equity securities, share cancellations, shares held as treasury shares or re-sale of treasury shares for the current quarter.

32. Material litigation

There was no material litigation against the Group for the period under review.

33. Significant events during and after the year end

No significant events occurred during or after the period under review.

34. Related party transactions

Transactions within the Group have been eliminated in the preparation of the financial information set out in this report and are not disclosed in this note. Balance and transaction with other related parties are disclosed under the relevant notes.

No related party transactions have taken place during the current financial period under review which have materially affected the financial position or the performance of the group. The nature and amounts of related party transactions in the three months period of the current financial year are consistent with those reported in the group's Annual Report and Accounts 2019.