



LAND & GENERAL BERHAD (COMPANY NO. 5507-H)
Condensed Consolidated Statement of Comprehensive Income
for the financial period ended 30 September 2019

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 months ended		6 months ended	
	30/9/2019	30/9/2018	30/9/2019	30/9/2018
	RM'000	RM'000	RM'000	RM'000
Revenue	39,219	26,149	83,626	48,225
Operating expenses	(36,466)	(26,093)	(74,670)	(48,189)
Other operating income	7,498	4,774	10,024	9,920
Profit from operations	10,251	4,830	18,980	9,956
Investment related income/ (expense)	96	(3,276)	(66)	(3,548)
Finance costs	(596)	(1,142)	(1,156)	(2,193)
Share of results of jointly controlled entity	(42)	-	347	-
Share of results of associates	(2,527)	(232)	(2,508)	(1,074)
Profit before taxation	7,182	180	15,597	3,141
Income tax expense	(3,649)	(1,335)	(5,835)	(1,787)
Profit for the period	3,533	(1,155)	9,762	1,354
Other comprehensive income that will be subsequently reclassified to profit or loss :				
Foreign currency translation differences from foreign operations	(121)	(708)	(212)	37
	(121)	(708)	(212)	37
Total comprehensive income for the period	3,412	(1,863)	9,550	1,391
Profit attributable to:				
- Owners of the Company	1,740	(1,591)	4,998	202
- Non-controlling interests	1,793	436	4,764	1,152
	3,533	(1,155)	9,762	1,354
Total comprehensive income attributable to:				
- Owners of the Company	1,619	(2,299)	4,786	239
- Non-controlling interests	1,793	436	4,764	1,152
	3,412	(1,863)	9,550	1,391
Earnings per share attributable to Owners of the Company (sen):				
- Basic	0.06	(0.05)	0.17	0.01
- Diluted	0.06	(0.05)	0.17	0.01

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2019.

**LAND & GENERAL BERHAD (COMPANY NO. 5507-H)****Condensed Consolidated statement of financial position****as at 30 September 2019**

	(Unaudited) 30/9/2019 RM'000	(Audited) 31/03/2019 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	122,841	110,180
Investment properties	84,049	84,811
Inventories	538,148	534,193
Investment in associates	149,062	151,568
Investment in jointly controlled entity	347	*
Other investments	25,635	11,468
Deferred tax assets	15,922	15,159
Other non-current assets	1,134	1,531
	<u>937,138</u>	<u>908,910</u>
Current Assets		
Inventories	342,588	302,553
Trade and other receivables	21,073	15,256
Contract asset	109,519	79,290
Contract cost	1,979	17,218
Tax recoverable	3,831	3,763
Deposits, cash and bank balances	190,268	218,912
	<u>669,258</u>	<u>636,992</u>
TOTAL ASSETS	<u>1,606,396</u>	<u>1,545,902</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	660,232	660,232
Retained profits	433,498	428,500
Other reserves	12,073	12,285
	<u>1,105,803</u>	<u>1,101,017</u>
Non-controlling interests	<u>78,462</u>	<u>73,698</u>
Total Equity	<u>1,184,265</u>	<u>1,174,715</u>
Non-current Liabilities		
Trade and other payables	874	1,016
Borrowings	199,027	168,831
Deferred tax liabilities	24,835	24,704
	<u>224,736</u>	<u>194,551</u>
Current Liabilities		
Provisions	31,630	41,939
Trade and other payables	135,921	105,507
Contract liabilities	2,188	4,596
Borrowings	21,700	21,694
Tax payable	5,956	2,900
	<u>197,395</u>	<u>176,636</u>
Total Liabilities	<u>422,131</u>	<u>371,187</u>
TOTAL EQUITY AND LIABILITIES	<u>1,606,396</u>	<u>1,545,902</u>

* The costs of investment in the jointly controlled entity have been fully impaired

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2019.



LAND & GENERAL BERHAD (COMPANY NO. 5507-H)
Condensed Consolidated Statement of Changes in Equity
for the financial period ended 30 September 2019

	Attributable to owners of the Company							Non-Controlling interests RM'000	Total equity RM'000
	Non-distributable					Total RM'000			
	Share capital RM'000	ICULS -equity portion RM'000	Capital reserve RM'000	Foreign Exchange Reserve RM'000	Retained profits RM'000				
At 1 April 2019	660,232	-	12,133	152	428,500	1,101,017	73,698	1,174,715	
Total comprehensive income for the financial year	-	-	-	(212)	4,998	4,786	4,764	9,550	
Dividend paid to a non controlling interest of a subsidiary company	-	-	-	-	-	-	(2,499)	(2,499)	
Additional equity contribution	-	-	-	-	-	-	2,499	2,499	
At 30 September 2019	660,232	-	12,133	(60)	433,498	1,105,803	78,462	1,184,265	

Condensed Consolidated Statement of Changes in Equity
for the financial period ended 30 September 2018

	Attributable to owners of the Company							Non-Controlling interests RM'000 (Restated)	Total equity RM'000
	Non-distributable					Total RM'000			
	Share capital RM'000	ICULS -equity portion RM'000	Capital reserve RM'000	Foreign Exchange Reserve RM'000	Retained profits RM'000 (Restated)				
At 1 April 2018	651,664	7,871	12,133	256	432,211	1,104,135	21,416	1,125,551	
Adoption of MFRS	-	-	-	-	-	-	-	-	
Transitioning to MFRS	-	-	-	-	-	-	-	-	
	651,664	7,871	12,133	256	432,211	1,104,135	21,416	1,125,551	
Total comprehensive income for the financial year	-	-	-	37	202	239	1,152	1,391	
Conversion of ICULS	1,674	(1,488)	-	-	-	186	-	186	
ICULS maturity conversion	6,894	(6,383)	-	-	(453)	58	-	58	
At 30 September 2018	660,232	-	12,133	293	431,960	1,104,618	22,568	1,127,186	

The Condensed Consolidated Statement of Change In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2019.



LAND & GENERAL BERHAD (COMPANY NO. 5507-H)
Condensed Consolidated Statement of Cash Flows
for the financial period ended 30 September 2019

CUMULATIVE PERIOD

6 months ended

30/9/2019
RM'000

30/9/2018
RM'000

Cash Flows From Operating Activities

Cash receipts from customers	57,430	47,708
Cash payments to suppliers and employees	(71,470)	(56,683)
Interest received	895	2,342
Dividend on money market funds	2,240	2,215
Tax paid, net	(3,433)	(1,741)
Other operating payments, net	(10,528)	(7,913)
Net cash outflow from operating activities	(24,866)	(14,072)

Cash Flows From Investing Activities

Additional investment	(14,233)	-
Purchase of property, plant & equipment	(14,451)	(2,816)
Proceeds from disposal of property, plant and equipment	(9)	97
Down payment for proposed acquisition of company	-	(3,725)
Placement/(withdrawal) of deposits with period more than 3 months	23	(53,108)
Placements/(withdrawal) of deposits pledged as security for bank guarantee facility	1,270	(6,197)
Withdrawal of money market funds	(282)	(475)
Dividend received from investment	25	-
Net cash outflow from investing activities	(27,657)	(66,224)

Cash Flows From Financing Activities

ICULS issuance proceeds	-	174
Drawdown of bank borrowings	33,837	4,999
Repayment of bank borrowings	(16,354)	(11,753)
Payment of hire purchase obligations	(58)	(38)
Additional equity contribution from non-controlling interest	2,499	-
Dividend paid to a non-controlling interest of a subsidiary company	(2,499)	-
Interest payments	(5,063)	(5,029)
Net cash (outflow)/inflow from financing activities	12,362	(11,647)

Net change in cash & cash equivalents

Effects of foreign exchange rate changes	(7)	388
Cash & cash equivalents at beginning of financial period	201,900	385,422
Cash & cash equivalents at end of financial period	161,732	293,867

Cash & cash equivalents at end of financial period comprise:

Cash on hand and at banks	98,335	128,841
Deposits with financial institutions	91,933	226,310
Deposits, cash and bank balances	190,268	355,151

Less:

Deposits pledged as security for bank guarantees	(13,995)	(8,176)
Deposits placements for periods exceeding 90 days	(1,724)	(53,108)
Bank overdraft	(12,817)	-
	161,732	293,867

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2019.

PART A: EXPLANATORY NOTES PURSUANT TO FRS 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 2019.

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 2019, except for the adoption of the newly issued MFRS, interpretation and amendments to standards to be applied by all Entities Other Than Private Entities for the financial periods beginning on or after 1 January 2019:

Amendment to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement
IC Interpretation 23	Uncertainty over Income Tax Treatments
Annual Improvements to MFRS Standards 2015 – 2017 Cycle	

The adoption of the above did not have any significant effects on the interim financial statements upon their initial application.

A2. Audit Qualification

The audit report of the Group’s audited financial statements for the financial year ended 31 March 2019 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.

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 financial year that has any material effect in the current financial period.

LAND & GENERAL BERHAD (COMPANY NO. 5507-H)**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 30 September 2019, the number of ordinary shares in issue is 2,973,135,003.

A7. Dividends Paid/Payable

No dividend was paid or declared by the Company during the current financial period under review.

The single tier final dividend proposed in respect of the financial year ended 31 March 2019 of 1.0 sen per ordinary share was approved on 18 September 2019 and paid on 23 October 2019.

A8. Segmental Reporting

The operating segment information for the financial period ended 30 September 2019 is as follows:

Revenue for the 6 months ended 30 September 2019

	Properties RM'000	Education RM'000	Property Investment RM'000	Investment holding RM'000	Others RM'000	Elimination RM'000	Total RM'000
Revenue to third parties	72,646	8,770	57	140	1,748	-	83,361
Interest & returns of short term funds	-	-	-	206	59	-	265
	72,646	8,770	57	346	1,807	-	83,626
Inter-segment revenue	85	-	-	2,584	40	(2,709)	-
Total revenue	72,731	8,770	57	2,930	1,847	(2,709)	83,626

Segment results for 6 months ended 30 September 2019

	Properties RM'000	Education RM'000	Property Investment RM'000	Investment holding RM'000	Others RM'000	Total RM'000
Segment results	19,524	2,473	(1,145)	(1,839)	(33)	18,980
Gain on fair value changes on financial assets at fair value through profit or loss						(66)
Finance costs						(1,156)
Share of results of jointly controlled entity						347
Share of results of associates						(2,508)
Profit before taxation						15,597

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

Segment assets as at 30 September 2019

	Properties RM'000	Education RM'000	Property Investment RM'000	Investment holding RM'000	Others RM'000	Total RM'000
Segment assets	1,169,665	48,923	62,294	93,807	62,545	1,437,234
Investment in jointly controlled entities						347
Investment in associates						149,062
Deferred tax assets						15,922
Tax recoverable						3,831
Total assets						<u>1,606,396</u>

Segment liabilities as at 30 September 2019

	Properties RM'000	Education RM'000	Property Investment RM'000	Investment holding RM'000	Others RM'000	Total RM'000
Segment liabilities	324,756	20,421	471	43,815	1,877	391,340
Deferred tax liabilities						24,835
Tax payable						5,956
Total liabilities						<u>422,131</u>

A9. Other operating income

	Current Quarter RM'000	Cumulative Period RM'000
Interest income	355	650
Returns on short term funds	972	2,130
Write back of impairment loss on:-		
- trade debtors	41	69
- amount due from a jointly controlled entity	-	912
Write back of accrued costs	5,583	5,583
Others	547	680
	<u>7,498</u>	<u>10,024</u>

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	425	817
Returns on short term funds	1,007	2,227
Write back of impairment loss on:-		
- trade debtors	41	69
- amount due from a jointly controlled entity	-	912
Unrealised foreign exchange gain	86	102
Write back of accrued costs	5,583	5,583
Depreciation and amortisation	(820)	(3,600)
Interest expenses	(596)	(1,156)
Gain/(Loss) on fair value changes on financial assets at fair value through profit or loss	96	(66)

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

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

There are no material events subsequent to the end of the financial period ended 30 September 2019 that have not been reflected in this interim financial report.

A13. Changes in the Composition of the Group

During the quarter, the Company paid RM14.23 million as investment into a company, Kasi Palani Development Sdn Bhd ("KP Co"). The said investment was converted into 65% equity interest in KP Co subsequent to the quarter. KP Co is a property developer which owns two parcels of contiguous freehold commercial land totalling to 6.70 acres in Cyberjaya.

A14. Capital Commitments

	30/9/2019	31/3/2019
	RM'000	(Audited) RM'000
Approved and contracted for - school building	9,024	23,915
Approved but not contracted for - property, plant and equipment	4,692	-
	<u>13,716</u>	<u>23,915</u>

A15. Contingent Liabilities

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

	30/9/2019	31/3/2019
	RM'000	(Audited) RM'000
- Associate company	41,100	43,347
	<u>41,100</u>	<u>43,347</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 30 September 2019

Quarter	Revenue		Operating profit	
	2Q2020 RM'000	2Q2019 RM'000	2Q2020 RM'000	2Q2019 RM'000
Property	33,841	20,104	11,305	3,063
Education	4,444	3,456	936	1,082
Others	934	2,589	(1,990)	685
Total	39,219	26,149	10,251	4,830
Gain/(loss) on fair value changes			96	(3,276)
Finance costs			(596)	(1,142)
Share of results of associated company			(2,527)	(232)
Share of results of a jointly controlled entity			(42)	-
Profit Before Tax			7,182	180

For the quarter under review, the Group recorded a revenue of 39.22 million (2Q2019: RM26.15 million) and a pre-tax profit of RM7.18 million (2Q2019: RM0.18million). The increase in the quarter's revenue and pre-tax profit was attributed mainly to the property division, offset slightly by the share of losses from its associated company, Country Garden (M) Properties Sdn Bhd ("CGPM") due to the soft property market.

Property division

The property division registered a revenue of RM33.84 million (2Q2019: RM20.10 million) and an operating profit of RM11.31 million (2Q2019: RM3.06 million). The division's revenue and operating profit for the current quarter was mainly from the on-going construction progress of its Astoria project, which is targeted for completion by first half of calendar year 2020. Its other on-going projects namely Sena Parc and Seresta have also contributed to the division's revenue and operating profit from its construction progress and continuing sales. Also included in the division's contribution is the net writeback of accrued costs of RM5.58 million from its completed project subsequent to finalization of contractors' claims.

Education division

The education division recorded a revenue of RM4.44 million (2Q2019: RM3.46 million) and an operating profit of RM0.94 million (2Q2019: RM1.08 million). The increase in revenue was due to the revision in fees as well as increase in students' enrolment for both private and international schools. The division's operating profit however, has dropped due to higher overheads following the recruitment of additional teachers from August 2019 in line with its international school expansion plans.

Other division

Other divisions recorded an operating loss of RM1.99 million (2Q2019: an operating profit of RM0.69 million) on the back of a revenue of RM0.93 million (2Q2019: RM2.59 million). The lower revenue for the current quarter was due to no dividend income received from other investments for the quarter (2Q2019 : RM0.6 million dividend) and lower returns on short-term funds following dividend payout to shareholders. The division's pre-tax losses for the current quarter arose mainly from higher overhead on Putrajaya office and also accretion of interest expenses on its contingent consideration payable to its associate company, CGPM. The division's pre-tax profit in the corresponding quarter of the previous year was mainly from the accretion of interest income on advances to its associate company, CGPM.

There was no accretion of interest income in the current quarter as these advances, previously treated as loans, have now been treated as investment costs as they have similar exposure as investment in ordinary shares.

LAND & GENERAL BERHAD (COMPANY NO. 5507-H)(b) For the 6 months period ended 30 September 2019

Quarter	Revenue		Operating profit	
	YTD 2Q2020 RM'000	YTD 2Q2019 RM'000	YTD 2Q2020 RM'000	YTD 2Q2019 RM'000
Property	72,646	35,554	19,524	5,100
Education	8,770	7,070	2,473	2,134
Others	2,210	5,601	(3,017)	2,722
Total	83,626	48,225	18,980	9,956
Gain/(loss) on fair value changes			(66)	(3,548)
Finance costs			(1,156)	(2,193)
Share of results of associated company			(2,508)	(1,074)
Share of results of jointly controlled entity			347	-
Profit Before Tax			15,597	3,141

For the 6 months period under review, the Group registered a pre-tax profit of RM15.60 million (2Q2019: RM3.14 million) on the back of a revenue of RM83.63 million (2Q2019: RM48.23 million) mainly due to higher contribution from property division.

Property division

The property division recorded a revenue of RM72.65 million (2Q2019: RM35.55 million) and an operating profit of RM19.52 million (2Q2019: RM5.10 million) for the period. The division's contribution for current period were mainly from the construction progress of its existing projects, particularly for its Astoria project and also the net writeback of RM5.58 million as mentioned in (a).

Education division

The education division posted a revenue of RM8.77 million (2Q2019: RM7.07 million) and an operating profit of RM2.47 million (2Q2019: RM2.13 million) with the increase in fees assisted by the increase in students' enrolment for both its private school and international school.

Other division

On the back of a revenue of RM2.21 million (2Q2019: RM5.60 million), other division recorded an operating loss of RM3.02 million (2Q2019: an operating profit of RM2.72 million) for the period ended 30 September 2019. The operating losses in the current period compared to corresponding period of the preceding year was mainly due to higher overhead on Putrajaya office and interest expenses, and also no interest income accretion on advances to associate, CGPM as mentioned in (a).

LAND & GENERAL BERHAD (COMPANY NO. 5507-H)**B2. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter**

Quarter	Revenue		Operating profit	
	2Q2020	1Q2020	2Q2020	1Q2020
	RM'000	RM'000	RM'000	RM'000
Property	33,841	38,805	11,305	8,219
Education	4,444	4,326	936	1,537
Others	934	1,276	(1,990)	(1,027)
Total	39,219	44,407	10,251	8,729
Gain/(loss) on fair value changes			96	(162)
Finance costs			(596)	(560)
Share of results of associated company			(2,527)	19
Share of results of a jointly controlled entity			(42)	389
Profit Before Tax			7,182	8,415

The Group's revenue and pre-tax profit stood at RM39.22 million (1Q2020: RM44.41 million) and RM7.18 million (1Q2020: RM8.42 million) respectively.

The material changes in pre-tax profit for the preceding quarter of the current year were mainly due to the following:-

- the net writeback of RM5.58 million on accrued costs from property division mentioned earlier, and
- the share of losses from its associated company, CGPM.

B3. Prospects

The property market is expected to remain challenging for the remaining financial year. However, there are several government-driven initiatives to further support the economy in general, inclusive of the housing sector, as announced in the recent Budget 2020.

The Group is cautiously optimistic that sales will remain steady for all its on-going property projects. The Group also expects a rise in student enrolment in its private and international schools in the coming quarters.

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

Not applicable.

LAND & GENERAL BERHAD (COMPANY NO. 5507-H)**B5. Tax expense**

	Individual Quarter		Cumulative Period	
	30/9/2019	30/9/2018	30/9/2019	30/9/2018
	RM'000	RM'000	RM'000	RM'000
Income tax:				
- Malaysian income tax	3,240	1,331	5,416	1,797
- Under/(Over) provision in prior years	972	-	968	-
	4,212	1,331	6,384	1,797
Deferred tax	(563)	4	(549)	(10)
	3,649	1,335	5,835	1,787

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 a foreign jurisdiction is calculated at the rate prevailing in that jurisdiction.

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

B6. Corporate Development / Post Balance Sheet Events

There was no corporate proposal announced for the current quarter and financial period.

B7. Borrowings and debt securities

The Group's total borrowings and debt securities as at 30 September 2019 are as follows:

	Short Term	Long Term	Total
	RM'000	RM'000	RM'000
Secured:			
Hire purchase and finance lease liabilities	126	295	421
Term loans	11,791	152,309	164,100
Bank overdraft	12,817	-	12,817
Bridging loan	-	43,389	43,389
	<u>24,734</u>	<u>195,993</u>	<u>220,727</u>

All denominated in the local currency.

B8. Material Litigation

The Group is not engaged in any material litigation as at 18 November 2019, being the latest practicable date that shall not be earlier than 7 days from the date of this quarterly report.

B9. Dividend Proposed

No dividend has been proposed for the financial period ended 30 September 2019.

LAND & GENERAL BERHAD (COMPANY NO. 5507-H)**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 quarter/period to date by the weighted average number of ordinary shares outstanding during the quarter/period to date.

	Individual Quarter		Cumulative Period	
	30/9/2019	30/9/2018	30/9/2019	30/9/2018
Profit attributable to owners of the Company (RM'000)	1,740	(1,591)	4,998	202
Weighted average number of ordinary shares ('000)	2,973,135	2,935,070	2,973,135	2,932,591
Basic earnings per share (sen)	<u>0.06</u>	<u>(0.05)</u>	<u>0.17</u>	<u>0.01</u>

Diluted

There is no dilution of earnings per share for the quarter/ period since the Irredeemable Convertible Unsecured Loan stocks (ICULS) previously issued, had matured on 24 September 2018 and all units not converted were automatically converted thereon.

25 November 2019