

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2019**

	Note	(Unaudited)	(Unaudited)
		Individual/Cumulative Quarter	Individual/Cumulative Quarter
		Current Year	Preceding Year
		To Date	To Date
		31 Mar 2019	31 Mar 2018
		RM'000	RM'000
Revenue	11	41,064	159,349
Cost of sales		(21,491)	(120,027)
Gross profit		19,573	39,322
Other income		1,844	2,663
Other expenses		(12,939)	(17,545)
Share of results of associates		-	(20)
Profit before taxation	21	8,478	24,420
Taxation	16	(2,036)	(1,698)
Profit/Total comprehensive income for the financial period		6,442	22,722
Profit/Total comprehensive income attributable to:			
Owners of the parent		6,433	22,731
Non-controlling interests		9	(9)
		6,442	22,722
Earnings per share ("EPS")			
attributable to owners of the parent			
		sen	sen
Basic	20	0.61	2.14
Fully diluted	20	0.57	1.80

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying notes.

I-Berhad (7029-H)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2018**

	Note	(Unaudited) As at 31 Mar 2019 RM'000	(Audited) As at 31 Dec 2018 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		131,421	124,964
Investment properties		456,394	439,834
Investments in associates		161,143	161,143
Deferred tax assets		1,311	1,311
		<u>750,269</u>	<u>727,252</u>
Current assets			
Inventories		795,110	774,808
Trade and other receivables		135,400	155,592
Current tax assets		5,251	2,331
Short-term deposits with licensed financial institution		10	10
Cash and bank balances		14,264	18,803
		<u>950,035</u>	<u>951,544</u>
TOTAL ASSETS	11	<u>1,700,304</u>	<u>1,678,796</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		601,843	600,008
Reserves		334,934	328,501
Equity component - ICULS		30,126	31,840
Equity component - RCULS		14,547	14,547
		<u>981,450</u>	<u>974,896</u>
Non-controlling interests		183	173
TOTAL EQUITY		<u>981,633</u>	<u>975,069</u>
Non-current liabilities			
Deferred tax liabilities		5,747	5,301
Bank borrowings		15,000	-
		<u>20,747</u>	<u>5,301</u>
Current liabilities			
Trade and other payables		462,758	487,479
Current tax liabilities		7,724	6,098
Liability component - ICULS		945	1,016
Liability component - RCULS		201,497	203,833
Bank borrowings		25,000	-
		<u>697,924</u>	<u>698,426</u>
TOTAL LIABILITIES	11	<u>718,671</u>	<u>703,727</u>
TOTAL EQUITY AND LIABILITIES		<u>1,700,304</u>	<u>1,678,796</u>
Net assets per share attributable to owners of the parent (RM)		<u>0.97</u>	<u>0.97</u>

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying notes.

I-Berhad (7029-H)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2019

	----- Attributable to owners of the parent -----								
	Share capital	Revaluation reserve	Warrant reserve	Equity component ICULS	Equity component RCULS	Retained earnings	Total	Non-controlling interests	Total equity
(Unaudited)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2018 (As previously stated)	598,972	1,331	39,126	32,808	14,547	226,041	912,825	116	912,941
Effects of changes in accounting policy	-	(1,331)	-	-	-	26,149	24,818	-	24,818
Balance as at 1 January 2018 (Restated)	598,972	-	39,126	32,808	14,547	252,190	937,643	116	937,759
Total comprehensive income for the financial period	-	-	-	-	-	22,731	22,731	(9)	22,722
Transactions with owners:									
Conversion of ICULS during the financial period	31	-	-	(28)	-	-	3	-	3
	31	-	-	(28)	-	-	3	-	3
Balance as at 31 March 2018	599,003	-	39,126	32,780	14,547	274,921	960,377	107	960,484
(Unaudited)									
Balance as at 1 January 2019	600,008	-	39,126	31,840	14,547	289,375	974,896	174	975,070
Total comprehensive income for the financial period	-	-	-	-	-	6,433	6,433	9	6,442
Transactions with owners:									
Conversion of ICULS during the financial period	1,835	-	-	(1,714)	-	-	121	-	121
	1,835	-	-	(1,714)	-	-	121	-	121
Balance as at 31 March 2019	601,843	-	39,126	30,126	14,547	295,808	981,450	183	981,633

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying notes.

I-Berhad (7029-H)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2019

	(Unaudited) Period ended 31 Mar 2019	(Unaudited) Period ended 31 Mar 2018
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	8,478	24,420
Adjustments for:		
Non-cash/operating items	3,579	2,326
Operating profit before working capital changes	12,057	26,746
Net changes in current assets	(8,689)	4,566
Net changes in current liabilities	(13,315)	(68,611)
Cash generated from operations	(9,947)	(37,299)
Tax paid	(3,048)	(7,502)
Tax refunded	164	92
Net cash used in operating activities	(12,831)	(44,709)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(9,731)	(9,143)
Investment in an associate company	-	(21,160)
Development costs incurred for investment properties	(17,194)	(9,989)
Withdrawal from short-term deposits with licensed financial institutions	0	68,591
Interest received	307	1,826
Net cash (used in)/generated from investing activities	(26,618)	30,125
CASH FLOWS FROM FINANCING ACTIVITIES		
RCULS coupons paid	(5,066)	(5,121)
Finance lease interest paid	(24)	(24)
Proceeds from bank borrowings	40,000	-
Net cash generated from/(used in) financing activities	34,910	(5,145)
Net decrease in cash and cash equivalents	(4,539)	(19,729)
Cash and cash equivalents at beginning of financial period	18,764	30,728
Cash and cash equivalents at end of financial period	14,225	10,999
Cash and cash equivalents comprise:		
Cash and bank balances	3,363	8,950
Deposits with licensed banks/financial institutions	10,901	2,088
Deposits pledged as bank guarantee	(39)	(39)
Total	14,225	10,999

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying notes.

Part A – Explanatory Notes Pursuant to MFRS 134

1 Basis of preparation

The unaudited interim financial report has been prepared in accordance with MFRS 134: Interim Financial Reporting and Chapter 9, Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad. The significant accounting policies and method of computation adopted by the Group in this quarterly report are consistent with those in the annual financial statements for the year ended 31 December 2018 except as follows:

On 1 January 2019, the Group adopted the following new and amended MFRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2019.

1 January 2019

Amendments to MFRS 3	Annual Improvements to MFRSs 2015-2017 Cycle
Amendments to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 11	Annual Improvements to MFRSs 2015-2017 Cycle
MFRS 16	Leases
Amendments to MFRS 112	Annual Improvements to MFRSs 2015-2017 Cycle
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement
Amendments to MFRS 123	Annual Improvements to MFRSs 2015-2017 Cycle
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures
IC Interpretation 23	Uncertainty Over Income Tax Treatments

The Group has not adopted the following standards and interpretations that have been issued and not yet effective:

1 January 2020

Amendment to MFRS 3	Business Combinations
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors

2 Seasonal or cyclical factors

The Group's results were not materially impacted by any seasonal or cyclical factors apart from the Leisure segment as both the Leisure Park@i-City and Best Western i-City receive more visitors during weekends, school holidays and festive seasons.

3 Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter ended 31 March 2019.

4 Material changes in estimates

There were no material changes in estimates that have material effect as at financial quarter ended 31 March 2019.

5 Debt and equity securities

Except for the borrowings as disclosed in Note 17, there were no cancellations, repurchases, resale, repayments and issuance of debt and equity securities, in the current quarter.

6 Dividend paid

There was no dividend payment in the current quarter.

7 Material events subsequent to the end of interim period

There is no material event subsequent to the end of the interim period.

8 Changes in composition of the Group

There was no change in the composition of the Group as at 31 March 2019.

9 Capital commitments

	As at 31.03.2019
	RM'000
Approved and contracted for, analysed as follows:	
Leisure	120,106
Investment properties	141,336
	<hr/>
	261,442
	<hr/> <hr/>

10 Significant related party transactions

There was no significant related party transaction during the current quarter.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
31 MARCH 2019 - UNAUDITED**11 Segmental information- By business segments**

Financial year ended 31 March 2019	Property Development RM'000	Property Investment RM'000	Leisure RM'000	Others RM'000	Consolidated RM'000
Revenue					
Total revenue	28,009	3,635	11,003	473	43,120
Inter-segment revenue	(60)	(1,436)	(430)	(130)	(2,056)
External revenue	27,949	2,199	10,573	343	41,064
Results					
Segment results	8,102	(1,268)	1,498	(187)	8,145
Interest income	304	-	-	29	333
Profit /(Loss) before taxation	8,406	(1,268)	1,498	(158)	8,478
Tax expense					(2,036)
Profit for the financial year					6,442
As at 31 March 2019					
Assets					
Segment assets	989,504	420,331	120,265	2,499	1,532,599
Tax recoverable	-	-	-	-	5,251
Deferred tax assets	-	-	-	-	1,311
Investment in associates	-	-	-	-	161,143
Total assets					1,700,304
Liabilities					
Segment liabilities	692,204	5,832	1,162	6,002	705,200
Current tax liabilities	-	-	-	-	7,724
Deferred tax liabilities	-	-	-	-	5,747
Total liabilities					718,671

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
31 MARCH 2019 - UNAUDITED**11 Segmental information- By business segments (cont'd)**

Financial year ended 31 March 2018	Property Development RM'000	Property Investment RM'000	Leisure RM'000	Others RM'000	Consolidated RM'000
Revenue					
Total revenue	147,976	1,789	10,519	445	160,729
Inter-segment revenue	(60)	(327)	(832)	(161)	(1,380)
External revenue	147,916	1,462	9,687	284	159,349
Results					
Segment results	23,471	(934)	720	(461)	22,796
Interest income	579	-	12	1,053	1,644
Share of results of associates	-	-	(20)	-	(20)
Profit /(Loss) before taxation	24,050	(934)	712	592	24,420
Tax expense					(1,698)
Profit for the financial year					22,722
As at 31 March 2018					
Assets					
Segment assets	763,976	456,723	76,805	77,212	1,374,716
Tax recoverable	-	-	-	-	2,281
Deferred tax assets	-	-	-	-	1,681
Investment in associates	-	-	-	-	128,837
Total assets					1,507,515
Liabilities					
Segment liabilities	515,743	5,396	1,461	5,693	528,293
Current tax liabilities	-	-	-	-	3,720
Deferred tax liabilities	-	-	-	-	1,789
Total liabilities					533,802

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia and other directives**12 Auditors' Report on preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31 December 2018 was not qualified.

13 Review of performance – Current financial quarter ended 31 March 2019 by segment

	Year to date/ Three months ended		
	31.03.2019 RM'000	31.03.2018 RM'000	Change %
Revenue			
Property Development	27,949	147,916	(81)
Property Investment	2,199	1,462	50
Leisure	10,573	9,687	9
Others	343	284	21
	41,064	159,349	
Profit /(Loss) before taxation			
Property Development	8,406	24,050	(65)
Property Investment	(1,268)	(934)	(36)
Leisure	1,498	712	>100
Others	(158)	592	(>100)
	8,478	24,420	

For the current financial quarter ended 31 March 2019 ("Q1 2019"), the Group posted lower revenue of RM41.1 million and profit before tax of RM8.5 million as compared to the revenue and profit before tax of RM159.3 million and RM24.4 million respectively for the corresponding financial quarter ended 31 March 2018 ("Q1 2018").

a) Property development

The performance for the current quarter had been impacted by lower unbilled sales as there were no new project launched in 2018. Hence the revenue of this quarter came mainly from the sales of the remaining completed units. In contrast in Q1 2018, the Liberty, Parisien and Hyde ("Phase 4") developments in i-City were still ongoing.

b) Property investment

The improvement in revenue for Q1 2019 was due to the lease of the additional completed investment properties in the segment. The extended loss before taxation was a result of the operating costs incurred for the additional completed investment properties in the segment.

c) Leisure

The leisure segment revenue has been fairly sustainable with higher profit before tax for the current quarter as a result of more effective cost management.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
31 MARCH 2019 - UNAUDITED**14 Comment on material changes in profit before taxation of the current quarter compared with the preceding quarter**

	Current Quarter 31.03.2019 RM'000	Preceding Quarter 31.12.2018 RM'000	Changes %
Revenue	41,064	47,969	(14)
Share of result of associates	-	(1,558)	100
Profit before tax	8,478	7,711	10

The Group registered lower revenue and a higher profit before tax of RM41.1 million and RM8.5 million respectively for the current quarter as compared to RM48.0 million and RM7.7 million respectively for the preceding quarter. The peak period for leisure segment in the preceding quarter contributed to the higher revenue for Q4 2018.

15 Commentary on prospects

While preparing for new project launches within i-City, the Group remains focused on enhancing and extracting the value of i-City development. Hence, great emphasis has been placed in enhancing the community's experience and holistic living within i-City especially with the opening of Central i-City Shopping Centre on 23 March 2019. The Group is also focusing on the on-going development of its Investment Properties namely, Grade A, GBI rated Corporate Office Tower (expected completion by Q4, 2019), Double Tree by Hilton hotel (expected to open its door in first half of 2021) and second Convention Centre which will contribute strong recurring income stream to the Group in the near future. With the rapid development, i-City is poised to become the heart of Selangor's "Golden Triangle" with new business opportunities and investments.

The Property market in particular the residential and commercial sub-sectors, is expected to remain soft in 2019 due to the continued weak market and consumer sentiments, and thus the Board will continue to adopt a cautious approach.

The Group's unbilled sales as at 31 March 2019 stood at RM138.2 million as compared to RM149.0 million as at 31 December 2018.

Under the foregoing circumstances, the Board is of view that the operating performance of the Group will be challenging for the financial year ending 31 December 2019 despite the Group's continuous strategic efforts.

16 Taxation

	Year to date/ Three months ended	
	31.03.2019 RM'000	31.03.2018 RM'000
Taxation		
- Income tax	1,590	5,629
- Deferred tax	446	1,158
	<u>2,036</u>	<u>6,787</u>
Under/(Over) provision in prior year		
- Income tax	-	(350)
- Deferred tax	-	(4,739)
	<u>-</u>	<u>(5,089)</u>
Total	<u>2,036</u>	<u>1,698</u>

Overall, the effective tax rate for the current quarter approximates the statutory tax rate.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
31 MARCH 2019 - UNAUDITED**17 Group borrowings and debt securities**

As at 31 March 2019, the Group has the liability components of remaining unconverted balance of more than 66.5 million five year 2% to 3% Irredeemable Convertible Unsecured Loan Stocks ("ICULS") of more than RM33.3 million; 264.0 million five year 3% to 5% Redeemable Convertible Unsecured Loan Stocks ("RCULS-A") of RM132.0 million; and 138.0 million five year 3% to 5% Redeemable Convertible Unsecured Loan Stocks ("RCULS-B") of RM69.0 million. The Group has also obtained RM50.0 million banking facilities comprising revolving loan and term loan during this quarter of which RM40.0 million have been drawdown as at 31 March 2019.

As at 31 March 2019	Non-current RM'000	Repayable within one year RM'000
Unsecured		
Irredeemable Convertible Unsecured Loan Stocks ("ICULS")	-	945
Redeemable Convertible Unsecured Loan Stocks ("RCULS")	-	201,497
Bank borrowings	15,000	25,000
	<u>40,000</u>	<u>202,442</u>
As at 31 March 2018	Non-current RM'000	Repayable within one year RM'000
Unsecured		
Irredeemable Convertible Unsecured Loan Stocks ("ICULS")	996	1,081
Redeemable Convertible Unsecured Loan Stocks ("RCULS")	190,455	10,078
	<u>191,451</u>	<u>11,159</u>

18 Material litigation

The Group is not engaged in any material litigation as at 23 May 2019, the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

19 Dividend

In respect of the financial year ended 31 December 2018, a final single tier dividend amounting to 1.75 sen per ordinary share has been declared by the Directors for shareholders' approval at the forthcoming Annual General Meeting to be held on 18 June 2019.

The Dividend per Ordinary Share ("DPS") shall take into account the potential additional number of ICULS and RCULS that may be converted up to the entitlement date. The payment and entitlement dates will be announced at a later date.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
31 MARCH 2019 - UNAUDITED**20 Earnings per share**

(i) Basic Earnings per Share

	Year to date/ Three months ended	
	31.03.2019	31.03.2018
Profit attributable to owners of the parent (RM'000)	6,433	22,731
Weighted average number of ordinary shares in issue ('000)	1,061,314	1,061,314
Basic earnings per share (sen)	0.61	2.14

(ii) Diluted Earnings per Share

	Year to date/ Three months ended	
	31.03.2019	31.03.2018
Profit attributable to owners of the parent (RM'000)	6,433	22,731
After tax effects of interest	1,059	902
Weighted average number of ordinary shares in issue ('000)	1,061,314	1,061,314
Effect of dilution ('000)	254,326	254,326
Diluted earnings per share (sen)	0.57	1.80

21 Note to consolidated statements of comprehensive income

	Year to date/ Three months ended	
	31.03.2019	31.03.2018
	RM'000	RM'000
Profit before taxation for the financial year is arrived at after crediting:		
Interest income	333	1,643
Other income	1,511	1,020
and charging:		
Depreciation of property, plant and equipment	3,274	3,353
Depreciation of investment properties	634	596

22 Authorisation for issue

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 May 2019.