



**IBRACO BERHAD (011286-P)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the quarter and year ended 31 December 2015

(The figures have not been audited)

	Note	3 months ended 31 December		12 months ended 31 December	
		2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Revenue		83,952	65,061	254,038	229,061
Cost of sales		(52,980)	(42,301)	(166,997)	(167,586)
<b>Gross profit</b>		30,972	22,760	87,041	61,475
Other income		680	6,575	1,375	7,467
Administrative expenses		(4,284)	(5,311)	(13,024)	(12,901)
Selling and marketing expenses		(11)	(49)	(544)	(247)
Finance costs		(2,312)	(33)	(4,685)	(2,978)
<b>Profit before tax</b>	22	25,045	23,942	70,163	52,816
Income tax expense	25	(6,250)	(5,342)	(17,816)	(14,050)
<b>Profit for the period/year</b>		18,795	18,600	52,347	38,766
<b>Other comprehensive income</b>		-	-	-	-
<b>Total comprehensive income for the period/year</b>		18,795	18,600	52,347	38,766
<b>Profit for the period/year attributable to :</b>					
<b>Owners of the parent</b>		16,641	15,724	46,040	36,379
<b>Non-controlling interests</b>		2,154	2,876	6,307	2,387
		18,795	18,600	52,347	38,766
<b>Total comprehensive income attributable to :</b>					
<b>Owners of the parent</b>		16,641	15,724	46,040	36,379
<b>Non-controlling interests</b>		2,154	2,876	6,307	2,387
		18,795	18,600	52,347	38,766



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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (contd.)**

For the quarter and year ended 31 December 2015

(The figures have not been audited)

**Earnings Per Share  
attributable to owners of  
the parent:**

Basic, for profit for the period/year (Sen)	30	3.24	3.90	11.03	9.04
Diluted, for profit for the period/year (Sen)	30	3.24	3.90	11.03	9.04

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.



**IBRACO BERHAD (011286-P)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 31 December 2015 and 31 December 2014

	Note	Unaudited As at 31 December 2015 RM'000	Audited As at 31 December 2014 RM'000
<b>ASSETS</b>			
Property, plant & equipment		8,125	8,558
Land held for property development		193,097	130,846
Investment property		51,700	51,400
Deferred tax assets		5,963	4,732
<b>Total non-current assets</b>		<b>258,885</b>	<b>195,536</b>
Property development costs		162,162	84,089
Inventories		6,511	12,249
Trade and other receivables		49,781	26,648
Other current assets		21,844	80,658
Investment securities	16	5,464	4,286
Cash and bank balances		47,809	17,474
<b>Total current assets</b>		<b>293,571</b>	<b>225,404</b>
<b>TOTAL ASSETS</b>		<b>552,456</b>	<b>420,940</b>
<b>Equity attributable to owners of the parent</b>			
Share capital		248,203	126,624
Share premium		-	9,964
Share option reserve		-	17
Retained earnings	21	63,835	96,840
		<b>312,038</b>	<b>233,445</b>
<b>Non-controlling interests</b>		<b>9,624</b>	<b>3,517</b>
<b>Total Equity</b>		<b>321,662</b>	<b>236,962</b>
<b>LIABILITIES</b>			
Loans and borrowings	26	83,037	41,540
Deferred tax liabilities		2	2
<b>Total non-current liabilities</b>		<b>83,039</b>	<b>41,542</b>
Loans and borrowings	26	72,386	58,764
Trade and other payables	17	75,143	75,641
Other current liabilities		226	7,238
Income tax payables		-	793
<b>Total current liabilities</b>		<b>147,755</b>	<b>142,436</b>
<b>Total liabilities</b>		<b>230,794</b>	<b>183,978</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>552,456</b>	<b>420,940</b>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.



**IBRACO BERHAD (011286-P)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the year ended 31 December 2015  
(The figures have not been audited)

	Attributable to owners of the parent				Non-Controlling interests RM'000	Total equity RM'000
	<i>Non-distributable</i> Share capital RM'000	Share premium RM'000	<i>Distributable</i> Retained earnings RM'000	Share option reserve RM'000		
<b>At 1 January 2014</b>	126,488	9,957	73,123	23	830	210,421
Total comprehensive income	-	-	36,379	-	2,387	38,766
Dividends on ordinary shares	-	-	(12,662)	-	-	(12,662)
Contribution of capital by non-controlling interests	-	-	-	-	300	300
Exercise of employees share options	136	7	-	(6)	-	137
<b>At 31 December 2014</b>	<u>126,624</u> =====	<u>9,964</u> =====	<u>96,840</u> =====	<u>17</u> =====	<u>3,517</u> =====	<u>236,962</u> =====
<b>At 1 January 2015</b>	126,624	9,964	96,840	17	3,517	236,962
Total comprehensive income	-	-	46,040	-	6,307	52,347
Dividends on ordinary shares	-	-	(17,374)	-	-	(17,374)
Dividends paid to non-controlling interests	-	-	-	-	(200)	(200)
Issuance of bonus shares	70,915	(9,244)	(61,671)	-	-	-
Shares issued for cash	50,654	-	-	-	-	50,654
Share issuance expense	-	(737)	-	-	-	(737)
Exercise of employees share options	10	17	-	(17)	-	10
<b>At 31 December 2015</b>	<u>248,203</u> =====	<u>-</u> =====	<u>63,835</u> =====	<u>-</u> =====	<u>9,624</u> =====	<u>321,662</u> =====

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.



**IBRACO BERHAD (011286-P)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the year ended 31 December 2015

(The figures have not been audited)

	<b>12 months ended 31 December</b>	
	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	70,163	52,816
Adjustments for:		
Allowance for impairment of receivables	-	960
Depreciation of property, plant and equipment	1,259	943
Dividend income	(507)	(326)
Gain on disposal of property, plant and equipment	-	(295)
Gain on fair value of investment property	(300)	(6,230)
Interest expenses	4,685	2,978
Interest income	(149)	(237)
Inventories written off	-	9
Property, plant and equipment written off	-	5
Operating profit before working capital changes	<u>75,151</u>	<u>50,623</u>
Changes in working capital:		
Land held for property development	(121)	(1,249)
Property development costs	(78,073)	2,658
Inventories	5,738	(10,617)
Receivables	(20,339)	(6,394)
Other current assets	58,814	(45,738)
Payables	(498)	14,250
Other current liabilities	(7,012)	5,855
Deposits pledged for bank guarantee	(27)	(19)
Cash generated from operations	<u>33,633</u>	<u>9,369</u>
Interest paid	(4,685)	(5,181)
Interest received	149	237
Taxes refunded	2,491	126
Taxes paid	<u>(25,125)</u>	<u>(16,893)</u>
<b>Net cash generated from/(used in) operating activities</b>	<u>6,463</u>	<u>(12,342)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of land held for development	(62,130)	-
Deposits with maturity more than 3 months	(7)	(43)
Dividend received	507	326
Proceeds from disposal of investment securities	67,052	38,400
Proceeds from disposal of property, plant and equipment	-	319
Proceeds from shares issued to non-controlling interest	-	300
Purchase of investment securities	(68,230)	(7,359)
Purchase of property, plant and equipment	<u>(391)</u>	<u>(781)</u>
<b>Net cash (used in)/generated from investing activities</b>	<u>(63,199)</u>	<u>31,162</u>



**IBRACO BERHAD (011286-P)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (contd.)**

For the year ended 31 December 2015

(The figures have not been audited)

	<b>12 months ended 31 December</b>	
	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid on ordinary shares	(17,374)	(25,311)
Dividends paid to non-controlling interests	(200)	-
Share issuance expense	(737)	-
Proceeds from loans and borrowings	117,310	46,500
Proceeds from exercise of employee share options	10	137
Proceeds from issuance of ordinary shares	50,654	-
Repayment of finance leases	(368)	(200)
Repayment of loans and borrowings	(62,258)	(44,311)
<b>Net cash generated from/(used in) financing activities</b>	<b>87,037</b>	<b>(23,185)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>30,301</b>	<b>(4,365)</b>
<b>Cash and cash equivalents at beginning of financial year</b>	<b>15,333</b>	<b>19,698</b>
<b>Cash and cash equivalents at end of financial year</b>	<b>45,634</b>	<b>15,333</b>

**Cash and cash equivalents at the end of the financial year comprised the following:**

	<b>As at 31 December</b>	
	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash and bank balances	47,809	17,474
Less:		
Deposits with maturity more than 3 months	(1,293)	(1,286)
Deposits pledged for bank guarantee	(882)	(855)
<b>Cash and cash equivalents</b>	<b>45,634</b>	<b>15,333</b>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.



**IBRACO BERHAD (011286-P)**  
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**PART A – EXPLANATORY NOTES PURSUANT TO FRS 134**

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**1. Basis of Preparation**

These condensed consolidated interim financial statements have been prepared on a historical basis except as disclosed in the accounting policies.

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2014. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2014.

**2. Changes in Accounting Policies**

Except as described below, the significant accounting policies adopted are consistent with those of the audited financial statement for the year ended 31 December 2014.

On 1 January 2015, the Group adopted the following FRSs:-

**FRSs**

Amendments to FRS 119 : Defined Benefit Plans : Employee Contributions

Annual Improvements to FRSs 2010 – 2012 Cycle

Annual Improvements to FRSs 2011 – 2013 Cycle

The application of the above FRSs and Amendments to FRSs did not result in any significant changes in the accounting policies and presentation of the financial results of the Group.

**Malaysian Financial Reporting Standards (MFRS Framework)**

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 (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

On 2 September 2014, MASB issued a new MASB approved accounting Standards MFRS 15 Revenue from Contracts with Customers (MFRS 15) applicable to financial statements for annual periods beginning on or after 1 January 2017. Related accounting standards namely MFRS 111 Construction Contracts, MFRS 118 Revenue and IC 15 shall be withdrawn on the application of MFRS 15. Adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2017. Pursuant to a decision by the International Accounting Standards Board (IASB) to defer the effective date of IFRS 15 to 1 January 2018, the effective date for Transitioning Entities to apply MFRSs will also be deferred to annual periods beginning on or after 1 January 2018.



**IBRACO BERHAD (011286-P)**  
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**2. Changes in Accounting Policies (contd.)**

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2018. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

**3. Comments about Seasonal or Cyclical Factors**

The Group's performance was not materially affected by any seasonal or cyclical factors for the quarter under review.

**4. 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 December 2015.

**5. Significant Estimates and Changes in Estimates**

There were no changes in estimates that have had any material effect on the quarter ended 31 December 2015.

**6. Property, Plant and Equipment**

**Acquisition and Disposals**

During the year ended 31 December 2015, the Group acquired property, plant and equipment with an aggregate cost of RM435,000 (year ended 31 December 2014: RM1,320,000) by means of finance lease. The cash outflow on acquisition of property, plant and equipment amounted to RM390,745 during the year ended 31 December 2015 (year ended 31 December 2014: RM780,623).

There was no disposal during the year ended 31 December 2015. Property, plant and equipment with the carrying amount of RM24,771 was disposed off during the year ended 31 December 2014, resulting in a gain on disposal of RM294,729 which was included in other income.

There was no write off during the year ended 31 December 2015. Property, plant and equipment with the carrying amount of RM5,211 was written off during the year ended 31 December 2014 and the amount was included in the administrative expenses.

**7. Debt and Equity Securities**

During the financial quarter ended 31 December 2015, the Company has completed the bonus issue of 70,915,093 new ordinary shares of RM1.00 each credited as fully paid-up on the basis of 2 bonus shares for every 5 existing ordinary shares held in the Company on 6 November 2015. The Company also completed the subdivision of every 1 existing ordinary share held after the bonus issue into 2 ordinary shares of RM0.50 each and every 1 preference share of RM1.00 each into 2 preference shares of RM0.50 each. Arising from these, the Company issued and paid up share capital has increased to RM248,202,826 comprising 496,405,652 ordinary shares of RM0.50 each.

Except for the abovementioned and those disclosed in Note 16, there were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter ended 31 December 2015.





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**8. Dividends Paid**

On 20 November 2015, the Board of Directors of the Company had approved a tax exempt single tier interim dividend of 3.50 sen per ordinary share of RM0.50 each for the financial year ended 31 December 2015 (financial year ended 31 December 2014: 10.00 sen). The dividend was paid on 14 December 2015 to shareholders whose names appeared in the Register of Depositors on 4 December 2015.

**9. Segmental Information**

**Geographical segment**

No geographical segment analysis has been presented as the Group's business interest is predominantly located in Malaysia.

**Business segment**

The Group is principally engaged in property development, property holding and management, and construction works. Revenue and profit generated from landscaping works is insignificant compared to the Group's overall revenue and profit.

Results for 3 months ended 31 December 2015 (4Q2015) and 3 months ended 31 December 2014 (4Q2014) are as follows:

	Property development activities		Property holding & management		Construction works		Elimination		Per consolidated financial statements	
	4Q2015 RM'000	4Q2014 RM'000	4Q2015 RM'000	4Q2014 RM'000	4Q2015 RM'000	4Q2014 RM'000	4Q2015 RM'000	4Q2014 RM'000	4Q2015 RM'000	4Q2014 RM'000
<b>Revenue:</b>										
External customers	82,880	63,082	681	776	391	1,203	-	-	83,952	65,061
Inter-segment	-	-	-	-	57,884	43,488	(57,884)	(43,488)	-	-
Total revenue	82,880	63,082	681	776	58,275	44,691	(57,884)	(43,488)	83,952	65,061
Segment profit	18,552	24,409	236	425	149	(1,495)	6,108	603	25,045	23,942



**IBRACO BERHAD (011286-P)**  
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**9. Segmental Information (contd.)**

Segment profit is reconciled to profit before tax presented in the condensed consolidated statement of comprehensive income as follows:

	<b>4Q2015</b>	<b>4Q2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Segment profit	27,357	23,975
Finance costs	(2,312)	(33)
	<hr/>	<hr/>
Profit before tax	25,045	23,942
	=====	=====

Results for 12 months ended 31 December 2015 (12M2015) and 12 months ended 31 December 2014 (12M2014) are as follows:

	<b>Property development activities</b>		<b>Property holding &amp; management</b>		<b>Construction works</b>		<b>Elimination</b>		<b>Per consolidated financial statements</b>	
	<b>12M2015</b>	<b>12M2014</b>	<b>12M2015</b>	<b>12M2014</b>	<b>12M2015</b>	<b>12M2014</b>	<b>12M2015</b>	<b>12M2014</b>	<b>12M2015</b>	<b>12M2014</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue:</b>										
External customers	245,765	193,358	3,186	2,934	5,087	32,769	-	-	254,038	229,061
Inter-segment	-	-	-	-	163,043	153,564	(163,043)	(153,564)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue	245,765	193,358	3,186	2,934	168,130	186,333	(163,043)	(153,564)	254,038	229,061
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
 Segment profit	 50,525	 41,185	 1,824	 1,723	 3,101	 9,600	 14,713	 308	 70,163	 52,816
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====



**IBRACO BERHAD (011286-P)**  
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**9. Segmental Information (contd.)**

Segment profit is reconciled to profit before tax presented in the condensed consolidated statement of comprehensive income as follows:

	<b>12M2015</b>	<b>12M2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Segment profit	74,848	55,794
Finance costs	(4,685)	(2,978)
	<hr/>	<hr/>
Profit before tax	70,163	52,816
	=====	=====

**10. Event After the Reporting Period**

There are no material events subsequent to the reporting date that have any material effect on the quarter ended 31 December 2015.

**11. Changes in Composition of the Group**

On 8 January 2016, the Company has incorporated a new subsidiary, Ibraco Ascent Sdn Bhd. Ibraco Ascent's issued and paid-up capital of RM100,000 is 74% owned by the Company and the balance of 26% is owned by Ms. Koid Li Yee, a Malaysian.

**12. Changes in Contingent Liabilities and Contingent Assets**

There were no contingent liabilities and contingent assets since the last annual statement of financial position as at 31 December 2014 till the end of the financial period.

**13. Capital Commitments**

	<b>As at 31 December</b>	
	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Approved and contracted for:</b>		
Property, plant and equipment	-	47

**14. Directors and Key Management Personnel Compensation**

The total compensation inclusive of all benefits and perquisites paid to Directors of the Group and other members of key management during the quarter under review were as follows:

	<b>3 months ended 31 December</b>	
	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Directors	357	502
Key management personnel	545	321



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**15. Related Party Transactions**

The related party transactions are as follows:

	Note	Transaction value 3 months ended 31 December		Balance outstanding as at 31 December	
		2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
<b>Sharifah Deborah Sophia Ibrahim</b>	(a)				
Rental expense on premises		102	102	-	-
<b>Hiap Ghee Seng Sdn Bhd</b>	(b)				
Rental expense on premises		37	37	-	-

**Notes**

- (a) Sharifah Deborah Sophia Ibrahim is a major shareholder and Director of the Company.
- (b) Hiap Ghee Seng Sdn Bhd is a company connected to the Directors of the Company and of its subsidiary.

The Directors are of the opinion that the related party transactions and balances described above were carried out in the ordinary course of business and on mutually agreed terms.

**16. Investment Securities**

	Unaudited 31 December 2015 RM'000		Audited 31 December 2014 RM'000	
	Carrying amount	Fair value of quoted securities	Carrying amount	Fair value of quoted securities
<i>Financial assets at fair value through profit or loss</i>				
- Unit trusts (quoted in Malaysia)	5,464	5,464	4,286	4,286

**17. Trade and Other Payables**

	Unaudited 31 December 2015 RM'000	Audited 31 December 2014 RM'000
Trade and other payables	42,854	47,311
Provision for projects	32,289	28,330
<b>Total trade and other payables</b>	<b>75,143</b>	<b>75,641</b>



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

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**Review of Performance**

**18. Current Financial Quarter (4Q2015) Vs Corresponding Financial Quarter (4Q2014)**

The Group's revenue for 4Q2015 increased to RM83.95 million from RM65.06 million in 4Q2014. During this reporting quarter, revenue was primarily recognised from the sales of residential houses at Tabuan Tranquility Phase 2 and Phase 4, sales of apartments at Stutong Heights, sales of condominiums at the Park Residence, sales of developed vacant land at Tabuan Tranquility Phase 4, sales of 3-storey shop offices at Tabuan Tranquility Phase 3 and Bintulu Town Square, sales of shop lots at Bintulu Town Square, construction project at Bintulu and rental income from investment property. The Group's revenue for 4Q2014 was primarily recognised from sales of residential houses at Tabuan Tranquility Phase 2 and Phase 4, sales of apartments at Stutong Heights, sales of condominiums at the Park Residence, sales of developed vacant land at Tabuan Tranquility Phase 2 and Phase 4 as well as Trombol 2, sales of 3-storey shop offices at Bintulu Town Square, construction project at Bintulu and rental income from investment property. These projects comprised different type of properties and at varying stages of sales and completion. In addition, profit margin between projects also varies. These changes in product mix, sales and completion status have impact on the earnings of the Group.

Other income decreased from RM6.58 million in 4Q2014 to RM0.68 million in 4Q2015. This decrease was mainly due to significant gain in fair value of investment property recognised in corresponding financial quarter.

Administrative expenses decreased to RM4.28 million compared to RM5.31 million in 4Q2014. The decrease was mainly due to allowance for impairment of receivables recognised in corresponding financial quarter. Other components of the administrative expenses have not varied much compared to that incurred during 4Q2014.

Finance costs increased to RM2.31 million from RM0.03 million in 4Q2014. The increase was primarily due to drawdown of banking facilities to finance the acquisition of land.

**19. Current 12-month Financial Period (12M2015) Vs Corresponding 12-month Financial Period (12M2014)**

The Group's profit before tax for 12M2015 increased to RM70.16 million compared to a profit before tax of RM52.82 million recorded in 12M2014.

The Group's revenue for 12M2015 increased to RM254.04 million from RM229.06 million in 12M2014. During 12M2015, the revenue was primarily recognised from the sales of residential houses at Tabuan Tranquility Phase 2 and Phase 4, sales of condominiums at the Park Residence, sales of apartments at Stutong Heights, sales of developed vacant land at Tabuan Tranquility Phase 2, Phase 4 and Trombol 2, sales of 3-storey shop offices at Tabuan Tranquility Phase 3 and Bintulu Town Square, sales of shop lots at Bintulu Town Square, construction project at Bintulu and rental income from investment property. Whilst, revenue from 12M2014 was recognised from sales of residential houses at Tabuan Tranquility Phase 2, Phase 4 and Phase 5, sales of apartments at Stutong Heights, sales of condominiums at the Park Residence, sales of developed vacant land at Tabuan Tranquility Phase 2 and Phase 4 as well as Trombol 2, sales of 3-storey shophouses at Stutong, sales of 3-storey shop offices at Bintulu Town Square, construction project at Bintulu and rental income from investment property.

Other income decreased from RM7.47 million to RM1.38 million in 12M2015. This decrease was mainly due to significant gain in fair value of investment property recognised in corresponding financial period.



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**19. Current 12-month Financial Period (12M2015) Vs Corresponding 12-month Financial Period (12M2014) (contd.)**

Administrative expenses increased to RM13.02 million compared to RM12.90 million in 12M2014. The increase was mainly due to increase in staff costs incurred during the reporting period. Other components of the administrative expenses have not varied much compared to that incurred during the corresponding period.

Finance costs increased from RM2.98 million in 12M2014 to RM4.69 million in 12M2015. The increase was primarily due to drawdown of banking facilities to finance the acquisition of land.

**20. Comparison with Immediate Preceding Quarter's Results**

The Group recorded a profit before tax of RM25.05 million compared to a profit before tax of RM17.19 million recorded in the immediate preceding quarter ended 30 September 2015.

The Group's revenue for the current financial quarter ended 31 December 2015 increased to RM83.95 million compared to RM60.76 million in the immediate preceding quarter ended 30 September 2015. Apart from the recognition of revenue from the sales of shop lots at Bintulu Town Square in the current financial quarter, the revenue source for both financial quarters are similar, i.e. recognition from on-going development projects namely, sales of residential houses at Tabuan Tranquility Phase 2 and Phase 4, sales of apartments at Stutong Heights, sales of condominiums at the Park Residence, sales of developed vacant land at Tabuan Tranquility Phase 4, sales of 3-storey shop offices at Tabuan Tranquility Phase 3 and Bintulu Town Square, construction project at Bintulu and rental income from its investment property.

Other income increased from RM0.27 million in the immediate preceding quarter to RM0.68 million in this reporting quarter. This increase was mainly due to gain in fair value of investment property recognised during the current financial quarter.

Administrative expenses increased to RM4.28 million compared to RM2.52 million in the immediate preceding quarter ended 30 September 2015. The increase was mainly due to higher corporate social responsibility expenses and provision for staff bonus in the current financial quarter. Other components of the administrative expenses have not varied much compared to that incurred during the immediate preceding quarter.

Finance costs have increased from RM0.98 million in the immediate preceding quarter to RM2.31 million in this reporting quarter. The increase was primarily due to drawdown of banking facilities to finance the acquisition of land and finance costs incurred for completed projects are expensed off to statement of comprehensive income during this reporting quarter.

**21. Retained Earnings**

	<b>Unaudited 31 December 2015 RM'000</b>	<b>Audited 31 December 2014 RM'000</b>
Realised	70,482	105,817
Unrealised	(6,647)	(8,977)
<b>Total retained earnings</b>	63,835	96,840



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**22. Profit Before Tax**

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

	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31 December</b>		<b>31 December</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Allowance for impairment of receivables	-	960	-	960
Depreciation of property, plant and equipment	331	255	1,259	943
Dividends income	(136)	(125)	(507)	(326)
Gain on disposal of property, plant and equipment	-	-	-	(295)
Gain on fair value of investment property	(300)	(6,230)	(300)	(6,230)
Interest expenses	2,312	33	4,685	2,978
Interest income	(41)	(98)	(149)	(237)
Inventories written off	-	9	-	9
Other income	(203)	(122)	(419)	(379)
Property, plant and equipment written off	-	-	-	5

**23. Prospects**

The principal activity of the Group is realty development. In this respect, the performance of the Group is highly impacted by any movement in raw material and labour costs as well as demand of our properties which have been strong to-date. Contract for construction works are awarded on a lump sum basis to minimise the risk of labour and material price fluctuations.

The Group plans to launch more projects comprising mainly residential and commercial properties in future years. The Group monitors the market demand for our products and adopts a prudent approach with respect to any new projects.

**24. Actual Profit against Forecast Profit and Profit Guarantee**

The disclosure requirements for explanatory notes for the variance of actual profit after tax and non-controlling interests and forecast profit after tax and non-controlling interests and for the shortfall in profit guarantee are not applicable.



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**25. Income Tax Expense**

	3 months ended 31 December		12 months ended 31 December	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Current income tax:				
- Malaysian income tax	6,723	7,185	18,830	15,113
- Under/(over) provision in respect of previous years	12	-	217	(21)
	<u>6,735</u>	<u>7,185</u>	<u>19,047</u>	<u>15,092</u>
Deferred tax	(485)	(1,843)	(1,231)	(1,042)
<b>Total income tax expense</b>	<u>6,250</u>	<u>5,342</u>	<u>17,816</u>	<u>14,050</u>

Income tax is calculated at the Malaysian statutory tax rate of 25% of the estimated assessable profit for the period.

The effective tax rate of the Group for the 12 months financial period are slightly higher than the statutory tax rate mainly due to certain expenses are not deductible for tax purposes.

**26. Loans and Borrowings**

	Unaudited As at 31 December 2015 RM'000	Audited As at 31 December 2014 RM'000
	<b>Short term borrowings</b>	
Secured: Finance lease liabilities	435	310
Revolving credits	50,100	40,300
Term loans	21,851	18,154
	<u>72,386</u>	<u>58,764</u>
<b>Long term borrowings</b>		
Secured: Finance lease liabilities	1,160	1,218
Term loans	81,877	40,322
	<u>83,037</u>	<u>41,540</u>
<b>Total loans and borrowings</b>	<u>155,423</u>	<u>100,304</u>

All the above loans and borrowings are from domestic Malaysian sources and are denominated in Ringgit Malaysia.

The Group did not issue any debt securities.





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**27. Corporate Exercise**

**Status of corporate exercise – rights and bonus issue**

On 21 August 2015, the Company has completed the renounceable rights issue of 50,653,638 new ordinary shares of RM1.00 each at an issue price of RM1.00 per rights share on the basis of 2 right shares for every 5 existing ordinary shares held in the Company on 24 July 2015.

On 23 October 2015, the shareholders of the Company have approved the bonus issue of 70,915,093 new ordinary shares of RM1.00 each to be credited as fully paid-up on the basis of 2 bonus shares for every 5 existing ordinary shares held in the Company on 6 November 2015. The shareholders also approved the subdivision of every 1 existing ordinary share held after the bonus issue into 2 ordinary shares of RM0.50 each and every 1 preference shares of RM1.00 each into 2 preference shares of RM0.50 each. This corporate exercise was completed on 9 November 2015.

**Status of utilisation of proceeds**

The gross proceeds from issuance of 50,653,638 rights shares at an issue price of RM1.00 per rights share of approximately RM50.65 million have been / shall be utilised in the following manner:

	<b>Purpose</b>	<b>Proposed utilisation</b>	<b>Actual utilisation</b>	<b>Deviation</b>	<b>Balance</b>	<b>Intended timeframe for utilisation</b>	<b>Explanations</b>
		<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>		
(i)	Repayment of bank borrowings	30,000	(28,460)	-	1,540	Within 12 months	Repayment of short term borrowings
(ii)	Project financing	19,554	(2,415)	363	17,502	Within 24 months	Payment to project consultants
(iii)	Rights issue expenses	1,100	(737)	(363)	-	Within 3 months	Payment of professional fees
		<u>50,654</u>	<u>(31,612)</u>	<u>-</u>	<u>19,042</u>		

**28. Off Balance Sheet Financial Instruments**

The Group does not have any financial instruments with off balance sheet risk as at 22 February 2016, the latest practicable date which is not earlier than 7 days from the date of this quarterly report.

**29. Changes in Material Litigation**

There was no known material litigation as at 22 February 2016.



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**30. Earnings Per Share**

The following reflect the profit and share data used in the computation of basic and diluted earnings per share:

	<b>3 months ended 31 December</b>		<b>12 months ended 31 December</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Profit attributable to owners of the parent (RM'000)	16,641	15,724	46,040	36,379
Weighted average number of ordinary shares in issue ('000)	513,674	402,689	417,226	402,537
Effects of dilution - share options ('000)	-	4	-	4
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	513,674	402,693	417,226	402,541
Basic earnings per share (sen)	3.24	3.90	11.03	9.04
Diluted earnings per share (sen)	3.24	3.90	11.03	9.04

**31. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31 December 2014 was not qualified.

**32. Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 26 February 2016.