

IVORY PROPERTIES GROUP BERHAD (673211 – M)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2010
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Unaudited As at 31.12.2010 RM'000	Audited As at 31.12.2009 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	40,403	N/A
Investment properties	49,674	N/A
Land held for property development	26,297	N/A
Investment in associates	7,630	N/A
Other investments	53	N/A
Intangible assets	107	N/A
Goodwill on consolidation	448	N/A
	<hr/> 124,612	<hr/> N/A
Current assets		
Property development costs	177,903	N/A
Inventories	59,184	N/A
Trade and other receivables	50,957	N/A
Current tax assets	141	N/A
Cash and bank balances	15,157	N/A
	<hr/> 303,342	<hr/> N/A
TOTAL ASSETS	427,954	N/A
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the company		
Share capital	93,000	N/A
Share premium	20,766	N/A
Merger debit	(58,901)	N/A
Reserves	137,464	N/A
Total equity	<hr/> 192,329	<hr/> N/A
Non-current liabilities		
Borrowings	67,307	N/A
Deferred tax liabilities	1,357	N/A
	<hr/> 68,664	<hr/> N/A
Current liabilities		
Trade and other payables	121,111	N/A
Borrowings	37,818	N/A
Current tax liabilities	8,032	N/A
	<hr/> 166,961	<hr/> N/A
Total liabilities	<hr/> 235,625	<hr/> N/A
TOTAL EQUITY AND LIABILITIES	427,954	N/A
Net assets per share attributable to ordinary equity holders of the company (RM)*	<hr/> 1.03	<hr/> N/A

* Computed based on 186,000,000 ordinary shares of RM0.50 each in the Company ("Shares").

IVORY PROPERTIES GROUP BERHAD (673211 – M)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2010
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Cont'd)**

N/A Not applicable

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 31 December 2009 as disclosed in the Prospectus of Ivory Properties Group Berhad ("Ivory" or the "Group") dated 12 July 2010 and the accompanying explanatory notes attached to this interim financial report.

This is the fourth interim financial report on the consolidated results for the fourth quarter ended 31 December 2010 announced by the Group in compliance with the listing requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for Main Market ("Listing Requirements").

IVORY PROPERTIES GROUP BERHAD (673211 – M)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2010
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2010 RM'000 *	Preceding Year Corresponding Quarter 31.12.2009 RM'000	Current Year- To-Date 31.12.2010 RM'000 *	Preceding Year Corresponding Period 31.12.2009 RM'000
Revenue	42,543	N/A	164,646	N/A
Cost of sales	(21,848)	N/A	(87,786)	N/A
Gross profit	20,695	N/A	76,860	N/A
Other operating expenses	(11,064)	N/A	(34,707)	N/A
Other operating income	1,086	N/A	4,850	N/A
Results from operating activities	10,717	N/A	47,003	N/A
Finance costs	(924)	N/A	(4,341)	N/A
Share of results of associated companies, net of tax	4,021	N/A	6,107	N/A
Profit before tax	13,814	N/A	48,769	N/A
Tax expense	(2,907)	N/A	(12,812)	N/A
Profit for the period	10,907	N/A	35,957	N/A
Other comprehensive income for the period, net of tax	-	N/A	-	N/A
Total comprehensive income for the period	10,907	N/A	35,957	N/A
Profit attributable to:				
Equity holders of the Company	10,907	N/A	35,957	N/A
Minority interests	-	N/A	-	N/A
	10,907	N/A	35,957	N/A
Total comprehensive income attributable to:				
Equity holders of the Company	10,907	N/A	35,957	N/A
Minority interests	-	N/A	-	N/A
	10,907	N/A	35,957	N/A
Earnings per share attributable to the equity holders of the Company:				
Basic (sen)	5.86	N/A	22.42	N/A
Diluted (sen)	5.86	N/A	22.42	N/A

N/A Not applicable.

IVORY PROPERTIES GROUP BERHAD (673211 – M)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2010**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(Cont'd)**

- * *Ivory and its subsidiaries ("Ivory Group" or the "Group") has adopted the Merger Method of Accounting in respect of acquisition of subsidiaries under common control except for certain subsidiaries which were acquired by way of cash and accounted for under the Purchase Method of Accounting. Under the Merger Method of Accounting, the Group's consolidated results for the current financial year ended 31 December 2010 comprise the consolidated results of all subsidiaries as if the merger had been effected throughout the entire financial year to-date while for Purchase Method of Accounting, the results are consolidated from the date the control effectively commenced.*

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 31 December 2009 as disclosed in the Prospectus of the Group dated 12 July 2010 and the accompanying explanatory notes attached to this interim financial report.

No comparative figures for the preceding year's corresponding period are available as this is the fourth interim financial report being announced in compliance with the Listing Requirements.

IVORY PROPERTIES GROUP BERHAD (673211 – M)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2010
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to equity holders of the Company				Total RM'000
	Share capital RM'000	Share premium RM'000	Merger debit RM'000	Distributable Reserves RM'000	
At 1 January 2009	#	-	-	(88)	(88)
Total comprehensive income for the year	-	-	-	(969)	(969)
At 31 December 2009	#	-	-	(1,057)	(1,057)
Effects arising from the merger	-	-	(58,901)	102,564	43,663
Total comprehensive income for the year	-	-	-	35,957	35,957
Issuance of ordinary shares pursuant to:-					
- acquisition of subsidiaries	70,072	-	-	-	70,072
- acquisition of associated companies	478	680	-	-	1,158
- rights issue	##	-	-	-	-
- public issue	22,450	22,449	-	-	44,899
- share issue expenses	-	(2,363)	-	-	(2,363)
At 31 December 2010	93,000	20,766	(58,901)	137,464	192,329

Denotes RM2

Denotes RM71

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 31 December 2009 as disclosed in the Prospectus of the Group dated 12 July 2010 and the accompanying explanatory notes attached to this interim financial report.

No comparative figures are available as this is the fourth interim financial report being announced in compliance with the Listing Requirements.

IVORY PROPERTIES GROUP BERHAD (673211 – M)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2010
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Current Year-to-date 31.12.2010 RM'000	Preceding year corresponding period 31.12.2009 RM'000
Cash flow from operating activities		
Profit before tax	48,769	N/A
Adjustments for:-		
Non-cash items	5,481	N/A
Non-operating items	(2,536)	N/A
Operating profit before changes in working capital	51,714	N/A
Net change in assets	(40,808)	N/A
Net change in liabilities	(13,145)	N/A
Cash used in operations	(2,239)	N/A
Tax paid	(9,371)	N/A
Net cash used in operating activities	(11,610)	N/A
Cash flow from investing activities		
Interest received	373	N/A
Proceeds received from disposal of property, plant and equipment	43	N/A
Proceeds received from disposal of investment properties	168	N/A
Additions to investment properties	(3,495)	N/A
Purchase of property, plant and equipment	(3,939)	N/A
Purchase of franchise	(20)	N/A
Development expenditure incurred in land held for development	(19)	N/A
Net cash used in investing activities	(6,889)	N/A
Cash flow from financing activities		
Interest paid	(4,341)	N/A
Drawdown of term loans	25,707	N/A
Proceeds from issuance of shares	44,899	N/A
Payment of share issue expenses	(2,363)	N/A
Repayment of borrowings	(40,851)	N/A
Net cash from financing activities	23,051	N/A
Net increase in cash and cash equivalents	4,552	N/A
Cash and cash equivalents at beginning of period	159	N/A
Cash and cash equivalents at end of period	4,711	N/A
Cash and cash equivalents comprise the following:-		
Cash and bank balances	13,126	N/A
Deposit with licensed banks	91	N/A
Bank overdrafts	(8,506)	N/A
	4,711	N/A

N/A Not applicable

IVORY PROPERTIES GROUP BERHAD (673211 – M)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2010**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS *(Cont'd)*

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 31 December 2009 as disclosed in the Prospectus of the Group dated 12 July 2010 and the accompanying explanatory notes attached to this interim financial report.

No comparative figures are available as this is the fourth interim financial report being announced in compliance with the Listing Requirements.

IVORY PROPERTIES GROUP BERHAD (673211 – M)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING

A1 Basis of Preparation

The interim financial report is unaudited and has 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.

This is the fourth interim financial report on the consolidated results for the fourth quarter ended 31 December 2010 announced by the Group in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding financial year’s corresponding period.

The interim financial report should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants’ Report for the financial year ended 31 December 2009 as disclosed in the Prospectus of the Group dated 12 July 2010 and the accompanying explanatory notes attached to this interim financial report.

The interim financial report contains condensed financial statements and selected explanatory notes. The explanatory notes 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 financial year ended 31 December 2009. The interim consolidated financial report and explanatory notes thereon do not include all the information required for a full set of financial statements prepared in accordance with FRSs.

A2 Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2009 except for the mandatory adoption of the following new and revised FRSs and IC Interpretations (“IC Int.”) effective for the financial period beginning on 1 January 2010:-

FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements (revised 2009)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations
Amendments to FRS 127	Consolidated and Separate Financial Statements: Cost of Investment in A Subsidiary, Jointly Controlled Entity or Associate
Amendments to FRS 132	Financial Instruments: Presentation

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2010**

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING
STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING (Cont’d)**

Amendments to FRS 139	Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Int. 9 Reassessment of Embedded Derivatives
Amendments to FRSs	Improvement to FRSs (2009)
IC Int. 9	Reassessment of Embedded Derivatives
IC Int. 10	Interim Financial Reporting and Impairment
IC Int. 11	FRS 2 – Group and Treasury Share Transactions
IC Int. 13	Customer Loyalty Programmes
IC Int. 14	FRS 119 – The Limit on A Defined Benefit Asset, Minimum Funding Requirements and Their Interaction

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

A3 Auditors’ Report on Preceding Annual Financial Statements

There was no qualification to the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2009.

A4 Seasonal or Cyclical Factors

The business operations of the Group for the current financial quarter have not been significantly affected by any seasonal and cyclical factors.

A5 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial quarter.

A6 Material Changes in Estimates

There were no changes in estimates that have had a material effect in the current financial quarter results.

IVORY PROPERTIES GROUP BERHAD (673211 – M)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2010**

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING
STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING (*Cont’d*)**

A7 Debt and Equity Securities

Save as disclosed below, there were no issuance, cancellation, repurchase, resale or repayment of debt and/or equity securities, share buybacks, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial quarter under review and year-to-date:-

(a) Increase in Authorised Share Capital

The authorised share capital of the Company of RM100,000 comprising 100,000 ordinary shares of RM1.00 each was increased to RM100,000,000 divided into 200,000,000 Shares of RM0.50 each by the creation of 199,800,000 Shares of RM0.50 each.

The increase in authorised share capital was completed on 11 March 2010.

(b) Subdivision and Issuance of Shares Pursuant to Acquisitions and Rights Issue

The Company undertook a subdivision of 2 ordinary shares of RM1.00 each into 4 new Shares on the basis of two (2) new Shares for every one (1) existing ordinary share of RM1.00 each held (“**Subdivision**”). The Subdivision resulted in the issued and paid-up share capital of the Company being increased from 2 ordinary shares of RM1.00 each to 4 Shares.

Subsequent to the Subdivision, the Company undertook acquisitions of subsidiaries and associated companies (“**Acquisitions**”). The Acquisitions resulted in the issued and paid-up share capital of the Company being increased from 4 Shares to 141,100,859 Shares.

Upon completion of the Acquisitions, the Company undertook a rights issue of 141 new Shares at the issue price of RM1.21 per Share to all the existing shareholders on the basis of approximately ten (10) new Shares for every existing ten million (10,000,000) Shares held in the Company after the Acquisitions (“**Rights Issue**”). The Rights Issue resulted in the issued and paid-up share capital of the Company being further increased from 141,100,859 Shares to 141,101,000 Shares.

IVORY PROPERTIES GROUP BERHAD (673211 – M)**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2010****PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING
STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING (Cont’d)**

The details of the Subdivision and the issuance of Shares pursuant to the Acquisitions and Rights Issue are as follows:-

Date of Allotment/ Subdivision	No. Of Shares Allotted/ Subdivided	Par Value RM	Consideration	Cumulative Issued And Paid-up Share Capital RM
27.11.2004	2	1.00	Subscribers' shares	2
11.03.2010	4	0.50	Subdivision	2
11.03.2010	84,395,847	0.50	Acquisition of Ivory Associates Sdn Bhd (“IASB”)	42,197,926
11.03.2010	6,856,445	0.50	Acquisition of Ivory Meadows Sdn Bhd (“IMSB”)	45,626,148
11.03.2010	7,213,040	0.50	Acquisition of Ivory Square Sdn Bhd (“ISSB”)	49,232,668
11.03.2010	183,820	0.50	Acquisition of Ivory Property Management Services Sdn Bhd (“IPMSB”)	49,324,578
11.03.2010	409,158	0.50	Acquisition of G&A Consultancy Sdn Bhd (“G&A”)	49,529,157
11.03.2010	40,847,403	0.50	Acquisition of Ivory Gleneary Sdn Bhd (“IGSB”)	69,952,858
11.03.2010	188,742	0.50	Acquisition of Ivory Indah Sdn Bhd (“IISB”)	70,047,230
11.03.2010	48,964	0.50	Acquisition of Ivory Furniture & Interior Sdn Bhd (“IFSB”)	70,071,712
11.03.2010	177,394	0.50	Acquisition of Ivory Continental Sdn Bhd (“ICSB”)	70,160,409
11.03.2010	780,042	0.50	Acquisition of Ivory Villas Sdn Bhd (“IVSB”)	70,550,430
15.03.2010	141	0.50	Rights Issue	70,550,500

The Subdivision and Acquisitions were completed on 11 March 2010 whilst the Rights Issue was completed on 15 March 2010.

Upon completion of the Public Issue as disclosed in Note B8(a), the issued and paid-up capital of the Company was enlarged to RM93,000,000 comprising 186,000,000 Shares.

A8 Dividends Paid

No dividends have been paid during the current financial quarter.

IVORY PROPERTIES GROUP BERHAD (673211 – M)

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31 DECEMBER 2010**

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL
REPORTING STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING**

(Cont’d)

A9 Operating Segments

(a) Segment revenue by activities is as follows:-

	Segment Revenue			
	Individual Period		Cumulative Period	
	Current	Preceding Year	Current	Preceding Year
	Quarter	Corresponding	Year-	Corresponding
	31.12.2010	Quarter	To-Date	Period
	RM'000	31.12.2009	31.12.2010	31.12.2009
		RM'000	RM'000	RM'000
Property development	42,252	N/A	135,829	N/A
Construction contracts	(3,296)	N/A	21,951	N/A
Property management	2,095	N/A	3,930	N/A
Furniture and interior designing	215	N/A	1,039	N/A
Retailing	1,277	N/A	1,897	N/A
Total	42,543	N/A	164,646	N/A

(b) Segment profit/ (loss) before taxation by activities is as follows:-

	Segment Profit/ (Loss) Before Taxation			
	Individual Period		Cumulative Period	
	Current	Preceding Year	Current	Preceding Year
	Quarter	Corresponding	Year-	Corresponding
	31.12.2010	Quarter	To-Date	Period
	RM'000	31.12.2009	31.12.2010	31.12.2009
		RM'000	RM'000	RM'000
Property development	11,906	N/A	49,399	N/A
Construction contracts	184	N/A	617	N/A
Property management	979	N/A	46	N/A
Furniture and interior designing	(110)	N/A	(196)	N/A
Retailing	(338)	N/A	(811)	N/A
Others	1,193	N/A	(286)	N/A
Total	13,814	N/A	48,769	N/A

IVORY PROPERTIES GROUP BERHAD (673211 – M)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2010**

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING
STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING (Cont’d)**

A9 Operating Segments (Cont’d)

(c) Segment assets by activities are as follows:-

	Segment assets	
	Unaudited	Audited
	As at 31.12.2010 RM'000	As at 31.12.2009 RM'000
Property development	176,735	N/A
Construction contracts	187,962	N/A
Property management	5,996	N/A
Furniture and interior designing	459	N/A
Retailing	6,294	N/A
Others	42,825	N/A
Total	420,271	N/A

A10 Subsequent Material Events

There are no material events subsequent to the end of the financial year ended 31 December 2010 that have not been reflected in the financial statements for the current financial quarter under review.

IVORY PROPERTIES GROUP BERHAD (673211 – M)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED
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**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL
REPORTING STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING**

(Cont’d)

A11 Changes in the Composition of the Group

In conjunction with, and as an integral part of the listing of and quotation for the entire enlarged issued and paid-up share capital of the Company on the Main Market of Bursa Securities, the Company had on 11 March 2010 completed a restructuring exercise involving the following:-

Name of Company	No. of Ordinary Shares of RM1.00 Each	Equity Interest %	*Purchase Consideration RM	No. of Ivory Shares Issued	Cash Consideration RM
<i>Acquisitions of Subsidiaries</i>					
IASB	6,500,000	100	102,118,975	84,395,847	-
IMSB	1,000,000	100	8,296,299	6,856,445	-
ISSB	1,920,000	100	8,727,778	7,213,040	-
IPMSB	100,000	100	222,422	183,820	-
G&A	100,000	100	495,081	409,158	-
IGSB	1,200,000	40	49,425,357	40,847,403	-
IISB	250,000	100	228,378	188,742	-
IFSB	100,000	100	59,247	48,964	-
Ivory Times Square Sdn Bhd	2	100	2	-	2
Ivory Utilities Sdn Bhd	2	100	2	-	2
Sunlink Properties Sdn Bhd	100,000	100	100,000	-	100,000
<i>Acquisitions of Associated Companies</i>					
ICSB	980,000	49	214,647	177,394	-
IVSB	490,000	49	943,851	780,042	-
Total	12,740,004		170,832,039	141,100,855	100,004

* Based on net tangible assets (“NTA”)/ adjusted NTA of the respective companies as at 31 December 2008.

There were no changes in the composition of the Group for the current quarter and financial year to-date except for the following:-

- (i) Incorporation of a wholly-owned subsidiary company, Ivory Media Sdn Bhd., on 20 October 2010, with an issued and paid-up capital of RM2.00 divided into 2 ordinary shares of RM1.00 each. On 1 November 2010, the issued and paid-up capital of Ivory Media Sdn Bhd was increased to RM100,000.00 divided into 100,000 ordinary shares of RM1.00 each;
- (ii) Incorporation of a wholly-owned subsidiary company, Ivory Place Sdn Bhd., on 9 December 2010, with an issued and paid-up capital of RM2.00 divided into 2 ordinary shares of RM1.00 each;

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31 DECEMBER 2010**

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL
REPORTING STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING**

(Cont’d)

A11 Changes in the Composition of the Group (Cont’d)

- (iii) Incorporation of a wholly-owned subsidiary company, Ivory Residence Sdn Bhd., on 9 December 2010, with an issued and paid-up capital of RM2.00 divided into 2 ordinary shares of RM1.00 each; and
- (iv) Incorporation of a wholly-owned subsidiary company, Ivory View Sdn Bhd., on 13 December 2010, with an issued and paid-up capital of RM2.00 divided into 2 ordinary shares of RM1.00 each.

A12 Changes in Contingent Liabilities or Contingent Assets

There were no material changes in contingent liabilities or contingent assets as at the end of the current financial quarter.

A13 Capital Commitments

The amount of capital commitments as at 31 December 2010 are as follows:-

	RM’000
Approved but not contracted for:-	
- Purchase of investment properties	491
Contracted but not provided for:-	
- Purchase of property, plant and equipment	2,056
- Purchase of investment properties	448
- Purchase of development land	68,000
- Purchase of ordinary shares of TTG *	33,882
	<hr/>
	104,877

* The contract was entered by one of the Group’s wholly owned subsidiary, Ivory Associates Sdn Bhd on 15 September 2010, to purchase an additional 847,059 ordinary shares of RM1.00 each in the share capital of Tanjong Tokong Garden Development Sdn Bhd (TTG). TTG is the registered and beneficial owner of all that pieces of land known as Lot Nos. 1599, 1602 and 1603, all in Seksyen 2, Bandar Tanjong Tokong, Daerah Timur Laut, Pulau Pinang and measuring approximately 9,365 square metres (the said Land). The Proposed Project development land comprising the said Land and Lot 435 measuring 439 square metres which is beneficially owned by Ivory Associates Sdn Bhd. The Proposed Project development land was valued at a market value of RM52,000,000 on 8 September 2010.

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**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL
REPORTING STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING
(Cont’d)**

A14 Capital Expenditure

There were no major additions and disposals of property, plant and equipment during the current financial quarter and financial year-to-date.

A15 Significant Related Party Transactions

Related parties are those defined under FRS 124: Related Party Disclosures.

Save as disclosed in the Prospectus of the Group dated 12 July 2010, there were no significant related party transactions entered into by the Group during the current financial quarter and financial year-to-date.

A16 Disclosure of Derivatives

The Group did not have any outstanding derivatives as at the end of the current financial quarter.

IVORY PROPERTIES GROUP BERHAD (673211 – M)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2010**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF
THE LISTING REQUIREMENTS**

B1 Review of Performance

The Group recorded revenue of RM164.6 million and profit before tax of RM48.8 million as at the end of the current financial quarter and financial year-to-date.

B2 Material Changes in the Quarterly Results as compared with the Immediate Preceding Quarter

The Group recorded profit before taxation of RM13.8 million for the current quarter as compared to RM11.4 million for the immediate preceding quarter. The increase in profit before taxation is mainly due to the higher share of results of associated companies following the additional sales achieved for The Peak Residences project during current financial quarter.

B3 Prospects for the next financial year

Barring unforeseen circumstances, the Board of Directors expects its business prospects for the financial year ending 31 December 2011 to be favourable.

B4 Variance between Actual Profit and Forecast Profit

There were no material variances between the actual profit for the financial year ended 31 December 2010 and the forecasted profit of RM33.86 million as disclosed in the Prospectus of the Group dated 12 July 2010.

B5 Taxation

The taxation for the Group comprised of the following:-

	Individual Period		Cumulative Period	
	Current Quarter 31.12.2010 RM'000	Preceding Year Corresponding Quarter 31.12.2009 RM'000	Current Year-to- Date 31.12.2010 RM'000	Preceding Year Corresponding Period 31.12.2009 RM'000
Current income tax Malaysian - Current year	3,677	N/A	13,112	N/A
Deferred taxation	(770)	N/A	(300)	N/A
	2,907	N/A	12,812	N/A

The effective tax rates for the current quarter and financial year-to-date was higher than the statutory tax rate mainly due to certain expenses being not deductible for tax purpose.

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B6 Sale of Unquoted Investments and/or Properties

There were no sales of unquoted investments and properties during the current financial quarter.

B7 Quoted Securities

There were no purchases or disposals of quoted securities during the current financial quarter and financial year-to-date under review. The Group did not hold any quoted securities as at 31 December 2010.

B8 Status of Corporate Proposals

(a) Status of Corporate Proposals - Initial Public Offering (“IPO”)

On 12 July 2010, the Group issued a Prospectus for the public issue of 44,899,000 new Shares (“**Public Issue**”) and offer for sale of 16,170,000 Shares (“**Offer for Sale**”) at an issue/ offer price of RM1.00 per ordinary share payable in full on application pursuant to its listing on the Main Market of Bursa Securities as detailed below:-

(i) Public Issue

The Public Issue of 44,899,000 new Shares at the issue price of RM1.00 per Share (“**Public Issue Shares**”) will be allocated and allotted in the following manner:-

(aa) Malaysian Public

9,300,000 Public Issue Shares representing 5.0% of the enlarged issued and paid-up share capital will be made available for application by Malaysian public, of which at least 50% is to be set aside strictly for Bumiputera individuals, companies, societies, co-operatives and institutions.

(bb) Eligible Directors, Employees and Business Associates of the Ivory Group

1,000,000 Public Issue Shares representing approximately 0.54% of the enlarged issued and paid-up share capital will be reserved for the eligible Directors, employees and business associates (which include the suppliers, sales agents, customers and others) of the Group.

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B8 Status of Corporate Proposals (Cont'd)

(cc) Private Placement

34,029,000 Public Issue Shares representing approximately 18.30% of the enlarged issued and paid-up share capital will be reserved by way of private placement to selected investors (who are deemed public).

(dd) Bumiputera Investors

570,000 Public Issue Shares representing approximately 0.31% of the enlarged issued and paid-up share capital will be reserved for Bumiputera investors to be approved by Ministry of International Trade and Industry (“MITI”).

(ii) Offer for Sale

The Offer for Sale of 16,170,000 Shares representing approximately 8.69% of the enlarged issued and paid-up share capital at the offer price of RM1.00 per Share will be reserved for Bumiputera investors to be approved by MITI.

The Company was listed on the Main Market of Bursa Securities on 28 July 2010, with its entire enlarged issued and paid-up share capital of RM93,000,000 comprising of 186,000,000 Shares.

(b) Status of Utilisation of Proceeds

The gross proceeds of RM44.90 million which will accrue to the Company from the Rights Issue and Public Issue are proposed to be utilised in the following manner:-

Purpose	Expected Timeframe for Utilisation from Date of Listing	Proposed Utilisation RM'000	Actual Utilisation RM'000	Deviation RM'000	Explanations
(i) Repayment of bank borrowings	Within 6 months	10,000	10,000	-	-
(ii) Working capital	Within 12 months	31,499	31,499	-	-
(iii) Estimated share issue expenses	Within 6 months	3,400	4,809	1,409	*
Total proceeds		44,899	46,308	1,409	

* The excess in actual share issue expenses of RM1.4 million has been funded by the internal generated funds.

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B9 Borrowings and Debt Securities

Details of the Group's borrowings as at 31 December 2010 are as follows:-

	Secured RM'000
<i>Long Term Borrowings</i>	
Term Loans & Bridging Loans	63,297
Hire purchase	4,010
<i>Short Term Borrowings</i>	
Term Loans & Bridging Loans	27,023
Hire purchase	2,289
Overdrafts	8,506
Total	105,125

The Group has no foreign currency borrowings.

B10 Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk issued at the date of issuance of this report.

B11 Material Litigation

Save as disclosed below, as at 28 February 2011, the Group is not engaged in any material litigation:-

Penang High Court Civil Suit No. 22-240-2008

Ivory Indah Sdn Bhd vs Krishna Kumar S/O T.N. Sharma

IISB has filed this case in its capacity as plaintiff against the defendant, Krishna Kumar S/O T.N. Sharma, claiming Specific Performance of agreements dated 6 August 2007 and 30 January 2008 for the sale and purchase of a piece of land known as Geran No. 1272, Lot No. 2838, Mukim 18, Daerah Timur Laut, Penang ("Land") with a total land area of approximately 53 acres or alternatively, for damages in lieu or in addition to Specific Performance.

The defendant in turn has filed a Counter Claim to resist the suit and claimed for loss of profits projected in an earlier joint venture to develop the Land. The Defendant is counterclaiming to declare the agreements for the sale and purchase of the Land as null and void and to claim for loss of profit.

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B11 Material Litigation (Cont'd)

The case is still at its infancy at Case Management and no date has been set down for trial. The Directors of IISB and the Company are confident that the company will be successful in its claim for Specific Performance.

B12 Dividend

No interim ordinary dividend has been declared for the financial year ended 31 December 2010.

B13 Earning per share

(a) Basic Earnings per Share

The basic earnings per share for the current financial quarter and current financial year-to-date are computed as follows:-

	Individual Period		Cumulative period	
	Current Quarter 31.12.2010	Preceding Year Corresponding Quarter 31.12.2009	Current Year-to-Date 31.12.2010	Preceding Year Corresponding Period 31.12.2009
Profit attributable to equity holders of the Company (RM'000)	10,907	N/A	35,957	N/A
Weighted average number of ordinary shares in issue ('000)	186,000	N/A	160,414	N/A
Basic earnings per share (sen)	5.86	N/A	22.42	N/A

Basic earnings per share is calculated based on the Group's profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding during the reporting period.

(b) Diluted Earnings per Share

Diluted earnings per share were not computed as the Company does not have any dilutive potential ordinary shares in issue as at the end of the financial quarter under review. As such, the diluted earnings per share is presented as equal to basic earnings per share.

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B14 Compliance to SC's condition

The Group has fully complied on the condition imposed by the Securities Commission ("SC") via the SC's approval letters dated 5 May 2008 and 24 February 2010 with regard to Parcel No. 2-2-12A, Plaza Ivory, Halaman Bukit Gambir, Gelugor, Pulau Pinang.

B15 Realised and Unrealised Profits

Bursa Malaysia Securities Berhad ("Bursa") has on 25 March 2010 issued a directive which requires all listed companies to disclose a breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses, for the purpose of greater transparency. The breakdown of retained profits of the Group, pursuant to the format prescribed by Bursa, is as follows:

	As at 31.12.10 RM'000	As at 30.09.10 RM'000
Total retained profits of Ivory Properties Group Berhad and its subsidiaries:		
- Realised	141,137	134,542
- Unrealised	(1,357)	(2,113)
	<u>139,780</u>	<u>132,429</u>
Total share of retained profits from associated companies:		
- Realised	5,495	2,085
- Unrealised	(4)	-
	<u>5,491</u>	<u>2,085</u>
Less: Consolidated adjustments	(7,807)	(7,957)
Total Group retained profits	<u>137,464</u>	<u>126,557</u>

B16 Authorised for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 28 February 2011.

By order of the Board of Directors

Lam Voon Kean
Company Secretary
28 February 2011