

IVORY PROPERTIES GROUP BERHAD (673211-M)
UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited	Audited
	As at	As at
	31.03.2013	31.12.2012
	RM'000	RM'000
Assets		
Property, plant and equipment	58,260	58,185
Investment properties	65,273	64,667
Land held for property development	49,671	49,671
Intangible assets	584	587
Investment in associates	7,186	7,501
Investment in a jointly controlled entity	24,061	24,185
Deferred tax assets	676	157
Total non-current assets	205,711	204,953
Property development costs	234,947	222,544
Inventories	168,449	176,406
Current tax assets	1,054	586
Trade and other receivables	149,528	151,021
Cash and bank balances	33,662	58,070
Total current assets	587,640	608,627
Total assets	793,351	813,580
Equity		
Share capital	204,164	204,164
Warrant reserve	27,900	27,900
Retained earnings	134,089	131,991
Equity attributable to owners of the Company	366,153	364,055
Non-controlling interests	194	274
Total equity	366,347	364,329
Liabilities		
Loans and borrowings	163,574	166,171
Deferred tax liabilities	23,898	25,144
Total non-current liabilities	187,472	191,315
Loans and borrowings	119,209	121,822
Trade and other payables	113,240	131,109
Current tax liabilities	7,083	5,005
Total current liabilities	239,532	257,936
Total liabilities	427,004	449,251
Total equity and liabilities	793,351	813,580
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.82*	0.82*

* Computed based on 445,527,027 ordinary shares of RM0.50 each in the Company (“Shares”)

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to this interim financial report.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.03.2013 RM'000	Preceding Year Corresponding Quarter 31.03.2012 RM'000	Current Year-To-Date 31.03.2013 RM'000	Preceding Year Corresponding Period 31.03.2012 RM'000
Revenue	51,894	24,102	51,894	24,102
Cost of sales	(32,097)	(18,337)	(32,097)	(18,337)
Gross profit	19,797	5,765	19,797	5,765
Other operating expenses	(15,778)	(9,220)	(15,778)	(9,220)
Other operating income	2,805	6,561	2,805	6,561
Results from operating activities	6,824	3,106	6,824	3,106
Finance costs	(3,174)	(2,949)	(3,174)	(2,949)
Share of (loss)/profit of equity accounted investees, net of tax				
- associates	(312)	3,698	(312)	3,698
- jointly controlled entity	(124)	(82)	(124)	(82)
Profit before tax	3,214	3,773	3,214	3,773
Tax expense	(1,196)	(283)	(1,196)	(283)
Profit for the period	2,018	3,490	2,018	3,490
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	2,018	3,490	2,018	3,490
Profit/(Loss) attributable to:				
Owners of the Company	2,098	3,510	2,098	3,510
Non-controlling interests	(80)	(20)	(80)	(20)
	2,018	3,490	2,018	3,490
Total comprehensive income/(loss) attributable to:				
Owners of the Company	2,098	3,510	2,098	3,510
Non-controlling interests	(80)	(20)	(80)	(20)
	2,018	3,490	2,018	3,490
Earnings per share attributable to the owners of the Company:				
Basic (sen)	0.47	1.89	0.47	1.89

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to this interim financial report.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to owners of the Company				Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Non-distributable		Distributable				
	Share capital RM'000	Share premium RM'000	Warrant reserve RM'000	Retained earnings RM'000			
Balance at 1 January 2013	204,164	-	27,900	131,991	364,055	274	364,329
Total comprehensive income/(loss) for the period	-	-	-	2,098	2,098	(80)	2,018
Balance at 31 March 2013	204,164	-	27,900	134,089	366,153	194	366,347
Balance at 1 January 2012	93,000	20,766	-	102,497	216,263	(15)	216,248
Total comprehensive income/(loss) for the period	-	-	-	3,510	3,510	(20)	3,490
Balance at 31 March 2012	93,000	20,766	-	106,007	219,773	(35)	219,738

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to this interim financial report.

IVORY PROPERTIES GROUP BERHAD (673211-M)
UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Year-to-date 31.03.2013 RM'000	Preceding year corresponding period 31.03.2012 RM'000
<u>Cash flows from operating activities</u>		
Profit before tax	3,214	3,773
Adjustments for:-		
Amortisation of intangible assets	3	6
Depreciation of property, plant and equipment	1,510	1,255
Depreciation of investment properties	460	446
Finance income	(44)	(12)
Finance costs	3,174	2,949
Plant and equipment written off	4	3
Share of loss/(profit) in associates, net of tax	312	(3,698)
Share of loss in a jointly controlled entity, net of tax	124	82
Unrealised profit from downstream sale to associates	3	32
Operating profit before changes in working capital	8,760	4,836
Change in property development costs	(12,403)	(1,587)
Change in inventories	7,957	(13)
Change in trade and other receivables	1,493	11,804
Change in trade and other payables	(17,869)	(5,581)
Cash (used in)/generated from operations	(12,062)	9,459
Tax paid	(1,351)	(2,176)
Net cash (used in)/generated from operating activities	(13,413)	7,283
<u>Cash flows from investing activities</u>		
Interest received	44	12
Investment in jointly controlled entity	-	(942)
Proceeds from disposal of property, plant and equipment	-	38
Addition to land held for property development	-	(12)
Purchase of investment properties	(1,066)	(4,401)
Purchase of property, plant and equipment	(1,589)	(1,130)
Withdrawal of fixed deposit	-	10
Net cash used in investing activities	(2,611)	(6,425)

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013
CONDENSED CONSOLIDATED STATEMENT OF CASH
FLOWS (Cont'd)**

	Current Year-to-date 31.03.2013 RM'000	Preceding year Corresponding period 31.03.2012 RM'000
<u>Cash flows from financing activities</u>		
Interest paid	(3,174)	(2,949)
Drawdown of term loans	576	-
Repayment of finance lease liabilities	(762)	(206)
Repayment of term loans	(5,060)	(10,008)
Net cash used in financing activities	(8,420)	(13,163)
Net decrease in cash and cash equivalents	(24,444)	(12,305)
Cash and cash equivalents at beginning of period	54,930	19,392
Cash and cash equivalents at end of period	30,486	7,087
Cash and cash equivalents comprise the following:-		
Cash in hand and at banks	28,689	9,109
Deposits with licensed banks (excluding deposits pledged)	3,666	2,822
Bank overdrafts	(1,869)	(4,844)
	30,486	7,087

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to this interim financial report.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013**

**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.

The interim financial report should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to this interim financial report.

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 2012. 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 2012 except for the adoption of the following:

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2012

- Amendments to FRS 101, Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2013

- FRS 10, Consolidated Financial Statements
- FRS 11, Joint Arrangements
- FRS 12, Disclosure of Interests in Other Entities
- FRS 13, Fair Value Measurement
- FRS 119, Employee Benefits (2011)
- FRS 128, Investments in Associates and Joint Ventures (2011)
- Amendments to FRS 7, Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 1, First-time Adoption of Financial Reporting Standards (Annual Improvements 2009-2011 Cycle)
- Amendments to FRS 101, Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)
- Amendments to FRS 116, Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)
- Amendments to FRS 132, Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)

- Amendments to FRS 134, Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)
- Amendments to FRS 10, Consolidated Financial Statements: Transition Guidance
- Amendments to FRS 11, Joint Arrangements: Transition Guidance
- Amendments to FRS 12, Disclosure of Interests in Other Entities: Transition Guidance

The adoption of the above accounting standards, amendments and interpretations does not have any material financial impacts on the financial statements of the Group

The following are accounting standards, amendments and interpretations of the FRS framework that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group.

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2014

- Amendments to FRS 10, Consolidated Financial Statements: Investment Entities
- Amendments to FRS 12, Disclosure of Interests in Other Entities: Investment Entities
- Amendments to FRS 127, Separate Financial Statements (2011): Investment Entities
- Amendments to FRS 132, Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2015

- FRS 9, Financial Instruments (2009)
- FRS 9, Financial Instruments (2010)
- Amendments to FRS 7, Financial Instruments: Disclosures – Mandatory Date of FRS 9 and Transition Disclosures

The Group’s financial statements for annual period beginning on 1 January 2014 will be prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) issued by MASB and International Financial Reporting Standards (“IFRS”). As a result, the Group will not be adopting FRSs, Interpretations and amendments that are effective for annual periods beginning on or after 1 January 2014 and 1 January 2015.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013**

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

A3 Auditors’ Report on Preceding Annual Financial Statements

There was no qualification to the audited financial statements of the Group for the financial year ended 31 December 2012.

A4 Seasonal or Cyclical Factors

The business operations of the Group for the current financial quarter have not been significantly affected by 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 on the current financial quarter’s results.

A7 Debt and Equity Securities

There were no issuances, 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 and financial period-to-date under review.

A8 Dividends Paid

No dividends have been paid during the current financial quarter.

IVORY PROPERTIES GROUP BERHAD (673211-M)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013

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

A9 Operating Segments

The Group has four reportable segments, as described below, which are the Group’s strategic business units.

	Property development and management RM '000	Construction contracts RM '000	Food and beverage RM '000	Investment holding and others RM '000	Total RM '000
For the financial period ended 31 March 2013					
External revenue	41,233	7,907	2,743	11	51,894
Inter-segment revenue	(6,286)	(12,706)	-	(1,368)	(20,360)
Segment profit/ (loss)	8,305	(1,324)	(499)	(3,268)	3,214
Segment assets (excluding associates and joint venture)	518,609	187,088	15,695	40,712	762,104
For the financial period ended 31 March 2012					
External revenue	6,645	15,935	446	1,076	24,102
Inter-segment revenue	536	-	-	-	536
Segment profit/ (loss)	4,248	523	(239)	(759)	3,773
Segment assets (excluding associates)	336,804	170,964	9,969	39,671	557,408

IVORY PROPERTIES GROUP BERHAD (673211-M)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013

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

A10 Subsequent Material Events

There were no material events or transactions subsequent to the end of the current financial quarter ended 31 March 2013 to 22 May 2013 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

A11 Changes in the Composition of the Group

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

- (i) On 1 April 2013, the Group disposed of the entire 40% equity interest in its associate company, Layar Sinarmas Sdn. Bhd., for a total consideration of RM40.
- (ii) On 23 April 2013, the Group subscribed for 49 ordinary shares of RM1.00 each in Aspen Vision Land Sdn. Bhd. (“AVLSB”), representing 49% of the issued and paid-up capital of AVLSB for a total cash consideration of RM49. Following this subscription, AVLSB became an associate company of the Group.

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 material capital commitments as at 31 March 2013 are as follows:-

	RM’000
Contracted but not provided for:-	
- Purchase of property, plant and equipment	769
- Purchase of development land	67,900
- Purchase of development land pursuant to the Purchase and Development Agreement dated 11 November 2011	950,190
	<u>1,018,859</u>

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013**

**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 period-to-date.

A15 Significant Related Party Transactions

There were no significant related party transactions entered into by the Group during the current financial quarter and financial period-to-date.

IVORY PROPERTIES GROUP BERHAD (673211-M)**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013****PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING
REQUIREMENTS****B1 Review of Performance**

	Current Year Quarter 31.03.2013 RM'000	Immediate Preceding Quarter 31.12.2012 RM'000	Preceding Year Corresponding Quarter 31.03.2012 RM'000	Current Year-To- Date 31.03.2013 RM'000	Preceding Year Corresponding Period 31.03.2012 RM'000
Revenue					
- Property development and management	41,233	71,672	6,645	41,233	6,645
- Construction contracts	7,907	15,778	15,935	7,907	15,935
- Food and beverage	2,743	4,519	446	2,743	446
- Investment holding and others	11	50	1,076	11	1,076
Total	51,894	92,019	24,102	51,894	24,102
Profit/(Loss) before tax					
- Property development and management	8,305	1,619	4,248	8,305	4,248
- Construction contracts	(1,324)	1,084	523	(1,324)	523
- Food and beverage	(499)	706	(239)	(499)	(239)
- Investment holding and others	(3,268)	(2,703)	(759)	(3,268)	(759)
Total	3,214	706	3,773	3,214	3,773

Comparison between current year quarter and preceding year corresponding quarter**Revenue:**

The Group recorded revenue of RM52 million for the current financial quarter as compared to RM24 million recorded in the preceding year's corresponding quarter.

Higher revenue for the current financial quarter was principally attributed to the revenue derived from the property development and management segment which has increased from RM7 million in the preceding year's corresponding quarter to RM41 million in the current financial quarter. The revenue for the property development and management segment was mainly derived from The Peak Residences project. Other projects contributed to the revenue for the current financial quarter include The Latitude and Taman Bukit Erskine projects and the sale of completed Moonlight Bay units.

Higher revenue achieved for the property development and management segment was partially offset by the lower revenue generated from the construction contracts segment as a result of the completion of the Island Resort - Phase 2 project in the preceding year.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE
LISTING REQUIREMENTS (Cont'd)**

B1 Review of Performance (Cont'd)

Profit before Tax:

Current year's financial quarter ended 31 March 2013 recorded profit before tax of RM3.2 million as compared to RM3.8 million in the preceding year's corresponding quarter. Higher profit was achieved in the property development and management segment as a result of higher revenue which was partially offset by losses incurred in the construction contracts and investment holding segments.

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

The Group recorded revenue of RM52 million for the current financial quarter as compared to the revenue of RM92 million recorded in the immediate preceding quarter. The Group recorded profit before tax of RM3.2 million for the current financial quarter as compared to RM0.7 million for the immediate preceding quarter ended 31 December 2012.

Revenue recorded for the current financial quarter was relatively lower mainly because in the immediate preceding quarter, there was revenue of RM38 million arising from the disposal of Behrang River Estate land in November 2012.

Higher profit achieved for the current financial quarter was mainly attributed to the substantial completion of The Peak Residences project. Furthermore, the Group also incurred higher operating expenses such as professional fees, stamp duty and facility fees related to bridging loans granted for new development projects and loan refinancing in the immediate preceding quarter.

B3 Prospects for the current financial year

Moving forward, the Group will continue developing those projects which have commenced construction in the preceding financial years, namely The Peak Residences and The Latitude projects. In addition, the development works for City Residence and City Mall and Penang WorldCity - Phase 1 projects are expected to commence in the current financial year. All these projects are expected to contribute positively to the Group's revenue and profit for the current financial year.

Barring unforeseen circumstances, the Board of Directors expects the Group's business prospects for the financial year ending 31 December 2013 to be favourable.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE
LISTING REQUIREMENTS (Cont'd)**

B4 Variance between Actual Profit and Forecast Profit

The Group did not issue any profit forecast nor profit guarantee for the period under review.

B5 Taxation

The taxation for the Group comprises the following:-

	Individual Period		Cumulative Period	
	Current Quarter 31.03.2013 RM'000	Preceding Year Corresponding Quarter 31.03.2012 RM'000	Current Year- to-Date 31.03.2013 RM'000	Preceding Year Corresponding Period 31.03.2012 RM'000
Current income tax				
Malaysian - current year	2,961	267	2,961	267
Deferred taxation	(1,765)	16	(1,765)	16
	1,196	283	1,196	283

The effective tax rate (excluding share of profit/(loss) from associate companies and jointly controlled entity) for the current financial quarter and financial period-to-date was higher than the statutory tax rate mainly due to certain expenses being not deductible for tax purpose.

B6 Status of Corporate Proposals

There were no corporate proposals that have been announced but not yet completed during the current financial quarter and financial period-to-date under review.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE
LISTING REQUIREMENTS (Cont'd)**

B7 Borrowings and Debt Securities

Details of the Group's borrowings as at 31 March 2013 are as follows:-

	Secured RM'000
<i>Long Term Borrowings</i>	
Term loans and bridging loans	161,498
Hire purchase	2,076
	<hr/> 163,574 <hr/>
<i>Short Term Borrowings</i>	
Term loans and bridging loans	115,140
Hire purchase	2,200
Overdrafts	1,869
	<hr/> 119,209 <hr/>
Total	<hr/> 282,783 <hr/>

The Group has no foreign currency borrowings.

B8 Material Litigation

As at 29 May 2013, the Group is not engaged in any material litigation except for the following:-

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

Ivory Indah Sdn Bhd ("IISB") vs Krishna Kumar S/O T.N. Sharma

IISB has filed a Writ of Summons against Krishna Kumar S/O T.N. Sharma ("Defendant"), for specific performance of the agreements dated 6 August 2007 and 30 January 2008 (collectively "Agreements") for the sale and purchase of a piece of land known as Geran No.1272, Lot No. 2838, Mukim 18, Daerah Timur Laut, Penang ("the 1272 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 1272 Land. The Defendant is counter-claiming to declare the Agreements for the sale and purchase of the 1272 Land as null and void and to claim for loss of profit.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE
LISTING REQUIREMENTS *(Cont'd)***

B8 Material Litigation (Cont'd)

IISB has filed for Summary Judgment to enforce the contract specifically. On 19 September 2011, the Penang High Court gave Judgment and ordered Specific Performance of the Agreements in favour of IISB.

The Appeal by the Defendant was heard on 2 February 2012 and the Court of Appeal had struck out the Appeal.

Subsequent to the hearing on 30 April 2013, IISB was granted an Ancillary Order on 2 May 2013 to enforce the Agreements. IISB is now taking steps to discharge the charge previously created on the title of the 1272 Land and to remove all caveats lodged on the title of the 1272 Land to facilitate the transfer of title from the Defendant in favour of IISB.

B9 Dividend

No interim ordinary dividend has been declared for the financial period ended 31 March 2013.

IVORY PROPERTIES GROUP BERHAD (673211 – M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE
LISTING REQUIREMENTS (Cont'd)**

B10 Earnings per Share

B10.1 Basic Earnings per Share

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

	Individual Period		Cumulative period	
	Current Quarter 31.03.2013	Preceding Year Corresponding Quarter 31.03.2012	Current Year-to-Date 31.03.2013	Preceding Year Corresponding Period 31.03.2012
Profit attributable to owners of the Company (RM'000)	2,098	3,510	2,098	3,510
Weighted average number of ordinary shares in issue ('000)	445,527	186,000	445,527	186,000
Basic earnings per share (sen)	0.47	1.89	0.47	1.89

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.

B10.2 Diluted Earnings per Share

Diluted earnings per ordinary share is not applicable as the exercise price of the warrants is higher than the market price of the Company's ordinary shares for the period under review.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE
LISTING REQUIREMENTS (Cont'd)**

B11 Profit before tax

	Individual Period		Cumulative period	
	Current Quarter 31.03.2013 RM'000	Preceding Year Corresponding Quarter 31.03.2012 RM'000	Current Year-to-Date 31.03.2013 RM'000	Preceding Year Corresponding Period 31.03.2012 RM'000
Profit before tax is arrived at after charging :				
Depreciation of property, plant and equipment	1,510	1,255	1,510	1,255
Depreciation of investment properties	460	446	460	446
Plant and equipment written off	4	3	4	3
Amortisation of intangible assets	3	6	3	6
Interest expense	3,174	2,949	3,174	2,949
and after crediting :				
Interest income	44	12	44	12
Rental income	1,562	1,887	1,562	1,887

Other than the above items, there were no impairment of assets, provision for and write off of receivables and inventories and exceptional items for the current financial quarter and financial period-to-date.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE
LISTING REQUIREMENTS (Cont'd)**

B12 Realised and Unrealised Profits

The breakdown of the retained earnings of the Group and of the Company as at 31 March 2013, into realised and unrealised profits, pursuant to the Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements is as follows:

	As at 31.03.13 RM'000	As at 31.03.12 RM'000
Total retained earnings of Ivory Properties Group Berhad and its subsidiaries:		
- Realised gain	220,403	168,120
- Unrealised loss	(23,222)	(9,873)
	<u>197,181</u>	<u>158,247</u>
Share of retained earnings of associates:		
- Realised gain	6,972	23,045
- Unrealised loss	-	(4)
	<u>204,153</u>	<u>181,288</u>
Share of retained earnings of jointly controlled entity:		
- Realised loss	(964)	(106)
	<u>203,189</u>	<u>181,182</u>
Less: Consolidated adjustments	(69,100)	(75,175)
Total retained earnings at 31 March	<u>134,089</u>	<u>106,007</u>

B13 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 29 May 2013.

By order of the Board of Directors

Tai Yit Chan (MAICSA 7009143)
Ong Tze-En (MAICSA 7026537)
Company Secretaries

29 May 2013