



IVORY PROPERTIES GROUP BERHAD
Company No.: 673211-M

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2016

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IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016
CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	Current Quarter 31.03.2016 RM'000	Preceding Year Corresponding Quarter 31.03.2015 RM'000	Current Year- To-Date 31.03.2016 RM'000	Preceding Year Corresponding Period 31.03.2015 RM'000
Revenue	118,042	46,108	425,167	210,766
Cost of sales	(99,461)	(50,287)	(356,048)	(169,439)
Gross profit	18,581	(4,179)	69,119	41,327
Other operating expenses	(15,841)	(26,323)	(63,187)	(70,519)
Other operating income	1,316	36,823	16,336	48,358
Results from operating activities	4,056	6,321	22,268	19,166
Finance costs	(2,569)	(2,288)	(10,269)	(10,770)
Share of profit/(loss) of equity accounted investees, net of tax				
- associates	(2,123)	67	(1,814)	(113)
- joint ventures	4,095	1,670	8,516	9,160
Profit before tax	3,459	5,770	18,701	17,443
Tax expense	(2,431)	2,203	(7,456)	1,206
Profit for the period/ year	1,028	7,973	11,245	18,649
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period/ year	1,028	7,973	11,245	18,649
Profit attributable to:				
Owners of the Company	1,028	8,589	11,394	19,887
Non-controlling interests	-	(616)	(149)	(1,238)
	1,028	7,973	11,245	18,649
Total comprehensive income attributable to:				
Owners of the Company	1,028	8,589	11,394	19,887
Non-controlling interests	-	(616)	(149)	(1,238)
	1,028	7,973	11,245	18,649
Earnings per share attributable to the owners of the Company:				
Basic (sen)	0.23	1.93	2.56	4.46

Certain comparative figures have been restated to conform with the unaudited interim financial statements of current financial year ended 31 March 2016.

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial period ended 31 March 2015 and the accompanying explanatory notes attached to this interim financial report.

IVORY PROPERTIES GROUP BERHAD (673211-M)
UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Unaudited as at 31.03.2016 RM'000	Audited as at 31.03.2015 RM'000
Assets		
Property, plant and equipment	46,654	55,544
Investment properties	58,209	60,393
Intangible assets	5	13
Investment in associates	3,093	4,985
Investment in joint ventures	128,343	79,640
Deferred tax assets	4,928	6,161
Total non-current assets	<u>241,232</u>	<u>206,736</u>
Property development costs	170,160	279,880
Inventories	169,943	174,631
Trade and other receivables	214,441	217,282
Current tax assets	3,080	2,588
Short term investment	26,945	3,477
Cash and bank balances	52,776	28,730
Total current assets	<u>637,345</u>	<u>706,588</u>
Total assets	<u>878,577</u>	<u>913,324</u>
Equity		
Share capital	204,164	204,164
Warrant reserve	27,900	27,900
Retained earnings	180,623	170,735
Equity attributable to owners of the Company	<u>412,687</u>	<u>402,799</u>
Non-controlling interests	<u>(248)</u>	<u>(1,605)</u>
Total equity	<u>412,439</u>	<u>401,194</u>
Liabilities		
Loans and borrowings	157,276	251,098
Deferred tax liabilities	6,323	9,711
Total non-current liabilities	<u>163,599</u>	<u>260,809</u>
Loans and borrowings	94,806	48,247
Trade and other payables	201,295	191,687
Current tax liabilities	6,438	11,387
Total current liabilities	<u>302,539</u>	<u>251,321</u>
Total liabilities	<u>466,138</u>	<u>512,130</u>
Total equity and liabilities	<u>878,577</u>	<u>913,324</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)*	<u>0.93</u>	<u>0.90</u>

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

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the financial period ended 31 March 2015 and the accompanying explanatory notes attached to this interim financial report.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016
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	Warrant reserve RM'000	Retained earnings RM'000			
Balance at 1 April 2015	204,164	27,900	170,735	402,799	(1,605)	401,194
Total comprehensive income/(expense) for the period			11,394	11,394	(149)	11,245
Disposal of investment in a subsidiary	-	-	(1,506)	(1,506)	1,506	-
Balance at 31 March 2016	204,164	27,900	180,623	412,687	(248)	412,439
Balance at 1 April 2014	204,164	27,900	150,848	382,912	(367)	382,545
Total comprehensive income/(expense) for the period			19,887	19,887	(1,238)	18,649
Balance at 31 March 2016	204,164	27,900	170,735	402,799	(1,605)	401,194

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial period ended 31 March 2015 and the accompanying explanatory notes attached to this interim financial report.

IVORY PROPERTIES GROUP BERHAD (673211-M)
UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Current Year-To-Date 31.03.2016 RM'000	Preceding Year Corresponding Period 31.03.2015 RM'000
<u>Cash flows from operating activities</u>		
Profit before tax	18,701	17,443
Adjustments for:-		
Amortisation of intangible assets	8	8
Bad debts written off	149	201
Depreciation of investment properties	2,184	2,303
Depreciation of property, plant and equipment	6,605	6,902
Doubtful debt expense	-	2,017
Gain on disposal of investment in subsidiary	(7,527)	-
Gain on disposal of investment properties	-	(5,179)
Gain on disposal of investment in joint venture	-	(34,242)
Gain on disposal of property, plant and equipment	(36)	(64)
Impairment of intangible assets	-	527
Impairment of property, plant and equipment	-	3,646
Interest expense	10,269	10,770
Interest income	(1,258)	(1,440)
Inventories written down	-	664
Investment properties written off	-	286
Plant and equipment written off	14	120
Share of loss in associates, net of tax	1,814	113
Share of profit in joint ventures, net of tax	(8,516)	(9,160)
Unrealised loss from downstream sale to associates	78	22
Unrealised loss from downstream sale to joint ventures	2,557	17,416
Operating profit before changes in working capital	25,042	12,353
Change in property development costs	109,720	25,968
Change in inventories	4,592	(17,506)
Change in trade and other receivables	2,322	12,096
Change in trade and other payables	22,463	20,147
Cash from operations	164,139	53,058
Tax paid	(15,052)	(20,421)
Net cash from operating activities	149,087	32,637

IVORY PROPERTIES GROUP BERHAD (673211-M)
UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Cont'd)

	Current Year-To-Date 31.03.2016 RM'000	Preceding Year Corresponding Period 31.03.2015 RM'000
<u>Cash flows from investing activities</u>		
Interest received	1,258	1,440
Acquisition of investment properties	-	(327)
Acquisition of property, plant and equipment	(2,271)	(10,433)
Cash outflow from disposal of subsidiary	(354)	-
Investment in joint venture	(42,744)	(48,598)
Proceeds from disposal of investment properties	-	37,000
Proceeds from disposal of investment in joint venture	-	37,500
Proceeds from disposal of property, plant and equipment	70	153
Withdrawal/(Placement) of fixed deposit	1,440	(1,434)
(Placement)/Withdrawal of short term investments	(23,468)	1,288
Net cash (used in)/from investing activities	(66,069)	16,589
<u>Cash flows from financing activities</u>		
Interest paid	(10,269)	(10,770)
Repayment of finance lease liabilities	(3,529)	(2,454)
Repayment of term loans and bridging loans	(92,986)	(119,388)
Drawdown of finance lease liabilities	822	7,760
Drawdown of term loans and bridging loans	48,625	80,755
Net cash used in financing activities	(57,337)	(44,097)
Net increase in cash and cash equivalents	25,681	5,129
Cash and cash equivalents at beginning of year	25,767	20,638
Cash and cash equivalents at end of year	51,448	25,767
Cash and cash equivalents comprise the following:-		
Cash in hand and at banks	52,131	24,529
Deposits with licensed banks (excluding deposits pledged)	645	2,761
Bank overdrafts	(1,328)	(1,523)
	51,448	25,767

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the financial period ended 31 March 2015 and the accompanying explanatory notes attached to this interim financial report.

IVORY PROPERTIES GROUP BERHAD (673211-M)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

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 period ended 31 March 2015 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 period ended 31 March 2015. 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 significant accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those of the audited financial statements for the period ended 31 March 2015 except for the adoption of the following new/revised FRSs, amendments to FRSs and Interpretations:

- FRS 9, Financial Instruments
- FRS 14, Regulatory Deferral Accounts
- Amendments to FRS 10 and FRS 128, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to FRS 10, FRS 12 and FRS 128, Investment Entities: Applying the Consolidation Exception
- Amendments to FRS 11, Accounting for Acquisitions of Interests in Joint Operations
- Amendments to FRS 101, Disclosure Initiative
- Amendments to FRS 116 and FRS 138, Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to FRS 127, Equity Method in Separate Financial Statements
- Annual Improvements 2012-2014 Cycle

The adoption of the above FRSs and Amendments do not have any significant impact on the Group’s financial position and results.

Malaysia Financial Reporting Standards, MFRSs

The Company falls within the scope of IC Interpretation 15, Agreements for the Construction of Real Estate. Therefore, the Company is currently exempted from adopting the Malaysian Financial Reporting Standards (“MFRS”) and is referred to as a “Transitioning Entity”. Being a Transitioning Entity, the Company will adopt the MFRS and present its first set of MFRS financial statements when adoption of the MFRS is mandated by the MASB.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

**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 period ended 31 March 2015.

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 year-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 YEAR ENDED 31 MARCH 2016

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	Elimination RM’000	Total RM’000
For the financial year ended 31 March 2016						
Revenue						
External	297,400	124,552	1,605	1,610	-	425,167
Inter-segment	17,070	171,042	-	15,218	(203,330)	-
Total Revenue	<u>314,470</u>	<u>295,594</u>	<u>1,605</u>	<u>16,828</u>	<u>(203,330)</u>	<u>425,167</u>
Results						
Segmental profit/(loss)	<u>12,594</u>	<u>7,294</u>	<u>(1,677)</u>	<u>490</u>	<u>-</u>	<u>18,701</u>
Segmental assets (excluding associates and joint venture)						
	<u>483,379</u>	<u>166,440</u>	<u>3,695</u>	<u>93,627</u>	<u>-</u>	<u>747,141</u>
For the financial period ended 31 March 2015						
Revenue						
External	169,874	32,311	5,199	3,382	-	210,766
Inter-segment	15,140	111,628	-	9,171	(135,939)	-
Total Revenue	<u>185,014</u>	<u>143,939</u>	<u>5,199</u>	<u>12,553</u>	<u>(135,939)</u>	<u>210,766</u>
Results						
Segmental profit/(loss)	<u>8,038</u>	<u>(12,589)</u>	<u>(4,652)</u>	<u>26,646</u>	<u>--</u>	<u>17,443</u>
Segmental assets (excluding associates and joint venture)						
	<u>505,221</u>	<u>147,904</u>	<u>8,644</u>	<u>166,930</u>	<u>-</u>	<u>828,699</u>

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

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

A9 Operating Segments (Cont’d)

Geographical Segments

The business of the Group only operates in Malaysia. As such, information on geographical segment is not presented.

Major Customers

Major customers with revenue equal or more than 10% of the Group’s total revenue as at the end of current financial period are as follows:

	Outstanding Balance (exclude retention sum) RM’000
Joint ventures	<u>25,627</u>

A10 Subsequent Material Events

There were no other material events or transactions subsequent to the end of the current financial quarter ended 31 March 2016 to 24 May 2016 (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 year-to-date, except as disclosed below.

The Company had on 22 May 2015, entered into a Shares Sale and Purchase Agreement with Worldwide Platinum Holdings Sdn Bhd for the disposal of the entire 80% equity interest in Soju Entertainment Sdn Bhd representing 8 ordinary shares of RM1.00 each for cash consideration of RM8 only.

On 26 October 2015, the Company has acquired the entire issued and paid up share capital of Ivory World City Sdn Bhd and G Ivory Sdn Bhd for a total cash consideration of RM2.00 each.

On 25 May 2016, the Company has entered into a Shares Sale and Purchase Agreement with Alshem Venture Sdn Bhd for the acquisition of the entire 100% issued and paid up shares in Alshem Development Sdn Bhd, comprising of 250,000 fully-paid ordinary shares of RM1.00 each for cash consideration of RM17,760,000.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

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

A12 Changes in Contingent Liabilities or Contingent Assets

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

A13 Capital Commitments

There are no material commitments as at 31 March 2016.

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

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

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

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

B1 Review of Performance

The Group's revenue for the current quarter improved by 156.0% to RM118.0 million as compared to RM46.1 million reported in the previous year corresponding quarter while profit after tax decreased from RM8.0 million in the previous year corresponding quarter to RM1.0 million in the current quarter.

Revenue of the property development division surged from RM23.2 million reported in the previous corresponding quarter to RM111.3 million in the current quarter. The significant increase is contributed by the encouraging sales from Penang Times Square and other on-going projects. The increase in revenue from the construction division is mainly from the higher billings of work performed during the quarter.

Profit before tax for the current quarter dropped from RM5.8 million in the previous corresponding quarter to RM3.5 million in the current quarter. The higher profit before tax in the previous corresponding quarter was significantly contributed by the gain from disposal of investment in a joint-venture company, Aspen Vision Land Sdn Bhd.

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

The Group's revenue dropped by 24.9% to RM118.0 million in the current quarter as compared to RM157.3 million reported for the immediate preceding quarter. The Group recorded a pre-tax profit of RM3.5 million for the current quarter as compared to RM3.0 million in the immediate preceding quarter.

The higher revenue recorded in the current quarter results mainly from the property development division as explained in **B1**.

B3 Prospects for the Next Financial Year ending 30 March 2017

The property market continues facing headwinds caused by negative consumer sentiments and a challenging year has been anticipated for next financial year. Nonetheless, the Group is expected to deliver satisfactory performance for the next financial year on the back of our unbilled sales in both property development and construction division.

B4 Variance between Actual Profit and Forecast Profit

The Group did not issue any profit forecast nor profit guarantee for the 12 months financial year under review.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

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

B5 Taxation

The taxation for the Group comprises the following:-

	Individual Period		Cumulative Period	
	Current Quarter 31.03.2016 RM'000	Preceding Year Corresponding Quarter 31.03.2015 RM'000	Current Year-To-Date 31.03.2016 RM'000	Preceding Year Corresponding Period 31.03.2015 RM'000
Current income tax				
Malaysian - current year	4,568	468	8,147	9,332
- prior years	490	748	1,463	(171)
Deferred tax - current year	(2,959)	(2,581)	(2,609)	(9,529)
- prior years	332	(838)	455	(838)
	2,431	(2,203)	7,456	(1,206)

The effective tax rate (excluding share of profit/(loss) from associates and joint ventures) 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 purposes.

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 year-to-date under review.

B7 Borrowings and Debt Securities

Details of the Group's borrowings as at 31 March 2016 are as follows:-

	Secured RM'000
<i>Long Term Borrowings</i>	
Term loans and bridging loans	153,222
Hire purchase	4,054
	<u>157,276</u>
<i>Short Term Borrowings</i>	
Term loans and bridging loans	70,196
Hire purchase	2,623
Revolving credit	20,659
Overdrafts	1,328
	<u>94,806</u>
Total	<u>252,082</u>

The Group has no foreign currency borrowings.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

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

B8 Material Litigation

Diamex Sdn. Bhd. – Civil Suit No. 21NCVC-54-09/2015 filed at the Kuala Lumpur High Court

On 17 September 2015, Ivory Indah Sdn. Bhd. (“IISB”), a wholly owned subsidiary, was served with a Civil Suit No: 21NCVC-54-09/2015 filed at the Kuala Lumpur High Court on the 3 September 2015 (“Civil Suit”) from Diamex Sdn. Bhd. (“the Plaintiff”) against IISB as the 1st Defendant and 4 other Defendants claiming for several declarations and orders in connection with the sale of a parcel of freehold land held under Geran No. 1272, Lot No. 2838, Mukim 18, Daerah Timor Laut, Negeri Pulau Pinang owned by IISB.

The Plaintiff’s Application for injunction and IISB’s Application to strike-out the Plaintiff’s claims have been fixed for decision on 14 June 2016. The Court has also fixed the matter for full trial on 15 through 19 August 2016.

Krishna Kumar a/l T.N. Sharma – Civil Suit No. 22NCVC-102-06/2015 at Penang High Court

On 5 March 2015, Krishna Kumar a/l T.N. Sharma (“the Plaintiff”) had filed a Writ of Summons & Statement of Claim (“Writ & Claim”) against IISB in the High Court of Malaya at Kuala Lumpur which was subsequently transferred to High Court of Malaya at Penang under Civil Suit No. 22NCVC-102-06/2015.

The Writ & Claim was in relation to the sales of property by the Plaintiff to IISB in Years 2007 and 2008, with claims that IISB has abrogated the sales agreement and orders to restrain IISB from disposing and dealing with the property until the final disposal of this case.

The matter was struck off by the Court on 8 September 2015. The Plaintiff’s application for reinstatement was allowed by the Court on 25 March 2016. The Court has subsequently dismissed IISB’s appeal against the reinstatement with cost.

IISB has also filed two applications, one to Strike Out the Plaintiff’s claim and another for Security for Cost from the Plaintiff. The Court has fixed the hearing for the said two Applications on 16 June 2016.

B9 Dividend

No interim ordinary dividend has been declared for the financial year ended 31 March 2016.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

**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 year-to-date are computed as follows:-

	Individual Period		Cumulative Period	
	Current Quarter 31.03.2016	Preceding Year Corresponding Quarter 31.03.2015	Current Year- To-Date 31.03.2016	Preceding Year Corresponding Period 31.03.2015
Profit attributable to owners of the Company (RM'000)	1,028	8,589	11,394	19,887
Weighted average number of ordinary shares in issue ('000)	445,527	445,527	445,527	445,527
Basic earnings per share (sen)	0.23	1.93	2.56	4.46

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 share is not applicable as the exercise price of the warrants is higher than the average market price of the Company's ordinary shares for the year under review.

IVORY PROPERTIES GROUP BERHAD (673211-M)

UNAUDITED INTERIM FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

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 31.03.2016 RM'000	Preceding Year Corresponding Quarter 31.03.2015 RM'000	Current Year- To-Date 31.03.2016 RM'000	Preceding Year Corresponding Period 31.03.2015 RM'000
Profit before tax is arrived at after charging :				
Amortisation of intangible assets	2	1	8	8
Bad debts written off	149	13	149	201
Depreciation of investment properties	553	555	2,191	2,303
Depreciation of property, plant and equipment	1,403	1,824	6,605	6,902
Doubtful debt expense	-	2,017	-	2,017
Impairment of goodwill	-	527	-	527
Impairment of property, plant and equipment	-	3,646	-	3,646
Interest expense	2,569	2,288	10,269	10,770
Inventories written off	-	664	-	664
Investment properties written off	-	286	-	286
Plant and equipment written off	6	79	14	120
and after crediting :				
Gain on disposal of investment properties	-	-	-	5,179
Gain on disposal of property, plant and equipment	-	6	36	64
Gain on disposal of investment in joint venture	-	34,242	-	34,242
Gain on disposal of investment in subsidiary	-	-	7,527	-
Interest income	204	807	1,258	1,440
Rental income	2,412	2,060	8,023	7,196

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

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**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 as at 31 March, into realised and unrealised profits, pursuant to Paragraphs 2.06 and 2.23 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad are as follows:

	As at 31.03.16 RM'000	As at 31.03.15 RM'000
Total retained earnings of the Company and its subsidiaries:		
- Realised gain	298,262	280,542
- Unrealised loss	(1,396)	(3,550)
	<u>296,866</u>	<u>276,992</u>
Share of retained earnings of associates:		
- Realised gain	1,800	3,691
- Unrealised gain	880	880
	<u>299,546</u>	<u>281,563</u>
Share of retained earnings of joint ventures:		
- Realised gain	9,014	3,052
- Unrealised gain	12	16
	<u>308,572</u>	<u>284,631</u>
Less: Consolidated adjustments	(127,949)	(113,896)
Total retained earnings as at 31 March	<u><u>180,623</u></u>	<u><u>170,735</u></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 31 May 2016.

By order of the Board of Directors

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

31 May 2016