



IVORY PROPERTIES GROUP BERHAD
Company No.: 673211-M

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2016

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IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016
CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	Current Quarter 30.06.2016 RM'000	Preceding Year Corresponding Quarter 30.06.2015 RM'000	Current Year- To-Date 30.06.2016 RM'000	Preceding Year Corresponding Year-To-Date 30.06.2015 RM'000
Revenue	61,646	47,416	61,646	47,416
Cost of sales	(52,499)	(29,780)	(52,499)	(29,780)
Gross profit	9,147	17,636	9,147	17,636
Operating expenses	(12,154)	(15,254)	(12,154)	(15,254)
Other operating income	3,192	8,144	3,192	8,144
Results from operating activities	185	10,526	185	10,526
Finance costs	(2,390)	(2,636)	(2,390)	(2,636)
Share of profit/(loss) of equity accounted investees, net of tax				
- associates	(500)	(34)	(500)	(34)
- joint ventures	9,969	298	9,969	298
Profit before tax	7,264	8,154	7,264	8,154
Tax expense	(1,557)	(1,710)	(1,557)	(1,710)
Profit for the period	5,707	6,444	5,707	6,444
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	5,707	7,950	5,707	7,950
Profit attributable to:				
Owners of the Company	5,707	6,592	5,707	6,592
Non-controlling interests	-	(148)	-	(148)
	5,707	6,444	5,707	6,444
Earnings per share attributable to the owners of the Company:				
Basic (sen)	1.28	1.48	1.28	1.48

Certain comparative figures have been restated to conform with the unaudited interim financial statements of current financial period ended 30 June 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 year ended 31 March 2016 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 30 JUNE 2016

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Unaudited as at 30.06.2016 RM'000	Audited as at 31.03.2016 RM'000
Assets		
Property, plant and equipment	45,417	46,654
Investment properties	57,708	58,209
Intangible assets	3	5
Investment in associates	2,887	3,011
Investment in joint ventures	139,094	128,503
Deferred tax assets	4,241	4,928
Total non-current assets	249,350	241,310
Property development costs	173,480	171,241
Inventories	168,672	169,943
Trade and other receivables	250,124	254,008
Current tax assets	686	3,080
Short term investment	30,291	26,945
Cash and bank balances	56,167	52,776
Total current assets	679,420	677,993
Total assets	928,770	919,303
Equity		
Share capital	204,164	204,164
Warrant reserve	27,900	27,900
Retained earnings	186,985	181,278
Equity attributable to owners of the Company	419,049	413,342
Non-controlling interests	(248)	(248)
Total equity	418,801	413,094
Liabilities		
Loans and borrowings	156,818	205,724
Deferred tax liabilities	5,806	6,323
Total non-current liabilities	162,624	212,047
Loans and borrowings	103,946	46,358
Trade and other payables	238,794	241,467
Current tax liabilities	4,605	6,337
Total current liabilities	347,345	294,162
Total liabilities	509,969	506,209
Total equity and liabilities	928,770	919,303
Net assets per share attributable to ordinary equity holders of the Company (RM)*	0.94	0.93

* 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 2016 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 30 JUNE 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 2016	204,164	27,900	181,278	413,342	(248)	413,094
Total comprehensive income for the period			5,707	5,707	-	5,707
Balance at 30 June 2016	204,164	27,900	186,985	419,049	(248)	418,801
Balance at 1 April 2015	204,164	27,900	170,735	402,799	(1,605)	401,194
Total comprehensive income/(expense) for the period			6,592	6,592	(148)	6,444
Disposal of a subsidiary					1,506	1,506
Balance at 30 June 2015	204,164	27,900	177,327	409,391	(247)	409,144

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2016 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 30 JUNE 2016
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Current Year-To-Date 30.06.2016 RM'000	Preceding Year Corresponding Year-To-Date 30.06.2015 RM'000
<u>Cash flows from operating activities</u>		
Profit before tax	7,264	8,154
Adjustments for:-		
Amortisation of intangible assets	2	2
Depreciation of investment properties	501	546
Depreciation of property, plant and equipment	1,561	1,860
Gain on disposal of investment in subsidiary	-	(6,021)
Gain on disposal of property, plant and equipment	(14)	-
Interest expense	2,390	2,636
Interest income	(363)	(193)
Impairment loss on receivable	500	-
Plant and equipment written off	1	1
Share of loss in associates, net of tax	499	34
Share of profit in joint ventures, net of tax	(9,969)	(298)
Unrealised loss from downstream sale to associates	74	-
Unrealised loss from downstream sale to joint ventures	(622)	1,285
Operating profit before changes in working capital	1,824	8,006
Change in property development costs	5,648	(14,663)
Change in inventories	(5,174)	1,911
Change in trade and other receivables	3,384	(16,254)
Change in trade and other payables	(2,673)	50,360
Cash from operations	3,009	29,360
Tax paid	(724)	(5,672)
Net cash from operating activities	2,285	23,688
<u>Cash flows from investing activities</u>		
Interest received	363	193
Acquisition of investment properties	-	-
Acquisition of property, plant and equipment	(325)	(899)
Cash outflow from disposal of subsidiary	-	(354)
Investment in associate	(450)	-
Proceeds from disposal of investment properties	-	-
Proceeds from disposal of investment in joint venture	-	-
Proceeds from disposal of property, plant and equipment	14	-
Placement of fixed deposit	-	(303)
Placement of short term investments	(3,346)	-
Net cash (used in)/from investing activities	(3,744)	(1,363)

IVORY PROPERTIES GROUP BERHAD (673211-M)
UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Cont'd)

	Current Year-To-Date 30.06.2016 RM'000	Preceding Year Corresponding Year-To-Date 30.06.2015 RM'000
<u>Cash flows from financing activities</u>		
Interest paid	(3,832)	(4,687)
Repayment of finance lease liabilities	(675)	(861)
Repayment of term loans and bridging loans	(9,735)	(16,854)
Drawdown of finance lease liabilities	-	393
Drawdown of term loans and bridging loans	19,222	8,173
Net cash from/(used in) financing activities	4,980	(13,836)
Net increase in cash and cash equivalents	3,521	8,489
Cash and cash equivalents at beginning of year	51,449	25,767
Cash and cash equivalents at end of year	54,970	34,256
Cash and cash equivalents comprise the following:-		
Cash in hand and at banks	55,338	34,482
Deposits with licensed banks (excluding deposits pledged)	829	1,591
Bank overdrafts	(1,197)	(1,817)
	54,970	34,256

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2016 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 30 JUNE 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 year ended 31 March 2016 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 March 2016. 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 year ended 31 March 2016 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 PERIOD ENDED 30 JUNE 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 year ended 31 March 2016.

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 by the Company during the current financial quarter.

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 30 JUNE 2016

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

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 period ended 30 June 2016						
Revenue						
External	27,070	34,231	243	102	-	61,646
Inter-segment	2,642	41,847	-	1,296	(45,785)	-
Total Revenue	<u>29,712</u>	<u>76,078</u>	<u>243</u>	<u>1,398</u>	<u>(45,785)</u>	<u>61,646</u>
Results						
Segmental profit/(loss)	<u>(1,319)</u>	<u>2,553</u>	<u>(167)</u>	<u>6,197</u>	<u>-</u>	<u>7,264</u>
Segmental assets	<u>484,158</u>	<u>199,864</u>	<u>3,608</u>	<u>241,140</u>	<u>-</u>	<u>928,770</u>
For the financial period ended 30 June 2015						
Revenue						
External	32,406	13,982	930	98	-	47,416
Inter-segment	596	23,601	-	2,210	(26,407)	-
Total Revenue	<u>33,002</u>	<u>37,583</u>	<u>930</u>	<u>2,308</u>	<u>(26,407)</u>	<u>47,416</u>
Results						
Segmental profit/(loss)	<u>5,418</u>	<u>66</u>	<u>(938)</u>	<u>3,608</u>	<u>-</u>	<u>8,154</u>
Segmental assets	<u>595,481</u>	<u>145,222</u>	<u>3,324</u>	<u>202,728</u>	<u>-</u>	<u>946,755</u>

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 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.

A10 Subsequent Material Events

There were no other material events or transactions subsequent to the end of the current financial quarter ended 30 June 2016 to 19 August 2016 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report), except as disclosed below.

On 22 July 2016, the Company announced that the 44,552,702 placement shares which representing ten percent (10%) of the issued and paid-up share capital were issued pursuant to the private placement and were listed and quoted on the Main Market of Bursa Securities, marking the completion of the private placement.

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.

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 30 June 2016.

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.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 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 30.0% to RM61.6 million as compared to RM47.4 million reported in the previous year corresponding quarter while profit after tax decreased from RM6.4 million in the previous year corresponding quarter to RM5.7 million in the current quarter.

Revenue from property development division was contributed largely by the on-going projects City Residence & City Mall and Penang Times Square phase 3 & 4. Revenue and pre-tax profit from construction division improved during the current quarter as compared to previous corresponding quarter as the construction work at Penang WorldCity intensify. Share of results of the Group's joint venture company showed significant improvement from RM0.3 million in previous corresponding quarter to RM10 million in the current quarter. The subsequent share of results of the joint venture company is expected to contribute substantially to the Group's performance of the year.

Profit before tax for the current quarter dropped from RM8.1 million in the previous corresponding quarter to RM7.3 million in the current quarter. The higher profit before tax in the previous corresponding quarter was significantly contributed by the one off gain from disposal of a subsidiary, Soju Entertainment Sdn Bhd of RM6.0 million.

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

The Group's revenue dropped by 47.8% to RM61.6 million in the current quarter as compared to RM118.0 million reported for the immediate preceding quarter. The significant drop of the revenue was due to lower billings from the property development division from City Residence & City Mall at Tanjung Tokong which is nearing completion couple with higher revenue recorded in the immediate preceding quarter contributed from property development division with its initial recognition of the very encouraging take-up rate for Penang Times Square.

The Group recorded a pre-tax profit of RM7.3 million for the current quarter as compared to RM3.4 million in the immediate preceding quarter.

B3 Prospects for the Current Financial year ending 30 March 2017

Property market remains sluggish with challenging economy environment globally and domestically. Nevertheless, with significant sales lock-in in previous financial year, the on-going development activities of all these projects will contribute positively to the earnings of the Group. Barring unforeseen circumstances, the Board of Directors envisages the Group to achieve satisfactory results for the financial year ending 31 March 2017.

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 PERIOD ENDED 30 JUNE 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 30.06.2016 RM'000	Preceding Year Corresponding Quarter 30.06.2015 RM'000	Current Year-To-Date 30.06.2016 RM'000	Preceding Year Corresponding Year-To-Date 30.06.2015 RM'000
Income Tax - current	1,412	1,822	1,412	1,822
- prior year	(25)	-	(25)	-
Deferred tax - current	170	(236)	170	(236)
- prior year	-	124	-	124
	1,557	1,710	1,557	1,710

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 30 June 2016 are as follows:-

	Secured RM'000
<i>Long Term Borrowings</i>	
Term loans and bridging loans	153,390
Hire purchase	3,428
	<hr/>
	156,818
<i>Short Term Borrowings</i>	
Term loans and bridging loans	75,141
Hire purchase	2,575
Revolving credit	25,033
Overdrafts	1,197
	<hr/>
	103,946
Total	<hr/> 260,764 <hr/>

The Group has no foreign currency borrowings.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 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 High Court has on 14 June 2016 allowed IISB’s application to strike out the Plaintiff’s Claim and dismissed the Plaintiff’s application for injunction.

The Plaintiff’s has filed an appeal to the Court of Appeal against the High Court’s decision in allowing IISB’s application to strike out the Plaintiff’s Claim. The matter is fixed for further Case Management on 5 September 2016 at the Court of Appeal, for the Record of Appeal

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

On 12 August 2016, IISB succeeded in its application to strike out the Plaintiff’s Writ and Statement of Claim and the Court has thereby struck out the Plaintiff’s case.

B9 Dividend

No interim ordinary dividend has been declared for the financial period ended 30 June 2016.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 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 30.06.2016	Preceding Year Corresponding Quarter 30.06.2015	Current Year- To-Date 30.06.2016	Preceding Year Corresponding Year-To-Date 30.06.2015
Profit attributable to owners of the Company (RM'000)	5,707	6,592	5,707	6,592
Weighted average number of ordinary shares in issue ('000)	445,527	445,527	445,527	445,527
Basic earnings per share (sen)	1.28	1.48	1.28	1.48

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 PERIOD ENDED 30 JUNE 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 30.06.2016 RM'000	Preceding Year Corresponding Quarter 30.06.2015 RM'000	Current Year- To-Date 30.06.2016 RM'000	Preceding Year Corresponding Period 30.06.2015 RM'000
Profit before tax is arrived at after charging :				
Amortisation of intangible assets	2	2	2	2
Depreciation of investment properties	501	546	501	546
Depreciation of property, plant and equipment	1,561	1,860	1,561	1,860
Impairment loss on receivable	500	-	500	-
Interest expense	2,390	2,636	2,390	2,636
Plant and equipment written off	1	1	1	1
and after crediting :				
Gain on disposal of property, plant and equipment	14	-	14	-
Gain on disposal of investment in subsidiary	-	6,021	-	6,021
Interest income	363	193	363	193
Rental income	1,700	1,707	1,700	1,707

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.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016**

**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 30 June, 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 30.06.16 RM'000	As at 30.06.15 RM'000
Total retained earnings of the Company and its subsidiaries:		
- Realised gain	293,668	289,828
- Unrealised loss	(1,565)	(3,438)
	<u>292,103</u>	<u>286,390</u>
Share of retained earnings of associates:		
- Realised gain	1,144	3,658
- Unrealised gain	880	880
	<u>294,127</u>	<u>290,928</u>
Share of retained earnings of joint ventures:		
- Realised gain	19,765	2,065
- Unrealised gain	12	16
	<u>313,904</u>	<u>293,009</u>
Less: Consolidated adjustments	(126,919)	(117,188)
Total retained earnings as at 30 June	<u>186,985</u>	<u>175,821</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 26 August 2016.

By order of the Board of Directors

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