



IVORY PROPERTIES GROUP BERHAD
Company No.: 673211-M

UNAUDITED INTERIM FINANCIAL STATEMENTS – 31 MARCH 2019

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IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

	Individual Quarter (4 th Quarter)		Changes %	Cumulative Period (4 th Quarter)		Changes %
	Current 31.03.2019 RM'000	(Restated) Previous year Corresponding 31.03.2018 RM'000		Current 31.03.2019 RM'000	(Restated) Previous year Corresponding 31.03.2018 RM'000	
Revenue	58,237	18,733	211	160,558	238,073	(33)
Cost of sales	(30,314)	(14,959)	103	(103,755)	(176,832)	(41)
Gross profit	27,923	3,774	640	56,803	61,241	(7)
Operating expenses	(10,511)	(11,765)	(11)	(48,512)	(50,778)	(4)
Other operating income	2,005	1,164	72	7,957	6,706	19
Results from operating activities	19,417	(6,827)	(384)	16,248	17,169	(5)
Share of (loss)/profit of equity accounted investees, net of tax						
- associates	(3)	(20)	(85)	(14)	(231)	(94)
- joint ventures	123	(405)	(130)	(1,325)	8,132	(116)
Profit/(Loss) before interest & tax	19,537	(7,252)	(369)	14,909	25,070	(41)
Net finance costs	(5,286)	(1,485)	256	(6,861)	(4,011)	71
Profit/(Loss) before tax	14,251	(8,737)	(263)	8,048	21,059	(62)
Tax expense	(3,554)	2,121	(268)	(7,599)	(7,614)	-
Profit/(Loss) for the period	10,697	(6,616)	(262)	449	13,445	(97)
Other comprehensive income for the year, net of tax	-	-	-	-	-	-
Total comprehensive income/(expenses) for the period	10,697	(6,616)	(262)	449	13,445	(97)
Attributable to:						
Owners of the Company	10,702	(6,615)	(262)	468	13,447	(97)
Non-controlling interests	(5)	(1)	400	(19)	(2)	850
	10,697	(6,616)	(262)	449	13,445	(97)
Earnings per share attributable to the owners of the Company:						
Basic (sen)	2.18	(1.35)	(261)	0.10	2.74	(96)

Certain comparative figures have been restated to conform with the unaudited interim financial statements of the current financial period ended 31 March 2019.

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

IVORY PROPERTIES GROUP BERHAD (673211-M)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Unaudited as at 31.03.2019 RM'000	Restated as at 31.03.2018 RM'000	Restated as at 01.04.2017 RM'000
Assets			
Property, plant and equipment	36,192	37,200	37,763
Investment properties	14,860	15,241	15,350
Intangible assets	3,686	3,686	-
Investment in associates	598	612	3,029
Investment in joint ventures	38,091	156,826	144,026
Deferred tax assets	9,234	10,269	12,576
Total non-current assets	102,661	223,834	212,744
Inventories - property development costs	151,401	137,697	167,280
Inventories - completed properties & others	114,344	100,660	106,993
Trade and other receivables	200,005	144,806	155,766
Contract assets	4,172	8,062	23,739
Contract costs	5,086	9,158	13,894
Current tax assets	2,885	4,188	1,327
Short term investments	52,701	62,783	55,074
Cash and bank balances	16,577	21,157	57,909
	547,171	488,511	581,982
Assets classified as held for sale	-	-	5,469
Total current assets	547,171	488,511	587,451
Total assets	649,832	712,345	800,195
Equity			
Share capital	226,440	226,440	226,440
Warrant reserve	-	-	-
Retained earnings	186,887	202,147	188,700
Equity attributable to owners of the Company	413,327	428,587	415,140
Non-controlling interests	(272)	(253)	(251)
Total equity	413,055	428,334	414,889
Liabilities			
Loans and borrowings	40,304	44,697	90,339
Deferred tax liabilities	2,764	4,726	6,054
Total non-current liabilities	43,068	49,423	96,393
Loans and borrowings	87,638	93,810	79,024
Trade and other payables	101,238	139,560	163,419
Contract liabilities	1,263	-	41,278
Current tax liabilities	3,570	1,218	5,192
Total current liabilities	193,709	234,588	288,913
Total liabilities	236,777	284,011	385,306
Total equity and liabilities	649,832	712,345	800,195
Net assets per share attributable to ordinary equity holders of the Company (RM)*	0.84	0.87	0.85

* Computed based on 490,079,729 ordinary shares in the Company ("Shares")

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

IVORY PROPERTIES GROUP BERHAD (673211-M)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company				Non-controlling interests RM'000	Total equity RM'000
	Non-distributable		Distributable			
	Share capital RM'000	Warrant reserve RM'000	Retained earnings RM'000	Total RM'000		
Balance at 1 April 2018	226,440	-	228,871	455,311	(253)	455,058
Effect of adoption of the MFRS Framework	-	-	(30,200)	(30,200)	-	(30,200)
Balance at 1 April 2018 (Restated)	226,440	-	198,671	425,111	(253)	424,858
Total comprehensive income for the period	-	-	468	468	(19)	449
Dividends to owner of the company	-	-	(12,252)	(12,252)	-	(12,252)
Balance at 31 March 2019	226,440	-	186,887	413,327	(272)	413,055
Balance at 1 April 2017	226,440	27,900	190,437	444,777	(251)	444,526
Effect of adoption of the MFRS Framework	-	-	(29,637)	(29,637)	-	(29,637)
Balance at 1 April 2017 (Restated)	226,440	27,900	160,800	415,140	(251)	414,889
Total comprehensive income for the period	-	-	13,447	13,447	(2)	13,445
Transfer to retained earnings	-	(27,900)	27,900	-	-	-
Balance at 31 March 2018	226,440	-	202,147	428,587	(253)	428,334

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Year-To-Date 31.03.2019 RM'000	Restated 31.03.2018 RM'000
<u>Cash flows from operating activities</u>		
Profit before tax	8,048	21,059
Adjustments for:-		
Depreciation of :		
- Investment properties	381	381
- Property, plant and equipment	4,744	5,606
Gain on disposal of :		
- Investment properties	-	(1,808)
- Property, plant and equipment	(22)	(23)
Impairment loss on receivables	684	700
Interest expense	10,404	6,134
Interest income	(3,543)	(2,123)
Reversal of impairment losses on :		
- Investment in associate	-	(10)
Written off of :		
- Property, plant and equipment	427	3,026
- Inventories	882	-
Share of loss in associates, net of tax	14	231
Share of loss/(profit) in joint ventures, net of tax	1,325	(8,132)
Unrealised gain from downstream sale to associates	-	(16)
Unrealised gain from downstream sale to joint ventures	(1,795)	(4,668)
Operating profit before changes in working capital	21,549	20,357
Change in inventories – property development costs	(13,704)	35,404
Change in inventories – completed properties & others	(4,775)	9,746
Change in trade and other receivables	(38,383)	11,771
Change in contract assets	3,890	15,677
Change in contract costs	4,072	4,736
Change in trade and other payables	(38,322)	(36,419)
Change in contract liabilities	1,263	(41,278)
Cash (used in)/from operations	(64,410)	19,994
Tax paid	(4,871)	(11,823)
Net cash (used in)/from operating activities	(69,281)	8,171
<u>Cash flows from investing activities</u>		
Interest received	3,543	2,123
Acquisition of property, plant and equipment	(3,666)	(2,213)
Acquisition of investment properties	-	(272)
Acquisition of subsidiary	-	(5,824)
Redemption of redeemable preference share	88,438	-
Proceeds from disposal of property, plant and equipment	82	75
Proceeds from disposal of investment properties	-	7,277
(Placement)/Withdrawal of fixed deposits	(3)	758
Withdrawal/(Placement) of short term investments	10,082	(7,709)
Net cash from/(used in) investing activities	98,476	(5,785)

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

	Current Year-To-Date 31.03.2019	Restated 31.03.2018
	RM'000	RM'000
<u>Cash flows from financing activities</u>		
Interest paid	(10,404)	(6,134)
Dividend paid	(12,252)	-
Repayment of finance lease liabilities	(1,571)	(2,431)
Repayment of term loans and bridging loans	(4,684)	(19,721)
Repayment of revolving credit	(5,390)	(9,585)
Net cash used in financing activities	(34,301)	(37,871)
Net decrease in cash and cash equivalents	(5,106)	(35,485)
Cash and cash equivalents at beginning of period	21,046	56,531
Cash and cash equivalents at end of period	15,940	21,046

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2018 and the accompanying explanatory notes attached to this interim financial statements.

IVORY PROPERTIES GROUP BERHAD (673211–M)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

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

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirement of MFRS 134 Interim Financial Reporting and other MFRSs issued by the Malaysian Accounting Standard Board (“MASB”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 March 2018 which were prepared under Financial Reporting Standards (“FRS”). These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2018.

The Group is adopting the MFRS framework for the current financial reporting period beginning 1 April 2018 and MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards has been applied. The Group has consistently applied the same accounting policies in its opening MFRS Statement of Financial Position as at 1 April 2017, being the transition date, and throughout all comparable interim financial statements presented, as if these policies had always been in effect.

A2 Changes in Accounting Policies arising from adoption of new standards, amendments and interpretations

A number of new standards and amendments to Standards and Issues Committee (“IC”) Interpretations are effective for the current financial period beginning 1 April 2018. None of these is expected to have a significant effect on the consolidated financial statements of the Group except for the following:

MFRS 1:	First-time Adoption of Malaysian Financial Reporting Standards
MFRS 9:	Financial Instruments
MFRS 15:	Revenue from Contracts with Customers
MFRS 123:	Borrowings Costs

The financial impact to the interim financial statements of the Group arising from the adoption of MFRS 15 and MFRS 123 are shown below:

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

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

A2 Changes in Accounting Policies (Cont’d)

Reconciliation of statements of comprehensive income

	Individual Quarter			
	As previously reported	Effect on adoption of MFRS 15	Effect on adoption of MFRS 123	Restated
	<u>31.03.2018</u> RM'000	<u>31.03.2018</u> RM'000	<u>31.03.2018</u> RM'000	<u>31.03.2018</u> RM'000
Revenue	16,982	1,751	-	18,733
Cost of sales	(15,840)	50	831	(14,959)
Gross profit	1,142	1,801	831	3,774
Operating expenses	(11,769)	-	4	(11,765)
Other operating income	1,164	-	-	1,164
Results from operating activities	(9,463)	1,801	835	(6,827)
Share of loss of equity accounted investees, net of tax				
- associates	(20)	-	-	(20)
- joint ventures	(405)	-	-	(405)
(Loss)/Profit before tax	(9,888)	1,801	835	(7,252)
Net finance costs	(576)	-	(909)	(1,485)
(Loss)/Profit before tax	(10,464)	1,801	(74)	(8,737)
Tax expense	3,041	(75)	(845)	2,121
(Loss)/Profit for the period	(7,423)	1,726	(919)	(6,616)
Total comprehensive (expenses)/ income for the period	(7,423)	1,726	(919)	(6,616)
Attributable to:				
Owners of the Company	(7,422)	1,726	(919)	(6,615)
Non-controlling interests	(1)	-	-	(1)
	(7,423)	1,726	(919)	(6,616)
Earnings per share attributable to the owners of the Company:				
Basic (sen)	(1.51)	0.35	(0.19)	(1.35)

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

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

A2 Changes in Accounting Policies (Cont’d)

Reconciliation of statements of comprehensive income

	Cumulative Period			
	As previously reported <u>31.03.2018</u> RM'000	Effect on adoption of MFRS 15 <u>31.03.2018</u> RM'000	Effect on adoption of MFRS 123 <u>31.03.2018</u> RM'000	Restated <u>31.03.2018</u> RM'000
Revenue	237,810	263	-	238,073
Cost of sales	(181,509)	(1,483)	6,160	(176,832)
Gross profit	56,301	(1,220)	6,160	61,241
Operating expenses	(50,898)	1,533	(1,413)	(50,778)
Other operating income	6,706	-	-	6,706
Results from operating activities	12,109	313	4,747	17,169
Share of (loss)/profit of equity accounted investees, net of tax				
- associates	(231)	-	-	(231)
- joint ventures	8,132	-	-	8,132
Profit before tax	20,010	313	4,747	25,070
Net finance costs	(2,784)	-	(1,227)	(4,011)
Profit before tax	17,226	313	3,520	21,059
Tax expense	(6,694)	(75)	(845)	(7,614)
Profit for the period	10,532	238	2,675	13,445
Total comprehensive income for the period	10,532	238	2,675	13,445
Attributable to:				
Owners of the Company	10,534	238	2,675	13,447
Non-controlling interests	(2)	-	-	(2)
	10,532	238	2,675	13,445
Earnings per share attributable to the owners of the Company:				
Basic (sen)	2.15	0.05	0.55	2.74

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

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

A2 Changes in Accounting Policies (Cont’d)

Reconciliation of statements of financial position (extract)

	31 March 2017			Restated under MFRSs RM'000
	Previously stated under FRS RM'000	Effect on adoption of MFRS 15 RM'000	Effect on adoption of MFRS 123 RM'000	
Assets				
Property, plant and equipment	37,763	-	-	37,763
Investment properties	15,350	-	-	15,350
Intangible assets	-	-	-	-
Investment in associates	3,029	-	-	3,029
Investment in joint ventures	144,026	-	-	144,026
Deferred tax assets	7,211	789	4,576	12,576
Total non-current assets	207,379	789	4,576	212,744
Inventories - property development costs	177,294	14,845	(24,859)	167,280
Inventories - completed properties & others	113,850	-	(6,857)	106,993
Trade and other receivables	183,953	(28,187)	-	155,766
Contract assets	-	23,739	-	23,739
Contract costs	-	13,894	-	13,894
Current tax assets	1,327	-	-	1,327
Short term investments	55,074	-	-	55,074
Cash and bank balances	57,909	-	-	57,909
	589,407	24,291	(31,716)	581,982
Assets classified as held for sale	5,469	-	-	5,469
Total current assets	594,876	24,291	(31,716)	587,451
Total assets	802,255	25,080	(27,140)	800,195
Equity				
Share capital	226,440	-	-	226,440
Warrant reserve	-	-	-	-
Retained earnings	218,337	(2,497)	(27,140)	188,700
Equity attributable to owners of the Company	444,777	(2,497)	(27,140)	415,140
Non-controlling interests	(251)	-	-	(251)
Total equity	444,526	(2,497)	(27,140)	414,889
Liabilities				
Loans and borrowings	90,339	-	-	90,339
Deferred tax liabilities	6,054	-	-	6,054
Total non-current liabilities	96,393	-	-	96,393
Loans and borrowings	79,024	-	-	79,024
Trade and other payables	177,120	(13,701)	-	163,419
Contract liabilities	-	41,278	-	41,278
Current tax liabilities	5,192	-	-	5,192
Total current liabilities	261,336	27,577	-	288,913
Total liabilities	357,729	27,577	-	385,306
Total equity and liabilities	802,255	25,080	(27,140)	800,195

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

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

A2 Changes in Accounting Policies (Cont’d)

Reconciliation of statements of financial position (extract)

	31 March 2018			
	Previously stated under FRS RM'000	Effect on adoption of MFRS 15 RM'000	Effect on adoption of MFRS 123 RM'000	Restated under MFRSs RM'000
Assets				
Property, plant and equipment	37,200	-	-	37,200
Investment properties	15,241	-	-	15,241
Intangible assets	3,686	-	-	3,686
Investment in associates	612	-	-	612
Investment in joint ventures	156,826	-	-	156,826
Deferred tax assets	5,824	742	3,703	10,269
Total non-current assets	219,389	742	3,703	223,834
Inventories - property development costs	146,924	10,235	(19,462)	137,697
Inventories - completed properties & others	109,277	-	(8,617)	100,660
Trade and other receivables	175,351	(30,545)	-	144,806
Contract assets	-	8,062	-	8,062
Contract costs	-	9,158	-	9,158
Current tax assets	4,188	-	-	4,188
Short term investments	62,783	-	-	62,783
Cash and bank balances	21,157	-	-	21,157
	519,680	(3,090)	(28,079)	488,511
Assets classified as held for sale	-	-	-	-
Total current assets	519,680	(3,090)	(28,079)	488,511
Total assets	739,069	(2,348)	(24,376)	712,345
Equity				
Share capital	226,440	-	-	226,440
Warrant reserve	-	-	-	-
Retained earnings	228,871	(2,348)	(24,376)	202,147
Equity attributable to owners of the Company	455,311	(2,348)	(24,376)	428,587
Non-controlling interests	(253)	-	-	(253)
Total equity	455,058	(2,348)	(24,376)	428,334
Liabilities				
Loans and borrowings	44,697	-	-	44,697
Deferred tax liabilities	4,726	-	-	4,726
Total non-current liabilities	49,423	-	-	49,423
Loans and borrowings	93,810	-	-	93,810
Trade and other payables	139,560	-	-	139,560
Contract liabilities	-	-	-	-
Current tax liabilities	1,218	-	-	1,218
Total current liabilities	234,588	-	-	234,588
Total liabilities	284,011	-	-	284,011
Total equity and liabilities	739,069	(2,348)	(24,376)	712,345

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

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

Standards and interpretations issued but not yet effective

The following are new standards, amendments and interpretations that have been issued by the MASB but have not been early adopted by the Group:

MFRS 16	Leases
MFRS 17	Contracts
IC Interpretation 23	Uncertainty over Income Tax Treatments
Amendments to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures
Amendments to MRS 3	Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)
Amendments to MFRS 11	Joint Arrangements (Annual Improvements to MFRS Standards 2015-2017 Cycle)
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

These new and amended standards will have no material impact on the financial statements of the Group upon their initial application.

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 2018.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

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

A4 Seasonal or Cyclical Factors

The Group’s business operations are not subject to any significantly seasonal or 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 quarter.

A8 Dividends Paid

No dividends have been paid during the current financial quarter.

IVORY PROPERTIES GROUP BERHAD (673211-M)**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019****PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL
REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING (*Cont’d*)****A9 Operating Segments**

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

Business Segments	Property development and management RM’000	Construction contracts RM’000	Investment holding and others RM’000	Elimination RM’000	Total RM’000
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Individual Quarter – 31 March 2019**Revenue**

External	151,168	9,390	-	-	160,558
Inter-segment	4,218	69,893	54,480	(128,591)	-
Total Revenue	<u>155,386</u>	<u>79,283</u>	<u>54,480</u>	<u>(128,591)</u>	<u>160,558</u>

Results

Segmental profit/(loss)	<u>21,513</u>	<u>(5,130)</u>	<u>(8,335)</u>	<u>-</u>	<u>8,048</u>
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Segmental assets	<u>463,361</u>	<u>108,694</u>	<u>77,777</u>	<u>-</u>	<u>649,832</u>
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**Individual Quarter - 31 March 2018
(Restated)****Revenue**

External	171,282	66,362	429	-	238,073
Inter-segment	4,759	110,185	12,992	(127,936)	-
Total Revenue	<u>176,041</u>	<u>176,547</u>	<u>13,421</u>	<u>(127,936)</u>	<u>238,073</u>

Results

Segmental profit/(loss)	<u>15,098</u>	<u>23,308</u>	<u>(17,347)</u>	<u>-</u>	<u>21,059</u>
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Segmental assets	<u>422,259</u>	<u>106,960</u>	<u>183,126</u>	<u>-</u>	<u>712,345</u>
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Geographical Segments

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

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

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

A9 Operating Segments (*Cont’d*)

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:

	RM’000
Customer A	<u>16,946</u>

A10 Subsequent Material Events

There were no material events or transactions subsequent to the end of the current financial quarter ended 31 March 2019 that have not been reflected in the financial statements for the interim period.

A11 Changes in the Composition of the Group

There were no changes in the composition of the Group during the current 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.

IVORY PROPERTIES GROUP BERHAD (673211-M)

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

A13 Capital Commitments

The amount of capital commitments as at 31 March 2019 is as follows:

	As at 31.03.2019 RM’000	As at 31.03.2018 RM’000
Approved and contracted for:		
- Land acquisition to be held for property development	100,222	120,472

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

B1 Review of Performance

Quarter Results (4QFY2019 vs 4QFY2018)

The Group recorded a revenue of RM58.2 million for the current quarter, an increase of 211% or RM18.7 million from the year-ago quarter. Steady development progress at phase 3 of Penang Times Square, sales of completed properties, and sales of LMC quota accounted for 87% of total revenue, while the balance 13% was contributed by the turnkey contract of Sewerage Treatment Plant (“STP”) Rationalization work in Kuala Lumpur.

Gross profit increased by RM24.1 million from RM3.8 million recorded in the year-ago quarter to RM27.9 million on higher revenue and the impacts from the adoption of MFRS 123, where whole year’s borrowing costs of RM4.4 million was transferred from cost of sales to financing expense during the quarter.

As a result of the above-mentioned, coupled with lower other expenses on declined expected credit losses in the current quarter, net profit before tax for the quarter was therefore RM14.3 million compared to a loss of RM8.7 million recorded in the year-ago quarter.

12 months Year-to-date Results (FY2019 vs FY2018)

The Group recorded a revenue of RM160.6 million, a decrease of RM77.5 million compared to the previous financial year’s restated figure. The decrease was caused by declined activity from both the property development division and construction division following the completion of City Residence at Tanjong Tokong and the turnkey contract of phase 1A at Penang World City.

The share of loss in the joint venture company amounted to RM1.3 million in the current financial year, compared to the share of profit of RM8.1 million in the previous financial year has caused the Group to record a lower bottom line of RM0.4 million profit after taxes compared to a restated profit of RM13.4 million recorded in the previous year.

IVORY PROPERTIES GROUP BERHAD (673211-M)**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019****PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE
LISTING REQUIREMENTS (Cont'd)****B2 Material changes in the quarterly results compared with the immediate preceding quarter
(Quarter-Over-Quarter comparison)**

	Current Quarter (4Q2019) 31.03.2019 RM'000	Preceding Quarter (3Q2019) 31.12.2018 RM'000	Changes	
			RM'000	%
Revenue	58,237	45,842	12,395	27
Profit from operations	19,417	640	18,777	2,934
Profit Before Interest and Tax	19,537	225	19,312	8,583
Profit/(Loss) Before Tax	14,251	(1,078)	15,329	(1,422)
Profit/(Loss) After Tax	10,697	(2,845)	13,542	(476)
Profit/(Loss) Attributable to Equity Holders of the Company	10,702	(2,840)	13,542	(477)

The Group's revenue increased from RM45.8 million reported in the immediate preceding quarter to RM58.2 million for the current quarter due to construction progress in phase 3 of Penang Times Square, sales of completed properties, sales of LMC quota, and the new STP rationalisation work in KL.

The Group's net profit after tax for the current quarter was RM10.7 million, an increase of RM13.5 million or 476% from a loss of RM2.8 million in the immediate preceding quarter. The much-improved results, besides contributions from the disposal of LMC quota, were due to the transition effect to MFRS reporting framework in which the whole year effect of the expected credit losses of RM2.3 million was taken from current quarter to opening retained earnings.

B3 Prospects for the next financial year ending 31 March 2020

Though the property market is showing signs of recovery, as evidenced by the latest NAPIC report, the Board remains cautious about the uncertainty of global market. Moving forward, the Group will focus on completing the current project, clearing existing inventory, and focus on planning for new launches in due course.

Barring any unforeseen events, the Board is cautiously optimistic about the performance of the Group for the next financial year, if the market picks up its expected recovery momentum.

B4 Variance between Actual Profit and Forecast Profit

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

IVORY PROPERTIES GROUP BERHAD (673211-M)**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019****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 Quarter		Cumulative Period	
	31.03.2019 RM'000	Restated 31.03.2018 RM'000	31.03.2019 RM'000	Restated 31.03.2018 RM'000
Income Tax - current	6,944	(1,113)	8,787	3,502
- prior year	(72)	144	(78)	1,486
Deferred tax - current	(4,965)	(36)	(2,758)	3,742
- prior year	1,647	(1,116)	1,648	(1,116)
	3,554	(2,121)	7,599	7,614

The effective tax rate (excluding share of profit/(loss) from associates and joint ventures) for the current 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 quarter and financial period-to-date under review.

B7 Borrowings and Debt Securities

Details of the Group's borrowings as at 31 March 2019 are as follows:-

	RM'000
<i>Long Term Borrowings</i>	
Term loans and bridging loans	39,121
Hire purchase	1,183
	<hr/> 40,304
<i>Short Term Borrowings</i>	
Term loans and bridging loans	75,998
Hire purchase	1,007
Revolving credit	10,110
Bank overdraft	523
	<hr/> 87,638
Total	<hr/> 127,942 <hr/>

All borrowings are denominated in Ringgit Malaysia and are secured.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

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

B8 Material Litigation

IB Capital Sdn Bhd – Civil Suit No. 22NCVC-20-01/2014 at Penang High Court

On 29 January 2014, IB Capital Sdn Bhd (“the Plaintiff”) had filed a suit against IISB seeking a declaration that the transfer of land held under Geran No. 1272, Lot No. 2838, Mukim 18, Daerah Timor Laut, Negeri Pulau Pinang (“Land”) from Krishna Kumar T.N. Sharma (the previous registered land owner) to IISB and the charge of the Land by IISB to CIMB Islamic Bank Berhad is null and void and alternatively for payment of a sum of RM10,256,098.66 as at 31 August 2008 with interest and damages.

On 23 July 2015, the Court of Appeal upon IISB’s appeal, had struck out the Plaintiff’s Writ and Statement of Claim with costs upon the grounds of there not being a proper Cause of Action against IISB.

As the Court of Appeal had “Struck Out” the case, this litigation had no material impact to the Group until 17 October 2017 when the Federal Court allowed the Plaintiff’s appeal against the Striking Out of their case by the Court of Appeal and the case is to proceed to full trial at the Penang High Court.

Our solicitors have been served with an Application by the Plaintiff to “Re-Amend” their “Statement of Claim” (“Re-Amendment Application”) and our solicitors have put on record that IISB is objecting to the Re-Amendment Application.

Further to the trial held on the 14 January 2019, the High Court has fixed 19 April 2019 for decision.

On 19 April 2019, the High Court dismissed the Plaintiff’s claims against IISB and CIMB Islamic Bank Berhad in its entirety with costs payable by the Plaintiff’s to IISB and CIMB Islamic Bank Berhad.

On 14 May 2019, the Plaintiff filed a Notice of Appeal to the Court of Appeal appealing against the entire decision of the High Court given on 19 April 2019. No case management date has been fixed yet by the court.

IVORY PROPERTIES GROUP BERHAD (673211-M)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

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

B9 Dividend

An interim dividend of 2.50 sen per ordinary share in respect of the financial year ending 31 March 2019 amounting to RM12,251,993 has been paid on 17 October 2018.

B10 Earnings per Share

B10.1 Basic Earnings per Share

Basic earnings per ordinary share of the Group were calculated by dividing the Group's profit for the period attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue and ranking for dividend during the quarter and the financial period.

	Individual Quarter		Cumulative Period	
	31.03.2019 RM'000	Restated 31.03.2018 RM'000	31.03.2019 RM'000	Restated 31.03.2018 RM'000
Profit/(Loss) attributable to owners of the Company (RM'000)	10,702	(6,615)	468	13,447
Weighted average number of ordinary shares in issue ('000)	490,080	490,080	490,080	490,080
Basic earnings per share (sen)	2.18	(1.35)	0.10	2.74

B10.2 Diluted Earnings per Share

There are no diluted earnings per share as there were no potential dilutive ordinary shares for the period under review.

IVORY PROPERTIES GROUP BERHAD (673211-M)**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019****PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE
LISTING REQUIREMENTS (Cont'd)****B11 Notes to the Statements of Comprehensive Income**

	Individual Quarter		Cumulative Period	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before tax is arrived at after charging :				
Depreciation of :				
- Investment properties	96	95	381	381
- Property, plant and equipment	1,247	1,323	4,744	5,606
Impairment loss on :				
- Receivables	-	-	684	700
Interest expense	6,358	1,977	10,404	6,134
Inventories written down	882	-	882	-
Written off of :				
- Property, plant and equipment	1	792	427	3,026
and after crediting :				
Reversal of impairment loss on :				
- Investment in associate	-	10	-	10
- Receivables	2,316	-	-	-
Gain on disposal of :				
- Property, plant and equipment	18	5	22	23
- Investment properties	-	-	-	1,808
Interest income	1,072	492	3,543	2,123
Rental income	778	617	3,118	3,000

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 STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

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

B12 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 30 May 2019.

By order of the Board of Directors

Low Seow Wei (f) (MAICSA 7053500)

Thum Sook Fun (f) (MIA 24701)

Company Secretaries