



IVORY PROPERTIES GROUP BERHAD
Company No.: 673211-M

UNAUDITED INTERIM FINANCIAL STATEMENTS – 30 SEPTEMBER 2019

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IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019**

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

	Individual Quarter (2 nd Quarter)		Changes %	Cumulative Period (2 nd Quarter)		Changes %
	Current 30.09.2019 RM'000	Previous year Corresponding 30.09.2018 RM'000		Current 30.09.2019 RM'000	Previous year Corresponding 30.09.2018 RM'000	
Revenue	13,478	29,483	(54)	36,968	56,479	(35)
Cost of sales	(9,457)	(18,284)	(48)	(24,901)	(34,234)	(27)
Gross profit	4,021	11,199	(64)	12,067	22,245	(46)
Operating expenses	(8,110)	(14,202)	(43)	(18,185)	(26,716)	(32)
Other operating income	1,887	1,230	53	3,103	2,552	22
Results from operating activities	(2,202)	(1,773)	24	(3,015)	(1,919)	57
Share of loss of equity accounted investees, net of tax						
- associates	(3)	(3)	-	(7)	(7)	-
- joint ventures	(724)	(527)	37	(646)	(1,037)	(38)
Loss before interest & tax	(2,929)	(2,303)	27	(3,668)	(2,963)	(24)
Net finance costs	(1,279)	(866)	48	(4,560)	(2,162)	111
Loss before tax	(4,208)	(3,169)	33	(8,228)	(5,125)	61
Tax income/(expense)	990	(1,465)	(168)	508	(2,278)	(122)
Loss for the period	(3,218)	(4,634)	(31)	(7,720)	(7,403)	4
Other comprehensive income for the year, net of tax	-	-	-	-	-	-
Total comprehensive expenses for the period	(3,218)	(4,634)	(31)	(7,720)	(7,403)	4
Attributable to:						
Owners of the Company	(3,214)	(4,625)	(31)	(7,712)	(7,394)	4
Non-controlling interests	(4)	(9)	(56)	(8)	(9)	(11)
	(3,218)	(4,634)	(31)	(7,720)	(7,403)	4
Earnings per share attributable to the owners of the Company:						
Basic (sen)	(0.66)	(0.94)	(30)	(1.57)	(1.51)	4

Certain comparative figures in financial year 2019 have been reclassified to conform with the unaudited interim financial statements of the current financial period ended 30 September 2019.

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2019 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 30 SEPTEMBER 2019**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited as at 30.09.2019 RM'000	Audited as at 31.03.2019 RM'000
Assets		
Property, plant and equipment	34,630	36,192
Investment properties	14,544	14,860
Intangible assets	3,686	3,686
Investment in associates	591	598
Investment in joint ventures	37,445	38,091
Deferred tax assets	9,890	9,234
Total non-current assets	100,786	102,661
Inventories	266,280	265,442
Contract assets	6,109	4,172
Contract costs	4,267	5,389
Trade and other receivables	228,677	200,005
Current tax assets	757	2,885
Short term investments	16,542	48,251
Cash and bank balances	15,149	21,027
Total current assets	537,781	547,171
Total assets	638,567	649,832
Equity		
Share capital	226,440	226,440
Retained earnings	179,175	186,887
Equity attributable to owners of the Company	405,615	413,327
Non-controlling interests	(280)	(272)
Total equity	405,335	413,055
Liabilities		
Loans and borrowings	37,876	40,304
Deferred tax liabilities	1,748	2,764
Total non-current liabilities	39,624	43,068
Loans and borrowings	54,398	87,638
Trade and other payables	94,622	101,238
Contract liabilities	40,631	1,263
Current tax liabilities	3,957	3,570
Total current liabilities	193,608	193,709
Total liabilities	233,232	236,777
Total equity and liabilities	638,567	649,832
Net assets per share attributable to ordinary equity holders of the Company (RM)*	0.83	0.84

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

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2019 and the accompanying explanatory notes attached to the interim financial statements.

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company				
	Non- distributable	Distributable		Non- controlling	Total
	Share capital	Retained	Total	interests	equity
	RM'000	earnings	RM'000	RM'000	RM'000
Balance at 1 April 2019	226,440	186,887	413,327	(272)	413,055
Total comprehensive expenses for the period	-	(7,712)	(7,712)	(8)	(7,720)
Balance at 30 September 2019	226,440	179,175	405,615	(280)	405,335
Balance at 1 April 2018	226,440	202,147	428,587	(253)	428,334
Adjustment on initial application of MFRS 9	-	(3,476)	(3,476)	-	(3,476)
Balance at 1 April 2018 (Restated)	226,440	198,671	425,111	(253)	424,858
Total comprehensive expenses for the period	-	(7,394)	(7,394)	(9)	(7,403)
Balance at 30 September 2018	226,440	191,277	417,717	(262)	417,455

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 2019 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 30 SEPTEMBER 2019**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Year-To-Date 30.09.2019 RM'000	30.09.2018 RM'000
<u>Cash flows from operating activities</u>		
Loss before tax	(8,228)	(5,125)
Adjustments for :-		
Depreciation on :		
- Investment properties	190	190
- Property, plant and equipment	2,438	2,546
(Gain)/Loss on disposal of :		
- Investment properties	(34)	-
- Property, plant and equipment	7	(4)
Impairment loss on receivables	-	2,000
Interest expense	5,022	4,069
Interest income	(462)	(1,907)
Written off of property, plant and equipment	5	115
Share of loss in associates, net of tax	7	7
Share of profit in joint ventures, net of tax	646	1,037
Unrealised gain from downstream sale to joint ventures	-	(1,214)
Operating (loss)/profit before changes in working capital	(409)	1,714
Change in inventories	(838)	(2,208)
Change in contract assets	(1,937)	(5,647)
Change in contract costs	1,122	1,667
Change in trade and other receivables	(28,672)	(25,650)
Change in trade and other payables	(6,616)	38,157
Change in contract liabilities	39,368	6,721
Cash generated from operations	2,018	14,754
Tax refund/(paid)	1,351	(1,720)
Net cash from operating activities	3,369	13,034
<u>Cash flows from investing activities</u>		
Interest received	462	1,907
Acquisition of property, plant and equipment	(900)	(2,610)
Redemption of redeemable preference share	-	84,213
Proceeds from disposal of :		
- Investment properties	160	-
- Property, plant and equipment	12	4
Withdrawal of fixed deposits	785	-
Withdrawal/(Placement) of short-term investments	31,709	(96,185)
Net cash from/(used in) investing activities	32,228	(12,671)

IVORY PROPERTIES GROUP BERHAD (673211-M)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

	Current Year-To-Date 30.09.2019 RM'000	30.09.2018 RM'000
<u>Cash flows from financing activities</u>		
Interest paid	(5,022)	(4,069)
Repayment of finance lease liabilities	(565)	(839)
(Repayment)/Drawdown of term loans	(34,580)	7,480
Net cash used in financing activities	(40,167)	(2,572)
Net decrease in cash and cash equivalents	(4,570)	(2,209)
Cash and cash equivalents at beginning of period	15,940	21,046
Cash and cash equivalents at end of period	11,370	18,837
Cash and cash equivalents comprise the following:		
Cash and bank balances	15,149	20,449
Less: Bank Overdraft	-	(1,501)
Less: Short-term deposits	(3,779)	(111)
	11,370	18,837

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2019 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 30 SEPTEMBER 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 has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2019. 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 2019.

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

The accounting policies adopted by the Group in this interim financial statements are consistent with those adopted in the financial statements for the financial year ended 31 March 2019 except for the adoption of the following new/revised MFRSs, IC interpretation and Amendments to MFRSs:-

MFRS 16	Leases
Amendments to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement
Amendments to MFRSs	Annual Improvements to MFRS Standards (2015-2017) Cycle
IC Interpretation 23	Uncertainty over Income Tax Treatments

The adoption of the above MFRSs, IC interpretation and Amendments does not have significant financial impact to the Group.

Standards and interpretations issued but not yet effective

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

MFRS 17	Insurance Contracts
Amendments to MRS 3	Business Combinations - <i>Definition of a Business</i>
Amendments to MFRS 101 & 108	Definition of Material
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors – <i>Definition of Material</i>
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.

IVORY PROPERTIES GROUP BERHAD (673211–M)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019**

**PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL
REPORTING STANDARD (“MFRS”) 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 2019.

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 and financial period-to-date.

A6 Material Changes in Estimates

There were no changes in estimates that have had a material effect in the current financial quarter and financial period-to-date.

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 and financial period-to-date.

A8 Dividends Paid

No dividends have been paid during the current financial quarter and financial period-to-date.

IVORY PROPERTIES GROUP BERHAD (673211-M)**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 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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Financial period ended – 30 September 2019**Revenue**

External	33,101	3,867	-	-	36,968
Inter-segment	1,744	18,035	3,653	(23,432)	-
Total Revenue	34,845	21,902	3,653	(23,432)	36,968

Results

Segmental (loss)/profit	(3,354)	1,261	(6,135)	-	(8,228)
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Segmental assets	521,277	42,171	75,119	-	638,567
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Financial period ended - 30 September 2018**Revenue**

External	54,212	2,267	-	-	56,479
Inter-segment	1,179	31,346	4,249	(36,774)	-
Total Revenue	55,391	33,613	4,249	(36,774)	56,479

Results

Segmental profit/(loss)	5,518	(3,314)	(7,329)	-	(5,125)
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Segmental assets	463,176	117,432	195,621	-	776,229
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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 30 SEPTEMBER 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 for current financial period-to-date are as follows:

	RM’000
Customer A	<u>22,107</u>

A10 Subsequent Material Events

Except as disclosed below, there were no material events or transactions subsequent to the financial period ended 30 September 2019 till 14 November 2019 (the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial statements).

Ivory Utilities Sdn. Bhd. (“IUSB”), a wholly-owned subsidiary of the Company had on 1 November 2019 entered into a conditional Shares Sale Agreement (“SSA”) with Hemat Tuah Sdn. Bhd. (“HTSB”) to dispose of all its shareholdings of 112,500 ordinary shares, representing 45% equity interest of Tropicana Ivory Sdn. Bhd. (“TISB”) for a total cash consideration of RM56,089,234 to HTSB.

Upon completion of the Proposed Disposal, IUSB will cease to be a shareholder of TISB and accordingly TISB will cease to be the Company’s joint venture company. The Joint Venture Agreement dated 11 November 2011 made between the Company and Dijaya Corporation Berhad (now known as Tropicana Corporation Berhad) and Ivory Utilities Sdn. Bhd. and Tropicana Development (Penang) Sdn. Bhd. shall therefore cease to be operative and in effect.

The Proposed Disposal has been completed on 13 November 2019 in accordance with the terms of the SSA.

On 11 November 2019, Ivory Meadows Sdn. Bhd., a wholly owned subsidiary of the Company entered into a Sales and Purchase Agreement with Zenith Urban Development Sdn. Bhd. for the proposed acquisition of a piece of freehold land in Bandar Tanjung Pinang, Daerah Timor Laut, Pulau Pinang, measuring approximately 8,093 square metres (2 acres), for a total purchase consideration of RM65,000,000.

IVORY PROPERTIES GROUP BERHAD (673211–M)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019

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

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 as disclosed below.

The Company’s wholly owned subsidiary, Ikhlas Johan Sdn. Bhd. had on 1 August 2019 completed the transfer of 1 ordinary share representing 50% equity interest of Ivory Uno Venture Sdn. Bhd. (Formerly known as Ivory Koagro Uno Venture Sdn. Bhd.), Ivory Dos Venture Sdn. Bhd. (Formerly known as Ivory Koagro Dos Venture Sdn. Bhd.) and Ivory Tres Venture Sdn. Bhd. (Formerly known as Ivory Koagro Tres Venture Sdn. Bhd.) from Koperasi Agrotek Malaysia Berhad for a consideration of RM1.00 each.

Following the above transfer of shares, Ivory Uno Venture Sdn. Bhd. (Formerly known as Ivory Koagro Uno Venture Sdn. Bhd.), Ivory Dos Venture Sdn. Bhd. (Formerly known as Ivory Koagro Dos Venture Sdn. Bhd.) and Ivory Tres Venture Sdn. Bhd. (Formerly known as Ivory Koagro Tres Venture Sdn. Bhd.) are now become 100% wholly-owned subsidiaries of the Company.

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

The amount of capital commitments as at 30 September 2019 is as follows:

	As at 30.09.2019 RM’000	As at 31.03.2019 RM’000
Approved and contracted for:		
- Land acquisition to be held for property development	94,201	100,222

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 STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019**

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

B1 Review of Performance

Quarter Results (2QFY2020 vs 2QFY2019)

Total revenue for the current quarter declined 54% or RM16.0 million to RM13.5 million from RM29.5 million a year earlier. The property development division accounted for 82% of the quarter's revenue while the construction division made up the balance. The decrease in revenue was mainly due to lower development progress at phase 3 of Penang Times Square while revenue from the construction division increase marginally. Accordingly, gross profit declined 64% year-on-year to RM4.0 million from RM11.2 million.

As a result of the above-mentioned, coupled with higher net financing cost of RM1.3 million, the Group's net loss before tax slipped year-on-year to RM4.2 million from RM3.2 million.

6-month Year-to-date Results (YTD FY2020 vs YTD FY2019)

The Group recorded a total revenue of RM37.0 million, a decrease of RM19.5 million or 35% compared to RM56.5 million reported in the previous financial year. The decrease was mainly caused by the declined activities from the property development division.

The negative impact from the declined revenue was offset by lower operating expenses and financing costs. The Group's six-month net loss after tax was therefore marginally worsen to RM7.7 million compared to RM7.4 million reported last year.

**B2 Material changes in the quarterly results compared with the immediate preceding quarter
(2QFY2020 vs 1QFY2020)**

	Current Quarter (2QFY2020) 30.09.2019 RM'000	Preceding Quarter (1QFY2020) 30.06.2019 RM'000	Changes	
			RM'000	%
Revenue	13,478	23,490	(10,012)	(43)
Loss from operations	(2,202)	(813)	(1,389)	(171)
Loss Before Interest and Tax	(2,929)	(739)	(2,190)	(296)
Loss Before Tax	(4,208)	(4,020)	(188)	(5)
Loss After Tax	(3,218)	(4,502)	1,284	29
Loss Attributable to Equity Holders of the Company	(3,214)	(4,498)	1,284	29

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 (*Cont'd*)**

**B2 Material changes in the quarterly results compared with the immediate preceding quarter
(*Cont'd*)**

Total revenue declined 43% or RM10.0 million to RM13.5 million from RM23.5 million recorded in the immediate preceding quarter owing to lower development progress at phase 3 of Penang Times Square.

Despite the lower gross profit, net loss for the current quarter amounted to RM3.2 million compared to RM4.5 million reported in the immediate preceding quarter. The marginally improved results were due to lower financing cost and tax credit arising from reversal of overprovision of deferred tax liabilities.

B3 Prospects for the financial year ending 31 March 2020

After two consecutive quarterly loss, delivering decent earnings for the entire financial year is expected to be challenging. The Group will focus its resources on preparing for the launching of new projects, clearing its inventories and unlocking the value of other investments.

Barring unforeseen circumstances, the Board anticipates challenges to the performance of the Group for the financial year ending 31 March 2020.

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 30 SEPTEMBER 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	
	30.09.2019 RM'000	30.09.2018 RM'000	30.09.2019 RM'000	30.09.2018 RM'000
Income Tax - current	32	216	1,163	216
Deferred tax - current	(1,022)	1,249	(1,671)	2,062
	(990)	1,465	(508)	2,278

The tax credit for current financial quarter and financial period-to-date was due to reversal of overprovision of deferred tax liabilities.

B6 Status of Corporate Proposals

There were no corporate proposals that have been announced but not yet completed during the current quarter under review.

B7 Borrowings and Debt Securities

Details of the Group's borrowings are as follows:-

	As at 30.09.2019 RM'000	As at 30.03.2019 RM'000
<i>Long Term Borrowings</i>		
Term loans and bridging loans	36,987	39,121
Hire purchase	889	1,183
	37,876	40,304
<i>Short Term Borrowings</i>		
Term loans and bridging loans	43,552	75,998
Hire purchase	736	1,007
Revolving credit	10,110	10,110
Bank overdraft	-	523
	54,398	87,638
Total	92,274	127,942

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 30 SEPTEMBER 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.

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 (“the Appeal”).

Further to the case management held on 5 September 2019, the Court of Appeal fixed a hearing date for the Appeal on 6 May 2020.

IVORY PROPERTIES GROUP BERHAD (673211-M)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019

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

B9 Dividend

No interim ordinary dividend has been declared for the financial period ended 30 September 2019.

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	
	30.09.2019 RM'000	30.09.2018 RM'000	30.09.2019 RM'000	30.09.2018 RM'000
Loss attributable to owners of the Company (RM'000)	(3,214)	(4,625)	(7,712)	(7,394)
Weighted average number of ordinary shares in issue ('000)	490,080	490,080	490,080	490,080
Basic earnings per share (sen)	(0.66)	(0.94)	(1.57)	(1.51)

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.

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**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	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
	RM'000	RM'000	RM'000	RM'000
Material expenses/(income)				
Depreciation on :				
- Investment properties	95	95	190	190
- Property, plant and equipment	1,157	1,261	2,438	2,546
Impairment loss on Receivables	-	1,000	-	2,000
Interest expense	1,503	1,840	5,022	4,069
Written off of Property, plant and equipment	4	113	5	115
(Gain)/Loss on disposal of :				
- Investment properties	(34)	-	(34)	-
- Property, plant and equipment	7	-	7	(4)
Interest income	(224)	(974)	(462)	(1,907)
Rental income	(734)	(775)	(1,487)	(1,461)

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.

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 21 November 2019.

By order of the Board of Directors

Low Seow Wei (f) (MAICSA 7053500)
Thum Sook Fun (f) (MIA 24701)
Company Secretaries