



IVORY PROPERTIES GROUP BERHAD (673211 M)

FOR IMMEDIATE RELEASE

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Ivory in for better Q2

GEORGE TOWN: Ivory Properties Group Berhad expects the group's second quarter to improve over the first quarter this year following acquisition of its associate company Ivory Villas Sdn Bhd.

IPGB chairman and group chief executive officer Datuk Low Eng Hock said the group expected a significant contribution in respect to profit and cash flow upon completion of the acquisition.

"We foresee the positive effect to arise from acquisition of the remaining 51% equity interest in Ivory Villas Sdn Bhd for a total purchase consideration of RM40mil upon completion on April 2," he said.

For the first quarter 2012 ended March 31 2012, the group posted RM3.77mil in pre-tax profit on the back of revenue amounting to RM24.1mil, compared to RM6.36mil and RM27.3mil achieved in the preceding year corresponding quarter.

Moving forward, Low said IPGB anticipates the financial and cash flow position will be improved further once the disposal of its 201.4ha freehold land in Behrang River Estate, Perak by its subsidiary company Ivory Associates Sdn Bhd is completed.

"The disposal, at a price of RM38mil, is expected for completion within three months from the Estate Land Board of Perak's approval or by mid of 2013, whichever is earlier," he said in a press statement after the group's annual general meeting (AGM) yesterday (June 19).

An extraordinary general meeting was also held after the AGM to obtain shareholders' approval for IPGB and its subsidiaries to enter into recurrent related party transactions on terms that are not more favourable to the related parties than those generally available to the public.



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On sales achievement of The Latitude project, Low said the response was overwhelming as they had sold out all its non-Bumiputera units for Tower A of the freehold residential development in Tanjung Tokong. The Latitude carries a gross development value of RM163.7mil as of May 2012.

"This luxurious 45-storey tower is conceptualised as an abode that promotes affordable luxury by making mid-sized condominiums in the suburbs an attainable reality for those craving understated elegance.

"The take up rate for The Latitude is now 70%. The two towers are poised to be the most affordable luxury condominium in Penang," he said.

Low said construction of the project has begun early this month and scheduled for completion in three years' time.

"As Ivory Villa Sdn Bhd is now IPGB's wholly owned subsidiary, we expect this project to contribute immensely to our annual growth," he said.

Ends