



(Incorporated in Malaysia)

**UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED  
31 MARCH 2016**

**Consolidated Statement of Comprehensive Income**

	Individual		Cumulative	
	Current year 31-Mar-2016 RM'000	Preceding year 31-Mar-2015 RM'000	Current year 31-Mar-2016 RM'000	Preceding year 31-Mar-2015 RM'000
Revenue	43,323	58,660	43,323	58,660
Cost of sales	(35,284)	(42,743)	(35,284)	(42,743)
Gross profit	8,039	15,917	8,039	15,917
Interest income	73	120	73	120
Other income	107	2,629	107	2,629
Depreciation	(636)	(613)	(636)	(613)
Employee benefits expense	(5,833)	(6,535)	(5,833)	(6,535)
Other operating expenses	(2,658)	(2,461)	(2,658)	(2,461)
<b>Operating (loss)/profit</b>	<b>(908)</b>	<b>9,057</b>	<b>(908)</b>	<b>9,057</b>
Finance cost	(2,582)	(2,375)	(2,582)	(2,375)
<b>(Loss)/Profit before tax</b>	<b>(3,490)</b>	<b>6,682</b>	<b>(3,490)</b>	<b>6,682</b>
Income tax expenses	(548)	(1,387)	(548)	(1,387)
<b>(Loss)/Profit for the period</b>	<b>(4,038)</b>	<b>5,295</b>	<b>(4,038)</b>	<b>5,295</b>
<b>Other comprehensive income, net of tax</b>				
Foreign currency translation differences for foreign operations	(462)	-	(462)	-
<b>Total comprehensive income for the year</b>	<b>(4,500)</b>	<b>5,295</b>	<b>(4,500)</b>	<b>5,295</b>
<b>(Loss)/Profit Attributable to:</b>				
Owners of the parent	(3,858)	4,570	(3,858)	4,570
Non-controlling interests	(180)	725	(180)	725
	<b>(4,038)</b>	<b>5,295</b>	<b>(4,038)</b>	<b>5,295</b>
<b>Comprehensive income Attributable to:</b>				
Equity holders of the Company	(4,320)	4,570	(4,320)	4,570
Non-controlling interests	(180)	725	(180)	725
	<b>(4,500)</b>	<b>5,295</b>	<b>(4,500)</b>	<b>5,295</b>
<b>Earnings per share attributable to equity holders of the Company:</b>				
Basic earnings per share (sen)	(1.25)	1.48	(1.25)	1.48
Diluted earnings per share (sen)	-	-	-	-

The Condensed Consolidated Income Statement should be read in conjunction with the audited Annual Financial Statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to this report.



(Incorporated in Malaysia)

**UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED  
31 MARCH 2016**

**Consolidated Statement of Comprehensive Income**

	Individual		Cumulative	
	Current year 31-Mar-2016 RM'000	Preceding year 31-Mar-2015 RM'000	Current year 31-Mar-2016 RM'000	Preceding year 31-Mar-2015 RM'000
(Loss)/Profit For The Period	<b>(4,038)</b>	<b>5,295</b>	<b>(4,038)</b>	<b>5,295</b>
Other Comprehensive Income/(Loss) For The Period, Net Of Income Tax	(462)	-	(462)	-
<b>Total Comprehensive Income For The Period, Net Of Income Tax</b>	<b><u>(4,500)</u></b>	<b><u>5,295</u></b>	<b><u>(4,500)</u></b>	<b><u>5,295</u></b>
Total Comprehensive Income Attributable To:				
Owners of the Company	<b>(3,858)</b>	4,570	<b>(3,858)</b>	4,570
Non-controlling interests	<b>(180)</b>	725	<b>(180)</b>	725
	<b><u>(4,038)</u></b>	<b><u>5,295</u></b>	<b><u>(4,038)</u></b>	<b><u>5,295</u></b>

Note: 1 - Included in the Total Comprehensive Income for the period are the followings:-

Interest Income	73	120	73	120
Other Income Including Investment Income	107	2,629	107	2,629
Interest Expenses	(2,582)	(2,375)	(2,582)	(2,375)
Depreciation and Amortization	(636)	(613)	(636)	(613)
Provision For/Write Off of Receivables	-	-	-	-
Provision For/Write Off of Inventories	-	-	-	-
Gain/Loss on Disposal of Quoted and Unquoted Investment or Properties	-	-	-	-
Impairment of Assets	-	-	-	-
Gain/Loss on Foreign Exchange	-	-	-	-
Gain/Loss on Derivatives	N/A	N/A	N/A	N/A

N/A: Not Applicable

**The Condensed Consolidated Income Statement should be read in conjunction with the audited Annual Financial Statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to this report.**

**Damansara Realty Berhad (4030-D)**  
**Condensed Consolidated Statement of Financial Position**  
**As at 31 March 2016**

	<b>Unaudited</b> <b>31-Mar-2016</b> <i>RM'000</i>	<b>Audited</b> <b>31-Dec-2015</b> <i>RM'000</i>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	25,237	26,369
Land held for property development	217,202	216,164
Investment properties	3,492	3,512
Deferred tax assets	398	502
Other investments	101	101
Goodwill on consolidation	1,409	1,409
	<b>247,839</b>	<b>248,057</b>
<b>Current assets</b>		
Property development costs	7,120	4,604
Inventories	1,567	1,655
Trade receivables and other receivables	51,473	47,356
Other current assets	6,492	3,638
Cash and bank balances	35,417	41,003
	<b>102,069</b>	<b>98,256</b>
<b>TOTAL ASSETS</b>	<b>349,908</b>	<b>346,313</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Loans and borrowings	10,540	15,302
Trade and other payables	213,178	202,955
	<b>223,718</b>	<b>218,257</b>
<b>Net current assets / (liabilities)</b>	<b>(121,649)</b>	<b>(120,001)</b>
<b>Non-current liabilities</b>		
Loans and borrowings	6,297	4,113
Deferred tax liabilities	447	459
Trade and other payables	-	-
	<b>6,744</b>	<b>4,572</b>
<b>Total Liabilities</b>	<b>230,462</b>	<b>222,829</b>
<b>Net assets</b>	<b>119,446</b>	<b>123,484</b>
<b>Equity attributable to owners of the parent</b>		
Share capital	154,685	154,685
Share premium	156	156
Accumulated losses	(24,851)	(20,531)
Merger Reserve	(18,568)	(18,568)
Capital reserve	85	85
Exchange reserve	(569)	(1,031)
Shareholders' equity	<b>110,938</b>	<b>114,796</b>
Non-controlling interests	8,508	8,688
<b>Total equity</b>	<b>119,446</b>	<b>123,484</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>349,908</b>	<b>346,313</b>
<b>Net Assets Per Share Attributable to Owners of the Company (RM)</b>	<b>0.359</b>	<b>0.371</b>

The Consolidated Statement of Financial Position should be read in conjunction with the audited Annual Financial Statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to this report.

**Damansara Realty Berhad (4030-D)**  
**Condensed consolidated statement of changes in equity**  
**For the financial period ended 31 March 2016**



	Equity Total RM'000	Equity attributable to owners of the parent Total RM'000	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Merger Reserve RM'000	Exchange Reserve RM'000	Accumulated losses RM'000	Non- controlling interest RM'000
2016									
Opening balance at 1 January 2016	123,484	114,796	154,685	156	85	(18,568)	(1,031)	(20,531)	8,688
Total comprehensive income	(4,038)	(3,858)	-	-	-	-	462	(4,320)	(180)
Dividend to non-controlling interest	-	-	-	-	-	-	-	-	-
Closing balance at 31 March 2016	<b>119,446</b>	<b>110,938</b>	<b>154,685</b>	<b>156</b>	<b>85</b>	<b>(18,568)</b>	<b>(569)</b>	<b>(24,851)</b>	<b>8,508</b>
2015									
Opening balance at 1 January 2015	126,594	119,112	154,685	156	85	(18,568)	(459)	(16,787)	7,482
Total comprehensive income	5,295	4,570	-	-	-	-	-	4,570	725
Dividend to non-controlling interest	-	-	-	-	-	-	-	-	-
Closing balance at 31 March 2015	<b>131,889</b>	<b>123,682</b>	<b>154,685</b>	<b>156</b>	<b>85</b>	<b>(18,568)</b>	<b>(459)</b>	<b>(12,217)</b>	<b>8,207</b>

**The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited Annual Financial Statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to this report.**

**Damansara Realty Berhad (4030-D)**  
**Condensed Consolidated Statement of cash flows**  
**For the financial period ended 31 March 2016**

	<b>3 months ended</b> <b>31-Mar-2016</b> <i>RM'000</i>	<b>3 months ended</b> <b>31-Mar-2015</b> <i>RM'000</i>
Receipt from customers	38,752	7,728
Payment to suppliers, contractors and employees	(38,637)	(11,704)
Payment of income taxes(paid) / refunded	(3,301)	(1,350)
Interest paid	(179)	(131)
<b>Total Cash Flow from/(used in) operating activities</b>	<b>(3,365)</b>	<b>(5,457)</b>
Purchase of property, plant and equipment	(381)	(204)
Interest received	90	115
<b>Total Cash Flow from /(used in) investing activities</b>	<b>(291)</b>	<b>(89)</b>
Net drawdown/repayment of obligations under finance leases	(820)	(63)
Net of drawdown/repayment of loan & borrowings	(1,110)	(832)
<b>Total Cash Flow from /(used in) financing activities</b>	<b>(1,930)</b>	<b>(895)</b>
<b>Decrease in cash and cash equivalents</b>	<b>(5,586)</b>	<b>(6,441)</b>
Cash and cash equivalents as at 1 January	41,003	49,214
<b>Cash and cash equivalents as at 31 March</b>	<b>35,417</b>	<b>42,773</b>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited Annual Financial Statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to this report.

## **DAMANSARA REALTY BERHAD (4030-D)**

### **A UNAUDITED REPORT FOR THE INTERIM FINANCIAL STATEMENT FOR THE FIRST QUARTER AND THREE MONTHS ENDED 31 MARCH 2016**

#### **A1 BASIS OF PREPARATION**

On 1 January 2014, the Group and the Company had opted to change its financial reporting framework in the preparation of their financial statements from MFRS to FRS and defer the adoption of the MFRS Framework as the Company falls within the scope definition of Transitioning Entities during the year.

This interim financial report have been reviewed by the Company's external auditors as directed by Bursa Malaysia vide its letter 29 July 2015.

This interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard ("FRS") 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statement should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2015. The explanatory notes attached to the interim financial statements 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 December 2015.

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

FRS 15: Revenue from Contracts with Customers

FRS 9: Financial Instruments

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework").

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities within the scope of MFRS 141, and those within the scope of IC 15 will be mandatorily required to adopt the MFRS Framework for annual periods beginning on or after 1 January 2016 and 1 January 2017 respectively.

#### **A2 AUDITORS' REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the financial statements for the year ended 31 December 2015 was not qualified.

#### **A3 SEASONALITY OR CYCLICALITY OF OPERATIONS**

The business operations of the Group were not significantly affected by any seasonal cyclical factors.

#### **A4 UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS**

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence for the current quarter and/or financial year-to-date.

**DAMANSARA REALTY BERHAD (4030-D)**

**A UNAUDITED REPORT FOR THE INTERIM FINANCIAL STATEMENT FOR THE FIRST QUARTER AND THREE MONTHS ENDED 31 MARCH 2016 (CONT'D)**

**A5 SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES**

There was no changes in estimates that have had any material effect on the financial year-to-date results.

**A6 DEBT AND EQUITY SECURITIES**

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial year-to-date.

**A7 DIVIDEND PAID**

No dividend was paid or declared during the current financial year-to-date.

**A8 SEGMENTAL INFORMATION**

For management purposes, the Group is organised into business units based on their products and services, and has four reportable operating segments as follows:

- I. Property development - the development of residential and commercial properties.
- II. Construction contracts - construction of sewage treatment plant, residential and commercial properties.
- III. Property services - provision of property services comprising of general services, facility management, project management and consultant, construction management, energy management services, hospital planning, maintenance services and manpower services.
- IV. Parking services - parking operation, trading of parking equipments and the provision of related consultancy services.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

## A UNAUDITED REPORT FOR THE INTERIM FINANCIAL STATEMENT FOR THE FIRST QUARTER AND THREE MONTHS ENDED 31 MARCH 2016 (CONT'D)

## A8 SEGMENTAL INFORMATION

	PROPERTY DEVELOPMENT		CONSTRUCTION CONTRACTS		PROPERTY SERVICES		PARKING		OTHERS		ADJUSTMENTS AND ELIMINATIONS		PER CONSOLIDATED	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue:</b>														
- External customers	-	11,296	-	-	14,827	19,341	28,496	28,023	-	-	-	-	43,323	58,660
- Inter-segments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue	-	11,296	-	-	14,827	19,341	28,496	28,023	-	-	-	-	43,323	58,660
<b>Results:</b>														
Interest Income	23	16	19	65	23	23	8	16	-	-	-	-	73	120
Depreciation and amortisation	8	10	144	138	123	138	353	319	8	8	-	-	636	613
Segment profit/(loss)	(2,805)	6,604	(2,926)	(2,921)	742	1,230	1,525	1,798	(26)	(29)	-	-	(3,490)	6,682
<b>Assets :</b>														
<b>Segment assets</b>	238,304	226,931	109,325	106,751	54,597	49,476	52,476	51,812	31,252	30,521	(136,046)	(106,862)	349,908	358,629
<b>Segment liabilities</b>	230,221	212,433	84,076	71,796	29,073	25,393	40,123	41,493	85,900	84,947	(238,931)	(209,322)	230,462	226,740



**DAMANSARA REALTY BERHAD (4030-D)**

**A UNAUDITED REPORT FOR THE INTERIM FINANCIAL STATEMENT FOR THE FIRST QUARTER AND THREE MONTHS ENDED 31 MARCH 2016 (CONT'D)**

**A9 VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT**

The valuations of property, plant and equipment have been brought forward without amendments from the financial statements for the year ended 31 December 2015.

**A10 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD**

There were no material events subsequent to the end of the interim period that has not been reflected in the financial statements for the current quarter under review.

**A11 CHANGE IN THE COMPOSITION OF THE GROUP**

There were no changes in the Composition of the Group during the current quarter under review.

**A12 CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS**

There were no changes in Contingent Liabilities or Contingent Assets during the current quarter under review.

## DAMANSARA REALTY BERHAD (4030-D)

### B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND THREE MONTHS ENDED 31 MARCH 2016.

#### B1 REVIEW OF THE PERFORMANCE OF THE COMPANY AND ITS PRINCIPAL SUBSIDIARIES

Group revenue for the quarter ended 31st March 2016 stood at RM43.32 million, a decrease of RM15.34 million as compared to the corresponding period of the previous year at RM58.66 million.

The Group net earnings for the period ended 31 March 2106 presented a loss of RM4.04 million, as compared to net earnings for the period ended 31 March 2105 a profit of RM5.30 million.

The Group will be focussing on pre-tax profit rather than revenue alone. What this translates to is focussing on selective projects with greater margins and maximising its existing assets and land banks for its property development segment.

Amidst the challenging property market forecasted this year, DBhd is refocussing its sales to institutional buyers and strategic partners and negotiations had seen positive progress. We strongly believed that sales of completed properties will be realised in Q2 and Q3. This new focus coupled with sound strategic planning that the company is working on its property development business will set out significant number of projects with greater scale and value in the pipeline. This will definitely set the pace for the group and ensuring its growth and sustainability.

Our property services segment will undergo a massive turnaround exercise to weed out loss making and unacceptable low margin contracts that pulls down profits and earnings.

An analysis of the results of each segment is as follows :

- a) **Property Development**  
Property Development activities reported no contribution to Group revenue in Q1 2016 as compared to RM11.30 million in FY2015. Lower revenue arising from weakening property market and low demand has contributed to loss of RM2.81 million as compared to higher earnings in 2015 at RM6.60 million. Higher net loss in 2016 was mainly due to no revenue recognition.
- b) **Construction Contracts**  
Construction contracts activities reported nil contribution to revenue in Q1 2016 and Q1 2015. It has contributed to loss of RM2.95 million compared to RM2.92 million in 2015. DBhd being the holding company and a cost centre had absorbed operating expenses with respect to corporate services to its group.
- c) **Property Services**  
Property services activities consists of facility management, cleaning and project management consultancy. Revenue contribution in 2016 decreased to RM14.83 million from RM19.34 million in 2015. Lower revenue in 2016 were due to contract expiry and reduction of contract terms. Net earnings in 2016 were reduced by RM0.66 million, a drop of 1.35 % in net profit margin.
- d) **Parking**  
Parking activities revenue in 2016 increase by RM0.47 million from RM28.02 million to RM28.50 million. Net earnings decrease by RM0.27 million from RM1.60 million to RM1.26 million. Decrease was due to increase in operating cost in 2016.

**DAMANSARA REALTY BERHAD (4030-D)****B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND THREE MONTH ENDED 31 MARCH 2016 (CONT'D).****B2 MATERIAL CHANGES IN THE QUARTERLY RESULTS COMPARED TO THE IMMEDIATE PRECEDING QUARTER**

The Group revenue for the current quarter stood at RM43.32 million, decrease by 22% compared to the immediate preceding quarter at RM53.01 million. Profit before tax decline by RM3.81 million mainly due to decrease in gross profit margin.

**B3 CURRENT YEAR'S PROSPECTS**

The Group is expected to achieve a revenue growth in Q2 & Q3, thus improving liquidity and sustainability of the Group in the current financial year mainly from the following activities:-

**a) Property Development Activities**

- i) Sales of property development in Johor Bahru, Johor and resurgent of property development in Kuantan, Pahang.
- ii) Damansara Realty (Johor) Sdn Bhd has been awarded a contract by Putrajaya Corporation as developer for the development of Perumahan Penjawat Awam 1Malaysia "PPA1M" and mixed development (commercial) at Putrajaya with a Gross Development Cost of RM467.31 million. The project is expected to contribute positively to the earning of the Group for FY2016 and beyond.
- iii) Expected sales from mining activities in Pahang upon lifting of the moratorium by authorities in Q3 2016.

**b) Property Services Activities**

- i) TMR Urusharta (M) Sdn Bhd. received a Letter of Award for a "Comprehensive Cleaning and Related Services (Category1) at KL International Airport by Malaysia Airports (Sepang) Sdn Bhd for a total contract sum of RM 35.0 million from 1 April 2016 until 31 March 2019.
- ii) HC Duraclean Sdn Bhd received and accepted a tender award from Ministry of Health Malaysia in relation to cleaning services contract covering Kuala Lumpur and Putrajaya for total of RM6.92 million for a period of 3 years commencing from 1st May 2016 to 30th April 2019. The Contract will contribute positively to the earnings of the Group.

**B4 PROFIT FORECAST/PROFIT GUARANTEE**

There were no changes in Profit forecast / profit guarantee during the current quarter under review.

**B5 INCOME TAX EXPENSE**

	<u>Individual quarter</u>		<u>Preceding quarter</u>	
	Year 31-Mar-16 RM'000	Year 31-Mar-15 RM'000	Year 31-Mar-16 RM'000	Year 31-Mar-15 RM'000
Current tax	548	1,387	548	1,387
	<u>548</u>	<u>1,387</u>	<u>548</u>	<u>1,387</u>

**DAMANSARA REALTY BERHAD (4030-D)****B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND THREE MONTH ENDED 31 MARCH 2016 (CONT'D).****B6 STATUS OF CORPORATE PROPOSAL****New Issues Of Securities (Chapter 6 Of Listing Requirements)-Bonus Issues**

As at 15 April 2016, the Company proposes to undertake the Proposed Bonus Issue of 154,685,630 free warrants in the Company on the basis of one (1) Warrant for every two (2) existing ordinary shares of RM RM0,50 each in DBhd held on an entitlement date to be determined and announce later.

**B7 BORROWINGS AND DEBT SECURITIES**

Group borrowings as at 31 March 2016 are as follows:

	<i>RM'000</i>
<b>Short term</b>	
Bank Overdraft (secured)	(1,161)
Term Loan (secured)	1,000
Hire purchase (secured)	1,488
Revolving credit	70
Advanced from shareholders of a subsidiary (unsecured)	1,805
Advanced from shareholders (unsecured)	7,338
	<u>10,540</u>
<b>Long term</b>	
Syndicated Term Loan (secured)	1,500
Term Loan (secured)	162
Hire purchase (secured)	4,635
	<u>6,297</u>

There was no debt securities issued as at 31 March 2016.

**B8 CHANGES IN MATERIAL LITIGATION**

Since the last quarter report ended 31 December 2015, the followings are the changes:

**a) Pembinaan Kota Laksamana (Melaka) Sdn Bhd & Anor. (v) DBhd & Anor.**

DBhd had on 18 September 2006 filed an application seeking damages for losses incurred due to the injunction taken out by Pembinaan Kota Laksamana (Melaka) Sdn Bhd ("PKL") restraining the sale of Regency Hotel (now known as Selesa Beach Resort Port Dickson) to Puteri Hotels Sdn Bhd. On 29 June 2011, the Senior Assistant Registrar of the High Court awarded a sum of RM13 million to be paid to DBhd with interest of 8% per annum from 30 September 2004 until date of full realization and the said decision was maintained by the High Court Judge. PKL had filed an appeal at the Court of Appeal and on 21 January 2014, the Court of Appeal allowed the appeal with costs. DBhd has instructed its solicitors to file an application for leave to appeal at the Federal Court.

DBhd's application for leave to appeal initially was fixed for hearing on 7 July 2014, but was postponed to 30 September 2014.

On 30 September 2014, DBhd solicitors has filed a Notice of Motion to Discharge themselves from representing DBhd and the court gave an Order in Terms. Applicant's representative attended the hearing on behalf of the applicant and request for an adjournment of the matter to enable the applicant to appoint new solicitors. Federal Court fixed the matter for Case Management on 7 November 2014.

Court brought forward the case management date to 29 October 2014. On 29 October 2014, matter fixed for case management. Court fixed another case management date on 27 November 2014 to enable the applicant to appoint new solicitors.

**DAMANSARA REALTY BERHAD (4030-D)**

**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND THREE MONTH ENDED 31 MARCH 2016 (CONT'D).**

**B8 CHANGES IN MATERIAL LITIGATION (Cont'd)**

**a) Pembinaan Kota Laksamana (Melaka) Sdn Bhd & Anor. (v) DBhd & Anor. (Cont'd)**

27 November 2014, matter fixed for case management. Court fixed final case management on 30 December 2014 to enable applicant to appoint new solicitors.

On 30 December 2014, DBhd's newly appointed solicitors appeared on our behalf for the case management. Court fixed further case management date on 11 February 2015.

On 11 February 2015, Federal Court registrar fixed the matter for hearing, scheduled on 27 May 2015.

On 27 May 2015, Federal Court granted DBhd a further extension to enable the newly appointed solicitors to obtain the grounds of judgment.

Federal court then fixed 8 September 2015 for case management.

On 8 September 2015, the Federal Court fixed the matter for further case management pending receipt of the grounds of judgment on 21 October 2015.

On 21 October 2015, the Federal Court fixed the matter for further case management pending receipt of the grounds of judgment on 28 January 2016.

On 28 January 2016, the matter was fixed for further case management on 22 March 2016.

The Federal court vide a letter dated 17 February 2016, brought the matter forward to 4 March 2016 for case management.

On 4 March 2016, the Federal court fixed the matter on 15 April 2016 for case management.

On 4 April 2016, the Federal court fixed the matter for hearing on 28 July 2016.

**b) Suit relating to Property Development Agreement**

Pursuant to a Property Development Agreement dated 7 January 1993 ("the PDA"), Bungsar Hill Holdings Sdn. Bhd. ("BHH") and Editry Sdn. Bhd. ("ESB"), two subsidiaries of Selangor Properties Berhad granted rights to the Company to develop approximately 15 acres of land adjacent to the Damansara Town Centre ("DTC") Complex in Damansara Heights, Kuala Lumpur ("the Development Land"). Part of the Development Land was compulsory acquired for the construction of Sprint Highway and the Company had filed an objection with the Land Administrator over its dissatisfaction on the decision of the Land Administrator in respect of the compensation payable to the Company. The objections have been referred to the High Court and pending resolution of the matter, the compensation monies (RM6,856,597.50 for suit No. S3(S1)-21-90-2001 and RM425,505.00 for suit No. S4-15-13-20013) have been deposited into the High Court.

On 15 November 2010, the High Court had ordered for the case to be transferred and heard together with another suit filed by the Company against BHH and ESB for breaches of the PDA in relation to their disregard of the Company's interest in the Development Land. However, on 19 October 2011, the case pertaining to the breaches of PDA had been struck out with costs.

**DAMANSARA REALTY BERHAD (4030-D)**

**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND THREE MONTH ENDED 31 MARCH 2016 (CONT'D).**

**B8 CHANGES IN MATERIAL LITIGATION (CONT'D)**

**b) Suit relating to Property Development Agreement (cont'd)**

BHH has filed an application for release of the compensation monies which have been deposited into Court and claimed for an interest accrued thereof. On 30 April 2013, the Court has allowed BHH's application in respect of release of the monies whereby the compensation monies to be released and paid solely and exclusively to BHH. On 8 October 2013, the Company's solicitors informed that the Court has allowed BHH's application for interest as follows:-

- i) Pre Judgment interest on the sum of RM6,856,597.50 from 8 July 2002 until 30 April 2013 at the rate of 8% per annum and Post Judgment interest on the sum of RM6,856,597.50 from 1 May 2013 until date of payment by the Company at the rate of 5% per annum.
- ii) Pre Judgment interest on the sum of RM425,505.00 from 22 November 2007 until 30 April 2013 at the rate of 8% per annum and Post Judgment interest on the sum of RM425,505.00 from 1 May 2013 until date of payment by the Company at the rate of 5% per annum.

The above decision was made by the Senior Assistant Registrar "SAR" of the High Court and the Company's solicitors has filed an appeal against the said decision to the Judge in Chambers. Matter was fixed for case management on 16 August 2014 to enable DBhd's solicitors to obtain the grounds of SAR's decision.

On 26 May 2014, BHH's solicitors issued a 218 notice for the judgment sum against DBhd. On 16 June 2014, DBhd, through its solicitors obtained an ex-parte injunction order, restraining BHH from presenting the winding up petition. BHH subsequently filed an application to set aside the said injunction. Both applications were heard on and the court later fixed decision for the two application on 4 July 2014, whereby the court decided that the 218 notice filed was null and void, and made a final order restraining BHH from filing a winding up petition together with total cost of RM8,000.

BHH's solicitors later gave an undertaking not to enforce the judgment obtained by any other means pending disposal of DBhd's appeal (which was earlier fixed on 16 August 2014, now postponed to 12 September 2014). Parties were directed to file their submissions by 29 August 2014. It was learnt that BHH has instructed their solicitors to file an appeal against the decision given on 4 July 2014. Date for the hearing of the appeal yet to be obtained.

Court of Chamber fixed the date for appeal on 9 September 2014 at 2.30pm on BHH's appeal against the injunction, nullification of their 218 notice and dismissal of their application to set aside the ex parte injunction (ENCLOSURES 3, 1 & 9), but later was postponed to 12 September 2014.

On 12 September 2014, BHH's counsel applied for postponement on grounds that they need their client's instruction whether the government has paid 2% interest already, and whether to discontinue action against DBhd. We did not object to the postponement as we still have the injunction and undertaking from BHH's solicitors, DBhd is not prejudiced in any way. Next hearing date is 15 October 2014.

**DAMANSARA REALTY BERHAD (4030-D)**

**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND THREE MONTH ENDED 31 MARCH 2016 (CONT'D).**

**B8 CHANGES IN MATERIAL LITIGATION (CONT'D)**

**b) Suit relating to Property Development Agreement (cont'd)**

14 October 2014, matter fixed for case management of 3 appeals by BHH's solicitors. Our solicitors pointed out that the appeals are not in order. Due to the record of appeal was filed and serve out of time, notes of evidence not included, initial orders were not included, BHH solicitors yet to file motion to consolidate the appeals. The Deputy Registrar fixed another date for case management to 13 November 2014.

15 October 2014, matter fixed for hearing before judge in chambers. Our solicitors objected to the affidavit by BHH and request for the same to be expunged, but the Judicial Commissioner allowed the affidavit to remain on record, but adjourned the hearing to 31 October 2014 for us to file an affidavit in reply to BHH on or before 29 October 2014.

On 31 October 2014, the matters were argued extensively. The Judge then fixed the issue of costs pursuant to BHH's appeals for hearing on 2 December 2014. The judge will also deliver his decision on both the interest and costs issues on the same date.

On 13 November 2014, during case management, the deputy registrar fixed the matter for further case management on 3 December 2014, whereby BHH is to file for motion to consolidate the 3 appeals (nullification of 218 notice, injunction granted to DBhd and dismissal of their injunction setting aside application). Appeal is fixed for hearing on 4 March 2015, and written submissions to be filed on 18 February 2015.

On 2 December 2014, the Judicial Commissioner delivered judgment on the appeal as follows:-

- a) DBhd to pay BHH pre judgment interest at 3% per annum on principle sum of RM6,856,597.80 from 10 July 2002 to 30 April 2013;
- b) DBhd to pay BHH post judgment interest at 5% per annum on the sum of RM7,659,101.18 from 1 May 2013 to 21 October 2013;
- c) DBhd to pay cost of RM40,000 to BHH;
- d) BHH to be paid interest of 2% per annum on the sum of RM7,659,101.18 and also interest of 2% per annum on RM425,505 (by Ministry of Finance).

DBhd to pay BHH a total of RM2,445,518.26 (cost factored into the amount). All in there is a reduction of approximately RM3,884,464.33 (RM6,289,982.59 – RM2,405,518.26). DBhd instructed its solicitor to appeal on part of the Judicial Commissioner's decision not in favour of DBhd (items a, b and c above)

On BHH's proposed consolidated appeals, court fixed the matter for case management on 21 January 2015 as BHH's counsel is awaiting their client's instruction whether to proceed with the appeal or otherwise, as the decision given on 2 December 2014 may render their appeal nugatory.

Our appeal against decision of the Learned Judicial Commissioner was filed on 29 December 2014.

On 21 January 2015, BHH's solicitors withdraw their consolidated appeals with no order as to costs.

On 26 February 2015, the Court Of Appeal Deputy Registrar ("COA") called parties for case management and fixed the hearing date on 22 Jun 2015, with parties to file their written submission on or before 8 Jun 2015.

**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND THREE MONTH ENDED 31 MARCH 2016 (CONT'D).**

**B8 CHANGES IN MATERIAL LITIGATION (CONT'D)**

**b) Suit relating to Property Development Agreement (cont'd)**

On 22 June 2015, the COA decided the matter in favour of DBhd, and allowed DBhd's appeal, dismissing BHH's cross appeal and allowed cost of RM70,000 to be paid to DBhd. BHH then through their solicitors have filed an application for leave to appeal to the Federal Court. The case management is fixed on 2 September 2015.

On 2 September 2015, The Federal Court fixed the matter for further case management on 8 December 2015.

On 8 December 2015, the Federal Court Registrar fixed the matter for Case Management on 8 March 2016, but later brought forward the case management date to 6 January 2016.

On 6 January 2016, The Federal Court Registrar then fixed the matter for further case management on 4 February 2016, pending the parties in receipt of the grounds of judgment from the Court of Appeal.

On 4 February 2016, The Federal Court registrar has fixed the matter for hearing on 12 May 2016.

**c) DBhd & Anor. (v) Ibsul Holdings Sdn Bhd**

The Company and TASB had filed a summons against Ibsul Holdings Sdn Bhd ("IHSB") claiming a sum of RM3.6 million being the balance progress claim submitted to IHSB under the subcontract for Jelutong project which was terminated in April 2006. On 18 July 2012, the Court had dismissed DBhd's application for summary judgement with costs. The trial of the matter has been initially fixed on 26 and 27 June 2014 but later was postponed to 25 and 26 September 2014.

The above trial date has been vacated by the court as the judge is away for conference. Court fixed 17 November 2014 for case management, 15th and 16th January 2015 as a tentative trial date. On 7 January 2015, matter fixed for final case management to give parties opportunities to settle outside court prior trial, but no settlement proposal received to date.

Trial did not proceed on 7 January 2015 as the main witness is on medical leave. Court postponed the trial to 10 February 2015, 16 February 2015 and 17 February 2015.

Trial date on 10 February 2015 was vacated by the court. Trial resume on 16 February 2015 where our witness was called for Examination in Chief. Court then on request of the solicitors, adjourned the hearing to 31 March 2015 for cross examination. Initial trial date of 17 February 2015 is now vacated.

On 31 March 2015, matter resumed for cross examination. Court further fixed the next date for 16 April 2015 and subsequently 19 May 2015.

On 16 April 2015, Ibsul's solicitor was on MC, and case did not proceed. Next hearing date is 19 May 2015.

On 14 May 2015, appointment with the honourable Judge on proposal to withdraw the matter but defendant do not agree. Matter fixed for continued hearing on 26 May 2015

On 26 May 2015, the matter was postponed to 6 July 2015 and 7 July 2015. However on 6 July 2015, cross examination of DBhd's 1st witness continues and settled. The 7 July 2015 date is now vacated to enable the filing of DBhd's 2nd witness statement. Hearing then fixed on 25 August 2015 and 26 August 2015



**DAMANSARA REALTY BERHAD (4030-D)**

**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND THREE MONTH ENDED 31 MARCH 2016 (CONT'D).**

**B8 CHANGES IN MATERIAL LITIGATION (CONT'D)**

**c) DBhd & Anor. (v) Ibsul Holdings Sdn Bhd 9cONT'D)**

On 25 August 2015, the honourable judge was on leave, and the matter was fixed for continued hearing on 3 and 4 November 2015.

On 3 November 2015, the matter was postponed to 2 & 3 December 2015, but on that particular hearing date, the judge was on leave, thus the matter was postponed to 14 January 2016.

On 14 January, the matter was adjourned to 22 January 2016 and 1st February 2016 for cross examination of the Plaintiff's second witness.

On 1 February, both parties have closed their case. The judge then ordered the parties to file their respective written submission on 4 March 2016.

On 4 March 2016, since the notes of proceeding are still not available, the court granted Extension of Time for parties to file their respective written submission on or before 23 March 2016.

On 23 March 2016, since the notes of proceeding were only made available, on 18 March 2016, the court granted Extension of Time for parties to file their respective written submission on or before 30 March 2016.

**d) Om Cahaya Mineral Asia Berhad v Damansara Realty (Pahang) Sdn Bhd  
Kuala Lumpur High Court Civil Suit No WA-ssC-9-02/2016**

Claim filed by the Plaintiff for unlawful termination of contract. Plaintiff claiming for the following:

- 1) The termination of the Agreement vide Defendant's letter dated 11.9.2015 was invalid and unlawful;
- 2) Special damages (wasted expenditure) in the sum of RM15,833,484.16;
- 3) Loss of profit in the sum of USD85 million (RM366,656,000) as at the date of the summons;
- 4) Alternatively or in lieu:-
  - a) A declaration that specific performance be granted to the Plaintiff to proceed with the said Agreement;
  - b) An order that the Plaintiff be granted an extension of time of 526 days with an option to extend for a further period of 1 year from the expiry from the date of this order to complete the works under the agreement;
  - c) Loss and expense arising from the delay caused by the wrongful termination by the Defendant to be assessed by the court from the date of the wrongful termination on 11.9.2015 until the date of this order;

**DAMANSARA REALTY BERHAD (4030-D)**

**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND THREE MONTH ENDED 31 MARCH 2016 (CONT'D).**

**B8 CHANGES IN MATERIAL LITIGATION (CONT'D)**

**d) Om Cahaya Mineral Asia Berhad v Damansara Realty (Pahang) Sdn Bhd  
Kuala Lumpur High Court Civil Suit No WA-ssC-9-02/2016**

- 5) Interest and finance charges to be assessed by the court from the date of the wrongful termination on 11.9.2015 until the date of this order. (cont'd)
- 6) Cost; and further or other relief as if deemed necessary by the court.

Defendant's solicitors attended the first case management on 29.2.2016 and the court instructed the defendant to file their defence on or before 18.3.2016.

Defendant filed their defence on 15.3.2016. Next case management date is on 1.4.2016.

The Company had filed the application to strike out the summons and statement of claim. The High Court had fixed the hearing to strike out the application on 27 May 2016.

The Court allowed the defendant's application to strike out with cost of RM5,000 on 27 May 2016.

**B9 DIVIDEND**

The Directors did not recommend any dividend for the current quarter under review.

**B10 EARNINGS PER SHARE ("EPS")**

	<u>Cumulative 12 months</u>	
	<b>Current Quarter 31-Mar-16</b>	<b>Preceding Year Quarter 31-Mar-15</b>
<b>a) Basic EPS</b>		
Net (loss)/profit attributable to ordinary shareholders (RM'000)	(3,858)	4,570
Weighted average number of ordinary shares in issue ('000)	309,371	309,371
Basic earnings per ordinary share (sen)	(1.25)	1.48

Basic earnings per share is calculated by dividing the net (loss)/profit for the quarter by the weighted average number of ordinary shares in issue during the current quarter under review.

**b) Diluted EPS**

Diluted earnings per share is calculated by dividing the net profit/(loss) for the quarter by the weighted average number of ordinary shares in issue after taking into consideration all dilutive potential ordinary shares in issue. Diluted earnings per share is not applicable.

**BY ORDER OF THE BOARD**

**AHMAD FAISAL BIN ABDUL KARIM [MAICSA 7045851]**

**Secretary**  
Kuala Lumpur  
31 May 2016