

(Incorporated in Malaysia)

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

Consolidated Statement of Comprehensive Income

	Individual		Cumulative	
	Current year 31-Dec-2016 RM'000	Preceding year 31-Dec-2015 RM'000	Current year 31-Dec-2016 RM'000	Preceding year 31-Dec-2015 RM'000
Revenue	50,092	53,014	183,200	207,222
Cost of sales	(53,273)	(40,939)	(163,122)	(159,035)
Gross profit	(3,181)	12,075	20,078	48,187
Interest income	147	606	319	996
Other income	11,764	2,078	13,175	6,622
Depreciation	(1,410)	(676)	(3,250)	(2,611)
Employee benefits expense	(5,577)	(5,256)	(20,496)	(22,519)
Other operating expenses	(11,212)	(5,901)	(24,435)	(18,726)
Operating (loss) / profit	(9,469)	2,926	(14,609)	11,949
Finance cost	(2,569)	(2,601)	(9,956)	(9,726)
(Loss) / Profit before tax	(12,038)	325	(24,565)	2,223
Income tax expenses	(1,326)	(587)	(3,311)	(5,142)
(Loss) for the period	(13,364)	(262)	(27,876)	(2,919)
Other comprehensive income, net of tax				
Foreign currency translation differences for foreign operations	20	(54)	315	299
Total comprehensive income for the year	(13,344)	(316)	(27,561)	(2,620)
(Loss) Attributable to:				
Owners of the parent	(12,586)	(399)	(27,118)	(4,383)
Non-controlling interests	(778)	137	(758)	1,464
	(13,364)	(262)	(27,876)	(2,919)
Comprehensive income Attributable to:				
Equity holders of the Company	(12,566)	(453)	(26,803)	(4,084)
Non-controlling interests	(778)	137	(758)	1,464
	(13,344)	(316)	(27,561)	(2,620)
Earnings per share attributable to equity holders of the Company:				
Basic earnings per share (sen)	(2.12)	(0.13)	(8.77)	(1.42)
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 DECEMBER 2016**

Consolidated Statement of Comprehensive Income

	Individual		Cumulative	
	Current year 31-Dec-2016 RM'000	Preceding year 31-Dec-2015 RM'000	Current year 31-Dec-2016 RM'000	Preceding year 31-Dec-2015 RM'000
Profit / (Loss) For The Period	(13,364)	(262)	(27,876)	(2,919)
Other Comprehensive Income/(Loss) For The Period, Net Of Income Tax	20	(54)	315	299
Total Comprehensive Income For The Period, Net Of Income Tax	(13,344)	(316)	(27,561)	(2,620)
Total Comprehensive Income Attributable To:				
Owners of the Company	(12,586)	(399)	(27,118)	(4,383)
Non-controlling interests	(778)	137	(758)	1,464
	(13,364)	(262)	(27,876)	(2,919)

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

Interest Income	147	606	319	996
Other Income Including Investment Income	11,764	2,078	13,175	6,622
Interest Expenses	(2,569)	(2,601)	(9,956)	(9,726)
Depreciation and Amortization	(1,410)	(676)	(3,250)	(2,611)
Provision For/Write Off of Receivables	(3,538)	(538)	(3,538)	(538)
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

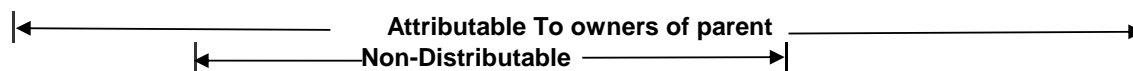
The Condensed Consolidated Income Statement should be read in conjunction with the audited Annual Financial Statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to this report.

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

	Unaudited 31-Dec-2016 <i>RM'000</i>	Audited 31-Dec-2015 <i>RM'000</i>
ASSETS		
Non-current assets		
Property, plant and equipment	21,662	26,369
Land held for property development	217,877	216,164
Investment properties	3,054	3,512
Investment in associates*	30	-
Deferred tax assets	458	502
Other investments	51	101
Other Assets	-	-
Goodwill on consolidation	1,410	1,409
	244,542	248,057
Current assets		
Property development costs	7,608	4,604
Inventories	4,251	1,655
Trade receivables and other receivables	61,647	47,356
Other current assets	5,545	3,638
Cash and bank balances	23,927	41,003
	102,978	98,256
TOTAL ASSETS	347,520	346,313
EQUITY AND LIABILITIES		
Current liabilities		
Loans and borrowings	11,538	15,302
Trade and other payables	230,625	202,955
	242,163	218,257
Net current assets / (liabilities)	(139,185)	(120,001)
Non-current liabilities		
Loans and borrowings	9,314	4,113
Deferred tax liabilities	435	459
	9,749	4,572
Total Liabilities	251,912	222,829
Net assets	95,608	123,484
Equity attributable to owners of the parent		
Share capital	154,685	154,685
Share premium	156	156
Accumulated losses	(47,334)	(20,531)
Merger Reserve	(18,568)	(18,568)
Capital reserve	85	85
Exchange reserve	(1,346)	(1,031)
Shareholders' equity	87,678	114,796
Non-controlling interests	7,930	8,688
Total equity	95,608	123,484
TOTAL EQUITY AND LIABILITIES	347,520	346,313
Net Assets Per Share Attributable to Owners of the Company (RM)	0.283	0.371

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 December 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	(27,876)	(27,118)	-	-	-	-	(315)	(26,803)	(758)
Dividend to non-controlling interest	-	-	-	-	-	-	-	-	-
Closing balance at 31 December 2016	95,608	87,678	154,685	156	85	(18,568)	(1,346)	(47,334)	7,930
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	(2,835)	(4,316)	-	-	-	-	(572)	(3,744)	1,481
Dividend to non-controlling interest	(275)	-	-	-	-	-	-	-	(275)
Closing balance at 31 December 2015	123,484	114,796	154,685	156	85	(18,568)	(1,031)	(20,531)	8,688

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 December 2016

	12 months ended 31-Dec-2016 <i>RM'000</i>	12 months ended 31-Dec-2015 <i>RM'000</i>
Receipt from customers	189,044	200,640
Payment to suppliers, creditors and employees	(185,428)	(184,815)
Payment of income taxes (paid)/refunded	(12,124)	(12,630)
Interest paid	(563)	(839)
Total Cash flow from/ (used in) operating activities	(9,071)	2,356
Purchase of property, plant and equipment	(2,040)	(2,656)
Interest received	396	618
Total Cash flow from/ (used in) investing activities	(1,644)	(2,038)
Cash flow from financing activities		
Net drawdown/repayment of obligations under finance leases	(2,824)	(3,393)
Net of drawdown/repayment of loan & borrowings	(3,537)	(5,136)
Total Cash flow from/ (used in) financing activities	(6,361)	(8,529)
Decrease in cash and cash equivalents	(17,076)	(8,211)
Cash and cash equivalents as at 1 January	41,003	49,214
Cash and cash equivalents as at 31 December	23,927	41,003

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 FOURTH QUARTER AND TWELVE MONTHS ENDED 31 DECEMBER 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
FOURTH QUARTER AND TWELVE MONTHS ENDED 31 DECEMBER 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. 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.
- III. 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 FOURTH QUARTER AND TWELVE MONTHS ENDED 31 DECEMBER 2016 (CONT'D)

A8 SEGMENTAL INFORMATION

	PROPERTY DEVELOPMENT		PROPERTY SERVICES		PARKING		OTHERS		ADJUSTMENTS AND ELIMINATIONS		PER CONSOLIDATED	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-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
Revenue:												
- External sales	3,821	16,394	64,609	71,567	114,770	119,261	-	-	-	-	183,200	207,222
- Inter company sales	10,396	-	-	-	-	-	-	874	(10,396)	(874)	-	-
Total revenue	14,217	16,394	64,609	71,567	114,770	119,261	-	874	(10,396)	(874)	183,200	207,222
Results:												
Interest Income	186	697	91	236	37	63	5	-	-	-	319	996
Depreciation and amortisation	607	609	562	543	2,066	1,426	15	33	-	-	3,250	2,611
Segment profit/(loss)	(18,437)	(5,177)	(5,166)	4,681	205	3,728	1,781	(208)	(2,948)	(801)	(24,565)	2,223
Assets :												
Segment assets	348,214	346,057	62,516	52,396	54,451	50,844	29,451	31,307	(147,112)	(133,602)	347,520	347,002
Segment liabilities	328,136	307,224	43,419	27,113	44,059	41,177	84,999	85,912	(248,701)	(238,099)	251,912	223,327

DAMANSARA REALTY BERHAD (4030-D)

**A UNAUDITED REPORT FOR THE INTERIM FINANCIAL STATEMENT FOR THE
FOURTH QUARTER AND TWELVE MONTHS ENDED 31 DECEMBER 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.

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FOURTH QUARTER AND TWELVE MONTHS ENDED 31 DECEMBER 2016.

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

For the current cumulative quarter under review, the Group recorded a total revenue of RM183.20 million, a decrease of RM24.02 million as compared to RM207.22 million in the corresponding period of the previous year.

The Group recorded a net loss of RM27.88 million for the twelve months ended 31 December 2016 ("FY2016"), as compared to a net loss of RM2.92 million for the twelve months ended 31 December 2015 ("FY2015"). The decrease was due to :-

- i) Lower revenue in FY2016 of RM183.20 million as compared to RM207.22 million in FY2015, representing a decrease of 12%. This was attributable primarily to lower revenue contributions from the Property Development and Property Services segments amounting to RM3.82 million and (RM16.39 million in FY2015) and RM64.61 million (RM71.57 million in FY2015), respectively.
- ii) Reduction in gross profit margin from 23% in FY2015 to 11% in FY2016 mainly from Property Development and Property Services which recorded a gross loss of RM14.93 (recognition of RM8.96 million construction cost for Perumahan Penjawat Awam 1 Malaysia ("PPA1M") project) and RM5.79 million respectively.
- iii) Higher operating expenses of RM44.93 million in FY2016 as compared to RM41.25 million in FY2015 due to provision doubtful debts and receivables written off amounting to RM3.5 million.

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

a) **Property Development**

Property Development activities contributed RM3.82 million to the Group's revenue in FY2016 as compared to RM16.39 million in FY2015 due to the lower number of units sold (3 units in FY2016 vs 18 units in FY2015).

Property Development recorded a loss of RM18.44 million mainly due to finance cost and PPA1M development cost of RM9.23 million and RM8.96 million, respectively.

b) **Property Services**

Property services activities consist of facility management, cleaning and project management consultancy. Revenue contribution in FY2016 decreased to RM64.61 million from RM71.57 million in FY2015. The decrease in revenue was mainly due to lower contribution for project management and hospital planning consultancy amounting to RM7.93 million.

For FY2016, Property Services recorded loss of RM5.17 million mainly due to escalation of cost not claimable.

c) **Parking**

Parking activities revenue in FY2016 decreased by RM4.50 million to RM114.77 million from RM119.26 million in FY2015 mainly due to expiration of contract.

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

The Group's revenue for the current quarter increased by RM4.91 million to RM50.09 million, compared to RM45.18 million in the immediate preceding quarter. Loss before tax increased by RM8.03 million mainly due to decrease in gross profit.

B3 PROSPECTS FOR THE NEXT FINANCIAL YEAR

The Group expects better performance for the financial year ending 31 December 2017 ("FY2017") due to the full year contribution of contracts won in FY2016, such as:

a) Property Development Activities

- i) Joint-venture with Country Garden Management to develop a piece of land in Johor Bahru, as stated in paragraph B6 (2)

b) Property Services Activities

- i) The "Comprehensive Cleaning and Related Services (Category1)" contract awarded to TMR Urusharta (M) Sdn Bhd on 7 March 2016. The contract, which has a total value of RM28.90 million, commenced on 1 April 2016 and will last until 31 March 2019.
- ii) On 26 September 2016, the Group was awarded the Operation and Maintenance of RAPID Temporary Executive Village (RTEV) and RAPID Temporary Management Offices (RTMO) (the "RTEV and RTMO Contract") by Petronas Refinery and Petrochemical Corporation Sdn Bhd ("PRPC"). The said RTEV and RTMO Contract is for 38 months commencing in January 2017. The estimated contract value is RM124.00 million.
- iii) HC Duraclean Sdn Bhd received and accepted a tender award from Ministry of Health Malaysia in relation to a cleaning services contract covering Kuala Lumpur and Putrajaya with a total value of RM6.92 million for a period of 3 years between 1 May 2016 and 30 April 2019.

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-Dec-16 RM'000	Year 31-Dec-15 RM'000	Year 31-Dec-16 RM'000	Year 31-Dec-15 RM'000
Current tax	(1,326)	(587)	(3,311)	(5,142)
	<u>(1,326)</u>	<u>(587)</u>	<u>(3,311)</u>	<u>(5,142)</u>

DAMANSARA REALTY BERHAD (4030-D)

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FOURTH QUARTER AND TWELVE MONTH ENDED 31 DECEMBER 2016 (CONT'D).

B6 STATUS OF CORPORATE PROPOSAL

1) New Issues Of Securities (Chapter 6 Of Listing Requirements)-Bonus Issues

The Company announced on 2 June 2016 the issuance of Proposed Redeemable Convertible Notes ("Proposed RCN") with an aggregate principal amount of up to RM150.0 million.

On 10 June 2016, the Company submitted the draft Proposed RCN to Bursa Malaysia Securities Berhad.

2) Multiple Proposals Damansara Realty Berhad "DBhd"

- (I) Proposed Joint Venture;
- (II) Proposed Settlement; And
- (III) Proposed Provision Of Financial Assistance.

On 13 October 2016, Damansara Realty Johor Sdn Bhd ("DRJ") had entered into the following:-

- (i) a subscription and shareholders' agreement with Country Garden Management ("CGM") to record certain commitments of the parties with regards to the subscription of shares in DAC Properties Sdn Bhd ("DAC Properties") and to regulate their rights as shareholders of DAC Properties and the conduct of the business and affairs of DAC Properties, which has been identified as the joint venture vehicle between DRJ and CGM to undertake the development of a 53.08 acre parcel of land within the TDA Land; and
- (ii) a share sale agreement with CGM for the disposal of 26,500 ordinary shares of RM0.10 each in DAC Properties held by DRJ to CGM, resulting in DRJ and CGM holding 30.0% and 70.0% of the equity interest in DAC Properties, respectively for a disposal consideration of RM18.8 million upon the terms and subject to the conditions contained therein, which form part of the Proposed Joint Venture.

Subsequently, on 14 October 2016 DRJ had entered into a settlement agreement with DBhd, JCD, JCorp, and JLand to settle an aggregate sum of RM141.526 million for the TDA Land. The Aggregate Settlement Sum shall be settled through (i) the consideration arising from the purchase of the JV Land by DAC Properties; and (ii) the consideration arising from the purchase of the remaining portion of approximately 10.07 acres of the TDA Land by DRJ and its wholly-owned subsidiary, namely DAC Land Sdn Bhd ("DAC Land"), which will be effected via the following two (2) sale and purchase agreements:-

- (i) a sale and purchase agreement entered into between JCD, JCorp and DAC Properties, for the acquisition of the JV Land for a sale and purchase consideration of RM130.30 million; and
- (ii) a sale and purchase agreement between JCorp, JLand, DRJ and DAC Land, for the acquisition of the Remaining Land for a purchase consideration of RM11.23 million

DAMANSARA REALTY BERHAD (4030-D)

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FOURTH QUARTER AND TWELVE MONTH ENDED 31 DECEMBER 2016 (CONT'D).

B7 BORROWINGS AND DEBT SECURITIES

Group borrowings as at 31 December 2016 are as follows:

	<i>RM'000</i>
Short term	
Term Loan (secured)	2,169
Hire purchase (secured)	12
Revolving credit	85
Advanced from shareholders of a subsidiary (unsecured)	1,805
Advanced from shareholders (unsecured)	7,467
	<u>11,538</u>
Long term	
Syndicated Term Loan (secured)	3,425
Term Loan (secured)	1,036
Hire purchase (secured)	4,853
	<u>9,314</u>

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

B8 CHANGES IN MATERIAL LITIGATION

Since the last quarter report ended 30 November 2016, the followings are the changes:

a) **Bungsar Hill Holdings Sdn Bhd v Damansara Realty Berhad**

On 4 February 2016, The Federal Court registrar has fixed the matter for hearing on 12 May 2016. The Federal Court had on 12 May 2016 granted BHH's leave to appeal on one single question on law only. The suit has been fixed for case management on 18 November 2016.

During the case management on 18 November 2016, the parties' solicitors had informed the Federal Court that the Grounds of Judgment from the Court of Appeal had not been obtained despite of the several requests made. The Federal Court also informed that the Appeal cannot be heard until the Grounds of Judgment had been obtained from the Court of Appeal. The next case management is fixed on 28 March 2017 pending the receipt of the Court of Appeal's Grounds of Judgments.

b) **DBhd & TASB v Ibsul Holdings Sdn Bhd**

DBhd and TASB had filed a summons action 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 resulting the matter to proceed to trial.

On 3 June 2016, The Court dismissed the DBhd's & TASB's claim on the account that the claim is premature, and also dismissed the IHSB's counter claim with no order as to costs.

On 17 October 2016, DBhd have instructed our solicitors to conduct watching brief for the arbitration proceedings between IHSB and the concession company pertaining to the dispute arose due to the said project.

However, the management has made a commercial decision not to proceed with the arbitration as watching brief, taking into account of the legal risk and implication and legal cost of the said arbitration.

DAMANSARA REALTY BERHAD (4030-D)

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FOURTH QUARTER AND TWELVE MONTH ENDED 31 DECEMBER 2016 (CONT'D).

B8 CHANGES IN MATERIAL LITIGATION (Cont'd)

c) Om Cahaya Mineral Asia Berhad v Damansara Realty (Pahang) Sdn Bhd

On 5 February 2016, Om Cahaya Mineral Asia Berhad (“**Om Cahaya**”) has filed a claim for unlawful termination of contract in relation to their alleged appointment to carry out mining works at Damansara Realty (Pahang) Sdn Bhd’s (“**DRP**”) land in Kuantan, Pahang.

DRP had on 14 April 2016 filed an application to strike out the suit to the court. The matter has come up for hearing of the striking out application on 27 May 2016 whereby the Kuala Lumpur High Court has allowed DRP’s application to strike out Om Cahaya’s summons and statement of claim with costs of RM5,000.00 and allocator fee of RM200.00. Om Cahaya appealed against the striking out and a case management is fixed on 8 November 2016, pending the extraction of the sealed Order.

During the case management on 8 November 2016, the Court has instructed the parties to file their written submission and bundle of authorities, executive summary and common chronology of facts by the next case management date which is fixed on 20 February 2017. The Court of Appeal has also fixed the hearing date on 6 March 2017.

B9 DIVIDEND

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

B10 EARNINGS PER SHARE (“EPS”)

	Cumulative 12 months	
	Current Quarter	Preceding Year Quarter
a) Basic EPS	31-Dec-16	31-Dec-15
Net (loss)/profit attributable to ordinary shareholders (RM'000)	(27,118)	(4,383)
Weighted average number of ordinary shares in issue	309,371	309,371
Basic earnings per ordinary share (sen)	(8.77)	(1.42)

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.

B10 EARNINGS PER SHARE (“EPS”)(cont'd)

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
28 February 2017