

**UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED
31 MARCH 2018**

Consolidated Statement of Comprehensive Income

	Individual			Cumulative		
	Current year	Preceding year	Changes	Current year	Preceding year	Changes
	31-Mar-2018 RM'000	31-Mar-2017 RM'000		31-Mar-2018 RM'000	31-Mar-2017 RM'000	
Revenue	71,246	50,771	40%	71,246	50,771	40%
Cost of sales	(54,518)	(41,957)	-30%	(54,518)	(41,957)	-30%
Gross profit	16,728	8,814	90%	16,728	8,814	90%
Interest income	71	46	54%	71	46	54%
Other income	345	1,169	-70%	345	1,169	-70%
Employee benefits expense	(7,858)	(7,049)	-11%	(7,858)	(7,049)	-11%
Other operating expenses	(5,635)	(4,506)	-25%	(5,635)	(4,506)	-25%
Operating profit / (loss)	3,651	(1,526)	339%	3,651	(1,526)	339%
Finance cost	(371)	(211)	-76%	(371)	(211)	-76%
Share of loss of associate-co	-	-	0%	-	-	0%
Profit / (Loss) before tax	3,280	(1,737)	289%	3,280	(1,737)	289%
Income tax expenses	(1,383)	(324)	-327%	(1,383)	(324)	-327%
Profit / (Loss) for the period	1,897	(2,061)	192%	1,897	(2,061)	192%
Other comprehensive income, net of tax						
Foreign currency translation differences for foreign operations	117	(4)	3025%	117	(4)	3025%
Total comprehensive income for the year	2,014	(2,065)	198%	2,014	(2,065)	198%
Profit / (Loss) for the period attributable to:						
Owners of the parent	1,738	(1,344)	229%	1,738	(1,344)	229%
Non-controlling interests	159	(717)	122%	159	(717)	122%
	1,897	(2,061)	192%	1,897	(2,061)	192%
Total comprehensive income for the period, net of tax attributable to:						
Owners of the parent	1,855	(1,348)	238%	1,855	(1,348)	238%
Non-controlling interests	159	(717)	122%	159	(717)	122%
	2,014	(2,065)	198%	2,014	(2,065)	198%
Earnings per share attributable to owners of the parent (sen per share)						
Basic earnings per share (sen)	0.55	(0.43)		0.55	(0.43)	
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 2017 and the accompanying explanatory notes attached to this report.

(Incorporated in Malaysia)

**UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED
31 MARCH 2018**

Consolidated Statement of Comprehensive Income

	Individual		Cumulative	
	Current year 31-Mar-2018 RM'000	Preceding year 31-Mar-2017 RM'000	Current year 31-Mar-2018 RM'000	Preceding year 31-Mar-2017 RM'000
Profit / (Loss) For The Period	1,897	(2,061)	1,897	(2,061)
Other Comprehensive Income/(Loss) For The Period, Net Of Income Tax	117	(4)	117	(4)
Total Comprehensive Income For The Period, Net Of Income Tax	2,014	(2,065)	2,014	(2,065)
Total Comprehensive Income Attributable To:				
Owners of the Company	1,738	(1,344)	1,738	(1,344)
Non-controlling interests	159	(717)	159	(717)
	1,897	(2,061)	1,897	(2,061)

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

Interest Income	71	46	71	46
Other Income Including Investment Income	345	1,169	345	1,169
Interest Expenses	(371)	(211)	(371)	(211)
Depreciation and Amortization	(548)	(640)	(548)	(640)

The Condensed Consolidated Income Statement should be read in conjunction with the audited Annual Financial Statements for the year ended 31 December 2017 and the accompanying explanatory notes attached to this report.

Damansara Realty Berhad (4030-D)
Condensed Consolidated Statement of Financial Position
As at 31 March 2018

	Unaudited 31-Mar-2018 <i>RM'000</i>	Audited 31-Dec-2017 <i>RM'000</i>
ASSETS		
Non-current assets		
Property, plant and equipment	24,790	25,026
Land held for property development	59,768	59,709
Investment properties	89,168	89,177
Investment in associates*	-	-
Deferred tax assets	276	530
Other investments	51	51
Goodwill on consolidation	1,410	1,410
	175,463	175,903
Current assets		
Property development costs	13,026	16,522
Inventories	3,486	3,195
Trade receivables and other receivables	85,248	81,481
Other current assets	5,129	12,153
Cash and bank balances	33,589	27,472
	140,478	140,823
TOTAL ASSETS	315,941	316,726
EQUITY AND LIABILITIES		
Current liabilities		
Loans and borrowings	11,840	18,912
Trade and other payables	119,529	119,337
	131,369	138,249
Net current assets	9,109	2,574
Non-current liabilities		
Loans and borrowings	12,475	12,375
Deferred tax liabilities	520	533
Trade and other payables	9,850	9,850
	22,845	22,758
Total Liabilities	154,214	161,007
Net assets	161,727	155,719
Equity attributable to owners of the parent		
Share capital	159,341	155,341
Redeemable convertible notes	427	316
Revaluation reserves	41,603	41,603
Accumulated losses	(27,594)	(29,449)
Merger Reserve	(18,568)	(18,568)
Capital reserve	85	85
Exchange reserve	(2,042)	(1,925)
Shareholders' equity	153,252	147,403
Non-controlling interests	8,475	8,316
Total equity	161,727	155,719
TOTAL EQUITY AND LIABILITIES	315,941	316,726
Net Assets Per Share Attributable to Owners of the Company (RM)	0.481	0.474

The Consolidated Statement of Financial Position should be read in conjunction with the audited Annual Financial Statements for the year ended 31 December 2017 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 2018

	3 months ended 31-Mar-2018 <i>RM'000</i>	3 months ended 31-Mar-2017 <i>RM'000</i>
Receipt from customers	71,926	32,083
Payment to suppliers, creditors and employees	(60,170)	(33,639)
Payment of income taxes (paid)/refunded	(2,146)	(1,777)
Interest paid	(262)	(835)
Total Cash Flow used in operating activities	9,348	(4,168)
Purchase of property, plant and equipment	(371)	(466)
Interest received	50	37
Proceed from issuance of share	-	-
Total Cash Flow used in investing activities	(321)	(429)
Cash Flow from financing activities		
Net drawdown/repayment of obligations under finance leases	(584)	(625)
Net of drawdown/repayment of loan & borrowings	(2,326)	(426)
Total Cash Flow used in financing activities	(2,910)	(1,051)
Decrease in cash and cash equivalents	6,117	(5,648)
Cash and cash equivalents as at 1 January	27,472	25,672
Cash and cash equivalents as at 31 March	33,589	20,024

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited Annual Financial Statements for the year ended 31 December 2017 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 2018

A1 BASIS OF PREPARATION

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 2017. 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 2017.

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.

Amendments to FRS 12	Annual Improvements to FRS Standards 2014 - 2016 Cycle
Amendments to FRS 107	Disclosure Initiative
Amendments to FRS 112	Recognition of Deferred Tax Assets for Unrealised Losses

The directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of the initial application.

Malaysian Financial Reporting Standards (MFRS Frameworks)

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

The MFRS Framework has been 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 and IC Interpretation 15 Agreements for the Construction of Real Estate, including its parent, significant investor and venture (herein called 'Transitioning Entities').

Transitioning Entities are allowed to defer adoption of the new MFRS Framework. The adoption will be mandatory for Transitioning Entities for annual periods beginning on or after 1 January 2018. The Group falls within the scope of Transitioning Entities and have opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2018.

In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings. The financial statements could be different if prepared under the MFRS Framework.

A2 AUDITORS' REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 December 2017 was not qualified.

DAMANSARA REALTY BERHAD (4030-D)

A UNAUDITED REPORT FOR THE INTERIM FINANCIAL STATEMENT FOR THE FIRST QUARTER AND THREE MONTHS ENDED 31 MARCH 2018 (CONT'D)

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.

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

- 1) During the financial year the Company issued 8,000,000 shares due to conversion of Redeemable Convertible Notes ("RCN").
- 2) Other than the above, there are no 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 three reportable operating segments as follows:

- i. Property and Land Development ("PLD") - the development of residential and commercial properties.
- ii. Integrated Facility Management ("IFM") - provision of property services comprising of general services, parking operation, trading of parking equipments and the provision of related consultancy services.
- iii. Project Management Consultancy ("PMC") - facility management, project management and consultant, construction management, energy management services, hospital planning, maintenance services and manpower 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 FINANCIAL STATEMENT FOR THE FIRST QUARTER AND THREE MONTHS ENDED 31 MARCH 2018 (CONT'D)

A8 SEGMENTAL INFORMATION

	HOLDING CO.		INTEGRATED FACILITY MANAGEMENT		PROPERTY AND LAND DEVELOPMENT		PROJECT MANAGEMENT CONSULTANCY		OTHERS		ADJUSTMENTS AND ELIMINATIONS		PER CONSOLIDATED	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
	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
Revenue:														
- External sales	-	-	62,174	48,078	6,839	206	2,233	2,487	-	-	-	-	71,246	50,771
- Inter company sales	1,759	1,786	1,045	-	-	-	-	-	-	-	(2,804)	(1,786)	0	-
Total revenue	1,759	1,786	63,219	48,078	6,839	206	2,233	2,487	-	-	(2,804)	(1,786)	71,246	50,771
Results:														
Interest Income	17	-	31	29	16	3	7	14	-	-	-	-	71	46
Depreciation and amortisation	30	140	467	454	15	8	36	38	-	-	-	-	548	640
Segment profit/(loss)	(2,077)	(822)	3,491	116	1,599	(1,004)	279	2	(12)	(29)	-	-	3,280	(1,737)
Assets :														
Segment assets	100,586	94,612	113,234	97,700	229,565	251,823	22,468	20,885	40,776	40,462	(190,679)	(145,277)	315,950	360,205
Segment liabilities	53,502	52,748	95,171	85,049	176,445	254,950	9,660	8,467	114,579	115,412	(295,134)	(250,063)	154,223	266,563

* Note : inclusive overseas operations

	31-Mar-18						31-Mar-17					
	Singapore		Philippines		Malaysia	Total	Singapore		Philippines		Malaysia	Total
	SGD ('000)	RM ('000)	PHP ('000)	RM ('000)			SGD ('000)	RM ('000)	PHP ('000)	RM ('000)		
Revenue	3,548	10,533	112,257	8,419	52,294	71,246	3,069	9,688	96,039	8,644	32,439	50,771
Profit / (loss)	(170)	(505)	9,051	679	3,106	3,280	101	319	5,294	476	(2,532)	(1,737)
Assets	4,070	12,085	147,043	11,028	292,837	315,950	3,178	10,032	121,522	10,937	339,236	360,205
Liabilities	3,593	10,667	85,199	6,390	137,166	154,223	2,049	6,468	80,417	7,238	252,857	266,563

Exchange rate : RM2.9690RM0.0750RM3.1568RM0.0900

DAMANSARA REALTY BERHAD (4030-D)

A UNAUDITED REPORT FOR THE INTERIM FINANCIAL STATEMENT FOR THE FIRST QUARTER AND THREE MONTHS ENDED 31 MARCH 2018 (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 2017.

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 MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

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.

A12 CHANGE IN THE COMPOSITION OF THE GROUP

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

A13 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 2018.

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

The Group's revenue for the three months ended 31 March 2018 ("1Q2018") increased by RM20.48 million, or 40%, to RM71.25 million, compared to RM50.77 million for the months ended 31 March 2017 ("1Q2017").

1Q2018 gross profit increased to RM16.73 million as compared to RM8.81 million in 1Q2017, increased gross profit margin to 23% from 17% over the comparative period.

The Group's posted an operating profit of RM3.65 million in 1Q2018, compared to an operating loss of RM1.53 million in 1Q2017.

The improvement in the Group's performance in 1Q2018 as compared to 1Q2017 was mainly attributable to:

- i) IFM recorded RM15.14 million increase in revenue due higher contribution from Pengerang projects and new contracts secured in 2nd half 2017 such as Dataran Maybank and Etiqa buildings, MRT stations, Singapore Sport Centres.
- ii) For Property Development, the increase in revenue was due to higher contribution from Aliff Square 2 and Damansara Hill 1 in 1Q2018.

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

a) Property and Land Development Activities

The segment recorded RM6.84 million revenue in 1Q2018, in comparison to RM0.21 million in 1Q2017. The increase in revenue was mainly due to :

- i. Damansara Hill 1("DH1")
Higher sales from DH1 as the Company manage to secure higher number of unit sold
- ii. Aliff Square 2("AS2").
Higher contribution for AS2 mainly due to higher margin contributed by units sold during 1Q 2018.

b) Integrated Facility Management ("IFM")

The IFM segment, recorded RM15.14 million increase in revenue to RM63.22 million in 1Q2018 compared to RM48.08 million in 1Q2017.

The increase was mainly due to higher person-on-board ("POB") revenue for Pengerang project and also recognition of revenue for contracts secured in 2nd half 2017.

c) Project Management Consultancy ("PMC")

The PMC segment recorded a lower revenue in 1Q2018 of RM2.23 million representing a decrease of RM0.25 million or 10% lower against the previous corresponding period.

Profit for 1Q2018 was higher at RM0.26 million compared to 1Q2017, due to the completion of high margin Construction Consultancy contract in FY2018.

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 2018 (CONT'D)****B2 MATERIAL CHANGES IN THE QUARTERLY RESULTS COMPARED TO THE IMMEDIATE PRECEDING QUARTER**

	<u>Current Quarter</u>	<u>Immediate Preceding Quarter</u>	<u>Changes</u>
	31-Mar-18	31-Dec-17	%
Revenue	71,246	67,246	6%
Gross Profit	16,728	13,294	26%
Operating Profit	3,651	14,335	-75%
Profit Before Tax	3,280	13,506	-76%
Profit After Tax	1,897	14,866	-87%
Total comprehensive income for the period, net of tax attributable to: Owners of the parent	1,855	14,722	87%

The Group's revenue for 1Q2018 increased by 6% to RM71.25 million from RM67.25 million in Q42017. The increase was mainly due to higher contribution from projects secured in FY2017.

For 1Q2018, the Group's PAT stood at RM3.4 million as compared to RM13.5 million in 4Q2017. The decrease was due to higher other income in 4Q2017.

B3 CURRENT YEAR'S PROSPECTS

We have well achieved our goals for transformation as outlined in the SRP and are now moving into our long-term strategy for continuous growth. Our main objective during this five-year phase will be to build on innovation and efficiency with our offerings and operations, strengthen our presence and our offerings, as well as solidify our brand and reputation. Our focus remains targeted on building our strengths as the preferred solutions provider for our three core business segments of IFM, PMC, and PLD.

Alongside this plan to build a stronger and sustainable business presence is to underscore our operations with delivering a greater sense of value to our stakeholders, whether our clients, our employees, our investors or regulators. To do this, we are focusing on efficient business processes as well as the use of innovation and technology in our offerings. We will also be looking at how we can capitalise on data analytics to grow our business.

While we will be pushing on all areas for growth from our three business segments, we see IFM predominantly offering better potential for growth as we expect the property segment to remain subdued for the time being. In our quest to ensure our long-term and continuous sustainable growth, we will be exploring more innovations and technology-based solutions related to IFM to provide our clients with results that address their needs, such as the cashless payment system that was successfully implemented within our IFM offerings. We will also be looking at ways to increase our efficiency in operations as well as to reduce dependency on labour-intensive work approach.

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND THREE MONTHS ENDED 31 MARCH 2018 (CONT'D)

B3 CURRENT YEAR'S PROSPECTS (CONT'D)

On the PMC front, we will be expanding our scope of services from the healthcare industry to the construction industry. In this regard, we aim to offer a more comprehensive set of services related to commercial, residential and infrastructure development.

a) Property and Land Development Activities

Our outlook for the property market in Malaysia will remain cautious following the cooling measures that have been progressively introduced by the authorities. While the economy is expected to rebound, the property market may continue to remain subdued. However, we believe that the segment which we operate in is affordable and the government supported housing schemes will still be in demand. With this in mind, marketing our current property projects will be one of our key priorities for 2018.

We have earmarked to develop another 10 acres from our 63.1 acres land in Tampoi, Johor, which will be a mixed development of both residential and commercial units. Likewise, we are also looking at a mixed development in the 512- acre land in Bandar Damansara Kuantan as well as a commercial development on a 4.7-acre commercial land in Presint 5, Putrajaya.

We expect that the outlay of investment for the development in the ongoing and future property development projects will help us to build up a series of projects that will contribute progressively to our bottom line for the coming years.

b) Integrated Facility Management ("IFM")

As we continue in our transformation to being the Preferred Assets and IFM Specialist in the industry, we will look at how we can harness other complementary facilities management services to enhance our services and expand our IFM capabilities. We aim to do this with minimal capital expenditure and an asset-light approach.

Following our successful in-house cashless payment IT solutions that have now been used for food & beverage payments, security management encompassing operating and maintaining security for utilities, interconnecting and off-site facilities at RAPID at the Petronas Executive Village and management office for the RAPID project in Pengerang, Johor, moving forward in 2018, technology-based solutions will continue to be key to our progress in enhancing and expanding our suite of IFM services as well as providing customisable solutions to meet clients' needs and challenges.

Technology will also be explored to increase efficiency and productivity rates in our internal operations and systems. We will be looking at ways to reduce dependency on labour-based work approach through new innovations.

c) Project Management Consultancy ("PMC")

Moving forward in 2018, we plan to broaden our offering within the PMC segment beyond just healthcare sector management to a wider sector including construction. This is aimed at diversifying our income streams to ensure a more sustainable generation of revenue to the Group.

Part of this is also to strengthen our presence overseas, and in 2018, we will be working on a new government hospital project in Gerehu, Port Moresby, Papua New Guinea. The project includes the development of a hospital complex with a capacity of 500 beds with staff accommodation and hospital facilities.

This is one segment that offers a lot of potential to our business and one that we will pursue more aggressively in 2018, as we look to broaden our offerings to the construction segment.

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 2018 (CONT'D)****B4 PROFIT FORECAST/PROFIT GUARANTEE**

There were none Profit forecast / profit guarantee during the current quarter under review.

B5 INCOME TAX EXPENSE

	Individual quarter		Cumulative quarter	
	Year	Year	Year	Year
	31-Mar-18 RM'000	31-Mar-17 RM'000	31-Mar-18 RM'000	31-Mar-17 RM'000
Current tax	1,383	324	1,383	324
	<u>1,383</u>	<u>324</u>	<u>1,383</u>	<u>324</u>

B6 STATUS OF CORPORATE PROPOSAL**1) New Issues Of Securities (Chapter 6 Of Listing Requirements)-Bonus Issues**

Since the last quarter report ended 13 February 2018, the following are the changes:-

Redeemable Convertible Notes ("RCN")

On 26 February 2018, the Company had drawn down 2.0 million of RCNs.

On 26 February 2018, further RM2.0 million were converted into 4,000,000 ordinary shares.

As at the date of this report, the status of the utilization of the gross proceeds from the RCN is as follows :

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended Timeframe for Utilisation
Financing of property development activities	77,000	-	Within 36 month
Working capital requirements	61,000	6,796	Within 36 month
Estimated expenses in relation to the Proposed Notes Issued	12,000	1,204	Within 36 month
TOTAL	150,000	8,000	

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 2018 (CONT'D)

B7 BORROWINGS AND DEBT SECURITIES

	As at 1st quarter ended 2018					
	Long Term		Short Term		Total Borrowings	
	Foreign denomination RM ('000)	Denomination RM ('000)	Foreign denomination RM ('000)	Denomination RM ('000)	Foreign denomination RM ('000)	Denomination RM ('000)
Secured						
Term Loan	3,333	2,762	-	177	3,333	2,939
Bank Overdraft	-	-	-	3,595	-	3,595
Hire purchase	1,523	1,783	2,170	1,192	3,693	2,975
Redeemable Convertible Notes	-	3,073	-	-	-	3,073
Unsecured						
Advanced from shareholder of a subsidiary	-	-	-	1,805	-	1,805
Advanced from shareholder	-	-	-	2,901	-	2,901
Total	4,856	7,618	2,170	9,670	7,026	17,288

	As at 1st quarter ended 2017					
	Long Term		Short Term		Total Borrowings	
	Foreign denomination RM ('000)	Denomination RM ('000)	Foreign denomination RM ('000)	Denomination RM ('000)	Foreign denomination RM ('000)	Denomination RM ('000)
Secured						
Bank Overdraft	-	-	-	-	-	-
Term Loan	-	390	-	2,461	-	2,851
Hire purchase	1,641	1,129	1,166	2,196	2,807	3,325
Redeemable Convertible Notes	-	-	-	-	-	-
Unsecured						
Advanced from shareholder of a subsidiary	-	-	-	1,805	-	1,805
Advanced from shareholder	-	-	-	7,511	-	7,511
Total	1,641	1,519	1,166	13,973	2,807	15,492

Advance from shareholder decreased in current year due to repayment and interest charged at 2.5% per annum .
Hire purchase decreased due to repayment and interest charged on average of 5.5% per annum.

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND THREE MONTHS ENDED 31 MARCH 2018.

B8 DERIVATIVES

During the FY2018, there were no derivatives entered into by the Group.

B9 GAINS/LOSSES ARISING FROM FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

There were no gains/losses arising from the fair value changes of financial liabilities.

B10 CHANGES IN MATERIAL LITIGATION

Since the last quarter report ended 13 February 2018, the following are the changes:

a) Bungsar Hill Holdings Sdn Bhd v Damansara Realty Berhad

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

During the case management on 18 November 2016, the parties' solicitors had informed the FC that the Grounds of Judgment ("GOJ") from the Court of Appeal ("COA") had not been obtained despite of the several requests made. The FC also informed that the Appeal cannot be heard until the GOJ had been obtained from the COA.

During the Case Management on 3 April 2018, the Federal Court fixed the Hearing date of the appeal proper on 24 May 2018 and directed the parties to file their written submissions and bundle of authorities on or before 10 May 2018.

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

"The Federal Court ("FC") on 9 January 2018 had fixed the Hearing date for DRP's leave application on 15 March 2018, upon the parties' receipt of the Grounds of Judgment ("GOJ"). During the Hearing on 15 March 2018, the FC dismissed DRP's leave application with cost of RM10,000.00 ("FC's decision").

On 17 January 2018, the KLHC directed the parties to file the pre-trial Court papers by the next case management date on 26 March 2018 and further to update the KLHC on the possibility of mediation between the parties. The KLHC had fixed the new Full Trial dates on 6 April 2018, 10 May 2018, 24 May 2018 and 25 May 2018.

On 21 March 2018, the parties had updated the KLHC on FC's decision, resulting to the KLHC to maintain the Trial dates, unless if the parties wish to opt for settlement. The KLHC further directed the parties to file the Court paper by the next Case Management date on 3 April 2018.

On 27 March 2018, the Defendant was served with the Plaintiff's application for leave to amend their Statement of Claim ("Amendment Application") wherein the Hearing was fixed on 26 April 2018. As the Plaintiff requested for an opportunity to mediate the matter, the KLHC then directed the parties to inform the mediation centre of this intended mediation, and to set a short date with the mediation centre. The KLHC vacated the Trial date on 6 April 2018 and maintained the Full Trial dates on 10, 24 and 25 May 2018.

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 2018.

B10 CHANGES IN MATERIAL LITIGATION (Con't)

b) Om Cahaya Mineral Asia Berhad v Damansara Realty (Pahang) Sdn Bhd (con't)

On 26 April 2018, the Plaintiff's amendment application has been dismissed by the High Court today with costs of RM2,000.00 to be paid by the Plaintiff to the Defendant. The Plaintiff's solicitor further informed the High Court that they have filed an application to discharge themselves as the Plaintiff's solicitors for this case ("discharge application") wherein it was fixed for Hearing on 7 May 2018. In relation to the trial, the Judge directed the parties to file the pre-trial Court paper and to exchange the witness statement by the next case management fixed on 7 May 2018. The High Court further vacated the trial date on 10 May 2018 due to the Malaysian General Election. The trial date is now fixed on 24 May 2018 and 25 May 2018.

B12 EARNINGS PER SHARE ("EPS")

	<u>Cumulative 3 months</u>	
	<u>Current</u> <u>Quarter</u> <u>31-Mar-18</u>	<u>Preceding</u> <u>Year Quarter</u> <u>31-Mar-17</u>
a) Basic EPS		
Net profit/ (loss)attributable to ordinary shareholders (RM'000)	1,738	(1,344)
Weighted average number of ordinary shares in issue ('000)	318,371	309,371
Basic earnings per ordinary share (sen)	0.55	(0.43)

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

WAN RAZMAH BINTI WAN ABD RAHMAN [MAICSA 7021383]

Secretary

Kuala Lumpur

15 May 2018