

**UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED
 31 MARCH 2019**
Consolidated Statement of Comprehensive Income

	Individual			Cumulative		
	Current year 31-Mar-2019 RM'000	Preceding year 31-Mar-2018 RM'000	Changes %	Current year 31-Mar-2019 RM'000	Preceding year 31-Mar-2018 RM'000	Changes %
Revenue	71,294	71,246	0%	71,294	71,246	0%
Cost of sales	(55,639)	(54,518)	2%	(55,639)	(54,518)	2%
Gross profit	15,655	16,728	-6%	15,655	16,728	-6%
Interest income	62	71	-13%	62	71	-13%
Other income	1,144	345	232%	1,144	345	232%
Employee benefits expense	(7,496)	(7,858)	-5%	(7,496)	(7,858)	-5%
Other operating expenses	(5,624)	(5,635)	0%	(5,624)	(5,635)	0%
Operating profit	3,741	3,651	2%	3,741	3,651	2%
Finance cost	(240)	(371)	-35%	(240)	(371)	-35%
Profit before tax	3,501	3,280	7%	3,501	3,280	7%
Income tax expenses	(1,227)	(1,383)	-11%	(1,227)	(1,383)	-11%
Profit for the period	2,274	1,897	20%	2,274	1,897	20%
Other comprehensive income, net of tax						
Foreign currency translation differences for foreign operations	63	117	-46%	63	117	-46%
Total comprehensive income for the year	2,337	2,014	16%	2,337	2,014	16%
Profit for the period attributable to:						
Owners of the parent	1,797	1,738	3%	1,797	1,738	3%
Non-controlling interests	477	159	201%	477	159	201%
	2,274	1,897	20%	2,274	1,897	20%
Total comprehensive income for the period, net of tax attributable to:						
Owners of the parent	1,860	1,855	0%	1,860	1,855	0%
Non-controlling interests	477	159	201%	477	159	201%
	2,337	2,014	16%	2,337	2,014	16%
Earnings per share attributable to owners of the parent (sen per share)						
Basic earnings per share (sen)	0.56	0.55		0.56	0.55	
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 2018 and the accompanying explanatory notes attached to this report.

(Incorporated in Malaysia)

**UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED
31 MARCH 2019**

Consolidated Statement of Comprehensive Income

	Individual		Cumulative	
	Current year 31-Mar-2019 RM'000	Preceding year 31-Mar-2018 RM'000	Current year 31-Mar-2019 RM'000	Preceding year 31-Mar-2018 RM'000
Profit For The Period	2,274	1,897	2,274	1,897
Other Comprehensive Income For The Period, Net Of Income Tax	63	117	63	117
Total Comprehensive Income For The Period, Net Of Income Tax	2,337	2,014	2,337	2,014
Total Comprehensive Income Attributable To:				
Owners of the Company	1,797	1,738	1,797	1,738
Non-controlling interests	477	159	477	159
	2,274	1,897	2,274	1,897

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

Interest Income	62	71	62	71
Other Income Including Investment Income	1,144	345	1,144	345
Interest Expenses	(240)	(371)	(240)	(371)
Depreciation and Amortization	(599)	(548)	(599)	(548)

The Condensed Consolidated Income Statement should be read in conjunction with the audited Annual Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to this report.

Damansara Realty Berhad (4030-D)
Condensed Consolidated Statement of Financial Position
As at 31 March 2019

	Unaudited 31-Mar-2019 <i>RM'000</i>	Audited 31-Dec-2018 <i>RM'000</i>
ASSETS		
Non-current assets		
Property, plant and equipment	20,725	22,717
Inventories	60,755	60,755
Investment properties	89,132	89,141
Deferred tax assets	3,620	3,324
Other investments	51	51
Goodwill on consolidation	888	888
	175,171	176,876
Current assets		
Inventories	24,065	23,096
Trade receivables and other receivables	127,186	105,162
Other current assets	2,493	707
Cash and bank balances	20,906	27,120
	174,650	156,085
TOTAL ASSETS	349,821	332,961
EQUITY AND LIABILITIES		
Current liabilities		
Loans and borrowings	8,798	9,555
Trade and other payables	155,813	139,473
	164,611	149,028
Net current assets	10,039	7,057
Non-current liabilities		
Loans and borrowings	6,874	7,364
Deferred tax liabilities	1,242	1,740
	8,116	9,104
Total Liabilities	172,727	158,132
Net assets	177,094	174,829
Equity attributable to owners of the parent		
Share capital	159,341	159,341
Revaluation reserves	41,603	41,603
Accumulated losses	(8,510)	(10,370)
Merger Reserve	(18,568)	(18,568)
Capital reserve	47	56
Exchange reserve	(1,947)	(1,884)
Shareholders' equity	171,966	170,178
Non-controlling interests	5,128	4,651
Total equity	177,094	174,829
TOTAL EQUITY AND LIABILITIES	349,821	332,961
Net Assets Per Share Attributable to Owners of the Company (RM)	0.540	0.535

The Consolidated Statement of Financial Position should be read in conjunction with the audited Annual Financial Statements for the year ended 31 December 2018 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 2019

	 Attributable To Owners Of Parent 										
	 Equity attributable to owners of the parent 		Non-Distributable								Non-controlling interest
	Equity Total RM'000	parent Total RM'000	Share capital RM'000	Share premium RM'000	Redeemable Convertible Notes RM'000	Revaluation reserves RM'000	Capital reserve RM'000	Merger Reserve RM'000	Exchange Reserve RM'000	Accumulated losses RM'000	RM'000
2019											
Opening balance at 1 January 2019	174,829	170,178	159,341	-	-	41,603	56	(18,568)	(1,884)	(10,370)	4,651
Total comprehensive income	2,274	1,797	-	-	-	-	-	-	(63)	1,860	477
Capital reserve	(9)	(9)	-	-	-	-	(9)	-	-	-	-
Closing balance at 31 March 2019	177,094	171,966	159,341	-	-	41,603	47	(18,568)	(1,947)	(8,510)	5,128
2018											
Opening balance at 1 January 2018	155,719	147,403	155,341	-	316	41,603	85	(18,568)	(1,925)	(29,449)	8,316
Total comprehensive income	1,897	1,738	-	-	-	-	-	-	(117)	1,855	159
Conversion of Redeemable Convertible Notes ("RCN")	4,000	4,000	4,000	-	-	-	-	-	-	-	-
Estimated equity component of RCN	111	111	-	-	111	-	-	-	-	-	-
Closing balance at 31 March 2018	161,726	153,252	159,341	-	427	41,603	85	(18,568)	(2,042)	(27,594)	8,475

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 2018 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 2019

	3 months ended 31-Mar-2019 <i>RM'000</i>	3 months ended 31-Mar-2018 <i>RM'000</i>
Receipt from customers	58,610	71,926
Payment to suppliers, creditors and employees	(61,338)	(60,170)
Payment of income taxes paid	(1,887)	(2,146)
Interest paid	(165)	(262)
Interest received	65	50
Net Cash (used in)/generated from operating activities	(4,715)	9,398
Purchase of property, plant and equipment	(172)	(371)
Net Cash used in investing activities	(172)	(371)
Cash Flow from financing activities		
Net drawdown/repayment of obligations under finance leases	(508)	(584)
Net of drawdown/repayment of loan & borrowings	(819)	(2,326)
Net Cash used in financing activities	(1,327)	(2,910)
Net (decrease)/increase of cash and cash equivalents	(6,214)	6,117
Cash and cash equivalents as at 1 January	27,120	27,472
Cash and cash equivalents as at 31 March	20,906	33,589

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited Annual Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to this report.

DAMANSARA REALTY BERHAD (4030-D)

A NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2019

- PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 BASIS OF PREPARATION

This interim financial statement is unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This interim financial statement should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2018. The explanatory notes attached to the interim financial statement 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 2018.

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.

MFRS 17	<i>Insurance contracts</i>
Amendments to MFRS 3	<i>Definition of a business</i>
Amendments to MFRS 101 and Amendments to MFRS 108	<i>Definition of material</i>
Amendments to MFRS 10 and MFRS 128	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>

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.

A2 AUDITORS' REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 December 2018 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.

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.

DAMANSARA REALTY BERHAD (4030-D)

**A NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2019 (CONT'D)**

- PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)

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 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 operations, trading of parking equipment and the provision of related consultancy services.
- iii. Project Management Consultancy ("PMC") - facility management, project management and consultancy, 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 2019 (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-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
	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	-	-	68,325	62,174	2,635	6,839	334	2,233	-	-	-	-	71,294	71,246
- Inter company sales	1,660	1,759	911	1,045	-	-	80	-	-	-	(2,651)	(2,804)	-	-
Total revenue	1,660	1,759	69,236	63,219	2,635	6,839	414	2,233	-	-	(2,651)	(2,804)	71,294	71,246
Results:														
Interest Income	-	17	60	31	1	16	-	7	1	-	-	-	62	71
Depreciation and amortisation	27	30	557	467	15	15	-	36	-	-	-	-	599	548
Segment profit/(loss)	(606)	(2,077)	4,206	3,491	(138)	1,599	59	279	(11)	(12)	(9)	-	3,501	3,280
Assets :														
Segment assets	118,994	100,586	144,662	113,234	239,877	229,565	1,506	22,468	39,632	40,767	(194,850)	(190,679)	349,821	315,941
Segment liabilities	53,188	53,502	114,643	95,171	190,457	176,445	13,548	9,660	101,431	114,570	(300,540)	(295,134)	172,727	154,214

* Note : inclusive overseas operations

	31-Mar-19					
	Singapore		Philippines		Malaysia	Total
	SGD ('000)	RM ('000)	PHP ('000)	RM ('000)	RM ('000)	RM ('000)
Revenue	3,783	11,396	110,702	8,635	51,263	71,294
Profit / (loss)	(13)	(38)	10,917	852	2,687	3,501
Assets	3,050	9,180	181,924	14,099	326,542	349,821
Liabilities	27,271	82,081	99,138	7,683	82,963	172,727

	31-Mar-18					
	Singapore		Philippines		Malaysia	Total
	SGD ('000)	RM ('000)	PHP ('000)	RM ('000)	RM ('000)	RM ('000)
Revenue	3,548	10,533	112,257	8,419	52,294	71,246
Profit / (loss)	(170)	(505)	9,051	681	3,104	3,280
Assets	4,070	12,370	147,043	11,940	291,631	315,941
Liabilities	3,593	10,919	85,199	6,918	136,377	154,214

Exchange rate :
Income statement
Balance Sheet

RM3.0125
RM3.0098

RM0.0780
RM0.0775

RM2.9690
RM3.0392

RM0.0750
RM0.0812

DAMANSARA REALTY BERHAD (4030-D)

**A NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2019 (CONT'D)**

- PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 (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 2018.

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 Contingent Liabilities or Contingent Assets in 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 2019.

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

The Group's revenue for the financial year ended 31 March 2019 ("FY2019") increased by RM50,000 to RM71.29 million as compared to revenue for the financial year ended 31 March 2018 ("FY2018").

The Group recorded a higher operating profit of RM3.74 million mainly due to the high contribution from our IFM segment mainly by our operation in Pengerang.

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

a) Integrated Facility Management ("IFM")

IFM recorded RM6.02 million increase in revenue to RM69.24 million in FY2019 compared to RM63.22 million in FY2018.

The increase was mainly due to higher person-on-board ("POB") revenue from operations and maintenance of RAPID Temporary Executive Village ("RTEV") and RAPID Temporary Management Office ("RTMO") in Pengerang and other ancillary projects such as security services and provision of small medical clinics.

The Group's improved performance is also driven by contribution from our parking operation in Philippines, which registered 3% growth in revenue.

b) Property and Land Development ("PLD")

For FY2019, PLD recorded a revenue of RM2.64 million compared to RM6.84 million in FY2018. The decrease was mainly due to the reduced number of units sold from the Group's projects in Taman Damansara Aliff, Johor Bahru and Bandar Damansara Kuantan, Pahang. We expect to sell the remaining units in FY2019.

c) Project Management Consultancy ("PMC")

For FY2019, the PMC segment recorded a lower revenue of RM0.33 million representing RM1.90 million (85%) decrease compared to the previous corresponding period. The decrease was mainly due to absence of contribution from Healthcare Technical Services Sdn Bhd which was disposed off in 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 2019.

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-19	31-Dec-18	%
Revenue	71,294	82,314	-13%
Gross Profit	15,655	27,845	-44%
Operating Profit	3,741	17,570	-79%
Profit Before Tax	3,501	17,289	-80%
Profit After Tax	<u>2,274</u>	<u>14,883</u>	-85%

The Group's revenue for the three months period ended 31 March 2019 decrease 13% to RM71.29 million from RM82.31 million for the three months ended 31 December 2018. The decrease mainly due to lower sales of property.

B3 CURRENT YEAR'S PROSPECTS

We have well achieved our transformation goals as outlined in the Group's Strategic Restructuring Plan ("SRP"). As the new and transformed Damansara Realty Bhd ("DBhd"), we're now geared for success and moving onto our long-term strategy to achieve sustainable growth and better margins.

Our main objective during this five-year phase is to focus on tech-based solutions and innovation in our services to increase productivity, improve operational efficiencies and optimise resources. We aim to strengthen and deepen our presence in existing and new markets, backed by our strong brand and reputation. Our continued performance and better-quality earnings will contribute to driving our business expansion, making DBhd the preferred solutions provider for our three core business segments of IFM, PMC, and PLD.

As we actively identify and pursue opportunities to grow our business organically, we are also growing rapidly through developing innovative solutions to create unique value propositions to meet the changing market needs and demands for increased productivity and automation. We are also looking at how we can capitalise on data analytics to grow our business.

Our ability to offer feasible and innovative solutions as well as a broader scope of consultancy services will underscore our operations alongside the delivery of greater value-add to all our stakeholders; from our clients, our employees, our investors to our regulators.

Whilst the PLD segment will remain the key driver of profit for DBhd over the long-term, we continue to be selective with development projects as the property market recovers. We foresee IFM segment to predominantly generate larger growth opportunities for DBhd, countering the effects of the softer property market. Through our expansion of tech-based solutions, we are also looking at ways to address rising manpower and maintenance costs in view of the 4th industrial revolution by advancement in automation to improve our operational efficiency and reduce dependency on labour intensive work approach.

On the PMC front, we are combining strengths with PLD to expand our consultancy services beyond the healthcare sector to specialised development projects such as hospital planning, development and construction which will diversify income streams as well as support the Group's property projects.

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND THREE MONTHS ENDED 31 MARCH 2019.

B3 CURRENT YEAR'S PROSPECTS (CON'T)

a) Property and Land Development Activities

Our outlook for the property market in Malaysia will remain cautious in view of current stagnation as the property market recover. Meanwhile amid the slower property market, we remain focused on selecting only property projects that can improve the Group's margins, cash flow and bottom-line performance. We believe that opportunities still remain in untapped segments of the market and there is strong genuine demand for affordable homes with good location and infrastructure, close to economic growth areas. With this in mind, marketing our current property projects will be one of our key priorities.

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 within 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

As we continue our transformation to become the Preferred Assets and Facilities Management Solutions Provider in the industry, we are exploring ways to harness and develop related and complementary facility management services beyond our core engineering service provider – such as our own in-house cashless payment solution as well as automated centralised system – making DBHD a one-stop-shop for IFM services. We aim to do this with minimal capital expenditure and an asset-light approach.

We have successfully developed and delivered our own in-house cashless payment solution as well as automated centralised system for Metro Parking car parks over the past few years. Recently, this cashless payment solution has been expanded for F&B payments as well as security management (i.e. operations and maintenance) for off-site and interconnecting facilities and utilities in the RAPID Executive Village and Management Office in Pengerang, Johor. Building on the success of our cashless payment solutions, moving forward, technology-based solutions will continue to be the key to enhancing and expanding our suite of IFM services as well as providing customisable solutions to meet our clients' needs and requirements.

c) Project Management Consultancy

Moving forward in 2019, we plan to broaden our offerings within the PMC segment beyond the healthcare sector to a wider sector including construction. Spearheaded by Damansara PMC Services Sdn Bhd ("DPMC"), we will grow our PMC segment by pairing strengths with PLD to focus on specialised projects especially in hospital and medical centre development. This is aimed at increasing and diversifying our income streams to ensure a more sustainable recurring revenue as well as to support the Group's property projects.

Backed by sound technical knowledge and expertise especially in the areas of hospital planning and construction, project management and technical consultancy, we will continue to pursue PMC projects more aggressively as we expand our offerings in the areas of construction and hospital management.

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 2019.

B4 PROFIT FORECAST/PROFIT GUARANTEE

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

B5 INCOME TAX EXPENSE

	Individual quarter		Cumulative quarter	
	Year	Year	Year	Year
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
	<i>RM'000</i>	<i>RM'000</i>	<i>RM'000</i>	<i>RM'000</i>
Current tax	1,227	1,383	1,227	1,383
	<u>1,227</u>	<u>1,383</u>	<u>1,227</u>	<u>1,383</u>

B6 STATUS OF CORPORATE PROPOSAL

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

Since the last quarter report ended 20 February 2019, there was no issuance of securities in 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 2019.

B7 BORROWINGS AND DEBT SECURITIES

As at 1st quarter ended 31 March 2019						
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	2,145	2,481	-	178	2,145	2,659
Bank Overdraft	-	-	-	3,094	-	3,094
Hire purchase	1,490	758	525	1,099	2,015	1,857
Unsecured						
Advanced from shareholder of a subsidiary	-	-	-	1,805	-	1,805
Advanced from shareholder	-	-	-	2,097	-	2,097
Total	3,635	3,239	525	8,273	4,160	11,512

As at 1st quarter ended 31 March 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						
Bank Overdraft	-	-	-	3,595	-	3,595
Term Loan	3,333	2,762	-	177	3,333	2,939
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

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 2019.

B8 DERIVATIVES

During FY2019, 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 20 February 2019, the following are the changes:

a) Bungsar Hill Holdings Sdn Bhd ("BHH") v Damansara Realty Berhad

On 4 February 2016, The Federal Court ("FC") registrar fixed the matter for Hearing on 12 May 2016. The FC on 12 May 2016 granted BHH's leave to appeal on one single question on law only pertaining to the payment of interest on a land acquisition's compensation monies. 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 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 FC directed the parties to file their written submissions and bundle of authorities on or before 10 May 2018 and fixed the Hearing date of the appeal proper on 24 May 2018.

On 24 May 2018, the case proceeded with the Hearing of the Appeal Proper in the FC. However, on 8 June 2018, the Chairman of the panel, Yang Arif Tan Sri Ahmad Bin Haji Maarop had recused himself from further hearing the appeal due to a conflict of interest. As such, the matter was then fixed for case management on 28 June 2018 pending the empanelling of a new Chairman.

Upon the empanelling of a new panel of judges chaired by the Chief Justice, YAA Tan Sri Datuk Sri Panglima Richard Malanjum, a Re-Hearing was then fixed on 2 October 2018 where the Federal Court heard the submissions by the parties.

On 13 March 2019, the FC delivered their Decision in favour of DBhd and dismissed BHH's appeal with cost of RM30,000.00 to be paid by BHH to DBhd.

The FC, in delivering their judgment, held that the Court recognizes only the late payment charges under the Land Acquisition Act 1960 ("LAA"), but does not recognize interest which was sought by BHH, on the grounds that the imposition of interest as a liability is not in tandem with the spirit and intention of the LAA. The interest amount which was sought by BHH is estimated to be approximately RM8.0 million.

b) Om Cahaya Mineral Asia Berhad ("OmC/Plaintiff") v Damansara Realty (Pahang) Sdn. Bhd. ("DRP/Defendant")

This case is concerning a legal suit filed by OmC against DRP for unlawful termination of contract in relation to their alleged appointment to carry out mining works at DRP's land in Kuantan, Pahang.

On KLHC's Trial Decision

The KLHC had proceeded with Full Trial of the case on 24 May 2018, 28 May 2018, 8 June 2018 and 2 July 2018 wherein the parties had called their witnesses to Court/KLHC & closed its case thereafter.

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 2019.

B10 CHANGES IN MATERIAL LITIGATION (Con't)

b) **Om Cahaya Mineral Asia Berhad ("OmC/Plaintiff") v Damansara Realty (Pahang) Sdn. Bhd. ("DRP/Defendant") (con't)**

On KLHC's Trial Decision (con't)

During the Clarification and Decision in the KLHC on 19 October 2018, the judge, YA Dato' Nik Hasmah Nik Mohamad, had decided as follows:-

- (i) that the Court dismissed the OmC's claim for loss of profit in the sum of USD85 million (RM366,656,000.00 as at the date of the summons);
- (ii) that the Court dismissed the OmC's claim for specific performance of the contract;
- (iii) that the Court declared that the termination of the Agreement was unlawful;
- (iv) that the Court has ordered the special damages being the purported wasted expenditure claimed by the OmC to be fixed for assessment based on the documents and any other evidences produced during the trial; and
- (v) since there was no claim by the OmC for general damages, the Court did not award any damages to the OmC apart from the special damages which must be proven by the OmC during the assessment proceedings as mentioned above.

(the Decision above will be referred to as the "Trial Decision")

On Appeal against KLHC's Trial Decision ("Appeal 1")

Following the KLHC Trial Decision on 19 Oct 2018, DRP had filed an appeal in the Court of Appeal ("COA") 5 November 2018. During the COA case management on 10 December 2018, DRP had updated the COA on the status of the Record of Appeal and the Grounds of Judgment ("GOJ") which is still pending in the KLHC.

The COA then directed the parties to update the Court on the status of filing of the Record of Appeal and the release of the GOJ during the case management on 31 January 2019, which was later postponed to 23 May 2019.

On KLHC's Assessment of Damages

On 5 November 2018, the KLHC held that the special damages as mentioned in item (iv) of the Trial Decision, which is to be assessed by the KLHC would be limited to the wasted expenditure as pleaded by OmC in the Statement of Claim.

On 29 March 2019, the KLHC delivered their Decision on the Assessment of Special Damages and awarded RM10.8 million to OmC, taking the contract sum as the basis for her assessment of the special damages ("Assessment Decision").

DRP has then filed an appeal against the Assessment Decision to the COA ("Appeal 2") on 8 April 2019, and an Application of Stay of Execution of Assessment Decision ("Stay Application") on 9 April 2019.

On Stay Application on KLHC's Assessment Decision

The KLHC called the parties for a case management on 16 April 2019 for the Stay Application whereby the KLHC directed the parties to file their affidavits and written submissions accordingly. The KLHC fixed the final Case Management on 16 May 2019 for the parties to comply with directions given, and the Hearing date on 27 May 2019 before the Judge to hear the Stay Application.

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 2019.

B10 CHANGES IN MATERIAL LITIGATION (Con't)

c) Express Rail Link Sdn Bhd ("ERL/Plaintiff") v Semasa Parking Sdn Bhd ("SPSB/Defendant") & Metro Parking (M) Sdn Bhd ("MPM/Third Party")

On 1 November 2018, MPM was served with a Third-Party Notice dated 31 October 2018 pertaining to a Kuala Lumpur High Court ("Court") legal suit between ERL and SPSB over a dispute on the alleged outstanding profit-sharing amount within the period from January 2013 to June 2014.

The Third-Party Notice was filed by SPSB who is seeking for indemnification from the MPM over ERL's claim, in the event the Court finds SPSB liable.

MPM had filed their Memorandum of Appearance in the Court on 13 November 2018.

During the Case Management on 10 December 2018, the Court had directed all parties to update the Court on (i) the close of pleadings, and (ii) any interlocutory application filed by the parties prior to the closing of the pleading, during the Case Management which is fixed on 11 February 2019.

On 11 February 2019, the Court had directed (i) SPSB to file and serve its Statement of Reply, if any; (ii) the parties to file all interlocutory application, if any; and (iii) for the parties to update any amicable settlement reached, if any. The Court then fixed another Case Management on 27 March 2019 for the parties to update on the status of the said directions.

On 27 March 2019, the parties informed the Court on their ongoing attempts for a settlement meeting.

MPM recorded their intention to file an application for a dismissal of action under Order 33 rule 5 of the Rules of Court 2012 ("the O33 application"). MPM also informed the Court that they are receptive to the settlement meeting on a without prejudice basis.

As such, the Court has fixed another case management date on 10 April 2019 for the parties to comply with the Court directives and to update (i) the status of the settlement meeting; (ii) parties to finalize all of the pre-trial documents by 10 April 2019; and (iii) MPM to file and serve the O33 application by 10 April 2019.

On 10 April 2019, the Court directed the parties to compile, among others, the List of Witnesses, the Common Bundle of Documents, and the Common Summary of Facts by 24 April 2019 and for MPM to file and serve their O33 Application by 24 April 2019. The Court then fixed the next case management date on 7 May 2019 for the parties to update on the direction given.

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 2019.

B11 DIVIDEND

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

B12 EARNINGS PER SHARE ("EPS")

	<u>Cumulative 3 months</u>	
	<u>Current Quarter</u>	<u>Preceding Year Quarter</u>
	31-Mar-19	31-Mar-18
a) Basic EPS		
Net profit attributable to ordinary shareholders (RM'000)	1,797	1,738
Weighted average number of ordinary shares in issue ('000)	318,371	318,371
Basic earnings per ordinary share (sen)	0.56	0.55

Basic earnings per share is calculated by dividing the net 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 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

14 May 2019