

DAIMAN DEVELOPMENT BERHAD

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
For the Quarter Ended 31 December 2013

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR	PRECEDING YEAR CORRESPONDING	CURRENT YEAR	PRECEDING YEAR CORRESPONDING
	2ND QTR	2ND QTR	CUM 2 QTRS	CUM 2 QTRS
	FY2014	FY2013	FY2014	FY2013
	RM'000	RM'000	RM'000	RM'000
<b>Continuing Operations</b>				
Revenue	40,576	46,285	68,597	91,243
Operating expenses	(32,333)	(36,969)	(58,390)	(72,562)
Other operating income	3,041	4,383	42,564	6,799
Profit from operations	11,284	13,699	52,771	25,480
Investing results	8	1,723	2,215	3,961
Profit before tax from continuing operations	11,292	15,422	54,986	29,441
Taxation	(3,620)	(3,848)	(14,763)	(7,678)
Net profit for the period from continuing operation	7,672	11,574	40,223	21,763
<b>Other Comprehensive Income:</b>				
Currency translation differences	1,371	(123)	3,491	(3,360)
Other comprehensive income for the year	1,371	(123)	3,491	(3,360)
Total comprehensive income for the year	9,043	11,451	43,714	18,403
Profit attributable to:				
Owners of the parent	7,672	11,574	40,223	21,763
Minority Interest	-	-	-	-
	7,672	11,574	40,223	21,763
Total comprehensive income attributable to:				
Owners of the parent	9,043	11,451	43,714	18,403
Minority Interest	-	-	-	-
	9,043	11,451	43,714	18,403
Earning per share (sen)				
Basic	3.64	5.50	19.10	10.33
Diluted	3.64	5.50	19.10	10.33

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements)

DAIMAN DEVELOPMENT BERHAD

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
As At 31 December 2013

	AS AT END OF CURRENT QUARTER 31/Dec/2013	AS AT PRECEDING FINANCIAL YEAR END 30/Jun/2013
	RM'000	RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	248,229	194,040
Investment properties	281,305	279,880
Land held for property development	390,078	389,780
Other investments	29,111	29,111
Investment in Joint Venture	37,831	-
Deferred tax assets	10,597	9,989
	<u>997,151</u>	<u>902,800</u>
<b>CURRENT ASSETS</b>		
Property development costs	99,250	82,182
Inventories	1,678	4,045
Trade receivables	50,521	54,862
Other receivables	9,357	3,739
Prepayment	7,672	8,010
Tax recoverable	1,758	1,179
Other investments	63,724	96,327
Fixed Deposits	22,126	26,038
Cash and bank balances	83,048	109,837
	<u>339,134</u>	<u>386,219</u>
<b>TOTAL ASSETS</b>	<b><u>1,336,285</u></b>	<b><u>1,289,019</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>		
Share capital	212,192	212,192
Reserves		
- Treasury shares	(2,476)	(2,473)
- Capital Redemption Reserve	23,064	23,064
- Revaluation reserve	119,186	119,298
- Foreign exchange reserve	(776)	(4,267)
- Fair value adjustment reserve	(1,736)	(1,736)
- Retained earnings	705,449	684,066
<b>TOTAL EQUITY</b>	<b><u>1,054,903</u></b>	<b><u>1,030,144</u></b>
<b>NON-CURRENT LIABILITIES</b>		
Provision for foreseeable losses for affordable housing	146,411	146,411
Deferred tax liabilities	34,660	25,808
Retirement Benefit Obligations	831	786
	<u>181,902</u>	<u>173,005</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	28,574	24,625
Other payables	28,996	20,982
Tax payable	41,910	40,263
	<u>99,480</u>	<u>85,870</u>
<b>TOTAL LIABILITIES</b>	<b><u>281,382</u></b>	<b><u>258,875</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>1,336,285</u></b>	<b><u>1,289,019</u></b>
<b>Net assets per share</b>		
Net assets	1,054,903	1,030,144
Share capital (unit)		
Number of ordinary shares in issue	212,192	212,192
Less: Cumulative number of treasury shares	(1,610)	(1,609)
	<u>210,582</u>	<u>210,583</u>
Net assets per share (RM)	5.01	4.89

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements)

**DAIMAN DEVELOPMENT BERHAD**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

For the 6 Months Period Ended 31 December 2013

	Share Capital RM'000	Treasury Shares RM'000	Capital Redemption Reserve RM'000	Revaluation Reserve RM'000	Foreign Exchange Reserve RM'000	Retained Earnings RM'000	Fair Value Adjustment Reserve RM'000	Total RM'000
At 1 July 2013	212,192	(2,473)	23,064	119,298	(4,267)	684,066	(1,736)	1,030,144
Realisation of revaluation surplus due to sales of property	-	-	-	(112)	-	112	-	-
Currency translation differences	-	-	-	-	3,491	-	-	3,491
Net income/(expense) not recognised in the income statement	-	-	-	(112)	3,491	112	-	3,491
Net profit for the period	-	-	-	-	-	40,223	-	40,223
Total comprehensive income	-	-	-	(112)	3,491	40,335	-	43,714
Dividends on ordinary shares	-	-	-	-	-	(18,952)	-	(18,952)
Acquisition of treasury shares	-	(3)	-	-	-	-	-	(3)
At 31 December 2013	212,192	(2,476)	23,064	119,186	(776)	705,449	(1,736)	1,054,903

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements)

**DAIMAN DEVELOPMENT BERHAD**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

**For the 6-Month Period Ended 31 December 2013**

	31 December 2013	31 December 2012
	RM'000	RM'000
<u>Cash Flows from Operating Activities</u>		
Profit before tax	54,986	29,441
Adjustments for non-cash flow:		
Non-cash items	(36,765)	(21)
Interest income	(818)	(869)
Operating profit before changes in working capital	<u>17,403</u>	<u>28,551</u>
Changes in working capital:		
Net change in current assets	(17,477)	3,427
Net change in current liabilities	11,963	4,976
Cash generated from/(used in) operations	<u>11,889</u>	<u>36,954</u>
Payment of retirement benefits	(44)	(50)
Tax paid	(5,463)	(6,151)
Tax refund	11	16
Interest received	64	266
Net cash flows from/(used in) operating activities	<u>6,457</u>	<u>31,035</u>
<u>Cash Flows from Investing Activities</u>		
Purchase of property, plant and equipment	(56,681)	(2,492)
Disposal of property, plant and equipment	206	250
Addition of Investment Properties	(1,197)	(6,795)
Disposal of investment properties	-	1,808
Acquisition of investments	(65,543)	(83,781)
Disposal of investments	101,063	6,177
Interest received	755	603
Other investing activities	(296)	(1,614)
Net cash generated from/(used in) investing activities	<u>(21,693)</u>	<u>(85,844)</u>
<u>Cash Flows from Financing Activities</u>		
Acquisition of treasury shares	(3)	(2)
Dividends paid	(18,952)	-
Net cash generated from/(used in) financing activities	<u>(18,955)</u>	<u>(2)</u>
Net change in Cash & Cash Equivalents	(34,191)	(54,811)
Cash & Cash Equivalents at beginning of year	135,874	119,421
Effect of changes in foreign currency	3,491	(3,360)
Cash & Cash Equivalents at end of year	<u>105,174</u>	<u>61,250</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)

## DAIMAN DEVELOPMENT BERHAD

### NOTES TO THE INTERIM FINANCIAL STATEMENTS

#### PART A : EXPLANATORY NOTES PURSUANT TO FRS 134

##### 1. Basis of Preparation

The interim financial statements of the Company have been prepared on a historical cost basis, except for freehold land and buildings included under property, plant and equipment and investment properties that have been measured at their fair value.

The interim financial statements are unaudited and have been prepared in compliance with the requirements of FRS 134: Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2013. These explanatory notes attached to the interim financial statements explains the changes in the financial position and performance of the Group since the year ended 30 June 2013.

##### 2. Significant Accounting Policies

###### 2.1 Changes in accounting policy and effects arising from adption of new FRS

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 June 2013 except for the adoption of the following new Financial Reporting Standard ("FRS") effective for financial year beginning 1 July 2013:

- FRS 10 Consolidated Financial Statements
- FRS 11 Joint Arrangements
- FRS 12 Disclosure of interests in Other Entities
- FRS 13 Fair Value Measurement
- FRS 119 Employee Benefits
- FRS 127 Separate Financial Statements
- FRS 128 Investment in Associate and Joint Ventures
- IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine
- Amendments to FRS 1: Government Loans
- Amendments to FRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 10, FRS 11 and FRS 12

Adoption of the above standards and interpretations did not have any significant effect on the financial performance or position of the Group and the Company except for those discussed below:

###### FRS 12 Disclosure of interests in Other Entities

FRS 12 includes all disclosure requirements for interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group's financial position or performance.

###### FRS 13 Fair Value Measurement

FRS 13 establishes a single source of guidance under FRS for all fair value measurements. FRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under FRS when fair value is required or permitted. The Group is currently assessing the impact of adoption of FRS13.

# DAIMAN DEVELOPMENT BERHAD

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### PART A : EXPLANATORY NOTES PURSUANT TO FRS 134

#### 2.2 Standards and interpretations issued but not yet effective

The following which are effective for financial periods beginning on or after 1 January 2014, have not been applied:

- Amendments to FRS 132 Financial Instruments: [Presentation Improvements to FRSs (2012)]
- Amendments to FRS 134 Interim Financial Reporting [Improvements to FRSs (2012)]
- FRS 9 Financial Instruments

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application, except as disclosed below:

#### Malaysian Financial Reporting Standards (MFRS Framework)

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 referred as "Transitioning Entities"). The adoption of the MFRS Framework by Transitioning Entities is deferred by another year and hence, will be mandatory only for annual financial period beginning on or after 1 January 2015.

The Group will present its first financial statements in accordance with the MFRS Framework for the financial year beginning on 1 July 2015. The Group is currently in the process of determining the impact arising from the initial application of MFRS Framework. Before the effective date, the Group will continue to prepare its financial statement in accordance with the FRS framework.

#### 3. Nature and Amount of Unusual Items

There were no unusual item or transaction reported for the financial period ended 31 December 2013.

#### 4. Changes In Estimates

There were no material effect on changes in estimates in the current financial quarter under review.

#### 5. Seasonal or Cyclical Factors

The Group's core business comprises property developments and property investments which are not seasonal but cyclical in nature.

#### 6. Dividends Paid

<u>Dividend Number</u>	<u>Dividend Type</u>	<u>Dividend Rate</u>	<u>Financial Year</u>	<u>Date Paid</u>	<u>Dividend Amount</u> (RM)
No. 22	Final	12 sen less 25% tax	30-Jun-2013	30-Dec-2013	<u>18,952,362</u>

## DAIMAN DEVELOPMENT BERHAD

### NOTES TO THE INTERIM FINANCIAL STATEMENTS

#### PART A : EXPLANATORY NOTES PURSUANT TO FRS 134

##### 7. Issuance and Repayment of Debts and Equity Securities

There were no issuances, repurchases, resale and repayments of debt and equity securities for the financial period ended 31 December 2013 except for the following:

###### Shares Buy-back

1,000 ordinary shares were bought-back from the open market at an average price of RM3.34 per share during the 6-month financial period ended 31 December 2013. The total consideration paid for the purchase including transaction costs was RM3,335 and this was financed by internally generated funds.

The shares bought-back, other than those previously cancelled, are held as treasury shares in accordance with Section 67A of the Companies Act 1965.

##### 8. Segmental Reporting

Segment information for the 6-month financial period ended 31 December 2013 :-

	Profit/(Loss)	
	Revenue	Before Taxation
	RM'000	RM'000
Analysis by industry :		
Property development	47,405	57,815
Property investment	4,226	(722)
Non-property investment	49	(222)
Trading	11,905	915
Leisure and recreation	4,392	(108)
Hospitality	-	(2,763)
Others	620	71
	<u>68,597</u>	<u>54,986</u>

##### 9. Valuation of Property, Plant & Equipment

There were no amendments to the valuation of property, plant and equipment brought forward from the previous annual financial statements.

##### 10. Subsequent Material Events

On 30th December 2013, the Company entered into a Sale of Shares Agreement to acquire 1,200,000 ordinary shares of RM1.00 each, representing 100% equity interest of Sin Yue Holdings Sdn Bhd for cash consideration of RM33,095,247.41 ("the Acquisition").

On 19 February 2014, the Company entered into a Supplemental Agreement with the vendors to vary certain terms and conditions of the abovementioned Sale of Shares Agreement.

Upon completion of the Acquisition, the Company through Sin Yue Holdings Sdn Bhd will have ownership of the agricultural land held Geran 80055 Lot 1460 in Mukim Sedenak, Daerah Johor Bahru, Negeri Johor measuring 128.7857 hectares or 13,862,355 square feet in area by completing the sale and purchase agreement entered into between Sin Yue Holdings Sdn Bhd and Mainlink Corporation Sdn Bhd.

**DAIMAN DEVELOPMENT BERHAD**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**PART A : EXPLANATORY NOTES PURSUANT TO FRS 134**

**11. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the current financial quarter ended 31 December 2013.

**12. Contingent Liabilities and Contingent Assets**

The Group does not have any material contingent liabilities and contingent assets as at 31 December 2013.

## DAIMAN DEVELOPMENT BERHAD

### NOTES TO THE INTERIM FINANCIAL STATEMENTS

#### PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BMSB

##### 1. Performance Review

###### Revenue Review

The Group's revenue for the current financial quarter under review was RM40,576,000 compared to RM46,285,000 in the corresponding financial quarter of the preceding year.

The lower revenue in the current financial quarter under review was mainly due to lower property development revenue in Taman Gaya.

The Group's revenue for the 6-month financial period ended 31 December 2013 was RM68,597,000 compared to RM91,243,000 for the 6-month ended 31 December 2012. The decrease was mainly due to the lower property sales in Taman Gaya and also in Taman Perindustrian Murni Senai.

###### Profit Review

The Group's profit before tax for the current financial quarter under review was RM11,292,000 compared to RM15,422,000 in the corresponding financial quarter of the preceding year.

The decrease in the Group's profit before tax was mainly due to lower profit from the property development business from lower sales.

The Group's profit before tax for the 6-months financial period ended 31 December 2013 was RM54,986,000 compared to RM29,441,000 for the 6-months ended 31 December 2012.

The increase in the Group's profit before tax was mainly due to the gain arising from the accounting for the 12.3 acres land to be jointly developed pursuant to the joint venture agreement with Rainbow Crest Sdn Bhd, partially offset by lower profit from the property development business from lower sales.

##### 2. Comparison with Immediate Preceding Quarter's Profit Before Tax

The Group's profit before tax for the current financial quarter under review was RM11,292,000 compared to RM43,694,000 in the immediate preceding financial quarter.

The decrease in the Group's profit before tax came mainly from the accounting for the 12.3 acres land in the immediate preceding financial quarter pursuant to the joint venture agreement with Rainbow Crest Sdn Bhd, and the higher profit from the property development business from higher property sales in Taman Gaya in the current financial quarter.

##### 3. Commentary on Prospects

The Board is confident that, barring unforeseen circumstances, the financial results of the Group for the financial year ending 30 June 2014 will be satisfactory.

##### 4. Profit Forecast

Not applicable.

# DAIMAN DEVELOPMENT BERHAD

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BMSB

#### 5. Notes to the Statement of Comprehensive Income

	FY2014	
	2ND QTR	CUM 2 QTRS
	RM'000	RM'000
(a) Interest income	461	818
(b) Other income including investment income	505	2,202
(c) Interest expense	N/A	N/A
(d) Depreciation and amortization	(1,103)	(2,254)
(e) Provision for and write off of receivables	N/A	N/A
(f) Provision for and write off of inventories	N/A	N/A
(g) Gain on disposal of quoted or unquoted investments or properties	2,908	3,027
(h) Impairment of assets	N/A	N/A
(i) Foreign exchange loss	N/A	N/A
(j) Gain or loss on derivatives	N/A	N/A
(k) Exceptional items	N/A	N/A

N/A - Not applicable

#### 6. Taxation

	FY2014	
	2ND QTR	CUM 2 QTRS
	RM'000	RM'000
Current year provision	4,420	6,519
Deferred taxation	(800)	8,244
	<u>3,620</u>	<u>14,763</u>

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% on the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

#### 7. Status of Corporate Proposals

##### (a) Status of Corporate Proposals

There is no announced corporate proposal which is not completed as at the date of this Quarterly Report.

##### (b) Status of Utilisation of Proceeds

Not applicable.

#### 8. Group Borrowings and Debt Securities

There were no Group borrowings and debt securities as at the end of the financial quarter ended 31 December 2013.

#### 9. Off Balance Sheet Financial Instruments

There is no financial instrument with off balance sheet risk as at the date of this Quarterly Report.

#### 10. Material Litigation

There is no pending material litigation as at the date of this Quarterly Report.

**DAIMAN DEVELOPMENT BERHAD**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BMSB**

**11. Dividend**

No dividend has been declared for the current financial quarter ended 31 December 2013.

**12. Earnings Per Share**

The basic and diluted earnings per share have been calculated based on the consolidated net profit after tax for the financial period by using the weighted average number of ordinary shares in issue during the financial period.

	RM'000
Net profit after tax	<u>40,223</u>
Weighted average number of ordinary shares:	
Number used in calculation of basic & diluted earnings per share	<u>210,583</u>
Basic earnings per share (sen)	<u>19.10</u>
Diluted earnings per share (sen)	<u>19.10</u>

**PART C : DISCLOSURE OF REALISED AND UNREALISED PROFITS OR LOSSES**

Summary of the Realised and Unrealised Profits or Losses for the current quarter and immediate preceding quarter is as follows:

	As at 31/12/2013 RM'000	As at 30/9/2013 RM'000
Total retained profits of the Group		
- Realised	630,079	640,414
- Unrealised	<u>156,275</u>	<u>157,889</u>
	786,354	798,303
Consolidation adjustments	<u>(80,905)</u>	<u>(81,652)</u>
Total Group retained profits as per consolidated accounts	<u>705,449</u>	<u>716,651</u>

**By Order of the Board**  
**WOO MIN FONG (MS)**  
**Company Secretary**  
**Johor Bahru**  
**25 February 2014**