

RESULTS FOR ANNOUNCEMENT TO THE MARKET

AS AT 30 JUNE 2013

1. Results for Announcement to the Market

Reporting Period: Year ended 30 June 2013
Previous Corresponding Period: Year ended 30 June 2012

	Current period \$	% change increase
Revenue from ordinary activities	18,668,645	54%
Profit from ordinary activities after tax attributable to members	7,026,197	41%
Net profit for the period attributable to members of the parent	7,026,197	41%

2. Dividend Information

The directors do not recommend the payment of a dividend in relation to the financial year ended 30 June 2013 (2012: Nil)

3. Net Tangible assets per share

	Current period \$	Previous period \$
Net tangible asset backing per ordinary share	0.11	2,472

Net tangible asset backing per ordinary share is calculated using 371,719,896 shares as at 30 June 2013 (2012: 3000)

4. Details of Joint Venture Entities

Name of Joint Venture Company			2013 % holding	2012 % holding
	Lao Cai International Hotel Joint Venture Company		75%	75%
	2013 \$ Profit	2012 \$ Profit	2013 % of profits	2012 % profits
	8,068,142	6,665,101	75%	75%

5. Details of entities over which control was gained.

Name of Entity	Date of gain of Control
Two Way limited [^]	1 February 2013
Isentric Sdn Bhd	1 June 2013

[^] Under Australian Accounting Standard AASB3, Two Way Limited is deemed to have been acquired by Donaco Singapore Pte Ltd, under the reverse acquisition rules.

**DONACO INTERNATIONAL LIMITED
&
CONTROLLED ENTITIES**

ABN 28 007 424 777

ASX PRELIMINARY FINAL REPORT

30 JUNE 2013

Lodged with the ASX under Listing Rule 4.3.A

This information should be read in conjunction with the 30 June 2013 Annual Report

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2013 and any public announcements made by Donaco International Limited during the interim reporting period, in accordance with the continuous disclosure requirements of the Corporations Act 2001.

CORPORATE INFORMATION

AS AT 30 JUNE 2013

NAME	DONACO INTERNATIONAL LIMITED
ABN	28 007 424 777
ASX	DNA
DIRECTORS	Stuart James McGregor Joey Lim Keong Yew Benedict Paul Reichel Benjamin Lim Keong Hoe Gerald Nicholas Tan Eng Hoe Mak Siew Wei
COMPANY SECRETARY	Mr Benedict Paul Reichel
REGISTERED OFFICE	Donaco International Limited Suite 2.02 55 Miller Street Pymont NSW 2009
BANKERS	Bankwest PO Box E237 Perth WA 6841
SHARE REGISTER	Boardroom Pty Limited Level 7, 207 Kent Street Sydney NSW 2000
AUDITORS	William Buck Level 29 66 Goulburn Street Sydney NSW 2000

**CONSOLIDATED STATEMENT OF
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
AS AT 30 JUNE 2013**

	Note	2013 \$	2012 \$
Revenue	5.1	15,671,759	11,121,438
Other income	5.1	2,996,886	975,978
Cost of sales		(1,020,377)	(551,468)
Employee benefits expense		(3,355,096)	(1,508,941)
Depreciation, amortisation and impairment		(265,554)	(211,126)
Property costs		(441,327)	(277,737)
Marketing and promotions		(252,544)	(63,459)
Professional & consultants		(318,995)	(23,101)
Legal & compliance		(244,638)	(186)
Telecoms & hosting Costs		(216,627)	(75,857)
Other expenses		(842,665)	(457,823)
Profit before income tax		11,710,822	8,927,714
Income tax expense	5.2	(2,667,590)	(2,254,206)
Net Profit after tax		9,043,232	6,673,508
Other Comprehensive Income		0	0
Total Comprehensive Income		9,043,232	6,673,508
Total Comprehensive Income for the year is attributable to:			
Equity Holders		7,026,197	5,000,327
Non controlling interest		2,017,035	1,673,181
Total Comprehensive income after non controlling interest		7,026,197	5,000,327
Earnings per share:			
Basic earnings per share (\$)	5.5	0.026	1,666.78
Diluted earnings per share (\$)	5.5	0.025	1,666.78

**CONSOLIDATED STATEMENT OF
FINANCIAL POSITION
AS AT 30 JUNE 2013**

	Note	2013 \$	2012 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5.4	29,404,205	10,356,152
Trade and other receivables		3,179,668	670,684
Inventories		225,210	109,940
Prepayments		36,997	396
Other current assets		108,464	66,847
Total Current Assets		32,954,544	11,204,019
Non Current Assets			
Property, plant and equipment		1,552,965	1,073,600
Intangible assets		9,796,836	0
Construction in progress		12,336,321	3,038,891
Prepayments		12,317,843	4,388,196
Other non current assets		215,453	224,470
Total Non -Current Assets		36,219,418	8,725,157
TOTAL ASSETS		69,173,962	19,929,176
LIABILITIES			
Current Liabilities			
Trade and other payables		11,447,235	8,818,170
Current tax liabilities		5,171,114	3,574,529
Provisions		457,147	120,697
Other current liabilities		63,043	0
Total Current Liabilities		17,138,539	12,513,396
Non Current Liabilities			
Other non current liabilities		32,969	0
Total Non Current Liabilities		32,969	0
TOTAL LIABILITIES		17,171,508	12,513,396
NET ASSETS		52,002,454	7,415,780
EQUITY			
Share Capital		34,692,937	1,619
Retained Earnings	5.6	12,745,582	5,707,548
Reserves		964,632	(276,544)
Outside Equity		3,599,303	1,983,157
TOTAL EQUITY		52,002,454	7,415,780

**CONSOLIDATED STATEMENT OF
 CHANGES IN EQUITY
 FOR THE YEAR ENDED 30 JUNE 2013**

	Contributed Equity	Reserves	Retained Earnings	Non Controlling Interest	Total
	\$	\$	\$	\$	\$
2013					
Balance 1 July 2012	1,619	(276,545)	5,707,548	1,983,158	7,415,780
Shares issued during the year	34,691,318	0	0	0	34,691,318
Current Year Profit	0	0	7,026,197	2,017,035	9,043,232
Employee share options lapsed	0	0	11,837	0	11,837
FX Reserve	0	1,241,177	0	333,599	1,574,776
Dividends paid	0	0	0	(734,489)	(734,489)
Balance at 30 June 2013	34,692,937	964,632	12,745,582	3,599,303	52,002,454
2012					
Balance 1 July 2011	1,619	0	707,221	1,023,900	1,732,740
Shares issued during the year	0	0	0	0	0
Current Year Profit	0	0	5,000,327	1,673,181	6,673,508
Employee share options lapsed	0	0	0	0	0
FX Reserve	0	(276,545)	0	21,994	(254,551)
Dividends paid	0	0	0	(735,917)	(735,917)
Balance at 30 June 2012	1,619	(276,545)	5,707,548	1,983,158	7,415,780

**CONSOLIDATED STATEMENT OF
CASH FLOWS
AS AT 30 JUNE 2013**

	Note	2013 \$	2012 \$
Cash flows from operating activities			
Receipts from Customers		28,432,419	19,139,269
Payments to suppliers and employees		(16,689,439)	(2,605,322)
Dividends Received		0	2,207,925
Interest Received		56,044	0
Government levies, gaming taxes and GST		(7,697,580)	(4,873,488)
Net cash inflow from operating activities		4,101,444	13,868,384
Cash flows from investing activities			
Purchase of property, plant and equipment		(9,581,060)	(7,091,309)
Disposal of investments		118,615	341,564
Loans to related parties		0	(1,663,497)
Net cash outflow used in investing activities		(9,462,445)	(8,413,242)
Cash flows from financing activities			
Proceeds from Equity raising		25,078,425	0
Equity raising expenses		(1,865,770)	0
Loans to related parties		0	65,415
Dividends paid by parent entity		(1,017,587)	(2,921,097)
Other		0	980
Net Inflow from financing activities		22,195,068	(2,854,700)
Net increase in cash and cash equivalents		16,834,067	2,600,442
Cash and cash equivalents at beginning of the year adj for controlled entities		12,570,137	7,755,710
Cash and cash equivalents at end of the year	5.4	29,404,205	10,356,152

NOTES TO THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
Note 5.1 Revenue		
Revenue from External Customers	15,671,760	11,121,440
Interest	865,980	361,244
Other Revenue	2,130,905	614,732
Total Revenue	18,668,645	12,097,416
Note 5.2 Income Tax Expense		
Prima facie income tax calculated on operating profit	(2,738,728)	(2,236,312)
Tax effect of:		
Non Deductible items	(40,210)	(18,592)
Non Assessable items	111,140	2,383
Prior period adjustments	208	(1,685)
Income Tax Expense	(2,667,590)	(2,254,206)
Note 5.3 Reconciliation of net profit after tax to net cash flow from investing activities		
Profit after income tax	9,043,232	6,673,508
Non-cash flows items		
Depreciation & amortisation	265,554	211,126
Exchange adjustments relating to capital raising	882,184	617,333
Interest Classified as Investing	(118,467)	(341,564)
Net gain on Sale of non current assets	(23,669)	0
Equity raising and investment costs included in trade creditors	17,600	633,953
Changes in assets and liabilities		
(Increase)/decrease in receivables	(2,508,984)	(384,241)
(Increase)/decrease in inventories	(115,270)	(2,927)
(Increase)/decrease in other assets	(7,998,848)	(34,068)
Increase/(decrease) in trade creditors and accruals	2,629,065	2,280,531
Current tax liabilities	1,596,585	1,890,741
Increase/(decrease) in provisions	432,462	2,323,990
Cash Flow from Operating Activities	4,101,444	13,868,384

NOTES TO THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
Note 5.4 Cash and Cash Equivalents		
Cash on hand	9,951,954	5,702,518
Cash at bank	12,050,857	2,846,390
Bank deposits with original maturities of less than 3 months	7,401,394	1,807,244
Cash and Cash Equivalents	<u>29,404,205</u>	<u>10,356,152</u>

Note 5.5 Earnings per Share

Net profit used in the calculation of basic EPS	7,026,197	5,000,327
Net profit used in the calculation of diluted EPS	7,026,197	5,000,327

	2013	2012
	Number	Number
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic EPS	277,827,871	3,000
Weighted average number of ordinary shares outstanding during the year used in the calculation of diluted EPS	285,216,632	3,000

	2013	2012
	\$	\$
Note 5.6 Accumulated Earnings		
Opening Balance	5,707,548	707,221
Current Year Profit	7,026,197	5,000,327
Lapsed Employee Share Options	11,837	0
Closing Balance	<u>12,745,582</u>	<u>5,707,548</u>

NOTES TO THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

Note 5.7 Audit

This Preliminary Final Report for the year ended 30 June 2013, is based on accounts which are currently being audited by the companies' independent external auditor William Buck.

6. Basis of Preparation of preliminary Final Report

This general purpose financial report, for the reporting period ended 30 June 2013 has been prepared in accordance with requirements of the Corporations Act 2001, applicable Accounting Standards and other mandatory reporting requirements.

The financial report complies with the Australian Accounting Standards, which include equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures the financial statements and notes thereto, complies with the International Financial Reporting Standards (IFRS).

This preliminary final report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2013 and any public announcements made by Donaco International Limited, during the reporting period, in accordance with the continuous disclosure requirements of the Corporations Act 2001.

This preliminary final report, including the commentary on Group results was approved pursuant to a resolution of the board of directors on 22nd August 2013.