



**TRUSTED AEROSOLS SINCE 1982**

**DPI HOLDINGS BERHAD**

**(Registration No. 201701035607)(1249778-M)**

**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 NOVEMBER 2022**

**16 January 2023**

**DPI HOLDINGS BERHAD**

(Registration No. 201701035607)(1249778-M)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 NOVEMBER 2022**

	Note	Quarter Ended			Year-To-Date Ended		
		Unaudited 30.11.2022	Unaudited 30.11.2021	Changes	Unaudited 30.11.2022	Unaudited 30.11.2021	Changes
		RM'000	RM'000	%	RM'000	RM'000	%
REVENUE	8	12,354	15,722	(21.4)	24,453	22,408	9.1
COST OF SALES		(9,554)	(10,963)	(12.9)	(19,046)	(15,916)	19.7
GROSS PROFIT		2,800	4,759	(41.2)	5,407	6,492	(16.7)
		23%	30%		22%	29%	
OTHER INCOME		263	274	(4.0)	589	537	9.7
		3,063	5,033	(39.1)	5,996	7,029	(14.7)
SELLING AND MARKETING EXPENSES		(565)	(444)	27.3	(1,042)	(624)	67.0
ADMINISTRATIVE EXPENSES		(1,990)	(1,841)	8.1	(3,970)	(3,353)	18.4
OTHER EXPENSES		139	49	183.7	135	22	513.6
NET IMPAIRMENT GAIN ON FINANCIAL ASSETS	9	-	(12)	(100.0)	-	33	(100.0)
FINANCE COSTS		(3)	-	-	(6)	(1)	500.0
PROFIT BEFORE TAXATION		644	2,785	(76.9)	1,113	3,106	(64.2)
		5%	18%		5%	14%	
INCOME TAX EXPENSES	28	(226)	(706)	(68.0)	(428)	(817)	(47.6)
PROFIT AFTER TAXATION		418	2,079	(79.9)	685	2,289	(70.1)
		3%	13%		3%	10%	
OTHER COMPREHENSIVE INCOME/(EXPENSE)							
<u>Items that will be Reclassified Subsequently to Profit or Loss</u>							
Foreign currency translation differences		23	(6)	(483.3)	22	(27)	(181.5)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD/YEAR		441	2,073	(78.7)	707	2,262	(68.7)
<b>PROFIT/(LOSS) AFTER TAXATION</b>							
<b>ATTRIBUTABLE TO:-</b>							
Owners of the Company		420	2,080	(79.8)	709	2,291	(69.1)
Non-controlling interest		(2)	(1)	100.0	(23)	(2)	1,050.0
		418	2,079	(79.9)	685	2,289	(70.1)
<b>TOTAL COMPREHENSIVE INCOME/(EXPENSE)</b>							
<b>ATTRIBUTABLE TO:-</b>							
Owners of the Company		443	2,074	(78.6)	709	2,264	(68.7)
Non-controlling interest		(2)	(1)	100.0	(2)	(2)	-
		441	2,073	(78.7)	707	2,262	(68.7)

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 NOVEMBER 2022**

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	<b>Quarter Ended</b>		<b>Year-To-Date Ended</b>	
	<b>Unaudited 30.11.2022</b>	<b>Unaudited 30.11.2021</b>	<b>Unaudited 30.11.2022</b>	<b>Unaudited 30.11.2021</b>
	<b>Sen per share</b>	<b>Sen per share</b>	<b>Sen per share</b>	<b>Sen per share</b>
EARNINGS PER SHARE ("EPS") ATTRIBUTABLE TO OWNERS OF THE COMPANY:				
Basic EPS	34	<u>0.06</u> <u>0.38</u>	<u>0.10</u> <u>0.42</u>	
Diluted EPS	34	<u>0.06</u> <u>0.38</u>	<u>0.10</u> <u>0.42</u>	

*The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 May 2022 and the accompanying explanatory notes attached to these interim financial statements.*

**DPI HOLDINGS BERHAD**  
(Registration No. 201701035607)(1249778-M)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 November 2022**

	Note	Unaudited As at 30.11.2022 RM'000	Audited As at 31.05.2022 RM'000
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	11	15,107	12,887
Right-of-use assets	12	4,958	5,096
Intangible asset	13	306	323
		20,371	18,306
<b>CURRENT ASSETS</b>			
Inventories		16,623	16,791
Trade receivables		8,604	7,135
Other receivables, deposits and prepayments		372	1,552
Current tax assets		2,261	1,390
Short-term investments		27,617	26,905
Fixed deposits with licensed banks		5,650	9,176
Cash and bank balances		9,081	10,866
		70,208	73,815
<b>TOTAL ASSETS</b>		90,579	92,121
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital		66,257	66,257
Merger deficit		(28,698)	(28,698)
Foreign exchange translation reserve		10	(1)
Retained profits		45,123	45,144
Equity attributable to owners of the Company		82,692	82,702
Non-controlling interest		102	125
<b>TOTAL EQUITY</b>		82,794	82,827
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	14	203	237
Deferred tax liabilities		58	58
		261	295
<b>CURRENT LIABILITIES</b>			
Trade payables		5,323	7,041
Other payables and accruals		2,073	1,845
Amount owing to a related party		42	11
Lease liabilities	14	86	102
		7,524	8,999
<b>TOTAL LIABILITIES</b>		7,785	9,294
<b>TOTAL EQUITY AND LIABILITIES</b>		90,579	92,121

**DPI HOLDINGS BERHAD**

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 November 2022**

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	<b>Unaudited As at 30.11.2022 RM</b>	<b>Audited As at 31.05.2022 RM</b>
<b>NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>0.11</b>	<b>0.17</b>

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*The above condensed consolidated statement of financial position should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 May 2022 and the accompanying explanatory notes attached to these interim financial statements.*

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR-TO-DATE ENDED 30 November 2022**

	Share Capital RM'000	Non- distributable Merger Deficit RM'000	Non- distributable Foreign Exchange Translation Reserve RM'000	Distributable Retained Profits RM'000	Total Shareholders' Equity RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
<b>At 31 May 2022 (Audited)/ 1 June 2022</b>	66,257	(28,698)	(1)	45,144	82,702	125	82,827
Profit after taxation for the financial year	-	-	-	709	709	(23)	686
Other comprehensive expense for the financial year: - Foreign currency translation differences	-	-	11	-	11	*	11
Total comprehensive (expense)/income for the financial year	-	-	11	709	720	(23)	697
Contribution by and distributions to owners of the Company: - Acquisition of a subsidiary - Dividends by the Company (Note 33)	-	-	-	- (730)	- (730)	-	- (730)
<b>At 30 November 2022 (Unaudited)</b>	<b>66,257</b>	<b>(28,698)</b>	<b>10</b>	<b>45,123</b>	<b>82,692</b>	<b>102</b>	<b>82,794</b>
<b>At 1 June 2021</b>	66,257	(28,698)	3	43,270	80,832	-	80,832
Profit after taxation for the financial period	-	-	-	2,291	2,291	(2)	2,289
Other comprehensive income for the financial period: - Foreign currency translation differences	-	-	(27)	-	(27)	-	(27)
Total comprehensive income for the financial period	-	-	(27)	2,291	2,264	(2)	2,262
Distributions to owners of the Company: - Acquisition of a subsidiary	-	-	-	-	-	16	16
<b>At 30 November 2021 (Unaudited)</b>	<b>66,257</b>	<b>(28,698)</b>	<b>(24)</b>	<b>44,466</b>	<b>82,001</b>	<b>14</b>	<b>82,015</b>

Note:

\* - less than RM1,000.

The above condensed consolidated statement of changes in equity should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 May 2022 and the accompanying explanatory notes attached to these interim financial statements.

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR-TO-DATE ENDED 30 November 2022**

	Note	Year-To-Date Ended	
		Unaudited 30.11.2022 RM'000	Unaudited 30.11.2021 RM'000
<b>CASH FLOWS FOR OPERATING ACTIVITIES</b>			
Profit before taxation		1,113	3,106
Adjustments for:-			
Amortisation of trademark		16	-
Cost of business combination written-off		-	22
Depreciation of right-of-use assets		164	103
Depreciation of property, plant and equipment		346	150
Gain on disposal of property, plant and equipment		(2)	-
Property, plant equipment written off		1	1
Interest expenses on lease liabilities		5	1
Interest income		(406)	(407)
Reversal of impairment losses on:			
- trade receivables		-	(33)
Unrealised (gain)/loss on foreign exchange		(7)	(32)
Operating profit before working capital changes		1,230	2,911
(Increase)/Decrease in inventories		168	(419)
(Increase)/Decrease in trade and other receivables		(328)	(865)
Decrease in trade and other payables		(1,495)	988
Increase/(Decrease) in amount owing to a related party		30	-
<b>CASH FOR OPERATIONS</b>		<b>(395)</b>	<b>2,615</b>
Income tax paid		(1,299)	(1,674)
<b>NET CASH FOR OPERATING ACTIVITIES</b>		<b>(1,694)</b>	<b>941</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>			
Interest income received		406	407
Acquisition of a subsidiary	16	-	19
Placement of fixed deposits with tenure more than 3 months		-	1,198
Purchase of property, plant and equipment		(2,567)	(2,906)
Proceeds from disposal of property, plant and equipment		2	-
<b>NET CASH FOR INVESTING ACTIVITIES</b>		<b>(2,159)</b>	<b>(1,282)</b>
<b>CASH FLOWS FOR FINANCING ACTIVITIES</b>			
Repayment of lease liabilities		(50)	(21)
Interest paid on lease liabilities		(5)	(1)
Dividends paid		(730)	(1,825)
<b>NET CASH FOR FINANCING ACTIVITIES</b>		<b>(785)</b>	<b>(1,847)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(4,638)</b>	<b>(2,188)</b>
<b>EFFECT OF FOREIGN EXCHANGE TRANSLATION</b>		<b>39</b>	<b>(44)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>		<b>46,947</b>	<b>42,902</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	17	<b>42,348</b>	<b>40,670</b>

Note:

\* - less than RM1,000.

The above condensed consolidated statement of cash flows should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 May 2022 and the accompanying explanatory notes attached to these interim financial statements.

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

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**1. BASIS OF PREPARATION**

These condensed consolidated financial statements ("Condensed Report") have been prepared in accordance with the Malaysian Financial Reporting Standard ("MFRS") 134 *Interim Financial Reporting*. The Condensed Report has been prepared under the historical cost convention and modified to include other bases of valuation as disclosed in section 2 below.

This Condensed Report has also been prepared in accordance with Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements").

This Condensed Report should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 May 2022 and the accompanying explanatory notes attached to these interim financial statements. These explanatory notes provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 May 2022.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of the Condensed Report are consistent with those used in the preparation of the Group's audited financial statements for the financial year ended 31 May 2022, except for the following:-

- 2.1 During the current financial period, the Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

**Effective for financial periods beginning on or after 1 January 2022**

Amendments to MFRS 3: Reference to the Conceptual Framework

Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use

Amendments to MFRS 137: Onerous Contracts - Cost of Fulfilling a Contract

Annual improvements to MFRS Standards 2018 - 2020

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group's financial statements.



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

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**2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

- 2.2 As at the date of the authorisation of this Condensed Report, the following Standards and Amendments to Standards have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective and have not been adopted by the Group. The Group expects that the adoption of the relevant pronouncements will not have any significant impact on the Group's financial statements.

**Effective for financial periods beginning on or after 1 January 2023**

MFRS 17 Insurance Contracts  
Amendments to MFRS 17 Insurance Contracts  
Amendments to MFRS 17, Initial Application of MFRS 17 and MFRS 9 - *Comparative Information*  
Amendments to MFRS 101: *Classification of Liabilities as Current or Non-current*  
Amendments to MFRS 101: Disclosure of Accounting Policies  
Amendments to MFRS 108: Definition of Accounting Estimates  
Amendments to MFRS 112: Deferred Tax Related to Assets and Liabilities arising from a Single Transaction

**Effective date of these Standards have been deferred, and yet to be announced**

Amendments to MFRS 10 and MFRS 128: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

**3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS**

The Group's business operations during the current financial quarter and year-to-date ended 30 November 2022 were not materially affected by any major seasonal or cyclical factors.

**4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial quarter and year-to-date ended 30 November 2022.

**5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES**

There were no changes in estimates that have any material effect during the current financial quarter and year-to-date ended 30 November 2022.

**DPI HOLDINGS BERHAD**

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**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134****6. DEBT AND EQUITY SECURITIES**

There were no issuances, repurchases and repayments of debt and equity securities, shares buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial quarter and year-to-date ended 30 November 2022.

**7. DIVIDENDS PAID**

In respect of the financial year ended 31 May 2022, a third interim dividend of 0.10 sen per share on 730,096,498 ordinary shares, amounted to RM730,096 was declared and paid on 28 July 2022 and 29 August 2022 respectively.

**8. REVENUE**

	Quarter Ended			Year-To-Date Ended		
	Unaudited	Unaudited	Changes	Unaudited	Unaudited	Changes
	30.11.2022	30.11.2021		30.11.2022	30.11.2021	
	RM'000	RM'000	%	RM'000	RM'000	%
Aerosol products	8,954	13,223	(32.3)	17,775	18,651	(4.7)
Solvents and thinners	3,240	2,499	29.7	6,420	3,757	70.9
Plastic products	160	-	100.0	258	-	100.0
	12,354	15,722	(21.4)	24,453	22,408	9.1

**9. NET IMPAIRMENT GAIN ON FINANCIAL ASSETS**

	Quarter Ended			Year-To-Date Ended		
	Unaudited	Unaudited	Changes	Unaudited	Unaudited	Changes
	30.11.2022	30.11.2021		30.11.2022	30.11.2021	
	RM'000	RM'000	%	RM'000	RM'000	%
Reversal of impairment losses	-	(12)	(100.0)	-	33	(100.0)
	-	(12)	(100.0)	-	33	(100.0)

**DPI HOLDINGS BERHAD**

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(Incorporated in Malaysia)

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134****10. SEGMENT INFORMATION**

There have been no changes in the basis of segmentation or in the basis of measurement of segment profit or loss from the last annual financial statements.

Business Segment

The Group's financial information analysed by business segment is as follows:-

	Quarter and Year-To-Date Ended														
	Aerosol products			Solvents and thinners			Plastic products			Others			Total		
	Unaudited 30.11.2022 RM'000	Unaudited 30.11.2021 RM'000	Changes %	Unaudited 30.11.2022 RM'000	Unaudited 30.11.2021 RM'000	Changes %	Unaudited 30.11.2022 RM'000	Unaudited 30.11.2021 RM'000	Changes %	Unaudited 30.11.2022 RM'000	Unaudited 30.11.2021 RM'000	Changes %	Unaudited 30.11.2022 RM'000	Unaudited 30.11.2021 RM'000	Changes %
<b>Revenue</b>															
External revenue (Note 8)	8,954	13,223	(32.3)	3,240	2,499	29.7	160	-	100.0	-	-	-	12,354	15,722	(21.4)
Inter-segment revenue	4,544	919	394.5	-	-	-	239	-	100.0	1,040	-	100.0	5,823	919	533.6
	13,498	14,142	(4.6)	3,240	2,499	29.7	399	-	100.0	1,040	-	100.0	18,177	16,641	9.2
Consolidated adjustments													(5,823)	(919)	533.6
Consolidated revenue													12,354	15,722	(21.4)
<b>Results</b>															
Segment profit before interest and taxation	1,576	473	233.2	110	(36)	(405.6)	(106)	-	100.0	(462)	2,348	(119.7)	647	2,785	(76.8)

**DPI HOLDINGS BERHAD**(Registration No. 201701035607)(1249778-M)  
(Incorporated in Malaysia)**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134****10. SEGMENT INFORMATION (CONT'D)**

	Aerosol products			Solvents and thinners			Plastic products			Others			Total		
	Unaudited	Audited	Changes	Unaudited	Audited	Changes	Unaudited	Audited	Changes	Unaudited	Audited	Changes	Unaudited	Audited	Changes
	30.11.2022	31.05.2022		30.11.2022	31.05.2022		30.11.2022	31.05.2022		30.11.2022	31.05.2022		30.11.2022	31.05.2022	
RM'000	RM'000	%	RM'000	RM'000	%	RM'000	RM'000	%	RM'000	RM'000	%	RM'000	RM'000	%	
<b>Assets</b>															
Segment assets	55,144	57,412	(4.0)	6,183	6,528	(5.3)	1,016	-	100.0	66,481	67,062	(0.9)	128,824	131,002	(1.7)
Unallocated assets:															
- current tax assets													2,261	1,390	62.7
Consolidated adjustments													(40,506)	(40,271)	0.6
Consolidated total assets													<u>90,579</u>	<u>92,121</u>	<u>(1.7)</u>
Addition to non-current assets other than financial instruments is:-															
Property, plant and equipment	2,050	6,470	(68.3)	-	86	(100.0)	557	-	100.0	(40)	-	-	2,567	6,556	(60.8)
Right-of-use assets (Note 12)	-	1,198	(100.0)	-	78	(100.0)	-	-	-	-	-	-	-	1,276	(100.0)
<b>Liabilities</b>															
Segment liabilities/															
Consolidated total liabilities	7,128	8,601	(17.1)	1,981	1,912	3.6	551.0	-	100.0	259	155	67.1	9,919	10,668	(7.0)
Unallocated liabilities:															
- deferred tax liabilities													58	58	-
- lease liabilities													289	339	(14.7)
Consolidated adjustments													(2,481)	(1,771)	40.1
Consolidated total liabilities													<u>7,785</u>	<u>9,294</u>	<u>(16.2)</u>

Geographical Information

Revenue is based on the country in which the customers are located.

Malaysia  
Outside Malaysia

	Quarter Ended			Year-To-Date Ended		
	Unaudited	Unaudited	Changes	Unaudited	Unaudited	Changes
	30.11.2022	30.11.2021		30.11.2022	30.11.2021	
RM'000	RM'000	%	RM'000	RM'000	%	
Malaysia	10,456	14,407	(27.4)	20,050	21,093	(4.9)
Outside Malaysia	1,898	1,315	44.3	4,403	1,315	234.8
	<u>12,354</u>	<u>15,722</u>	<u>(21.4)</u>	<u>24,453</u>	<u>22,408</u>	<u>9.1</u>

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

10. SEGMENT INFORMATION (CONT'D)

Non-current assets are determined according to the country where these assets are located. The amounts of non-current assets do not include financial instruments.

	Unaudited 30.11.2022 RM'000	Audited 31.5.2022 RM'000	Changes %
Malaysia	18,697	17,015	9.9
Singapore	1,674	1,291	29.7
	20,371	18,306	11.3

11. PROPERTY, PLANT AND EQUIPMENT

	Unaudited						
	At 1.6.2022 RM'000	Additions RM'000	Disposal RM'000	Written Off RM'000	Depreciation Charges RM'000	Foreign Translation RM'000	At 30.11.2022 RM'000
<i>Carrying Amount</i>							
Factory buildings	2,805	-	-	-	(38)	-	2,767
Machinery, factory and laboratory equipment	2,039	426	-	(1)	(145)	-	2,319
Renovation, office equipment, electrical, furniture and fittings	1,776	183	-	-	(139)	*	1,820
Motor vehicles	104	168	*	-	(24)	-	248
Capital work-in-progress	6,163	1,790	-	-	-	-	7,953
	12,887	2,567	-	(1)	(346)	-	15,107

	Audited						
	At 1.6.2021 RM'000	Acquisition of a subsidiary RM'000	Additions RM'000	Written Off RM'000	Depreciation Charges RM'000	Foreign Translation RM'000	At 31.5.2022 RM'000
<i>Carrying Amount</i>							
Factory buildings	2,881	-	-	-	(76)	-	2,805
Machinery, factory and laboratory equipment	1,623	-	609	(2)	(191)	-	2,039
Renovation, office equipment, electrical, furniture and fittings	163	9	1,673	(4)	(64)	(1)	1,776
Motor vehicles	86	-	43	-	(25)	-	104
Capital work-in-progress	1,933	-	4,230	-	-	-	6,163
	6,686	9	6,555	(6)	(356)	(1)	12,887

Note:

\* - less than RM1,000.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

12. RIGHT-OF-USE ASSETS

	Unaudited			
	At 1.6.2022 RM'000	Depreciation Charges RM'000	Foreign Translation RM'000	At 30.11.2022 RM'000
<i>Carrying Amount</i>				
Leasehold land	3,504	(84)	-	3,420
Buildings and office equipment	1,592	(80)	26	1,538
	5,096	(164)	26	4,958

	Audited					
	At 1.6.2021 RM'000	Addition RM'000	Depreciation Charges RM'000	Modification of Lease Liabilities RM'000	Foreign Translation RM'000	At 31.5.2022 RM'000
<i>Carrying Amount</i>						
Leasehold land	3,675	-	(171)	-	-	3,504
Buildings and office equipment	63	1,355	(102)	239	37	1,592
	3,738	1,355	(273)	239	37	5,096

- (a) The Group has reclassified the leasehold land and building used in its operations under MFRS 16 with lease terms ranging from 22 to 46 years.
- (b) The Group has lease contracts for office premises, warehouse and equipment used in its operations. Their lease term range from 2 months to 5 years.
- (c) The Group also has leases with lease terms of 12 months or less. The Group has applied the 'short-term lease' recognition exemptions for these leases.
- (d) The Group has several lease contracts that include extension and termination options. These options are negotiated by the management to provide flexibility in managing the portfolio of leased assets and to align with the Company's business needs. The management exercises judgement in determining whether these extension and termination options are reasonable to be exercised.

13. INTANGIBLE ASSET

	Unaudited			
	At 1.6.2022 RM'000	Addition RM'000	Depreciation Charges RM'000	At 30.11.2022 RM'000
<i>Carrying Amount</i>				
Trademark	323	-	(17)	306

	Audited			
	At 1.6.2021 RM'000	Addition RM'000	Depreciation Charges RM'000	At 31.5.2022 RM'000
<i>Carrying Amount</i>				
Trademark	-	325	(2)	323

The trademark acquired are initially capitalised at cost and are subsequently carried at cost less accumulated amortization. These costs are amortised to profit or loss using the straight-line method over 10 years.

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

**14. LEASE LIABILITIES**

	Unaudited 30.11.2022 RM'000	Audited 31.5.2022 RM'000	Changes %
At beginning of the year	339	69	391.3
Interest expenses recognised in profit or loss	5	11	(54.5)
Additions	-	79	(100.0)
Changes due to lease modification	-	259	(100.0)
Repayment of principal	(50)	(68)	(26.5)
Repayment of interest expense	(5)	(11)	(54.5)
At end of the year	<u>289</u>	<u>339</u>	<u>(14.7)</u>
Analysed by:-			
Current liabilities	86	102	(15.7)
Non-current liabilities	<u>203</u>	<u>237</u>	<u>(14.3)</u>
	<u>289</u>	<u>339</u>	<u>(14.7)</u>

**15. RELATED PARTY DISCLOSURES**

	Quarter Ended			Year-To-Date Ended		
	Unaudited 30.11.2022 RM'000	Unaudited 30.11.2021 RM'000	Changes %	Unaudited 30.11.2022 RM'000	Unaudited 30.11.2021 RM'000	Changes %
Rental paid or payable to a company in which a director of the Company has a substantial financial interest	18	11	63.6	36	23	56.5

**16. ACQUISITION OF A SUBSIDIARY**

On 30 July 2021, DPI Alliance Pte. Ltd. ("DPIA"), a wholly-owned subsidiary of the Company, has subscribed for 90% of the equity interest in DPI Japan Co., Ltd. ("DPIJ").

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the date of acquisition:-

	Unaudited 30.11.2021 RM'000
Computer equipment	8
Cash at bank	193
Amount owing to a director	<u>(32)</u>
	169
Less: Non-controlling interest, measured at the proportionate share of the fair value of the net identifiable assets	(17)
Add: Cost of combination written-off	<u>22</u>
Total purchase consideration	174
Less: Cash and bank balances of a subsidiary acquired	<u>(193)</u>
Net cash inflow from the acquisition of a subsidiary	<u>(19)</u>

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

**17. CASH AND CASH EQUIVALENTS**

The cash and cash equivalents comprise the following:-

	<b>Unaudited</b>	<b>Audited</b>
	<b>As at</b>	<b>As at</b>
	<b>30.11.2022</b>	<b>31.5.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Short-term investments	27,617	26,905
Fixed deposits with licensed banks	5,650	9,176
Cash and bank balances	<u>9,081</u>	<u>10,866</u>
	42,348	46,947
Less: Fixed deposits with tenure of more than 3 months	<u>-</u>	<u>-</u>
	<u>42,348</u>	<u>46,947</u>
Fair value of money market fund	<u>27,617</u>	<u>26,905</u>

The short-term money market fund represents the Group's investment in money market fund which is designed to provide investors with a stream of income and is managed with the aim of maintaining the fund's unit price at RM1. The redemption proceeds for investment in money market fund will normally be collected by the next business day. Therefore, the Group considers the investment in money market fund to represent investments in highly liquid money market instruments which is readily convertible to known amount of cash, and is subject to an insignificant risk of changes in value.

The fixed deposits with licensed banks of the Group at the end of the reporting period bore effective interest rates ranging from 1.90% to 2.60% per annum. The fixed deposits have maturity periods of 3 months.

**18. CAPITAL COMMITMENTS**

Capital commitments for the purchase of property, plant and equipment not provided for in the Condensed Report as at the end of the financial year are as follows:-

	<b>Unaudited</b>	<b>Audited</b>
	<b>As at</b>	<b>As at</b>
	<b>30.11.2022</b>	<b>31.5.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Approved and not contracted for:-		
Plant and equipment	11,387	12,658
Approved and contracted for:-		
Purchases of property and equipment	<u>748</u>	<u>1,099</u>
	<u>12,135</u>	<u>13,757</u>

**19. CONTINGENT ASSETS AND LIABILITIES**

There were no contingent assets and liabilities at the end of the financial period.

**20. CHANGES IN COMPOSITION OF THE GROUP**

There were no other changes in the composition of the Group during the current financial quarter and year-to-date ended 30 November 2022.



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

**21. FINANCIAL INSTRUMENTS**

21.1 Classification

The following table analyses the financial assets and financial liabilities of the Group in the condensed consolidated statement of financial position by the classes and categories of financial instruments to which they are assigned by their measurement basis.

	<b>Unaudited As at 30.11.2022 RM'000</b>	<b>Audited As at 31.5.2022 RM'000</b>
<b>Assets</b>		
<b>Financial asset mandatorily at fair value through profit or loss</b>		
Short-term investment	27,617	26,905
<b>Financial assets at amortised cost</b>		
Trade receivables	8,604	7,135
Other receivables	126	585
Fixed deposits with licensed banks	5,650	9,176
Cash and bank balances	9,081	10,866
<b>Total financial assets</b>	<b>23,461</b>	<b>27,762</b>
<b>Liabilities</b>		
<b>Financial liabilities at amortised cost</b>		
Trade payables	5,323	7,041
Other payables and accruals	2,073	1,753
Amount owing to a related party	42	11
<b>Total financial liabilities</b>	<b>7,438</b>	<b>8,805</b>

21.2 Gains or Losses Arising From Financial Instruments

	<b>Unaudited As at 30.11.2022 RM'000</b>	<b>Audited As at 31.5.2022 RM'000</b>
<b>Financial Assets</b>		
<u>Fair Value Through Profit or Loss</u>		
Net gains recognised in profit or loss by:		
- mandatorily required by accounting standard	312	478
<u>Amortised Cost</u>		
Net gains recognised in profit or loss	106	344

21.3 Fair Value Information

The fair values of the financial assets and financial liabilities of the Group which are maturing within the next 12 months are approximated by their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

**Fair Value of Financial Instruments Carried at Fair Value**

The fair value of the money market fund is determined by reference to statements provided by the respective financial institutions, with which the investments were entered into.

**22. EVENT AFTER THE REPORTING PERIOD**

Save as disclosed in Note 29, there was no other significant event subsequent to 30 November 2022.

**23. SIGNIFICANT EVENTS DURING THE PERIOD**

There was no significant event during the period.

**PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**24. REVIEW OF PERFORMANCE**

Second Quarter FYE 2023 (2Q FYE 2023) Compared to Second Quarter FYE 2022 (2Q FYE 2022)

**Revenue**

For the 2Q FYE 2023, the Group's revenue has decreased by RM3.37 million or 21.4% to RM12.35 million from RM15.35 million as compared to 2Q FYE 2022. The decreased was due to decrease in sales of aerosol products.

For the Year-To-Date 30.11.2022, the Group's revenue has increased by RM2.05 million or 9.1% to RM24.46 million from RM22.41 million as compared to Year-To-Date 30.11.2022.

*Aerosol Products*

Revenue of aerosol products in 2Q FYE 2023 has decreased by RM4.27 million, or approximately 32.3% to RM8.95 million as compared to RM13.22 million in 2Q FYE 2022. The decrease was mainly due to subdue in market demand.

*Solvents and Thinners*

Revenue of solvents and thinners in 2Q FYE 2023 had increased by RM0.75 million, or approximately 29.7% to RM3.24 million as compared to RM2.49 million for the 2Q FYE 2022. The increase was mainly attributable to increase in sales order from new and existing customers.

*Plastic products*

Plastic products segment was consolidated to the Group's results since the incorporation of a new subsidiary DPI Plastics Sdn. Bhd. ("DPIP") on 24 March 2022 and its business operation commenced in June 2022.

Plastic products segment contributed RM0.16 million to the Group's revenue and a loss before tax of RM0.10 million in current quarter. The loss of RM 0.10 million mainly due to the operation costs.

**Profit Before Taxation ("PBT")**

During the 2Q FYE 2023, the Group's gross profit decreased by RM1.96 million, or approximately 41.2% to RM2.80 million as compared to RM4.76 million for the 2Q FYE 2022. The decreased was due to decrease in sales of aerosol products and the increased in average raw materials prices and packaging cost as compare to 2Q FYE 2022.

Consequently, the Group's PBT decreased by RM2.14 million, or approximately 76.9% to RM0.64 million as compared to RM2.78 million for the 2Q FYE 2022.

**25. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER**

	Quarter Ended		Changes %
	Unaudited 30.11.2022 RM'000	Unaudited 31.8.2022 RM'000	
Revenue	12,354	12,099	2.1
Profit before taxation	644	469	37.3

The Group's revenue slightly increased by of RM0.25 million, or approximately 2.1% from RM12.10 million in the immediate preceding quarter to RM12.35 million in the current financial quarter. The increase was mainly due to increase in sales order for solvents and thinners segment (from RM2.49 million to RM 3.24 million) and revenue generated from the new plastic products segment (from RM Nil to RM0.16 million).

The Group's PBT increased by RM0.17 million, or approximately 37.3% from RM0.47 million in the immediate preceding quarter to RM0.64 million in the current financial quarter.

**DPI HOLDINGS BERHAD**

(Registration No. 201701035607)(1249778-M)

(Incorporated in Malaysia)

**PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA  
SECURITIES BERHAD****26. PROSPECTS**

The Group is constantly pursuing opportunities to establish new geographical footprints and to develop a wider range of aerosol products to cater for new market segments. The Group is also increasing its sales, marketing and advertising initiatives to expand its customer base and will closely monitor its profitability and costs associated with such initiatives.

The Group has completed our new factory building in Tangkak pending the final approval and certification by the local authorities.

**27. PROFIT FORECAST**

The Group did not issue any profit forecast or guarantee during the current financial quarter and financial year under review.

**28. INCOME TAX EXPENSE**

	Quarter Ended			Year-To-Date Ended		
	Unaudited 30.11.2022 RM'000	Unaudited 30.11.2021 RM'000	Changes %	Unaudited 30.11.2022 RM'000	Unaudited 30.11.2021 RM'000	Changes %
Income tax	226	111	103.6	428	111	285.6
Total income tax expense	226	706	(68.0)	428	817	(47.6)
Effective tax rate	35%	4%		38%	4%	

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the current period.

The effective tax rate of the Group for the current financial year is higher than the statutory tax rate as a result of non-tax deductible expenses and impact of loss making subsidiaries.

**29. STATUS OF CORPORATE PROPOSALS**

On 30 September 2022, the Company had entered into a Memorandum of Understanding ("MOU") with Zeus Chemical Products Pty Ltd ("Zeus") to strengthen our presence in the aerosol business in Australia.

The Company is presently performing due diligence on Zeus. Discussion on the terms and conditions of the strategic collaboration between the Company and the Vendors is expected to commence thereafter, subject to the satisfactory outcome of the due diligence exercise.

**PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**30. UTILISATION OF PROCEEDS RAISED FROM THE IPO**

The gross proceeds raised from the Company's Initial Public Offering of RM31.64 million and status of utilisation as at 30 November 2022 is disclosed in the following table:

No.	Purpose	Proposed utilisation		Actual Utilisation RM'000	Intended timeframe for utilisation (from the listing date)	Revised time frame for utilisation (from the listing date)	Deviation Explanation (if deviation is 5% or more)
		RM'000	%				
i	Capital expenditure and expansion	23,540	74.4	11,404	Within 18-24 months	Within 60 months	N/A
ii	Sales, marketing and advertising expenses	3,000	9.5	764	Within 24 months	Within 60 months	N/A
iii	Product development	1,300	4.1	237	Within 24 months	Within 60 months	N/A
iv	Estimated listing expenses	3,800	12.0	3,428	Within 1 month	No change	372 <sup>(1)</sup>
	<b>Total</b>	<b>31,640</b>	<b>100.0</b>	<b>15,833</b>			<b>372</b>

<sup>(1)</sup> The surplus has been re-allocated for working capital purposes.

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 27 November 2018 and the announcements dated 6 July 2020 and 6 January 2021.

**31. BORROWINGS AND DEBT SECURITIES**

As at the reporting date, there were no borrowings and the Group has not issued any debt securities.

**32. CHANGES IN MATERIAL LITIGATION**

There was no material litigation against the Group as at the reporting date.

**PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

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**33. DIVIDENDS**

There was no dividends declared by the Group as at the reporting date.

**34. EARNINGS PER SHARE ("EPS")**

	Quarter Ended		Year-To-Date Ended	
	Unaudited 30.11.2022	Unaudited 30.11.2021	Unaudited 30.11.2022	Unaudited 30.11.2021
Profit after taxation attributable to owners of the Company (RM'000)	420	2,080	709	2,291
Weighted average number of ordinary shares in issue ('000)	730,096	542,282	730,096	542,282
Earnings per share attributable to owners of the Company				
- Basic <sup>(1)</sup> (Sen)	0.06	0.38	0.10	0.42
- Diluted <sup>(2)</sup> (Sen)	0.06	0.38	0.10	0.42

Notes:

(1) The basic earnings per share is computed based on profit after tax attributable to the owners of the Company and divided by the weighted average number of ordinary shares in issue as at end of the current quarter under review.

(2) The diluted earnings per share is equal to the basic earnings per share.

**PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**35. NOTES TO THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

Included in the Statement of Profit or Loss and Other Comprehensive Income are:-

	Quarter Ended			Year-To-Date Ended		
	Unaudited 30.11.2022 RM'000	Unaudited 30.11.2021 RM'000	Changes %	Unaudited 30.11.2022 RM'000	Unaudited 30.11.2021 RM'000	Changes %
Amortisation of trademark	16	-	100.0	16	-	100.0
Cost of business combination written-off	-	-	-	-	22	(100.0)
Depreciation of right-of-use assets	164	51	221.6	164	103	59.2
Depreciation of property, plant and equipment	346	77	349.4	346	150	130.7
Gain on disposal of property, plant and equipment	(2)	-	100.0	(2)	-	100.0
Loss/(Gain) on foreign exchange:						
- realised	(35)	50	(170.0)	(35)	59	(159.3)
- unrealised	(7)	(57)	(87.7)	(7)	(32)	(78.1)
Interest expenses on lease liabilities	5	-	-	5	1	400.0
Interest income from short term investment and fixed deposits with licensed banks	(406)	206	(297.1)	(406)	(407)	(0.2)
Property, plant and equipment written off	1	1	100.0	1	1	100.0
Reversal of impairment losses on:						
- trade receivables	-	-	-	-	-	-

**36. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the financial statements for the financial year ended 31 May 2022 was unmodified.

**37. AUTHORISED FOR ISSUE**

The Condensed Report was authorised for issue by the Board in accordance with a resolution of the Directors on 16 January 2023.