



TRUSTED 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 29 FEBRUARY 2024

25 APRIL 2024

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 29 FEBRUARY 2024**

	Note	Quarter Ended			Year-To-Date Ended		
		Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %	Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %
REVENUE	8	11,879	12,753	(6.9)	38,928	37,206	4.6
COST OF SALES		(8,957)	(10,008)	(10.5)	(27,977)	(29,054)	(3.7)
GROSS PROFIT		2,922	2,745	6.4	10,951	8,152	34.3
OTHER INCOME		623	284	119.4	1,430	873	63.8
		3,545	3,029	17.0	12,381	9,025	37.2
SELLING AND MARKETING EXPENSES		(496)	(438)	13.2	(1,357)	(1,480)	(8.3)
ADMINISTRATIVE EXPENSES		(1,713)	(1,846)	(7.2)	(5,896)	(5,816)	1.4
OTHER EXPENSES		(18)	(48)	(62.5)	(18)	87	(120.7)
FINANCE COSTS		(1)	(2)	(50.0)	(5)	(8)	(37.5)
PROFIT BEFORE TAXATION		1,317	695	89.5	5,105	1,808	182.4
INCOME TAX EXPENSES	24	(354)	(253)	39.9	(1,623)	(681)	138.3
PROFIT AFTER TAXATION		963	442	117.9	3,482	1,127	209.0
OTHER COMPREHENSIVE INCOME/(EXPENSE)							
<u>Items that will be Reclassified Subsequently to Profit or Loss</u>							
Foreign currency translation differences		6	(27)	(122.2)	13	(5)	(360.0)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD		969	415	133.5	3,495	1,122	211.5
PROFIT/(LOSS) AFTER TAXATION							
ATTRIBUTABLE TO:-							
Owners of the Company		970	445	118.0	3,493	1,154	202.7
Non-controlling interest		(7)	(3)	133.3	(11)	(27)	(59.3)
		963	442	117.9	3,482	1,127	209.0
TOTAL COMPREHENSIVE INCOME/(EXPENSE)							
ATTRIBUTABLE TO:-							
Owners of the Company		976	418	133.5	3,506	1,125	211.6
Non-controlling interest		(7)	(3)	133.3	(11)	(3)	266.7
		969	415	133.5	3,495	1,122	211.5

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 29 FEBRUARY 2024**

		Quarter Ended		Year-To-Date Ended	
		Unaudited 29.02.2024 Sen per share	Unaudited 28.02.2023 Sen per share	Unaudited 29.02.2024 Sen per share	Unaudited 28.02.2023 Sen per share
EARNINGS PER SHARE ("EPS") ATTRIBUTABLE TO OWNERS OF THE COMPANY:					
Basic EPS	30	<u>0.13</u>	<u>0.06</u>	<u>0.48</u>	<u>0.16</u>
Diluted EPS	30	<u>0.13</u>	<u>0.06</u>	<u>0.48</u>	<u>0.16</u>

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 May 2023 and the accompanying explanatory notes attached to this interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 29 FEBRUARY 2024**

	Note	Unaudited As at 29.02.2024 RM'000	Audited As at 31.05.2023 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	10	17,195	15,395
Right-of-use assets	11	4,714	4,925
Intangible asset		265	290
Deferred tax asset		8	8
		22,182	20,618
CURRENT ASSETS			
Inventories		17,202	15,186
Trade receivables		6,211	8,003
Other receivables, deposits and prepayments		604	587
Current tax assets		2,948	2,561
Short-term investments		30,502	29,500
Fixed deposits with licensed banks		4,973	5,556
Cash and bank balances		10,288	10,874
		72,728	72,267
TOTAL ASSETS		94,910	92,885
EQUITY AND LIABILITIES			
EQUITY			
Share capital		66,257	66,257
Merger deficit		(28,698)	(28,698)
Foreign exchange translation reserve		72	59
Retained profits		49,738	47,340
Equity attributable to owners of the Company		87,369	84,958
Non-controlling interest		64	75
TOTAL EQUITY		87,433	85,033
NON-CURRENT LIABILITIES			
Lease liabilities		109	133
Deferred tax liabilities		*	*
		109	133
CURRENT LIABILITIES			
Trade payables		6,021	5,740
Other payables and accruals		1,148	1,725
Lease liabilities		199	254
		7,368	7,719
TOTAL LIABILITIES		7,477	7,852
TOTAL EQUITY AND LIABILITIES		94,910	92,885

Note:

*- less than RM1,000.

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 29 FEBRUARY 2024**

	Unaudited As at 29.02.2024 RM	Audited As at 31.05.2023 RM
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	0.12	0.12

The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 May 2023 and the accompanying explanatory notes attached to this interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR-TO-DATE ENDED 29 FEBRUARY 2024**

	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
At 31 May 2023 (Audited)/ 1 June 2023	66,257	(28,698)	59	47,340	84,958	75	85,033
Profit after taxation for the financial period	-	-	-	3,493	3,493	(11)	3,482
Other comprehensive expense for the financial period: - Foreign currency translation differences	-	-	13	-	13	*	13
Total comprehensive income/(expense) for the financial period	-	-	13	3,493	3,506	(11)	3,495
Contribution by and distributions to owners of the Company: - Dividends by the Company (Note 7)	-	-	-	(1,095)	(1,095)	-	(1,095)
At 29 February 2024 (Unaudited)	66,257	(28,698)	72	49,738	87,369	64	87,433
At 1 June 2022	66,257	(28,698)	(1)	45,144	82,702	125	82,827
Profit after taxation for the financial period	-	-	-	1,154	1,154	(27)	1,127
Other comprehensive expense for the financial period: - Foreign currency translation differences	-	-	(5)	-	(5)	-	(5)
Total comprehensive income/(expense) for the financial period	-	-	(5)	1,154	1,149	(27)	1,122
Distributions to owners of the Company: - Dividends by the Company	-	-	-	(730)	(730)	-	(730)
At 28 February 2023 (Unaudited)	66,257	(28,698)	(6)	45,568	83,121	98	83,219

Note:

* - less than RM1,000.

The above condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 May 2023 and the accompanying explanatory notes attached to this interim financial report.

DPI HOLDINGS BERHAD

(Registration No. 201701035607)(1249778-M)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR-TO-DATE ENDED 29 FEBRUARY 2024**

	Note	Year-To-Date Ended	
		Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES			
Profit before taxation		5,105	1,808
Adjustments for:-			
Amortisation of trademark		25	24
Depreciation of right-of-use assets		261	279
Depreciation of property, plant and equipment		598	484
Gain on disposal of property, plant and equipment		-	(2)
Property, plant equipment written off		-	2
Interest expenses on lease liabilities		5	8
Interest income		(955)	(679)
Unrealised gain on foreign exchange		(114)	(33)
Operating profit before working capital changes		4,925	1,891
(Increase)/Decrease in inventories		(2,015)	1,393
Decrease/(Increase) in trade and other receivables		1,896	(1,316)
Decrease in trade and other payables		(305)	(1,595)
Increase in amount owing to a related party		-	49
CASH FOR OPERATIONS		4,501	422
Income tax paid		(1,744)	(1,907)
Real Property Gain Tax paid		(266)	-
NET CASH FROM/(FOR) OPERATING ACTIVITIES		2,491	(1,485)
CASH FLOWS FOR INVESTING ACTIVITIES			
Interest income received		955	679
Purchase of property, plant and equipment		(2,384)	(2,947)
Proceeds from disposal of property, plant and equipment		-	6
NET CASH FOR INVESTING ACTIVITIES		(1,429)	(2,262)
CASH FLOWS FOR FINANCING ACTIVITIES			
Repayment of lease liabilities		(79)	(76)
Interest paid on lease liabilities		(5)	(8)
Dividends paid		(1,095)	(730)
NET CASH FOR FINANCING ACTIVITIES		(1,179)	(814)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(117)	(4,561)
EFFECT OF FOREIGN EXCHANGE TRANSLATION		(50)	24
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD		45,930	46,947
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	13	45,763	42,410

The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 May 2023 and the accompanying explanatory notes attached to this interim financial report.

DPI HOLDINGS BERHAD

(Registration No. 201701035607)(1249778-M)
(Incorporated in Malaysia)

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

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 financial statements for the financial year ended 31 May 2023 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 2023.

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 2023, 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):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

MFRS 17 Insurance Contracts	1-Jan-23
Amendments to MFRS 17 Insurance Contracts	1-Jan-23
Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1-Jan-23
Amendments to MFRS 101: Disclosure of Accounting Policies	1-Jan-23
Amendments to MFRS 108: Definition of Accounting Estimates	1-Jan-23
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1-Jan-23
Amendments to MFRS 112: International Tax Reform - Pillar Two Model Rules	1-Jan-23

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.

DPI HOLDINGS BERHAD

(Registration No. 201701035607)(1249778-M)
(Incorporated in Malaysia)

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

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.

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1-Jan-24
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1-Jan-24
Amendments to MFRS 101: Non-current Liabilities with Covenants	1-Jan-24
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1-Jan-24
Amendments to MFRS 121: The effects of Changes in Foreign Exchange Rates - Lack of Exchangeability	1-Jan-25

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group's business operations during the current financial quarter and year-to-date ended 29 February 2024 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 29 February 2024.

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 29 February 2024.

DPI HOLDINGS BERHAD

(Registration No. 201701035607)(1249778-M)
(Incorporated in Malaysia)

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 29 February 2024.

7. DIVIDENDS PAID

In respect of the financial year ended 31 May 2023, a first interim dividend of 0.15 sen per share on 730,096,498 ordinary shares, amounted to RM1,095,144 was declared and paid on 22 September 2023.

8. REVENUE

	Quarter Ended			Year-To-Date Ended		
	Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %	Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %
Aerosol products	9,107	10,283	(11.4)	29,907	28,058	6.6
Solvents and thinners	2,656	2,448	8.5	8,653	8,868	(2.4)
Plastic products	116	22	427.3	368	280	31.4
	11,879	12,753	(6.9)	38,928	37,206	4.6

DPI HOLDINGS BERHAD

(Registration No. 201701035607)(1249778-M)
(Incorporated in Malaysia)

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

9. 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 Ended														
	Aerosol products			Solvents and thinners			Plastic products			Others			Total		
	Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %	Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %	Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %	Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %	Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %
Revenue															
External revenue (Note 8)	9,107	10,283	(11.4)	2,656	2,448	8.5	116	22	427.3	-	-	-	11,879	12,753	(6.9)
Inter-segment revenue	5,815	3,743	55.4	-	-	-	203	295	(31.2)	-	-	-	6,018	4,038	49.0
	14,922	14,026	6.4	2,656	2,448	8.5	319	317	396.1	-	-	-	17,897	16,791	6.6
Consolidated adjustments													(6,018)	(4,038)	49.0
Consolidated revenue													11,879	12,753	(6.9)

Results

Segment profit before interest and taxation

	1,264	860	47.0	82	14	485.7	(26)	(90)	(71.1)	(2)	(87)	(97.7)	1,318	697	89.1
--	-------	-----	------	----	----	-------	------	------	--------	-----	------	--------	-------	-----	------

	Year-To-Date Ended														
	Aerosol products			Solvents and thinners			Plastic products			Others			Total		
	Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %	Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %	Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %	Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %	Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %
Revenue															
External revenue (Note 8)	29,907	28,058	6.6	8,653	8,868	(2.4)	368	280	31.4	-	-	-	38,928	37,206	4.6
Inter-segment revenue	18,598	8,287	124.4	-	-	-	646	534	21.0	-	1,040	(100.0)	19,244	9,861	95.2
	48,505	36,345	33.5	8,653	8,868	(2.4)	1,014	814	24.6	-	1,040	(100.0)	58,172	47,067	23.6
Consolidated adjustments													(19,244)	(9,861)	95.2
Consolidated revenue													38,928	37,206	4.6

Results

Segment profit before interest and taxation

	4,928	2,437	102.2	584	124	371.0	(38)	(196)	(80.6)	(364)	(549)	(33.7)	5,110	1,816	181.4
--	-------	-------	-------	-----	-----	-------	------	-------	--------	-------	-------	--------	-------	-------	-------

DPI HOLDINGS BERHAD

(Registration No. 201701035607)(1249778-M)

(Incorporated in Malaysia)

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

9. 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
	29.02.2024	31.05.2023		29.02.2024	31.05.2023		29.02.2024	31.05.2023		29.02.2024	31.05.2023		29.02.2024	31.05.2023	
	RM'000	RM'000	%	RM'000	RM'000	%	RM'000	RM'000	%	RM'000	RM'000	%	RM'000	RM'000	%
Assets															
Segment assets	59,497	57,873	2.8	10,394	9,463	9.8	992	1,071	(7.4)	66,835	66,238	0.9	137,718	134,645	2.3
Unallocated assets:															
- current tax assets													2,948	2,561	15.1
Consolidated adjustments													(45,756)	(44,321)	3.2
Consolidated total assets													94,910	92,885	2.2
Addition to non-current assets other than financial instruments is:-															
Property, plant and equipment	2,206	2,712	(18.7)	170	10	1,600.0	9	561	(98.4)	(1)	-	100.0	2,384	3,283	(27.4)
Liabilities															
Segment liabilities/															
Consolidated total liabilities	11,389	10,646	7.0	1,701	2,274	(25.2)	562	726	(22.6)	1,082	188	475.5	14,734	13,834	6.5
Unallocated liabilities:															
- lease liabilities													308	387	(20.4)
Consolidated adjustments													(7,565)	(6,369)	18.8
Consolidated total liabilities													7,477	7,852	(4.8)

Geographical Information

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

	Quarter Ended			Year-To-Date Ended		
	Unaudited	Unaudited	Changes	Unaudited	Unaudited	Changes
	29.02.2024	28.02.2023		29.02.2024	28.02.2023	
	RM'000	RM'000	%	RM'000	RM'000	%
Malaysia	9,188	10,697	(14.1)	30,577	30,748	(0.6)
Outside Malaysia	2,691	2,056	30.9	8,351	6,458	29.3
	11,879	12,753	(6.9)	38,928	37,206	4.6

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

9. 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 29.02.2024 RM'000	Audited 31.5.2023 RM'000	Changes %
Malaysia	20,425	19,021	7.4
Singapore	1,757	1,597	10.0
	<u>22,182</u>	<u>20,618</u>	<u>7.6</u>

10. PROPERTY, PLANT AND EQUIPMENT

	Unaudited				
	At 1.6.2023 RM'000	Additions RM'000	Depreciation Charges RM'000	Foreign Translation RM'000	At 29.02.2024 RM'000
<i>Carrying Amount</i>					
Factory buildings	2,729	-	(57)	-	2,672
Machinery, factory and laboratory equipment	2,181	1,995	(271)	-	3,905
Renovation, office equipment, electrical, furniture and fittings	2,073	116	(202)	14	2,001
Motor vehicles	216	142	(68)	-	290
Capital work-in-progress	8,196	131	-	-	8,327
	<u>15,395</u>	<u>2,384</u>	<u>(598)</u>	<u>14</u>	<u>17,195</u>

	Audited					
	At 1.6.2022 RM'000	Additions RM'000	Written Off RM'000	Depreciation Charges RM'000	Foreign Translation RM'000	At 31.5.2023 RM'000
<i>Carrying Amount</i>						
Factory buildings	2,805	-	-	(76)	-	2,729
Machinery, factory and laboratory equipment	2,039	537	(104)	(291)	-	2,181
Renovation, office equipment, electrical, furniture and fittings	1,776	544	(5)	(241)	(1)	2,073
Motor vehicles	104	169	-	(57)	-	216
Capital work-in-progress	6,163	2,033	-	-	-	8,196
	<u>12,887</u>	<u>3,283</u>	<u>(109)</u>	<u>(665)</u>	<u>(1)</u>	<u>15,395</u>

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

11. RIGHT-OF-USE ASSETS

	Unaudited				
	At 1.6.2023 RM'000	Addition RM'000	Depreciation Charges RM'000	Foreign Translation RM'000	At 29.02.2024 RM'000
	<i>Carrying Amount</i>				
Leasehold land	3,333	-	(128)	-	3,205
Buildings and office equipment	1,592	-	(133)	50	1,509
	<u>4,925</u>	<u>-</u>	<u>(261)</u>	<u>50</u>	<u>4,714</u>
	Audited				
	At 1.6.2022 RM'000	Addition RM'000	Depreciation Charges RM'000	Foreign Translation RM'000	At 31.5.2023 RM'000
	<i>Carrying Amount</i>				
Leasehold land	3,504	-	(171)	-	3,333
Buildings and office equipment	1,592	153	(237)	84	1,592
	<u>5,096</u>	<u>153</u>	<u>(408)</u>	<u>84</u>	<u>4,925</u>

- (a) The Group has entered into 5 non-cancellable operating lease agreements for the use of land. The leases are for a period ranging from 29 to 46 years with no renewal or purchase option included in the agreements.
- (b) The Group has leased various buildings for office and warehouse that run between 7 months to 21 years with an option to renew the lease after that date.
- (c) The Group has leased office equipment that run for a period of 5 years with an option to renew the lease after that date.
- (d) 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.

12. RELATED PARTY DISCLOSURES

	Quarter Ended			Year-To-Date Ended		
	Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %	Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %
	<i>Rental paid or payable to a company in which a director of the Company has a substantial financial interest</i>					
	18	18	-	60	60	-

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

13. CASH AND CASH EQUIVALENTS

The cash and cash equivalents comprise the following:-

	Unaudited As at 29.02.2024 RM'000	Audited As at 31.5.2023 RM'000
Short-term investments	30,502	29,500
Fixed deposits with licensed banks	4,973	5,556
Cash and bank balances	10,288	10,874
	<u>45,763</u>	<u>45,930</u>
Fair value of money market fund	<u>30,502</u>	<u>29,500</u>

The short-term investments 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 are 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 2.65% to 3.75% per annum. The fixed deposits have maturity periods of three to six months.

14. 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:-

	Unaudited As at 29.02.2024 RM'000	Audited As at 31.5.2023 RM'000
Approved and not contracted for:- Plant, plant and equipment	10,960	10,276
Approved and contracted for:- Purchases of property, plant and equipment	606	1,065
	<u>11,566</u>	<u>11,341</u>

15. CONTINGENT ASSETS AND LIABILITIES

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

16. 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 29 February 2024.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

17. FINANCIAL INSTRUMENTS

17.1 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.

	Unaudited As at 29.02.2024 RM'000	Audited As at 31.5.2023 RM'000
Assets		
Financial asset mandatorily at fair value through profit or loss		
Short-term investment	30,502	29,500
Financial assets at amortised cost		
Trade receivables	6,211	8,003
Fixed deposits with licensed banks	4,973	5,556
Cash and bank balances	10,288	10,874
Total financial assets	21,472	24,433
Liability		
Financial liabilities at amortised cost		
Trade payables	6,021	5,740
Other payables and accruals	1,148	1,075
Total financial liabilities	7,169	6,815

17.2 Gains or Losses Arising From Financial Instruments

	Unaudited As at 29.02.2024 RM'000	Audited As at 31.5.2023 RM'000
Financial Assets		
<u>Fair Value Through Profit or Loss</u>		
Net gains recognised in profit or loss by:		
- mandatorily required by accounting standard	802	795
<u>Amortised Cost</u>		
Net gains recognised in profit or loss	153	31

17.3 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.

18. SIGNIFICANT EVENT AFTER THE REPORTING PERIOD

There was no significant event subsequent to 29 February 2024.

19. SIGNIFICANT EVENT DURING THE PERIOD

There was no significant event during the period.

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**

20. REVIEW OF PERFORMANCE**Third Quarter FYE 2024 ("3Q FYE 2024") Compared to Third Quarter FYE 2023 ("3Q FYE 2023")****Revenue**

For the 3Q FYE 2024, the Group recorded a lower revenue of RM11.88 million as compared to RM12.75 million in 3Q FYE 2023. The decrease in Group's revenue by RM0.87 million or approximately 6.9% was attributed to the Aerosol Products segment. The performance of the respective business segments is analysed below:

A) Aerosol Products

Revenue of aerosol products in 3Q FYE 2024 decreased by RM1.18 million, or approximately 11.4% to RM9.11 million as compared to RM10.28 million in 3Q FYE 2023. The slow down in local market demand in 3Q FYE 2024 resulted in a decrease in revenue from this segment.

B) Solvents and Thinners

Revenue of solvents and thinners in 3Q FYE 2024 increased by RM0.21 million, or approximately 8.5% to RM2.66 million as compared to RM2.45 million in 3Q FYE 2023. The increase in revenue of solvents and thinners was a result of a marginal increase in orders from customers in 3Q FYE 2024.

C) Plastic products

Revenue of plastic products in 3Q FYE 2024 increased by RM0.10 million to RM0.12 million, as compared to RM0.02 million in 3Q FYE 2023. There was a gradual improvement in demand for our plastic products in 3Q FYE 2024 compared to 3Q FYE 2023.

Profit Before Taxation ("PBT")

The Group recorded PBT of RM1.32 million for the 3Q FYE 2024, as compared to RM0.69 million in 3Q FYE 2023. The increase by RM0.63 million or approximately 89.5%, was a result of improvements in the gross profit margin arising from a better average raw material costs.

9 Months Financial Period Ended ("FPE") 29 February 2024 ("YTD FYE 2024") Compared to 9 Months FPE 28 February 2023 ("YTD FYE 2023")**Revenue**

For the YTD FYE 2024, the Group recorded a higher revenue of RM38.93 million, an increase of RM1.72 million or approximately 4.6% from the YTD FYE 2023 of RM37.21 million. The performance of the respective business segments is analysed below:

A) Aerosol Products

Revenue of aerosol products for YTD FYE 2024 increased by RM1.85 million, or approximately 6.6% to RM29.91 million as compared to RM28.06 million in YTD FYE 2023. The increase was due to the introduction of sales and incentive program to the distributors and expansion of the customer base to include the automotive industry.

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**
20. REVIEW OF PERFORMANCE (CONT'D)
9 Months Financial Period Ended ("FPE") 29 February 2024 ("YTD FYE 2024") Compared to 9 Months FPE 28 February 2023 ("YTD FYE 2023") (Cont'd)
B) Solvents and Thinners

Revenue of solvents and thinners in YTD FYE 2024 decreased by RM0.22 million, or approximately 2.4% to RM8.65 million as compared to RM8.87 million for the YTD FYE 2023. In YTD FYE 2024, the market price of solvents and thinners increased which led to a slight decrease in customer demand.

C) Plastic products

Revenue of plastic products in YTD FYE 2024 increased by RM0.09 million to RM0.37 million as compared to RM0.28 million for the YTD FYE 2023 due to a slight increase in orders from customers.

Profit Before Taxation ("PBT")

The Group's PBT increased from RM1.81 million for the YTD FYE 2023 to RM5.11 million for the YTD FYE 2024, which is an increase of RM3.30 million or approximately 182.4%. The increase was attributed to the improvement in gross profit margin arising from a better average raw material costs.

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

	Quarter Ended		Changes %
	Unaudited 29.02.2024 RM'000	Unaudited 30.11.2023 RM'000	
Revenue	11,879	13,567	(12.4)
Profit before taxation	1,317	1,896	(30.5)

The Group's revenue decreased slightly by RM1.69 million, or approximately 12.4% from RM13.57 million in the immediate preceding quarter to RM11.88 million in the current quarter.

The Group's PBT decreased by RM0.57 million, or approximately 30.5% from RM1.89 million in the immediate preceding quarter to RM1.32 million in the current quarter.

The decrease in the Group's revenue and profit before tax was mainly due to the slow down in local market demand.

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**22. PROSPECTS**

In our pursuit for further growth in the local market, we are enhancing market awareness of our brand through a combination of online and offline initiatives. We are adapting to align with the demands of today's contemporary market. This approach will not only uphold our brand's legacy but also resonate with today's audience and facilitate meaningful connections with them.

As economies rebound and supply chains are realigned, the demand for reliable aerosol providers in the Southeast Asia region is projected to increase. This favorable scenario opens up opportunities for DPI to explore new international markets. Acknowledging the risk of inflation, market exploration is carried out with prudence. It is important to note that our Group's robust financial position acts as an additional layer of risk mitigation and reinforcing our strategic goals.

With a proven track record of delivering high-quality products and an ongoing focus on research and development, the company is well-positioned to capitalise on and meet the demands of various markets, whether existing or newly explored.

23. PROFIT FORECAST

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

24. INCOME TAX EXPENSE

	Quarter Ended			Year-To-Date Ended		
	Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %	Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %
Current tax expense	354	253	39.9	1,357	681	99.3
Real property gains tax ("RPGT")	-	-	100.0	266	-	100.0
Total income tax expense	354	253	39.9	1,623	681	138.3
Effective tax rate	27%	36%		32%	38%	

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

The effective tax rate of the Group for the current quarter and year-to-date is higher than the statutory tax rate as a result of the RPGT from prior financial year and non-tax deductible expenses.

25. STATUS OF CORPORATE PROPOSALS

There were no corporate proposals undertaken or announced by the Group as at the date of this report.

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. UTILISATION OF PROCEEDS RAISED FROM THE INITIAL PUBLIC OFFERING ("IPO")**

The gross proceeds raised from the Company's IPO of RM31.64 million and the status of utilisation as of 29 February 2024 are disclosed in the following table:

No.	Purpose	Proposed utilisation		Actual utilisation	Balance unutilised	Revised utilisation of balance unutilised ⁽¹⁾	Actual utilisation	Balance unutilised	Deviation Explanation (if deviation is 5% or more)	Initial timeframe for utilisation (from the Listing Date)	Revised timeframe for the utilisation (from the Listing Date)
		RM'000	%	RM'000	RM'000	RM'000	RM'000	RM'000			
i	Capital expenditure and expansion ("CEE")	23,540	74.4	13,039	10,501	3,606	1,614	1,992	N/A	Within 18-24 months	Within 72 months
ii	Sales, marketing and advertising expenses ("SMAE")	3,000	9.5	1,088	1,912	-	-	-	N/A	Within 24 months	No change
iii	Product development ("PD")	1,300	4.1	284	1,016	250	250	-	N/A	Within 24 months	Within 72 months
iv	Estimated listing expenses	3,800	12.0	3,428	-	-	-	-	372 ⁽²⁾	Within 1 month	No change
v	Acquisition of a new factory	-	-	-	-	9,573	-	9,573	-	-	Within 72 months
	Total	31,640	100.0	17,839	13,429	13,429	1,864	11,565	372		

⁽¹⁾ The balance of unutilised proceeds from CEE, SMAE and PD amounted to RM 6.90 million, RM1.91 million and RM0.76 million respectively has been reallocated for the acquisition of a new factory.

⁽²⁾ The surplus has been reallocated and fully utilised for working capital purposes.

The utilisation of proceeds disclosed above should be read in conjunction with the Prospectus of the Company dated 27 November 2018 and the announcements dated 6 July 2020, 6 January 2021 and 1 November 2023.

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
27. BORROWINGS AND DEBT SECURITIES

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

28. CHANGES IN MATERIAL LITIGATION

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

29. DIVIDENDS

No dividend has been declared or recommended for payment by the Company during the current financial quarter.

30. EARNINGS PER SHARE ("EPS")

	Quarter Ended		Year-To-Date Ended	
	Unaudited 29.02.2024	Unaudited 28.02.2023	Unaudited 29.02.2024	Unaudited 28.02.2023
Profit after taxation attributable to owners of the Company (RM'000)	970	445	3,493	1,154
Weighted average number of ordinary shares in issue ('000)	730,096	730,096	730,096	730,096
Earnings per share attributable to owners of the Company				
- Basic ⁽¹⁾ (Sen)	0.13	0.06	0.48	0.16
- Diluted ⁽²⁾ (Sen)	0.13	0.06	0.48	0.16

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

31. 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 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %	Unaudited 29.02.2024 RM'000	Unaudited 28.02.2023 RM'000	Changes %
Amortisation of trademark	9	8	12.5	25	24	4.2
Depreciation of right-of-use assets	88	115	(23.5)	261	279	(6.5)
Depreciation of property, plant and equipment	233	138	68.8	598	484	23.6
Gain on disposal of property, plant and equipment	-	-	-	-	(2)	(100.0)
Loss/(Gain) on foreign exchange:						
- realised	53	(69)	(176.8)	18	(104)	(117.3)
- unrealised	(25)	(26)	(3.8)	(114)	(33)	245.5
Interest expenses on lease liabilities	1	3	(66.7)	5	8	(37.5)
Interest income from short term investment and fixed deposits with licensed banks	(325)	(273)	19.0	(955)	(679)	40.6
Property, plant and equipment written off	-	1	(100.0)	-	2	(100.0)

32. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 May 2023 was unmodified.

33. AUTHORISED FOR ISSUE

The Condensed Report was authorised for issue by the Board in accordance with a resolution of the Directors on 25 April 2024.