



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 31 MAY 2024**

25 JULY 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 31 MAY 2024**

	Note	Quarter Ended			Year-To-Date Ended		
		Unaudited 31.05.2024 RM'000	Unaudited 31.05.2023 RM'000	Changes %	Unaudited 31.05.2024 RM'000	Audited 31.05.2023 RM'000	Changes %
REVENUE	8	16,862	14,444	16.7	55,790	51,650	8.0
COST OF SALES		(12,447)	(10,277)	21.1	(40,424)	(39,331)	2.8
GROSS PROFIT		4,415	4,167	6.0	15,366	12,319	24.7
OTHER INCOME		116	480	(75.8)	1,546	1,353	14.3
		4,531	4,647	(2.5)	16,912	13,672	23.7
SELLING AND MARKETING EXPENSES		(464)	(356)	30.3	(1,821)	(1,836)	(0.8)
ADMINISTRATIVE EXPENSES		(1,897)	(1,691)	12.2	(7,793)	(7,507)	3.8
OTHER EXPENSES		18	(89)	(120.2)	-	(2)	(100.0)
NET IMPAIRMENT LOSS ON FINANCIAL ASSETS	9	-	(168)	(100.0)	-	(168)	(100.0)
FINANCE COSTS		(9)	(11)	(18.2)	(14)	(19)	(26.3)
PROFIT BEFORE TAXATION		2,179	2,332	(6.6)	7,284	4,140	75.9
INCOME TAX EXPENSES	25	(1,043)	(583)	78.9	(2,666)	(1,264)	110.9
PROFIT AFTER TAXATION		1,136	1,749	(35.0)	4,618	2,876	60.6
OTHER COMPREHENSIVE INCOME/(EXPENSE)							
<u>Items that will be Reclassified Subsequently to Profit or Loss</u>							
Foreign currency translation differences		(8)	65	(112.3)	5	60	(91.7)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD		1,128	1,814	(37.8)	4,623	2,936	57.5
PROFIT/(LOSS) AFTER TAXATION							
ATTRIBUTABLE TO:-							
Owners of the Company		1,124	1,752	(35.8)	4,617	2,925	57.8
Non-controlling interest		12	(3)	(500.0)	1	(49)	(102.0)
		1,136	1,749	(35.0)	4,618	2,876	60.6
TOTAL COMPREHENSIVE INCOME/(EXPENSE)							
ATTRIBUTABLE TO:-							
Owners of the Company		1,116	1,863	(40.1)	4,622	2,985	54.8
Non-controlling interest		12	(49)	(124.5)	1	(49)	(102.0)
		1,128	1,814	(37.8)	4,623	2,936	57.5

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 31 MAY 2024**

		Quarter Ended		Year-To-Date Ended	
		Unaudited 31.05.2024 Sen per share	Unaudited 31.05.2023 Sen per share	Unaudited 31.05.2024 Sen per share	Audited 31.05.2023 Sen per share
EARNINGS PER SHARE ("EPS") ATTRIBUTABLE TO OWNERS OF THE COMPANY:					
Basic EPS	31	<u>0.15</u>	<u>0.24</u>	<u>0.63</u>	<u>0.40</u>
Diluted EPS	31	<u>0.15</u>	<u>0.24</u>	<u>0.63</u>	<u>0.40</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 31 MAY 2024**

	Note	Unaudited As at 31.05.2024 RM'000	Audited As at 31.05.2023 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	11	17,378	15,395
Right-of-use assets	12	4,588	4,925
Intangible asset		257	290
Deferred tax asset		8	8
		22,231	20,618
CURRENT ASSETS			
Inventories		16,151	15,186
Trade receivables		8,808	8,003
Other receivables, deposits and prepayments		625	587
Current tax assets		2,365	2,561
Short-term investments		31,634	29,500
Fixed deposits with licensed banks		4,978	5,556
Cash and bank balances		10,626	10,874
		75,187	72,267
TOTAL ASSETS		97,418	92,885
EQUITY AND LIABILITIES			
EQUITY			
Share capital		66,257	66,257
Merger deficit		(28,697)	(28,697)
Foreign exchange translation reserve		64	59
Retained profits		50,861	47,339
Equity attributable to owners of the Company		88,485	84,958
Non-controlling interest		76	75
TOTAL EQUITY		88,561	85,033
NON-CURRENT LIABILITIES			
Lease liabilities		114	133
Deferred tax liabilities		*	*
		114	133
CURRENT LIABILITIES			
Trade payables		7,013	5,740
Other payables and accruals		1,680	1,725
Lease liabilities		50	254
		8,743	7,719
TOTAL LIABILITIES		8,857	7,852
TOTAL EQUITY AND LIABILITIES		97,418	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 31 MAY 2024**

	Unaudited As at 31.05.2024 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 31 MAY 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	(28,697)	59	47,339	84,958	75	85,033
Profit after taxation for the financial period	-	-	-	4,617	4,617	1	4,618
Other comprehensive expense for the financial period: - Foreign currency translation differences	-	-	5	-	5	*	5
Total comprehensive income/(expense) for the financial period	-	-	5	4,617	4,622	1	4,623
Contribution by and distributions to owners of the Company: - Dividends by the Company (Note 7)	-	-	-	(1,095)	(1,095)	-	(1,095)
At 31 May 2024 (Unaudited)	66,257	(28,697)	64	50,861	88,485	76	88,561
At 1 June 2022	66,257	(28,697)	(2)	45,144	82,702	125	82,827
Profit after taxation for the financial period	-	-	-	2,925	2,925	(50)	2,875
Other comprehensive expense for the financial period: - Foreign currency translation differences	-	-	61	-	61	-	61
Total comprehensive income/(expense) for the financial period	-	-	61	2,925	2,986	(50)	2,936
Distributions to owners of the Company: - Dividends by the Company	-	-	-	(730)	(730)	-	(730)
At 31 May 2023 (Audited)	66,257	(28,697)	59	47,339	84,958	75	85,033

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 31 MAY 2024**

	Note	Year-To-Date Ended	
		Unaudited 31.05.2024 RM'000	Audited 31.05.2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		7,284	4,140
Adjustments for:-			
Allowance for impairment losses on trade receivables		-	168
Amortisation of trademark		32	32
Changes due to lease modification		(94)	-
Depreciation of right-of-use assets		411	408
Depreciation of property, plant and equipment		836	665
Gain on disposal of property, plant and equipment		-	(1)
Property, plant equipment written off		-	2
Interest expenses on lease liabilities		14	18
Interest income		(1,266)	(994)
Inventories written down		-	103
Unrealised gain on foreign exchange		(114)	(165)
Operating profit before working capital changes		7,103	4,376
(Increase)/Decrease in inventories		(738)	1,503
Increase in trade and other receivables		(950)	(112)
Increase/(Decrease) in trade and other payables		1,076	(1,426)
Increase in amount owing to a related party		*	(11)
CASH FOR OPERATIONS		6,491	4,330
Income tax paid		(2,204)	(2,501)
Real Property Gain Tax paid		(266)	-
NET CASH FROM OPERATING ACTIVITIES		4,021	1,829
CASH FLOWS FOR INVESTING ACTIVITIES			
Interest income received		1,266	994
Addition to Right of use assets		(34)	-
Purchase of property, plant and equipment		(2,810)	(3,283)
Proceeds from disposal of property, plant and equipment		-	109
NET CASH FOR INVESTING ACTIVITIES		(1,578)	(2,180)

DPI HOLDINGS BERHAD

(Registration No. 201701035607)(1249778-M)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR-TO-DATE ENDED 31 MAY 2024 (CONT'D)**

	Note	Year-To-Date Ended	
		Unaudited 31.05.2024 RM'000	Audited 31.05.2023 RM'000
CASH FLOWS FOR FINANCING ACTIVITIES			
Addition to lease liabilities		116	-
Repayment of lease liabilities		(113)	(113)
Interest paid on lease liabilities		(14)	(11)
Dividends paid		(1,095)	(730)
NET CASH FOR FINANCING ACTIVITIES		(1,106)	(854)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		1,337	(1,205)
EFFECT OF FOREIGN EXCHANGE TRANSLATION		(29)	188
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD		45,930	46,947
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	14	47,238	45,930

Note:

* - less than RM1,000.

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 31 May 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 31 May 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 31 May 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 31 May 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	Unaudited	Changes	Unaudited	Audited	Changes
	31.05.2024	31.05.2023		31.05.2024	31.05.2023	
RM'000	RM'000	%	RM'000	RM'000	%	
Aerosol products	13,272	10,462	26.9	43,179	38,520	12.1
Solvents and thinners	3,363	3,790	(11.3)	12,016	12,658	(5.1)
Plastic products	227	192	18.2	595	472	26.1
	16,862	14,444	16.7	55,790	51,650	8.0

9. NET IMPAIRMENT LOSS ON FINANCIAL ASSETS

	Quarter Ended			Year-To-Date Ended		
	Unaudited	Unaudited	Changes	Unaudited	Audited	Changes
	31.05.2024	31.05.2023		31.05.2024	31.05.2023	
RM'000	RM'000	%	RM'000	RM'000	%	
Impairment losses:						
- trade receivables	-	(168)	(100.0)	-	(168)	(100.0)
	-	(168)	(100.0)	-	(168)	(100.0)

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 Ended														
	Aerosol products			Solvents and thinners			Plastic products			Others			Total		
	Unaudited 31.05.2024 RM'000	Unaudited 31.05.2023 RM'000	Changes %	Unaudited 31.05.2024 RM'000	Unaudited 31.05.2023 RM'000	Changes %	Unaudited 31.05.2024 RM'000	Unaudited 31.05.2023 RM'000	Changes %	Unaudited 31.05.2024 RM'000	Unaudited 31.05.2023 RM'000	Changes %	Unaudited 31.05.2024 RM'000	Unaudited 31.05.2023 RM'000	Changes %
Revenue															
External revenue (Note 8)	13,272	10,462	26.9	3,363	3,790	(11.3)	227	192	18.2	-	-	-	16,862	14,444	16.7
Inter-segment revenue	7,055	5,132	37.5	-	-	-	241	295	(18.3)	-	-	-	7,296	5,427	34.4
Consolidated adjustments	20,327	15,594	30.4	3,363	3,790	(11.3)	468	487	(0.1)	-	-	-	24,158	19,871	21.6
Consolidated revenue													(7,296)	(5,427)	34.4
													16,862	14,444	16.7
Results															
Segment profit before interest and taxation	1,902	2,324	(18.2)	247	191	29.3	62	(23)	(369.6)	(23)	(149)	(84.6)	2,188	2,343	(6.6)
	Year-To-Date Ended														
	Aerosol products			Solvents and thinners			Plastic products			Others			Total		
	Unaudited 31.05.2024 RM'000	Audited 31.05.2023 RM'000	Changes %	Unaudited 31.05.2024 RM'000	Audited 31.05.2023 RM'000	Changes %	Unaudited 31.05.2024 RM'000	Audited 31.05.2023 RM'000	Changes %	Unaudited 31.05.2024 RM'000	Audited 31.05.2023 RM'000	Changes %	Unaudited 31.05.2024 RM'000	Audited 31.05.2023 RM'000	Changes %
Revenue															
External revenue (Note 8)	43,179	38,520	12.1	12,016	12,658	(5.1)	595	472	26.1	-	-	-	55,790	51,650	8.0
Inter-segment revenue	25,653	14,338	78.9	-	-	-	887	654	35.6	-	2,340	(100.0)	26,540	17,332	53.1
Consolidated adjustments	68,832	52,858	30.2	12,016	12,658	(5.1)	1,482	1,126	31.6	-	2,340	(100.0)	82,330	68,982	19.3
Consolidated revenue													(26,540)	(17,332)	53.1
													55,790	51,650	8.0
Results															
Segment profit before interest and taxation	6,830	4,761	43.5	831	315	163.8	24	(219)	(111.0)	(387)	(698)	(44.6)	7,298	4,159	75.5

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

10. SEGMENT INFORMATION (CONT'D)

	Quarter and Year-To-Date Ended														
	Aerosol products			Solvents and thinners			Plastic products			Others			Total		
	Unaudited 31.05.2024 RM'000	Audited 31.05.2023 RM'000	Changes %	Unaudited 31.05.2024 RM'000	Audited 31.05.2023 RM'000	Changes %	Unaudited 31.05.2024 RM'000	Audited 31.05.2023 RM'000	Changes %	Unaudited 31.05.2024 RM'000	Audited 31.05.2023 RM'000	Changes %	Unaudited 31.05.2024 RM'000	Audited 31.05.2023 RM'000	Changes %
Assets															
Segment assets	61,825	57,873	6.8	12,480	9,463	31.9	1,082	1,071	1.0	67,079	66,238	1.3	142,466	134,645	5.8
Unallocated assets:															
- current tax assets													2,365	2,561	(7.7)
Consolidated adjustments													(47,413)	(44,321)	7.0
Consolidated total assets													97,418	92,885	4.9
Addition to non-current assets other than financial instruments is:-															
Property, plant and equipment	2,573	2,712	(5.1)	204	10	1,940.0	33	561	(94.1)	-	-	100.0	2,810	3,283	(14.4)
Liabilities															
Segment liabilities/															
Consolidated total liabilities	13,287	10,646	24.8	2,913	2,274	28.1	600	726	(17.4)	1,374	188	630.9	18,174	13,834	31.4
Unallocated liabilities:															
- lease liabilities													164	387	(57.6)
Consolidated adjustments													(9,481)	(6,369)	48.9
Consolidated total liabilities													8,857	7,852	12.8

Geographical Information

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

Malaysia
Outside Malaysia

	Quarter Ended			Year-To-Date Ended		
	Unaudited 31.05.2024 RM'000	Unaudited 31.05.2023 RM'000	Changes %	Unaudited 31.05.2024 RM'000	Audited 31.05.2023 RM'000	Changes %
	Malaysia	12,520	11,212	11.7	43,097	41,960
Outside Malaysia	4,342	3,232	34.3	12,693	9,690	31.0
	16,862	14,444	16.7	55,790	51,650	8.0

DPI HOLDINGS BERHAD

(Registration No. 201701035607)(1249778-M)

(Incorporated in Malaysia)

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 31.05.2024 RM'000	Audited 31.05.2023 RM'000	Changes %
Malaysia	20,525	19,021	7.9
Singapore	1,706	1,597	6.8
	<u>22,231</u>	<u>20,618</u>	<u>7.8</u>

11. PROPERTY, PLANT AND EQUIPMENT

	Unaudited				
	At 01.06.2023 RM'000	Additions RM'000	Depreciation Charges RM'000	Foreign Translation RM'000	At 31.05.2024 RM'000
<i>Carrying Amount</i>					
Factory buildings	2,729	-	(76)	-	2,653
Machinery, factory and laboratory equipment	2,181	2,256	(397)	-	4,040
Renovation, office equipment, electrical, furniture and fittings	2,073	120	(271)	9	1,931
Motor vehicles	216	142	(92)	-	266
Capital work-in-progress	8,196	292	-	-	8,488
	<u>15,395</u>	<u>2,810</u>	<u>(836)</u>	<u>9</u>	<u>17,378</u>

	Audited					
	At 01.06.2022 RM'000	Additions RM'000	Written Off RM'000	Depreciation Charges RM'000	Foreign Translation RM'000	At 31.05.2023 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>

DPI HOLDINGS BERHAD

(Registration No. 201701035607)(1249778-M)

(Incorporated in Malaysia)

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**12. RIGHT-OF-USE ASSETS**

	Unaudited					At 31.05.2024 RM'000
	At 01.06.2023 RM'000	Addition RM'000	Depreciation Charges RM'000	Gain on lease modification RM'000	Foreign Translation RM'000	
	Carrying Amount					
Leasehold land	3,333	-	(170)	-	-	3,163
Buildings and office equipment	1,592	34	(241)	13	27	1,425
	4,925	34	(411)	13	27	4,588

	Audited					At 31.05.2023 RM'000
	At 01.06.2022 RM'000	Addition RM'000	Depreciation Charges RM'000	Foreign Translation RM'000		
	Carrying Amount					
Leasehold land		3,504	-	(171)	-	3,333
Buildings and office equipment		1,592	153	(237)	84	1,592
		5,096	153	(408)	84	4,925

- (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.

13. RELATED PARTY DISCLOSURES

	Quarter Ended			Year-To-Date Ended		
	Unaudited 31.05.2024 RM'000	Unaudited 31.05.2023 RM'000	Changes %	Unaudited 31.05.2024 RM'000	Audited 31.05.2023 RM'000	Changes %
	Rental paid or payable to a company in which a director of the Company has a substantial financial interest	18	18	-	72	72

DPI HOLDINGS BERHAD

(Registration No. 201701035607)(1249778-M)

(Incorporated in Malaysia)

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**14. CASH AND CASH EQUIVALENTS**

The cash and cash equivalents comprise the following:-

	Unaudited As at 31.05.2024 RM'000	Audited As at 31.05.2023 RM'000
Short-term investments	31,634	29,500
Fixed deposits with licensed banks	4,978	5,556
Cash and bank balances	10,626	10,874
	<u>47,238</u>	<u>45,930</u>
Fair value of money market fund	<u>31,634</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.

15. 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 31.05.2024 RM'000	Audited As at 31.05.2023 RM'000
Approved and not contracted for:-		
Plant, plant and equipment	11,162	10,276
Approved and contracted for:-		
Purchases of property, plant and equipment	734	1,065
	<u>11,896</u>	<u>11,341</u>

16. CONTINGENT ASSETS AND LIABILITIES

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

17. 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 31 May 2024.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

18. FINANCIAL INSTRUMENTS

18.1 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 31.05.2024 RM'000	Audited As at 31.05.2023 RM'000
Assets		
Financial asset mandatorily at fair value through profit or loss		
Short-term investment	31,634	29,500
Financial assets at amortised cost		
Trade receivables	8,808	8,003
Fixed deposits with licensed banks	4,978	5,556
Cash and bank balances	10,626	10,874
Total financial assets	24,412	24,433
Liability		
Financial liabilities at amortised cost		
Trade payables	7,013	5,740
Other payables and accruals	1,680	1,075
Total financial liabilities	8,693	6,815

18.2 Gains or Losses Arising From Financial Instruments

	Unaudited As at 31.05.2024 RM'000	Audited As at 31.05.2023 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	1,074	795
<u>Amortised Cost</u>		
Net gains recognised in profit or loss	192	31

18.3 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.

19. SIGNIFICANT EVENT AFTER THE REPORTING PERIOD

There was no significant event subsequent to 31 May 2024.

20. 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**

21. REVIEW OF PERFORMANCE**Fourth Quarter FYE 2024 ("4Q FYE 2024") Compared to Fourth Quarter FYE 2023 ("4Q FYE 2023")****Revenue**

For the 4Q FYE 2024, the Group achieved a higher revenue of RM16.86 million as compared to RM14.44 million in 4Q FYE 2023. The increase in Group's revenue by RM2.42 million or approximately 16.7% was driven by the Aerosol Products segment. The performance of the individual business segments is analysed below:

A) Aerosol Products

Revenue from aerosol products in 4Q FYE 2024 increased by RM2.81 million, or approximately 26.9% to RM13.27 million, compared to RM10.46 million in 4Q FYE 2023. This growth is a result of increase in orders from customers and the expansion of the customer base.

B) Solvents and Thinners

Revenue from solvents and thinners in 4Q FYE 2024 decreased by RM0.43 million, or approximately 11.3% to RM3.36 million, compared to RM3.79 million in 4Q FYE 2023. The decline was due to a slight reduction in customer orders during the 4Q FYE 2024.

C) Plastic products

Revenue of plastic products in 4Q FYE 2024 increased by RM0.04 million, or approximately 18.2% to RM0.23 million, compared to RM0.19 million in 4Q FYE 2023. There was a gradual improvement in demand for our plastic products during the 4Q FYE 2023.

Profit Before Taxation ("PBT")

The Group reported a PBT of RM2.17 million for the 4Q FYE 2024, compared to RM2.33 million in 4Q FYE 2023. The decrease by RM0.16 million or approximately 7.1%, was due a decrease in the gross profit margin.

12 Months Financial Period Ended ("FPE") 31 May 2024 ("YTD FYE 2024") Compared to 12 Months FPE 31 May 2023 ("YTD FYE 2023")**Revenue**

For the YTD FYE 2024, the Group achieved a higher revenue of RM55.79 million, reflecting an increase of RM4.14 million or approximately 8.0% from the YTD FYE 2023 of RM51.65 million. The performance of the individual business segments is analysed below:

A) Aerosol Products

Revenue from aerosol products for YTD FYE 2024 increased by RM4.66 million, or approximately 12.1% to RM43.18 million, compared to RM38.52 million in YTD FYE 2023. This growth was driven by the increase in orders from customers and the expansion of the customer base.

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**
21. REVIEW OF PERFORMANCE (CONT'D)
12 Months Financial Period Ended ("FPE") 31 May 2024 ("YTD FYE 2024") Compared to 12 Months FPE 31 May 2023 ("YTD FYE 2023") (Cont'd)
B) Solvents and Thinners

Revenue from solvents and thinners in YTD FYE 2024 decreased by RM0.64 million, or approximately 5.1% to RM12.02 million, compared to RM12.66 million for the YTD FYE 2023. The decline was due to a slight reduction in customer orders during the 4Q FYE 2024.

C) Plastic products

Revenue from plastic products in YTD FYE 2024 increased by RM0.12 million, or approximately 26.1% to RM0.59 million, compared to RM0.47 million for the YTD FYE 2023. The increase was due to a slight increase in customer orders.

Profit Before Taxation ("PBT")

The Group's PBT increased from RM4.14 million for the YTD FYE 2023 to RM7.28 million for the YTD FYE 2024, marking an increase of RM3.14 million or approximately 75.9%. The increase was driven by increase in customer orders and improvements in the gross profit margin resulting from a lower average cost of raw material.

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

	Quarter Ended		Changes %
	Unaudited 31.05.2024 RM'000	Unaudited 29.02.2024 RM'000	
Revenue	16,862	11,879	41.9
Profit before taxation	2,179	1,317	65.5

The Group's revenue increased by RM4.98 million, or approximately 41.9% from RM11.88 million in the immediate preceding quarter to RM16.86 million in the current quarter.

The Group's PBT increased by RM0.86 million, or approximately 64.5% from RM1.32 million in the immediate preceding quarter to RM2.18 million in the current quarter.

The increase in the Group's revenue and profit before tax was mainly due to increase in sales order of aerosol products from local and overseas customers.

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**
23. PROSPECTS

As we strive for continued growth in the local market, we are elevating brand awareness through a blend of innovative online and offline initiatives. Our adaptability ensures that we meet the evolving demands of today's dynamic market. This strategy not only honours our brand's rich legacy but also connects deeply with modern audiences, fostering meaningful relationships.

With economies rebounding and supply chains realigning, the demand for reliable aerosol providers in Southeast Asia is set to increase. This promising outlook presents DPI with exciting opportunities to venture into new international markets. While we remain mindful of inflationary risks, our exploration is conducted with prudence. Additionally, our Group's strong financial standing provides an extra layer of security, supporting our strategic objectives.

In addition to our domestic efforts, we are committed to expanding our portfolio for our valued overseas customers. We are actively reformulating new products to better serve their needs and enhance our offerings.

Our proven track record of delivering superior products, coupled with an unwavering commitment to research and development, positions us strongly to meet the needs of both existing and emerging markets.

24. PROFIT FORECAST

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

25. INCOME TAX EXPENSE

	Quarter Ended			Year-To-Date Ended		
	Unaudited 31.05.2024 RM'000	Unaudited 31.05.2023 RM'000	Changes %	Unaudited 31.05.2024 RM'000	Audited 31.05.2023 RM'000	Changes %
Current tax expense	551	583	(5.5)	1,908	1,444	32.1
Under/(Over)provision in the prior financial year	492	-	100.0	492	(115)	(527.8)
Real property gains tax ("RPGT")	-	-	100.0	266	-	100.0
Deferred tax					(65)	
Total income tax expense	1,043	583	78.9	2,666	1,264	110.9
Effective tax rate	48%	25%		37%	35%	

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, under provision from prior financial year and non-tax deductible expenses.

26. 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**27. 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 31 May 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	1,283	2,323	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	1,533	11,896	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.

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

28. BORROWINGS AND DEBT SECURITIES

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

29. CHANGES IN MATERIAL LITIGATION

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

30. DIVIDENDS

On 25 July 2024, the Board declared a first interim dividend of 0.10 sen per share in respect of the financial year ending 31 May 2024. The entitlement date has been fixed on 13 August 2024 and the dividend will be paid on 28 August 2024.

A depositor shall qualify for the entitlement on in respect of:

- (a) Shares transferred to Depositor's Securities Account before 5.00 p.m. on 13 August 2024 in respect of ordinary shares.
- (b) Shares bought on Bursa Malaysia Securities Berhad ("BMSB") on a cum entitlement basis according to the rules of BMSB.

31. EARNINGS PER SHARE ("EPS")

	Quarter Ended		Year-To-Date Ended	
	Unaudited 31.05.2024	Unaudited 31.05.2023	Unaudited 31.05.2024	Audited 31.05.2023
Profit after taxation attributable to owners of the Company (RM'000)	1,124	1,752	4,617	2,925
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)	0.15	0.24	0.63	0.40
- Diluted ⁽²⁾ (Sen)	0.15	0.24	0.63	0.40

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

32. 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 31.05.2024 RM'000	Unaudited 31.05.2023 RM'000	Changes %	Unaudited 31.05.2024 RM'000	Audited 31.05.2023 RM'000	Changes %
Amortisation of trademark	7	8	(12.5)	32	32	-
Depreciation of right-of-use assets	150	84	78.6	411	408	0.7
Depreciation of property, plant and equipment	238	181	31.5	836	665	25.7
Gain on disposal of property, plant and equipment	-	1	-	-	(1)	(100.0)
Loss/(Gain) on foreign exchange:						
- realised	(132)	162	(181.5)	(114)	(58)	96.6
- unrealised	33	(47)	(170.2)	(82)	(165)	(50.3)
Interest expenses on lease liabilities	9	2	350.0	14	10	40.0
Interest income from short term investment and fixed deposits with licensed banks	(311)	(315)	(1.3)	(1,266)	(994)	27.4
Property, plant and equipment written off	-	-	-	-	2	(100.0)

33. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

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

34. AUTHORISED FOR ISSUE

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