



**DSR TAIKO BERHAD**

Registration No.: 202101001462 (1401760-W)

(Incorporated in Malaysia under the Companies Act, 2016)

**Unaudited Consolidated Financial Statements for the  
Second Half Financial Year Ended 30 June 2023**

CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES BERHAD ('**BURSA SECURITIES**').

THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE ACE MARKET OR MAIN MARKET OF BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY DSR TAIKO BERHAD. SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.

**DSR TAIKO BERHAD**

Registration No.: 202101001462 (1401760-W)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 30 June 2023

(The figures have not been audited)

	<b>AS AT 30.06.2023 <sup>(1)</sup> RM'000 (Unaudited)</b>	<b>AS AT 30.06.2022 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	71,471	59,132
Right-of-use assets	1,044	1,017
Deferred tax assets	207	135
	<u>72,722</u>	<u>60,284</u>
<b>Current Assets</b>		
Inventories	1,059	185
Biological asset	-	70
Trade receivables	2,683	1,859
Other receivables, deposits and prepayments	1,265	996
Amount owing by related parties	932	1,646
Current tax assets	19	-
Fixed deposits with licensed banks	100	-
Cash and bank balances	5,665	893
	<u>11,723</u>	<u>5,649</u>
<b>TOTAL ASSETS</b>	<b><u>84,445</u></b>	<b><u>65,933</u></b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	59,162	49,461
Accumulated profit / (losses)	76	(1,105)
Equity attributable to owners of the Company	59,238	48,356
Non-controlling interests	(187)	(84)
<b>TOTAL EQUITY</b>	<b><u>59,051</u></b>	<b><u>48,272</u></b>
<b>NON-CURRENT LIABILITIES</b>		
Lease liabilities	749	840
Term loans	22,184	14,953
	<u>22,933</u>	<u>15,793</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	757	615
Other payables and accruals	147	181
Amount owing to related parties	19	45
Current tax liabilities	-	140
Lease liabilities	314	224
Term loans	1,224	663
	<u>2,461</u>	<u>1,868</u>
<b>TOTAL LIABILITIES</b>	<b><u>25,394</u></b>	<b><u>17,661</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>84,445</u></b>	<b><u>65,933</u></b>
<b>Net assets per share (RM) <sup>(2)</sup></b>	<b><u>0.18</u></b>	<b><u>0.15</u></b>

Notes :

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are detailed in Note A1 and should be read in conjunction with the Audited Consolidated Financial Statements of the DSR Taiko Berhad ("**DSR Taiko**" or "**Company**") for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this interim financial report.

(2) Net assets per share is calculated based on the Company's number of issued ordinary shares of 324,768,020 and 312,938,020 ordinary shares as at 30 June 2023 and 30 June 2022.

**DSR TAIKO BERHAD**

Registration No.: 202101001462 (1401760-W)

**(Incorporated in Malaysia)****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the second half financial year ended 30 June 2023

*(The figures have not been audited)*

	Individual 6 months		Cumulative 12 months ended	
	Unaudited 30.06.2023 <sup>(1)</sup> RM'000	Unaudited 30.06.2022 RM'000	Unaudited 30.06.2023 RM'000	Audited 30.06.2022 RM'000
Revenue	6,360	4,953	10,960	7,798
Cost of sales	(2,058)	(2,787)	(3,718)	(3,946)
Gross profit	4,302	2,166	7,242	3,852
Other income	-	77	2	125
Administrative expenses	(2,287)	(1,647)	(3,757)	(3,424)
Other expenses	-	(275)	(537)	(331)
Finance expenses	(727)	(468)	(1,268)	(486)
Profit / (Loss) before taxation	1,288	(147)	1,682	(264)
Income tax expense	(122)	-	(604)	(266)
Profit / (Loss) for the period	1,166	(147)	1,078	(530)
Other comprehensive income	-	-	-	-
<b>Total comprehensive income / (expenses) for the period</b>	<b>1,166</b>	<b>(147)</b>	<b>1,078</b>	<b>(530)</b>
Profit / (Loss) after taxation Total comprehensive income for the period attributable to:-				
Owners of the Company	1,041	25	1,181	(414)
Non-controlling interests	125	(172)	(103)	(116)
	<u>1,166</u>	<u>(147)</u>	<u>1,078</u>	<u>(530)</u>
Earnings per share attributable to Owners of the Company: -				
- Basic (Sen) <sup>(2)</sup>	<u>0.33</u>	<u>0.01</u>	<u>0.38</u>	<u>(0.13)</u>

**Notes :**

- (1) The Unaudited Condensed Consolidated Statement of Profit or Loss And Other Comprehensive Income for the financial year ended 30 June 2023 should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this interim financial statements.
- (2) The Company's issued 324,768,020 of ordinary shares as at 30 June 2023 were weighted to reflect the issuance of shares during the periods above. Weighted average number of ordinary shares issue for the 6 months FPE 30 June 2023 was 313,595,242 and for the cumulative 12 months ended 30 June 2023 was 313,262,130.

**DSR TAIKO BERHAD**

Registration No.: 202101001462 (1401760-W)

**(Incorporated in Malaysia)****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the second half financial year ended 30 June 2023

*(The figures have not been audited)*

	<u>Non- Distributable</u>	<u>Distributable (Accumulated losses)/ Retained Profits</u>	<u>Attributable to Owners of the Company</u>	<u>Non- Controlling Interests</u>	<u>Total Equity</u>
	<u>Share capital</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<b>Balance as at 1 July 2021</b>	49,461	(691)	48,770	32	48,802
Loss after taxation / Total comprehensive expenses for the financial year	-	(414)	(414)	(116)	(530)
<b>Balance at 30 June 2022</b>	49,461	(1,105)	48,356	(84)	48,272
<b>Balance as at 1 July 2022</b>	49,461	(1,105)	48,356	(84)	48,272
Contributions by and distributions to owners of the Company:					
- Issuance of new shares	9,701	-	9,701	-	9,701
Profit/ (Loss) after taxation / Total comprehensive income/(expenses) for the financial year	-	1,181	1,181	(103)	1,078
<b>Balance at 30 June 2023</b>	59,162	76	59,238	(187)	59,051

Note :

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are detailed in Note A1 should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this interim financial report.

**DSR TAIKO BERHAD**

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FYE 30 JUNE 2023 <sup>(1)</sup>***(The figures have not been audited)*

	12 Months Ended	
	Unaudited	Audited
	30.06.2023	30.06.2022
	RM'000	RM'000
<b>Cash flows from/(for) operating activities</b>		
Profit / (Loss) before taxation	1,682	(264)
Adjustments for :-		
Depreciation of property, plant and equipment	1,193	445
Depreciation of right-of-use assets	309	216
Fair value loss / (gain) on biological assets	70	(19)
Interest expense on lease liabilities	72	57
Interest expense on term loans	1,196	429
Interest income	(1)	(40)
Operating gain before working capital changes	4,521	824
Changes in working capital :-		
Increase in inventories	(874)	(175)
Increase in trade receivables, deposits and prepayments	(1,093)	(1,095)
Increase in trade and other payables	108	293
Decrease / (Increase) in amount owing by related parties	699	(1,614)
Cash from/(for) operating activities	3,361	(1,767)
Income tax paid	(835)	(251)
<b>Net cash generated from / (used in) operating activities</b>	<b>2,526</b>	<b>(2,018)</b>
<b>Cash flows for investing activities</b>		
Purchase of property, plant and equipment	(13,532)	(25,995)
Addition to right-of-use assets	(61)	-
Interest received	1	40
Increase in pledged deposits with a licensed bank	(100)	-
<b>Net cash used in investing activities</b>	<b>(13,692)</b>	<b>(25,955)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of share capital	9,701	-
(Decrease) / Increase in amount owing to related parties	(11)	13
Interest paid	(1,262)	(486)
Repayment of lease liabilities	(276)	(163)
Repayment of term loans	(793)	(264)
Drawdown of term loans	8,579	15,880
<b>Net cash from financing activities</b>	<b>15,938</b>	<b>14,980</b>
Net Increase / (decrease) in cash & cash equivalents	4,772	(12,993)
Cash & cash equivalents at beginning of the financial year	893	13,886
<b>Cash &amp; cash equivalents at end of the financial year</b>	<b>5,665</b>	<b>893</b>
Cash and cash equivalents at the end of the financial year comprises:-		
	As at	As at
	30.06.2023	30.06.2022
	RM'000	RM'000
Cash and bank balances	5,665	893

Note :

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are detailed in Note A1 and should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this interim financial report.

## DSR TAIKO BERHAD

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### A Notes To The Financial Report

#### A1 Basis of Preparation

The interim financial statements of DSR Taiko and its subsidiaries (the "Group") are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 : Interim Financial Reporting issued by the Malaysian Accounting Standard Board ("MASB") and Rule 6.12 and Appendix 6A of the Listing Requirements.

This is the interim financial statements on the consolidated financial results for the second half financial year ended 30 June 2023 announced by the Company in compliance with Rule 6.12 of the LEAP Market's Listing Requirements of Bursa Securities.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

#### A2 Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 June 2022 and for the adoption of the Amendments and Annual Improvements to Standards effective from 1 January 2023:

These belows have been adopted already by 1 January 2023, save for the MFRS Insurance which is deferred.

#### **MFRSs and/or IC Interpretations** **(Including the Consequential Amendments)**

MFRS 17 Insurance Contracts	1 January 2023
Amendments to MRFS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MRFS 17 Insurance Contracts	1 January 2023
Amendment to MRFS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MRFS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MRFS 112: Deferred Tax relates to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 112: International Tax Reform - Pillar Two Model Rules	1 January 2023

The Group will adopt the above to adopt the above pronouncement when it become effective in the respective financial periods. This pronouncements are not expected to have a material impact to the financial statements of the Group upon their initial recognition. The Group is currently assessing the impact of this standards and plans to adopt this standards on its effective dates.

#### A3 Auditors' Report For The Preceding Financial Year Ended 30 June 2022

The auditors' report on the financial statements for the financial year ended 30 June 2022 was not subjected to any qualification.

#### A4 Seasonal or Cyclical Factors

There are typically two durian seasons in a year, the primary season usually begins in July, sometimes flowing into August. The secondary season usually begins in December and runs to January/February. However, with our advanced approach, our downstream durian-based products such as frozen durians allow for durians to be practically available throughout the year.

#### A5 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items which affect the assets, liabilities, equity, net income or cash flows of the Group for the second half financial period ended 30 June 2023 under review.

#### A6 Material Changes in Estimates

There were no changes in estimates that had any material effect on the second half financial period ended 31 December 2023.

#### A7 Debts and Equity Securities

During the financial year, the company issued an additional 11,830,000 of ordinary shares at RM 0.82 per share under private placement. The total number of issued ordinary shares after the placement amounted to 324,768,020 shares.

#### A8 Segmental Information

The Group's revenue based on its business segment is presented as follows:

Revenue by business segment	Individual 6 months ended				Cumulative 12 months ended			
	Unaudited		Unaudited		Unaudited		Audited	
	30.06.2023		30.06.2022		30.06.2023		30.06.2022	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Upstream	4,548	71.51	2,924	59.03	8,282	75.57	3,808	48.83
Downstream	1,812	28.49	2,029	40.97	2,678	24.43	3,990	51.17
<b>Total</b>	<b>6,360</b>	<b>100.00</b>	<b>4,953</b>	<b>100.00</b>	<b>10,960</b>	<b>100.00</b>	<b>7,798</b>	<b>100.00</b>

#### A9 Material Events Subsequent to the End of the Period

There were no material events subsequent to the end of the current financial period.

#### A10 Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial period, including business combinations, acquisition or disposal of subsidiary companies and long-term investments, restructurings and discontinued operations.

#### A11 Contingent Assets and Contingent Liabilities

There were no contingent assets and contingent liabilities as at the date of this interim financial report.

#### A12 Capital Commitments

There are no material capital commitments as at the end of the financial year under review.

### A13 Related Party Transactions

The Group's related party transactions for the current financial year are as follows:

No	Transacting Parties	Nature of relationship	Nature of transaction	Unaudited	Audited
				FYE 2023	FYE 2022
				RM'000	RM'000
1	DSR Daily Fresh Sdn Bhd (" <b>DSR Daily Fresh</b> ") and Daily Fresh International Sdn Bhd (" <b>Daily Fresh International</b> ")	Daily Fresh International is a shareholder of our Group and also holds 30% equity stake in DSR Daily Fresh	Purchase of D.MASKING durian-based products (i.e., durian flavoured ice cream, durian truffle popcorn and durian kaya) by DSR Daily Fresh from Daily Fresh International.	161	65
			Sales of D.MASKING durian-based products (i.e., durian flavoured ice cream, durian truffle popcorn and durian kaya) by DSR Daily Fresh to Daily Fresh International.	16	11
2	DSR Daily Fresh and Daily Fresh Foods Sdn Bhd (" <b>Daily Fresh Foods</b> ")	Daily Fresh Foods wholly owns Daily Fresh International, which is a shareholder of our Group and also holds 30% equity stake in DSR Daily Fresh	Purchase of Food Truck by DSR Daily Fresh from Daily Fresh Foods.	180	-
			Sales of fresh durians and D.MASKING durian-based products (i.e., frozen pulp and durian paste) from DSR Daily Fresh to Daily Fresh Foods.	999	3,279
			Processing and storage fees paid to Daily Fresh Foods by DSR Daily Fresh for the production of D.MASKING durian-based products.	175	400
			Purchase of kitchen equipment and packaging material, transport charges and license fee by DSR Daily Fresh from Daily Fresh Foods.	35	33
			Purchase of fresh durians and D.MASKING durian-based products (i.e frozen pulp and durian paste) by DSR Daily Fresh from Daily Fresh Foods	15	-
3	DSR Daily Fresh and Daily Fresh Trading Sdn Bhd (" <b>Daily Fresh Trading</b> ")	Daily Fresh Trading has common shareholders with Daily Fresh International, which is a shareholder of our Group and also holds 30% equity stake in DSR Daily Fresh	Sales of fresh durians and D.MASKING durian-based products (i.e., durian flavoured ice cream, durian truffle popcorn and durian kaya) from DSR Daily Fresh to Daily Fresh Foods	17	37



## B ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS

### B1 Review of Performance

	Individual 6 months ended		Cumulative 12 months ended	
	Unaudited 30.06.2023 RM'000	Unaudited 30.06.2022 RM'000	Unaudited 30.06.2023 RM'000	Audited 30.06.2022 RM'000
	Revenue	6,360	4,953	10,960
Profit/(Loss) before tax	1,288	(147)	1,682	(264)

#### Current Half Year

The Group recorded a higher revenue of RM 6.36 million for the current half year under review compared to RM 4.95 million for the corresponding period in the preceding year, which represent an increase of 28%. The increase is due to higher average selling price and is driven by the increase in supply of fresh durian from our existing durian plantation and newly acquired matured orchard.

The Group recorded a higher profit before tax of RM 1.29 million for the current half year under review compared to a loss of RM 0.15 million for the corresponding period in the preceding year. The increase in the profit is mainly due to higher gross profit margin and higher revenue.

#### Year to date

The Group recorded a higher revenue of RM 10.96 million for the current financial year to date under review compared to RM 7.80 million for the corresponding period in the preceding year, which represent an increase of 41%. The increase is due to higher average selling price and is driven by the increase in supply of fresh durian from our existing durian plantation and newly acquired matured orchard.

The Group recorded a higher profit before tax for the financial year to date of RM 1.68 million compared to a loss of RM 0.26 million for the corresponding preceding year. The increase in the profit is mainly due to higher gross profit margin and higher revenue.

### B2 Profit / Loss Before Tax

Profit for the period is arrived at after charging/(crediting):

	Individual 6 months ended		Cumulative 12 months ended	
	Unaudited 30.06.2023 RM'000	Unaudited 30.06.2022 RM'000	Unaudited 30.06.2023 RM'000	Audited 30.06.2022 RM'000
Depreciation of property, plant and equipment	720	398	1,193	445
Depreciation of right-of-use assets	167	79	309	216
Fair value loss / (gain) on biological assets	109	(70)	70	(19)
Interest expense on lease liabilities	37	39	72	57
Interest expense on term loans	690	429	1,196	429
Interest income	(1)	(2)	(1)	(40)

### B3 Prospects for the Next Financial Year

The Group has in place the following future plan and strategy to further expand its business:

- (i) **Expansion of the durian plantation with matured trees:** The Group is actively identifying durian plantation lands with matured trees in the Raub and Bentong Region to increase our plantation landbank.
- (ii) **Branding and Quality Control:** Our focus remains on providing premium-quality durians. We will reinforce our quality control measures across every stage of cultivation, harvesting, and packaging. Our commitment to quality will be synonymous with our brand, fostering customer loyalty and positive word-of-mouth.
- (iii) **Sustainability Practices:** Embracing sustainable farming practices is integral to our ethos. We are dedicated to minimizing our environmental impact through practices such as smart farming, integrated pest management, and efficient water usage.
- (iv) **Engaging Customer Experience:** To provide a durian orchard holistic experience, we are planning a guided exposure for Musang King Integrated System (MKITS) educational initiatives to foster a deeper connection between consumers and our cultivation practices.
- (v) **Overseas markets expansion -** The Group is projecting for D.Masking outlets opening in China by end of 2023 and subsequent other countries through franchising / licensing concept.

The Board is cautiously optimistic on the Group's prospects for the next financial year and will remain committed to provide quality durian fruits and D.Masking durian-based products.

### B4 Profit Forecast, Profit Guarantee and Internal Targets

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

### B5 Taxation

	Individual 6 months ended		Cumulative 12 months ended	
	Unaudited	Unaudited	Unaudited	Audited
	30.06.2023 RM'000	30.06.2022 RM'000	30.06.2023 RM'000	30.06.2022 RM'000
Current tax expense	166	-	648	398
Underprovision of tax expense	28	-	28	3
Deferred tax income	(72)	-	(72)	(135)
<b>Total</b>	<b>122</b>	<b>-</b>	<b>604</b>	<b>266</b>

The effective tax rate for the current financial year is higher than the statutory tax rate, mainly due to non deductible expenses as well as losses incurred by the holding company and one of its subsidiaries.

## C OTHER INFORMATION

### C1 Status of Corporate Proposal

On 17 May 2023, the Company announced its proposal to undertake a private placement of up to 5% of the total number of issued shares of the Company. ("**Private Placement**")

On 20 June 2023, the Company allotted 11,830,000 new ordinary shares @ RM 0.82 per share via private placement and on 31 July 2023, it allotted another 1,709,000 new ordinary shares @ RM 0.82 per share via private placement.

## C2 Material Litigation

The Company was not involve in any material litigation as at the date of this report.

## C3 Dividends

There were no dividend proposed by the Board for the current financial period under review.

## C4 Utilisation of Proceeds

The status of utilisation of proceeds raised of RM 9,700,600 from the issuance of 11,830,000 new ordinary shares in DSR Taiko pursuant to the Private Placement as at the date of this report is as follows:

<b>Details of utilisation</b>	<b>Allocation of Funds RM'000</b>	<b>Actual Utilisation RM'000</b>	<b>Balance Unutilised RM'000</b>	<b>Estimated Timeframe for utilisation upon listing</b>
(i) Acquisition of durian plantation lands	6,528	2,160	4,368	Within 24 months
(ii) Working capital	2,798	688	2,110	Within 24 months
(iii) Expenses for Private Placement	375	147	228	Immediate
<b>Total</b>	<b>9,701</b>	<b>2,995</b>	<b>6,706</b>	

Notes:

(1) The surplus of the funds following payment of the expenses was allocated based on the following estimated proportion as determined by the Group:

<b>Utilisation of Proceeds</b>	<b>Proportion</b>
Acquisition of durian plantation lands	70%
Working capital	30%
<b>Total</b>	<b>100%</b>

(2) Any surplus amount allocated for the expenses for the Private Placement will be utilised for the working capital purposes.

- END OF REPORT-