

11. VALUATION CERTIFICATE

**Raine & Horne
International
Zaki + Partners** Sdn
Bhd

(Company No. 99440-T)

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Date: 22 July 2004

Messrs DPS Resources Berhad
195-B, Taman Melaka Raya
75000 Melaka.

Dear Sir,

**RE: VALUATION CERTIFICATE
DPS RESOURCES BERHAD
ISSUE AND OFFER FOR SALE OF ORDINARY SHARES OF RM0.50 EACH
IN DPS RESOURCES BERHAD.**

We were instructed by DPS Resources Berhad to determine the Market Value of the properties of the DPS Resources Berhad Group FOR SUBMISSION TO SECURITIES COMMISSION.

This Valuation Certificate is prepared for inclusion in the Prospectus of DPS Resources Berhad in relation to the above matter. This valuation certificate is prepared pursuant to the Prospectus Guidelines issued by Securities Commission.

We are pleased to confirm that we have valued the properties vide our Report and Valuation reference No. VMK03.0186 (A-F) and VMK03.0186 (H-L) as set out in the attached schedule.

The valuations were prepared in accordance with the "Guidelines on Asset Valuations" issued by the Securities Commission and the "Manual of Valuation Standards" issued by the Board of Valuers, Appraisers and Estate Agents, Malaysia.

The total Market Value of the properties ** with the benefit of unencumbered titles and with vacant possession as at 30th September 2003 is **RM33,127,000.00 (RINGGIT MALAYSIA THIRTY THREE MILLION ONE HUNDRED AND TWENTY SEVEN THOUSAND ONLY)** as set out in the attached schedule. **

"MARKET VALUE" is defined as the estimated amount for which the properties should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeable, prudently and without compulsion.

Information and data for the abovementioned valuations were obtained from various sources and they include the land office, the Valuation & Property Services Department, enquiries made on the field and information from the client.

Perunding Harta Tanah Antarabangsa • International Property Consultants

Zaki H. Said JP, BSc (London), FISM, Wong Yin Fook BSc (London), MISM ARICS, Chou Yee Seng BSc (Singapore), MISM, Tan Lee Kang BSc, MISM, FRICS, IRRV, MIMgt. (UK), Izren Hamzah Omar Hamzah BSc (London), MISM, Bock Chek Hai FISM, FRICS, IRRV, Tajul Ariffin Mohd Idris MBS (Dublin), Adv. Dip. Est Mgt. (Uitrm), MISM, Jacob Lim Hoong Teong MBA (UK), MISM, ARICS, Ganesh Chinnapan B. Surv. (Hons) Prop. Mgt., MISM, Lim Lian Hong B. Land Econ. (UK), FISM, Ho Sek Chuen Assoc. Dip. Valuation (Aust.), MISM, Michael Geh Thuan Peng B.Bs (Valuation & Land Econ.) FISM, Joseph Chai Thiam Hee BSc (Hons), MISM, ARICS, Azmi Omar BSc (Hons) Land Mgt. (Reading), MISM Ramli Osman ADK, MBA (Edith Cowan), BSc (Hons) Land Mgt (Reading), FISM, Stephen Ng Kho Vat MISM.

GROUP OFFICES

KUALA LUMPUR ALOR SETAR PULAU PINANG BUTTERWORTH IPOH KLANG PETALING JAYA SUBANG JAYA
SEREMBAN MELAKA KUANTAN JOHOR BAHRU K.KINABALU MIRI KUCHING

Representative offices throughout Asia, Australia, New Zealand, Eroupe, Americas & Africa



11. VALUATION CERTIFICATE (CONT'D)

Raine & Horne
International
Zaki + Partners Sdn Bhd

The comparison, cost and investment methods of valuation were used in arriving at the value of the properties.

Brief details of each of the properties are attached as per the schedule.

For and on behalf of
RAINE & HORNE INTERNATIONAL
ZAKI + PARTNERS SDN. BHD.



HJ. TAJUL ARIFFIN BIN HJ. MOHD. IDRIS
M.I.S.M. ADV. DIP. EST. MAN. (MIT)
MBS BANKING & FINANCE (DUBLIN)
REGISTERED VALUER
REG. NO. V-334

** One of the properties (P.T. No. 2170, Mukim of Lukut, District of Port Dickson, State of Negeri Sembilan) was disposed of vide Sale and Purchase Agreement dated 10th February, 2004 between SHANTAWOOD MANUFACTURING SDN. BHD. (Vendor) and SATHIAN A/L MANUAL & SHEELA A/P MUNIANDY (Purchasers) at a consideration of RM110,000.00. **

11. VALUATION CERTIFICATE (CONT'D)

PROPERTY SCHEDULE

Ref. No. VMK03.0186 (A)

Property Identification	General Description of Property	Market Value																														
<p>P. T. Nos 266 and 267 and Lot No. 1629, Mukim of Tanjung Minyak, District of Melaka Tengah State of Melaka</p> <p>Address: No. 76 & 77, Kawasan Perindustrian Bukit Rambai, 75250 Melaka.</p> <p>These properties are located within Bukit Rambai Industrial Area.</p> <p>P. T. No. 266 Hakmilik Sementara (Daftar) No. 21785</p> <p>Tenure: Leasehold 99 years expiring on 11/6/2091</p> <p>Site Area : 5,956.00 sq.metres</p> <p>P. T. No. 267 Hakmilik Sementara (Daftar) No. 21786</p> <p>Tenure: Leasehold 99 years expiring on 11/6/2091</p> <p>Site Area : 7,437.00 sq.metres</p> <p>Lot No. 1629 Geran Mukim No. 84</p> <p>Tenure: Freehold</p>	<p>Three (3) adjoining plots of elongated shaped industrial land. Generally flat and at the same level with the frontage main road.</p> <p>Presently defined by metal cladding sheets and access to the subject properties are secured with a heavy duty metal sliding gate mounted onto a panels of plastered brickwall.</p> <p>The factory complex's compound is improved with tar pre-mix.</p> <p>We noted that the subject properties are developed with the followings:-</p> <table border="0" data-bbox="829 851 1356 1456"> <thead> <tr> <th>Type of Property</th> <th>Built-up Area (sq. m)</th> </tr> </thead> <tbody> <tr> <td>- Double storey office building</td> <td>950.58</td> </tr> <tr> <td>- Single storey lofty factory (A)</td> <td>4,970.31</td> </tr> <tr> <td>- TNB Substations</td> <td>101.16</td> </tr> <tr> <td>- Single storey detached factory with annexe double storey office / canteen building (D)</td> <td>2,053.14</td> </tr> <tr> <td>- Single storey sawmill (Factory C) and Kiln Dryer</td> <td>3,673.38</td> </tr> <tr> <td>- Single storey factory (E)</td> <td>2,136.77</td> </tr> <tr> <td>- Boiler house</td> <td>139.35</td> </tr> <tr> <td>- Single storey factory (F)</td> <td>933.12</td> </tr> <tr> <td>- Open shed (G)</td> <td>1,235.52</td> </tr> <tr> <td>- Dust collectors</td> <td>63.92</td> </tr> <tr> <td>- Open Sided (B)</td> <td>501.67</td> </tr> <tr> <td>- Guard House</td> <td>9.10</td> </tr> <tr> <td>- Lean to shed</td> <td>7,260.65</td> </tr> <tr> <td>Total Built-up Area:</td> <td>24,028.67</td> </tr> </tbody> </table>	Type of Property	Built-up Area (sq. m)	- Double storey office building	950.58	- Single storey lofty factory (A)	4,970.31	- TNB Substations	101.16	- Single storey detached factory with annexe double storey office / canteen building (D)	2,053.14	- Single storey sawmill (Factory C) and Kiln Dryer	3,673.38	- Single storey factory (E)	2,136.77	- Boiler house	139.35	- Single storey factory (F)	933.12	- Open shed (G)	1,235.52	- Dust collectors	63.92	- Open Sided (B)	501.67	- Guard House	9.10	- Lean to shed	7,260.65	Total Built-up Area:	24,028.67	<p>RM18,450,000.00</p> <p><u>Method of Valuation</u> Cost and Investment</p> <p><u>Date of Valuation</u> 30/9/2003</p>
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11. VALUATION CERTIFICATE (CONT'D)

Ref. No. VMK03.0186 (A)

Property Identification	General Description of Property	Market Value
<p>Site Area : 18,980.00 sq. metres</p> <p>Registered Owner : Shantawood Manufacturing Sdn. Bhd.</p> <p>Category of land use : Industrial</p>	<p>The building layout plans for the factory complexes are approved vide Reference No. PKP/MPM 00552/96 dated 11th. October, 1996 and has been certified fit for occupation vide Certificate No. A 02397/99 File No. PKP/MPMBB.00552/96 dated 25th. March, 1999 whilst the single storey detached factory with annexe double storey office / canteen building (D) plan is approved vide Ref. No. 04048/2002 dated 2nd. May, 2003.</p> <p>The single storey detached factory with annexe double storey office / canteen building (D) has been certified fit for occupancy vide a "Pengesahan Bangunan Layak Diduduki" dated 29th. December, 2003.</p> <p>The lean to shed plan's are approved vide a File No. JPKB 00552/96 dated 18th. November, 1996, whilst the lean to shed has a temporary permit for 2003 vide Bil Rampai MPMBB Bil D 028189.</p> <p>Dust collectors plan has been approved vide Ref. No. ASMK (9B) 33/200/000/82 dated 29th. August, 2000.</p>	

11. VALUATION CERTIFICATE (CONT'D)

Ref. No. VMK03.0186 (B)

Property Identification	General Description of Property	Market Value
<p>P. T. Nos. 4095 and 4096 Mukim of Tanjung Minyak District of Melaka Tengah State of Melaka</p> <p>Address: Plot No. 72 & 73, Jalan PBR 39A, Bukit Rambai Industrial Estate Phase V, 75250 Melaka.</p> <p>These properties are located within Bukit Rambai Industrial area.</p> <p>P. T. No. 4095 Hakmilik Sementara (Mukim) No. 2542</p> <p>Tenure: Leasehold 99 years expiring on 22/12/2099</p> <p>Site Area : 4,272 sq.metres</p> <p>P. T. No.4096 Hakmilik Sementara (Mukim) No. 2543</p> <p>Tenure: Leasehold 99 years expiring on 22/12/2099</p> <p>Site Area : 4,094 sq metres</p> <p>Category of land use : Industrial</p> <p>Registered Owner : Perbadanan Kemajuan Negeri Melaka</p>	<p>The land has been fenced with metal decking and some of the foundation and footing works of the proposed dormitory and factory building has been done.</p>	<p>RM1,152,000.00</p> <p><u>Method of Valuation</u> Comparison and Investment</p> <p><u>Date of Valuation</u> 30/9/2003</p>

11. VALUATION CERTIFICATE (CONT'D)

Ref. No. VMK03.0186 (C)

Property Identification	General Description of Property	Market Value
<p>P.T. Nos 4129, 4114 and 4113 Mukim of Tanjung Minyak District of Melaka Tengah State of Melaka</p> <p>Address: Plot Nos 66, 67 and 68, Kawasan Perindustrian Bukit Rambai Phase V, 75250 Bukit Rambai, Melaka.</p> <p>This property is located within Kawasan Perindustrian Bukit Rambai Fasa V.</p> <p>P.T. No. 4129 Hakmilik Sementara (Mukim) No. 2576 Site Area : 3,296 sq. metres</p> <p>P.T. No. 4114 Hakmilik Sementara (Mukim) No. 2561 Site Area : 3,602 sq. metres</p> <p>P.T. No. 4113 Hakmilik Sementara (Mukim) No. 2560 Site Area : 3,637 sq. metres</p> <p>Tenure : Leasehold 99 years expiring on 22/12/2099</p> <p>Category of land use : Industrial</p> <p>Registered Owner : Shantawood Manufacturing Sdn Bhd</p>	<p>We noted that the subject properties have been developed with:-</p> <p>Type of Property ----- Built-up area (sq. metres) -----</p> <p>A single storey lofty factory 7,671.81</p> <p>A double storey worker's quarters together with bath/wcs and utility room 402.47</p> <p>A canteen building 148.92</p> <p>A surau and utilities room building. 222.97</p> <p>Total Built-up Area: ----- 8,446.17 -----</p> <p>The single storey factory building has been approved by MPMBB vide File No. JPKB 04028/2000 dated 26th September, 2000 and Certified Fit for occupancy vide certificate No. 02830/2001 dated 5th June, 2001.</p> <p>The worker's quarters, canteen, surau and utility building plans' are approved vide File No. JPKB/MPMBB 05027/2002 dated 31st December, 2003 and have a temporary permit for 2004 vide Bil. Rampai MPMBB Bil D 0067514.</p>	<p>RM7,000,000.00</p> <p><u>Method of Valuation</u> Cost and Investment</p> <p><u>Date of Valuation</u> 30/9/2003</p>

11. VALUATION CERTIFICATE (CONT'D)

Ref. No. VMK03.0186 (D)

Property Identification	General Description of Property	Market Value
<p>P. T. No. 4169 Mukim of Tanjung Minyak District of Melaka Tengah State of Melaka</p> <p>Address: Plot No. 64, Kawasan Perindustrian Bukit Rambai Phase V, 75250 Bukit Rambai, Melaka</p> <p>This property is located within Bukit Rambai Industrial area.</p> <p>Hakmilik Sementara (Mukim) No. 2616</p> <p>Site Area : 1,650 sq.metres</p> <p>Tenure : Leasehold 99 years expiring on 22/12/2099</p> <p>Category of land use : Industrial</p> <p>Registered Owner : Shantawood Manufacturing Sdn Bhd</p>	<p>The land is vacant of any building.</p>	<p>RM178,000.00</p> <p><u>Method of Valuation</u> Comparison and Investment</p> <p><u>Date of Valuation</u> 30/9/2003</p>

11. VALUATION CERTIFICATE (CONT'D)

Ref. No. VMK03.0186 (E)

Property Identification	General Description of Property	Market Value
<p>P.T. Nos 5718 and 5719 Mukim of Tanjung Minyak District of Melaka Tengah State of Melaka</p> <p>These properties are located within a proposed Taman Bertam Impian, Tanjung, Minyak, Melaka.</p> <p>P.T. Nos 5718 and 5719, Mukim of Tanjung Minyak, District of Melaka Tengah, State of Melaka have not yet been issued with separate individual qualified title.</p> <p>The subject properties are identified as P.T. No. 5718 and 5719 in the Sale and Purchase Agreement between BUKIT RAMBAI PARK SDN BHD. (the Vendor) and SHANTAWOOD MANUFACTURING SDN BHD. (the Purchaser) and SIERRAVIEW SDN BHD. (the Proprietor) dated 27 / 5 / 98.</p> <p>Tenure: The parent lot titles of the subject properties are under Freehold, however, as P.T. Nos 5718 and 5719, Mukim of Tanjung, Minyak have not yet been issued with separate individual qualified title, we assume that the separate valid qualified individual title document would convey either freehold or 99 years leasehold interests.</p> <p>The subject properties site area is 121 sq. metres each.</p>	<p>We noted that the subject properties are developed with two (2) units intermediate single storey terrace houses.</p> <p>The construction of the building is in progress.</p> <p>Our valuation is based on the estimation 80% stage of completion of the buildings.</p> <p>We noted the building layout plan is approved vide Reference No. PKP/MPMBB 03060/97 (P) dated 14th October, 1997 as extracted from second schedule (Page No. 13) of two (2) separate Sale and Purchase Agreements between BUKIT RAMBAI PARK SDN BHD. (the Vendor) and SHANTAWOOD MANUFACTURING SDN BHD. (the Purchaser) and SIERRAVIEW SDN BHD. (the Proprietor) dated 27th May, 1998.</p> <p><u>Built-Up Area</u></p> <p>The built-up area of each building are 89.65 sq. metres.</p>	<p>P.T. No. 5718 RM64,000.00</p> <p>P.T. No. 5719 RM64,000.00</p> <p><u>Method of Valuation</u> Cost and Investment</p> <p><u>Date of Valuation</u> 30/9/2003</p>

11. VALUATION CERTIFICATE (CONT'D)

Ref. No. VMK03.0186 (F)

Property Identification	General Description of Property	Market Value
<p>P. T. No. 3689 Mukim of Bukit Rambai District of Melaka Tengah State of Melaka</p> <p>Address: Plot No. 9558 (No.6) Bukit Rambai Industrial Estate Phase II, 75250 Melaka.</p> <p>This property is located within Bukit Rambai Industrial area.</p> <p>Pajakan Mukim No.170</p> <p>Site Area : 7,104 sq metres</p> <p>Tenure: Leasehold 99 years expiring on 27/1/2079</p> <p>Category of land use : Industrial</p> <p>Registered Owner : DPS Industries Sdn. Bhd.</p>	<p>Erected on the site are as follows :-</p> <p>Type of Property</p> <p>-----</p> <p>Single storey open sided timber factory 2,025.28 Double storey office block 501.68 Factory extension 1,885.93 Guard house 16.72 Substation 55.74 Dust collector 64.00 ----- Total: 4,549.35 -----</p> <p>Extension approved vide No. JPKB/MPMBB 01569/2000 dated 20/12/2002 and the factory building has been Certified Fit for occupancy by the MPMBB vide certificate No. 242/91 dated 17th, September, 1991.</p> <p>The spray booth set approval vide Ref. No. ASMK (B) 33/200/000/214 (7) dated 11/9/2000.</p> <p>Dust collector plan approval vide Ref. No. ASMK (B) 33/200/000/214(5) dated 30/8/2000.</p>	<p>RM4,000,000.00</p> <p><u>Method of Valuation</u></p> <p>Cost and Investment</p> <p><u>Date of Valuation</u></p> <p>30/9/2003</p>

11. VALUATION CERTIFICATE (CONT'D)

Ref. No. VMK03.0186 (H)

Property Identification	General Description of Property	Market Value
<p>** P.T. No. 2170 Mukim of Lukut District of Port Dickson State of Negeri Sembilan</p> <p>Address: No. 16, Lorong Wawasan 6 Taman Wawasan, 71010 Lukut Negeri Sembilan.</p> <p>This property is located within Taman Wawasan approximately 1km north of Lukut Town Centre.</p> <p>Hakmilik Sementara (Mukim) No. 2698</p> <p>Site Area : 350.40 sq.metres</p> <p>Tenure : Leasehold 99 years expiring on 26/2/2096</p> <p>Category of land use: Building</p> <p>Registered Owner : Shantawood Manufacturing Sdn. Bhd. **</p>	<p>Erected on the subject property is a corner unit single storey terrace house of permanent construction.</p> <p>The main built-up area is = 74.69 sq.metres</p> <p>The ancillary built-up area is = 14.31 sq.metres</p> <p>Total: = 89.00 sq. metres</p> <p>Certificate Fitness of occupancy has been issued by Majlis Daerah Port Dickson vide Certificate No. 2199 dated 8th January, 1999.</p>	<p>RM135,000.00</p> <p><u>Method of Valuation</u></p> <p>Cost and Investment</p> <p><u>Date of Valuation</u></p> <p>30/9/2003</p>

** The property was disposed of vide Sale and Purchase Agreement dated 10th February, 2004 between SHANTAWOOD MANUFACTURING SDN. BHD. (Vendor) and SATHIAN A/L MANUAL & SHEELA A/P MUNIANDY (Purchasers) at a consideration of RM110,000.00.

11. VALUATION CERTIFICATE (CONT'D)

Ref. No. VMK03.0186 (I)

Property Identification	General Description of Property	Market Value
<p>Lot No. 17154 Town of Seremban District of Seremban State of Negeri Sembilan</p> <p>Address: No. 9, Lorong Permata 5/1, Taman Permata, 70200 Seremban.</p> <p>This property is located within Taman Permata approximately 2.5 km west of Seremban Town Centre.</p> <p>Geran No. 50627</p> <p>Site Area : 143 sq.metres</p> <p>Tenure : Freehold</p> <p>Category of land use : Building</p> <p>Registered Owner : Shantawood Manufacturing Sdn. Bhd.</p>	<p>Erected on the subject property is an intermediate unit double storey terrace shop office of permanent construction.</p> <p>The main built-up area is = 257.46 sq.metres</p> <p>Ancillary built-up area is = 28.61 sq.metres</p> <p>Total: ----- 286.07 sq. metres</p> <p>Certificate of Fitness is issued by Majlis Perbandaran Seremban vide Perakuan 52/96 Rujukan Fail MPS BKB 2-17/92 dated 24th. June, 1996.</p>	<p>RM320,000.00</p> <p><u>Method of Valuation</u> Cost and Investment</p> <p><u>Date of Valuation</u> 30/9/2003</p>

11. VALUATION CERTIFICATE (CONT'D)

Ref. No. VMK03.0186 (J)

Property Identification	General Description of Property	Market Value
<p>Lot No. 2744 Mukim : 13 District of Seberang Perai Tengah State of Pulau Pinang</p> <p>Address: No. 64, Lorong Bukit Minyak 4 Taman Bukit Minyak, 14000 Bukit Mertajam Pulau Pinang.</p> <p>This property is located within Taman Bukit Minyak approximately 15km south east Butterworth Town Centre.</p> <p>Hakmilik Sementara (Daftar) No. 15999</p> <p>Site Area : 225.00 sq. metres</p> <p>Tenure : Freehold</p> <p>Category of land use: Nil</p> <p>Registered Owner : Shantawood Manufacturing Sdn. Bhd.</p>	<p>Erected on the subject property is a corner unit single storey semi detached house of permanent construction.</p> <p>The main built-up area is = 70.79 sq metres</p> <p>The ancillary built-up area is = 11.14 sq metres</p> <p>Total: <u>81.93 sq. metres</u></p> <p>Our enquiry at the Majlis Perbandaran Seberang Perai revealed that the Certificate of Fitness has been issued.</p> <p>The subject property is presently assessed for rates by the Majlis Perbandaran Seberang Perai.</p>	<p>RM130,000.00</p> <p><u>Method of Valuation</u> Cost and Investment</p> <p><u>Date of Valuation</u> 30/9/2003</p>

11. VALUATION CERTIFICATE (CONT'D)

Ref. No. VMK03.0186 (K)

Property Identification	General Description of Property	Market Value
<p>Lot Nos. 3701 and 3702 Mukim : 16 District of Seberang Perai Tengah State of Pulau Pinang</p> <p>Address: No. 9 & 11, Lorong Bidara 3, Taman Bidara, Jalan Gajah Mati, 14020 Bukit Mertajam Pulau Pinang.</p> <p>These properties are located within Taman Bidara approximately 19 km to the east of Butterworth Town Centre.</p> <p><u>Lot No. 3701</u> Hakmilik Sementara (Mukim) No.1570</p> <p>Site Area : 102.00 sq.metres</p> <p>Registered Owner : Fasda Heights Sdn. Bhd.</p> <p><u>Lot No. 3702</u> Hakmilik Sementara (Mukim) No. 1571</p> <p>Site Area : 102.00 sq. metres</p> <p>Registered Owner : Shantawood Manufacturing Sdn. Bhd.</p> <p>Tenure : Freehold</p> <p>Category of land use : Building</p>	<p>Erected on the sites are two units of intermediate double storey terrace shop office of permanent construction.</p> <p>The built-up area of the building as provided by Majlis Perbandaran Seberang Perai are as follows:-</p> <p>Lot No. 3701 = 185.81 sq. metres</p> <p>Lot No. 3702 = 185.81 sq. metres</p> <p>Excluding the ancillary area.</p> <p>Certificate Fitness issued by Majlis Perbandaran Seberang Perai vide Certificate No. 10/T/2000 dated 2nd February, 2000</p>	<p>Lot No. 3701 RM220,000.00</p> <p>Lot No. 3702 RM220,000.00</p> <p><u>Method of Valuation</u> Cost and Investment</p> <p><u>Date of Valuation</u> 30/9/2003</p>

11. VALUATION CERTIFICATE (CONT'D)

Ref. No. VMK03.0186 (L)

Property Identification	General Description of Property	Market Value												
<p>P. T. No. 4130 Mukim of Tanjung Minyak District of Melaka Tengah State of Melaka</p> <p>Address: Plot No. 65, Kawasan Perindustrian Bukit Rambai Phase V, 75250 Bukit Rambai, Melaka</p> <p>This property is located within Bukit Rambai Industrial area.</p> <p>Hakmilik Sementara (Mukim) No. 2577</p> <p>Site Area : 1,856 sq. metres</p> <p>Tenure : Leasehold 99 years expiring on 22/12/2099</p> <p>Category of land use : Industrial</p> <p>Registered Owner : Shantawood Manufacturing Sdn Bhd</p>	<p>A plot of rectangular shaped industrial land.</p> <p>Generally flat in terrain and at the same level with the frontage main road.</p> <p>Defined by metal cladding sheets and access to the subject property is secured with a heavy duty metal sliding gate mounted onto a panels of plastered brickwall.</p> <p>The provisional site area of the subject property is 1,856.00 sq. metres (19,978.00 sq. ft.).</p> <p>We noted that the subject property has been developed with :-</p> <table data-bbox="869 817 1236 1429"> <thead> <tr> <th>Type of Property</th> <th>Built-up Area (sq. metres)</th> </tr> </thead> <tbody> <tr> <td>Single storey Open Shed</td> <td>817.54</td> </tr> <tr> <td>Six (6) units KD Plant rooms</td> <td>287.99</td> </tr> <tr> <td>Boiler House</td> <td>85.47</td> </tr> <tr> <td>Dust Collector.</td> <td>-</td> </tr> <tr> <td>Total Built-up Area:</td> <td>1,191.00</td> </tr> </tbody> </table>	Type of Property	Built-up Area (sq. metres)	Single storey Open Shed	817.54	Six (6) units KD Plant rooms	287.99	Boiler House	85.47	Dust Collector.	-	Total Built-up Area:	1,191.00	<p>RM1,194,000.00</p> <p><u>Method of Valuation</u> Cost and Investment</p> <p><u>Date of Valuation</u> 30/9/2003</p>
Type of Property	Built-up Area (sq. metres)													
Single storey Open Shed	817.54													
Six (6) units KD Plant rooms	287.99													
Boiler House	85.47													
Dust Collector.	-													
Total Built-up Area:	1,191.00													

11. VALUATION CERTIFICATE (CONT'D)

Ref. No. VMK03.0186 (L)

Property Identification	General Description of Property	Market Value
	<p>The building plan has been approved vide File No. JPKB/MPM/BB 02207/2002 dated 24th June, 2003.</p> <p>We noted that one (1) TNB Substation is approved to be built at the southern portion of the land, however, the building is not erected.</p> <p>Our valuation is based on the estimated 95% stage of completion of the building.</p> <p>The factory building is fully completed and Certificate of Fitness has been issued on 29th December, 2003.</p>	

12. DIRECTORS' REPORT



DPS RESOURCES BERHAD

DPS RESOURCES BERHAD (Company No.: 630878-X)

No.195B Taman Melaka Raya, 75000 Melaka

Tel: 06-2832398 Fax: 06-2830606

Date: 22 July 2004

The Shareholders of
DPS Resources Berhad ("DPS Resources")
195B Taman Melaka Raya
75000 Melaka

Dear Sir/Madam,

On behalf of the Board of Directors of DPS Resources, I report after due enquiry that between the period from 31 March 2004 (being the date to which the last audited financial statements of DPS Resources and its subsidiaries ("Group") have been made up) to 22 July 2004 being a date not earlier than 14 days before the issue of this Prospectus, that:-

- (a) the business of the Group has, in the opinion of the Directors, been satisfactorily maintained;
- (b) in the opinion of the Directors, no circumstances have arisen since the last audited financial statements of the Group which have adversely affected the trading or the value of the assets of the Group;
- (c) the current assets of the Group appear in the books at values which are believed to be realisable in the ordinary course of business;
- (d) there are no contingent liabilities by reason of any guarantees or indemnities given by the Group;
- (e) since the last audited financial statements of the Group, there has been no default or any known event that could give rise to a default situation, in respect of payments of either interest and/or principal sums in relation to any borrowings in which the Directors are aware of; and
- (f) save as disclosed in the Proforma Consolidated Balance Sheets and the Accountants' Report set out in sections 9.9 and 10 of this Prospectus, there have been no changes in the published reserves or any unusual factors affecting the profits of the Group since the last audited financial statements of the Group.

Yours faithfully
For and on behalf of the Board of Directors
DPS RESOURCES BERHAD

.....
Datuk (Dr) Sow Chin Chuan
Executive Chairman And Managing Director

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION

13.1 Share Capital

- i) No securities will be allotted or issued on the basis of this Prospectus later than twelve (12) months after the date of this Prospectus.
- ii) Save as disclosed in sections 4.3 and 4.5, no capital of the Company or its subsidiaries have been issued or are proposed to be issued as fully or partly paid-up in cash or otherwise, within the two (2) years preceding the date of this Prospectus.
- iii) There is no capital of DPS Resources or any of its subsidiaries that is under option, or agreed conditionally or unconditionally to be put under option.
- iv) There is no outstanding amount of convertible debt securities DPS Resources or any of its subsidiaries.
- v) Save for the IPO Shares reserved for the eligible employees of DPS Resources Group as disclosed in section 2.4.3, there is currently no other scheme for or involving the Directors or employees of DPS Resources or its subsidiaries.

13.2 Articles Of Association

The following represents extracts of the provisions of the Articles Of Association of DPS Resources relating to transfer of securities, remuneration of Directors, voting and borrowing powers of Directors, and changes in capital and variation of class rights.

13.2.1 Transfer Of Securities

The provisions in the Company's Articles Of Association in respect of transfer of securities are as follows:-

Article 24 - Transfers

The transfer of any listed securities or class of listed securities of the Company which have been deposited with the Central Depository, shall be by way of book entry by the Central Depository in accordance with the Rules and, notwithstanding Sections 103 and 104 of the Act, but subject to subsection 107C(2) of the Act and any exemption that may be made from compliance with subsection 107C(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the listed securities.

Article 25 - Suspension Of Registration

The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine not exceeding in the whole, thirty (30) days in any year. Twelve (12) clear market days' notice, or such other periods as may from time to time be specified by the Exchange governing the Register concerned, of intention to close Register shall be published in a daily newspaper circulating in Malaysia and shall also be given to the Exchange. The said notice shall state the period and purpose or purposes for which the Register is being closed. At least three (3) market days prior notice shall be given to the Central Depository to prepare the appropriate Record of Depositors.

Article 26 - Renunciation

Subject to the provisions of these Articles, the Directors may recognise a renunciation of any share by the allottee thereof in favour of some other person.

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13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

13.2.2 Remuneration Of Directors

The provisions in the Company's Articles Of Association in respect of remuneration of Directors are as follows:-

Article 92 - Directors' Remuneration

The Directors shall be paid by way of fees for their services, such fixed sum (if any) as shall from time to time be determined by the Company in general meeting and such fees shall be divided among the Directors in such proportions and manner as the Directors may determine. PROVIDED ALWAYS that:-

- (a) fee payable to Directors who hold non executive office in the Company shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover.
- (b) salaries and other emoluments payable to Directors who hold an executive office in the Company pursuant to a contract of service need not be determined by the Company in general meeting but such salaries and emoluments may not include a commission on or percentage of turnover.
- (c) fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting where notice of the proposed increase has been given in the notice convening the meeting.
- (d) any fee paid to an alternate Director shall be such as shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Article 93 - Reimbursement Of Expenses

- (1) The Directors shall be paid all their travelling, hotel and other expenses properly and necessarily expended by them in and about the business of the Company including their travelling and other expenses incurred in attending meetings of the Directors or any committee of the Directors of the Company.
- (2) If any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors, the Company may remunerate the Director so doing either by a fixed sum or otherwise (other than by a sum to include a commission on or percentage of turnover) as may be determine by the Board provided that in the case of non-executive Directors of the Company, the said remuneration shall not include a commission on or percentage of profits or turnover. In the case of an Executive Director, such fee may be either in addition to or in substitution for his share in the fee from time to time provided for the Directors.

13.2.3 Voting And Borrowing Powers Of Directors

The provisions in the Company's Articles of Association dealing with voting and borrowing powers of Directors, including voting powers in relation to proposals, arrangements or contracts in which they are interested are as follows:-

Article 97 - Directors' Borrowing Powers

- (1) The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company or any related company as may be thought fit.

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13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

- (2) The Directors shall not borrow any money or mortgage or charge any of the Company's or the subsidiaries' undertaking, property or any uncalled capital, or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.

Article 114 - Directors May Contract With The Company

A Director may contract with and be interested in any contract or proposed contract with the Company and shall not be liable to account for any profit made by him by reason of any such contract; PROVIDED ALWAYS THAT the nature of the interest of the Director in any such contract be declared at a meeting of the Directors as required by Section 131 of the Act. A Director shall not vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly a personal material interest (and if he shall do so his vote shall not be counted), nor shall he be counted for the purpose of any resolution regarding the same, in the quorum present at the meeting.

Article 115 - Restriction On Voting

A Director may vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly a personal material interest and may be counted for the purpose of any resolution regarding the same, in the quorum present at the meeting if none of the other Directors present disagree PROVIDED ALWAYS that he has complied with Section 131 and all other relevant provisions of the Act and of these Articles.

Article 116 - Relaxation Of Restriction On Voting

A Director may vote in respect of:-

- (a) any arrangement for giving the Director himself or any other Directors any security or indemnity or any other Directors any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company;
- (b) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself or any other Director has assumed responsibility in whole or in part, under a guarantee or indemnity or by the deposit of a security.

13.2.4 Changes In Capital And Variation Of Class Rights

The provisions in the Company's Articles of Association in respect of changes in capital or variation of class rights, which are as stringent as those provided in the Companies Act, 1965 are as follows:-

Article 3 - Power To Issue Shares With Special Rights

Without prejudice to any special rights previously conferred on the holders of any existing shares but subject to the Act and to these Articles, shares in the Company may be issued by the Directors and any such shares may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Directors subject to any ordinary resolution of the Company, may determine.

Article 4 – Allotment Of Shares

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares and subject to the provisions of these Articles and the Act and to the provisions of any resolution of the Company, shares in the Company may be issued by the Directors, who may allot, or otherwise dispose of such shares to such persons, on such terms and conditions, with such preferred, deferred or other special rights, and subject to such restrictions and at such times as the Directors may determine but the Directors in making any issue of shares shall comply with the following conditions:-

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

- (a) no shares shall be issued at a discount except in compliance with the provisions of Section 59 of the Act;
- (b) in the case of shares of a class, other than ordinary shares, no special rights shall be attached until the same have been expressed in these Articles and in the resolution creating the same;
- (c) no issue of shares shall be made which will have the effect of transferring a controlling interest in the Company to any person, company or syndicate without the prior approval of the Members of the Company in general meetings;
- (d) every issue of shares or options to employees and/or Directors of the Company shall be approved by the Members in general meeting and no Director shall participate in such issues of shares unless:-
 - (i) the Members in general meeting have approved of the specific allotment to be made to such Director; and
 - (ii) he holds office in the Company in an executive capacity PROVIDED ALWAYS that a Director not holding office in an executive capacity may so participate in any issue of shares pursuant to a public issue or public offer or special issue, such participation to be approved by the relevant authorities.

Article 5 - Issue Of Preference Shares

Subject to the Act, any preference shares may with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed but the total nominal value of the issued preference shares shall not exceed the total nominal value of the issued ordinary shares at any time and the Company shall not issue further preference shares ranking in priority above preference shares already issued, but may issue further preference shares ranking equally therewith.

Article 6 - Rights Of Preference Shareholders

- (1) The holder of a preference share shall be entitled to a right to vote in each of the following circumstances:-
 - (a) when the dividend or part of the dividend on the share is in arrears for more than 6 months;
 - (b) on a proposal to reduce the Company's share capital;
 - (c) on a proposal for the disposal of the whole of the Company's property, business and undertaking;
 - (d) on a proposal that affects rights attached to the share;
 - (e) on a proposal to wind up the Company; and
 - (f) during the winding up of the Company.
- (2) The holder of a preference share shall be entitled to a return of capital in preference to holders of ordinary shares when the Company is wound up.
- (3) The holder of a preference share shall be entitled to the same rights as a holder of an ordinary share in relation to receiving notices, reports and audited accounts, and attending meetings.

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13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)**Article 7 - Repayment Of Preference Capital**

Notwithstanding Article 8 hereof, the repayment of preference share capital other than redeemable preference shares, or any alteration of preference shareholder's rights shall only be made pursuant to a special resolution of the preference shareholders concerned PROVIDED ALWAYS that where the necessary majority for such a special resolution is not obtained at the meeting, consent in writing obtained from the holders of three-fourths of the preference shares concerned within two (2) months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.

Article 8 - Modification Of Class Rights

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two (2) persons at least holding or representing by proxy, one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll. To every such special resolution, the provisions of Section 152 of the Act shall with such adaptations as are necessary, apply.

Article 9 - Ranking Of Class Rights

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or in all respects *pari passu* therewith.

Article 10 - Commission On Subscription Of Shares

The Company may exercise the powers of paying commission conferred by the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act, and the rate of the commission shall not exceed the rate of ten per cent (10%) of the price at which the shares in respect whereof the same is paid are issued or an amount equal to ten per cent (10%) of that price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

Article 11 - Interest On Share Capital During Construction

Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provision of any plant which cannot be made profitable for a long period, the Company may pay interest on so much share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in Section 69 of the Act and may charge the same to capital as part of the cost of the plant construction of the works or buildings or the provision.

Article 12 - Trusts Not To Be Recognised

Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognize (even with notice thereof) any equitable, contingent, future or partial interest in any share or any unit of share or (except only as by these Articles or by law otherwise provided) any other right in respect of any shares, except an absolute right to the entirety thereof in the registered holder.

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

Article 47 - Power To Increase Capital

The Company may from time to time, whether all the shares for the time being authorised shall have been issued or all the shares for the time being issued shall have been fully paid up or not, by ordinary resolution increase its share capital by the creation and issue of new shares, such new capital to be of such amount to be divided into shares of such respective amounts and to carry such rights or to be subject to such conditions or restrictions in regard to dividend, return of capital or otherwise as the Company by the resolution authorising such increase directs.

Article 50 - New Shares To Rank With Original Shares

Except so far as otherwise provided by the conditions of issue, any capital raised by the creation of new shares shall be considered as part of the original share capital of the Company, and shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the original share capital.

Article 51 - Power To Alter Capital

The Company may by ordinary resolution:-

- (a) increase the share capital by such sum to be divided into shares of such amount as the resolution shall prescribe;
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) divide its share capital or any part thereof into shares of smaller amount than is fixed by the Memorandum of Association by subdivision of its existing shares of any of them subject nevertheless to the provisions of the Act and so that as between the resulting shares, one or more of such shares may, by the resolution by which such sub-division is effected, be given any preference or advantage as regards dividend, return of capital, voting or otherwise over the others or any other of such shares and;
- (d) cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.

Article 53 - Power To Reduce Capital

The Company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner and with, and subject to, any authorization, and consent required by law.

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13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)**13.3 Directors And Substantial Shareholders**

- i) Save for remuneration and benefits for services rendered in all capacities to DPS Resources Group, there are no other amounts paid or intended to be paid to any Promoter, substantial shareholder or Director of DPS Resources, within the two (2) years preceding the date of this Prospectus.

Further information on the total amounts paid or intended to be paid, to the Promoters, substantial shareholders and Directors of DPS Resources are as follows:-

Financial Year Ended	Remuneration And Benefits (RM'000)
31 December 2002	480
31 December 2003	376

- ii) The substantial shareholders, with 5% or more shareholding, directly or indirectly of DPS Resources, and their respective direct and indirect interests in the Shares of the Company, before the IPO according to the register of substantial shareholders of DPS Resources as at 15 July 2004 (being the latest practicable date prior to the printing of this Prospectus) and after the IPO are as follows:-

Substantial Shareholder	Before The IPO				After The IPO			
	Direct		Indirect		Direct		Indirect	
	No. Of Shares	%	No. Of Shares	%	No. Of Shares	%	No. Of Shares	%
Datuk Dr Sow Chin Chuan	63,689,916	58.70	¹ 6,270,597	5.78	* 58,966,816	49.14	¹ 4,419,097	3.68
Datin Chu Kim Guek	6,222,597	5.74	¹ 63,737,916	58.74	* 4,348,097	3.62	¹ 59,037,816	49.20
Eric Sow Yong Shing	48,000	0.04	¹ 69,912,513	64.44	* 71,000	0.06	¹ 63,314,913	52.76
Ismail Harith Merican	12,000,000	11.06	-	-	* 12,060,000	10.05	-	-
Yayasan Melaka	10,000,000	9.22	-	-	10,000,000	8.33	-	-

Note:-

* Based on the assumption of subscription of all his/her entitlement pursuant to the pink form allocation as set out in section 2.4.3. DPS Resources has proposed to allocate 35,000 DPS Resources Shares to Eric Sow Yong Shing.

¹ Deemed interest through his/her spouse and/or parents and/or child.

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13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

- iii) The Directors of DPS Resources and their respective direct and interests in the Shares of the Company, before the IPO according to the register of directors' shareholdings as at 15 July 2004 (being the latest practicable date prior to the printing of this Prospectus) and after the IPO are as follows:-

Director	Before The IPO				After The IPO			
	Direct		Indirect		Direct		Indirect	
	No. Of Shares	%	No. Of Shares	%	No. Of Shares	%	No. Of Shares	%
Datuk Dr Sow Chin Chuan	63,689,916	58.70	¹ 6,270,597	5.78	* 58,966,816	49.14	¹ 4,419,097	3.68
Datin Chu Kim Guek	6,222,597	5.74	¹ 63,737,916	58.74	* 4,348,097	3.62	¹ 59,037,816	49.20
Fong Hui Fong	-	-	-	-	* 125,500	0.10	-	-
Ismail Harith Merican	12,000,000	11.06	-	-	* 12,060,000	10.05	-	-
Yusof Bin Hj Jantan	-	-	-	-	* 60,000	0.05	-	-
Fazrin Azwar Bin Dato' Md Nor	-	-	-	-	* 4,060,000	3.38	-	-
Datuk Haji Jaafar Bin Haji Lajis	2	^	-	-	* 60,002	0.05	-	-
Tee Lay Peng	2	^	-	-	* 60,002	0.05	-	-
Leong Pooi Wah	-	-	-	-	* 60,000	0.05	-	-

Note:-

- * Based on the assumption of subscription of all his/her entitlement pursuant to the pink form allocation as set out in section 2.4.3.
¹ Deemed interest through his/her spouse and/or parents and/or child.
[^] Negligible.

- iv) Save as disclosed under section 7, none of the substantial shareholders and Directors of DPS Resources has interest in any contract or arrangement which is significant to the business of DPS Resources or DPS Resources Group taken as a whole.
- v) Save as disclosed in section 13.3(ii), the substantial shareholders and Directors of DPS Resources are not aware of any persons who, directly or indirectly, jointly or severally, exercise control over DPS Resources Group.

13.4 Material Contracts

Save as disclosed below, there are no other material contracts (including contracts not reduced into writing), not being contracts entered into in the ordinary course of business which have been entered into by DPS Resources and/or its subsidiaries within two (2) years preceding the date of this Prospectus:-

- i) A conditional Sale Of Shares Agreement dated 9 January 2004 between DPS Resources and the vendors of Shantawood for the acquisition of the entire issued and fully paid-up share capital of Shantawood comprising 8,662,140 ordinary shares of RM1.00 each for a purchase consideration of RM39,635,284 based on the audited consolidated NTA of Shantawood as at 30 June 2003 of RM39,635,284. The purchase consideration was satisfied by the issuance of 79,110,168 new Shares in DPS Resources at an issue price of approximately RM0.50 per Share. A supplemental agreement was entered by the same parties on 31 May 2004 wherein the parties confirmed the fulfillment of the condition precedent set out in the aforementioned agreement, and the vendors' entitlements to the consideration shares. The said acquisition was completed on 31 May 2004.
- ii) A conditional Sale Of Shares Agreement dated 9 January 2004 between DPS Resources and certain vendors of DPS Industries for the acquisition of 1,100,000 ordinary shares of RM1.00 each, representing 36.67% of the issued and fully paid-up share capital of DPS Industries, for a purchase consideration of RM3,401,799 based on the audited NTA of DPS Industries as at 30 June 2003 of RM9,277,634. The purchase consideration was satisfied by the issuance of 6,789,832 new Shares in DPS Resources at an issue price of approximately RM0.50 per Share. The said acquisition was completed on 31 May 2004.

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

- iii) A Sale Of Shares Agreement dated 31 May 2004 between DPS Resources as the purchaser, and Shantawood as the vendor, for the acquisition of the entire equity interest of Shantawood in DPS Industries upon completion of the Acquisition Of Shantawood, amounting to 1,900,000 ordinary shares of RM1.00 each, representing approximately 63.33% of the issued and paid-up share capital of DPS Industries. The purchase consideration of RM5,875,835 based on the audited NTA of DPS Industries as at 30 June 2003 was settled in cash. The said acquisition was completed on 31 May 2004.
- iv) The Underwriting Agreement dated 24 June 2004 between the Company, the Managing Underwriter and the Underwriters for the underwriting of 8,500,000 IPO Shares for an underwriting commission of 2.0% of the IPO Price of RM0.75 per share.

13.5 Material Agreements

Save as disclosed below, DPS Resources Group has not entered into other material agreements, including but not limited to shareholders' agreements, agreements underlying the basis of the business of DPS Resources Group, supplier arrangements, customer agreements, insurance policies and Directors' service agreements (including informal arrangements or understandings that are not reduced in writing).

- i) Shantawood had, on 6 May 1997, entered into a fabricator licence agreement with Gang-Nail (Malaysia) Sdn Bhd, a company which is part of a global group of companies involved in provision of prefabricated rooftruss technology and system. Pursuant to this agreement, Gang-Nail (Malaysia) Sdn Bhd shall supply rooftruss connectors, technical know-how and the necessary assistance for fabrication of rooftruss, to Shantawood. The agreement is terminable within 90 days by either party of the agreement.
- ii) Shantawood, as the purchaser, had on 31 July 2000, entered into two (2) Sale Of Log/Rubberwood Agreements with Sieh Sing Trading Sdn Bhd and G-Wood Sdn Bhd as the vendors, and had on 1 August 2000, entered into a Sale Of Log/Rubberwood Agreement with Genuine Fortune Sdn Bhd as the vendor, and DPS Industries, as the purchaser, had on 31 July 2000, entered into a Sale Of Log/Rubberwood Agreement with Sime Bee Replanting Sdn Bhd as the vendor, whereby the vendors undertook to supply minimum tonnes as agreed by the parties to the agreements, to the purchasers, provided always that the purchasers shall give at least 30 days prior written notice of their intention to purchase the quantity as stipulated in the notice. Unless otherwise terminated, the agreements are for a period of five (5) years from dates of the agreements.

Other salient terms of the Sale Of Log/Rubberwood Agreements are as follows:-

- In the event that the vendor shall manage to source more than 700 tonnes of rubberwood at any one time or period of time, or in the event that during the particular month, no purchase order for rubberwood is given by Shantawood to the vendor, then the vendor shall undertake to give to Shantawood the first right of refusal to purchase rubberwood or any excess quantity of rubberwood, and in the event that Shantawood shall fail and/or neglect and/or refuse to give a written reply within 14 days from the date of receipt of such notice of first right of refusal to purchase the same, then the vendor shall be entitled at its absolute discretion, to dispose of the same to any party whosoever without in any way liable to Shantawood;
- Shantawood agrees and undertakes to pay the vendor the purchase price for each consignment of rubberwood within seven (7) days from the date of delivery of the same;
- The selling price of rubberwood per tonne shall be based on the prevailing market price as quoted by the traders of the same trade in the state of Melaka, or at such reasonable price which is acceptable to Shantawood, and all cost and expenses to be incurred therein for the purpose of delivery the same to Shantawood, including the transport charges shall be borne and paid by the vendor;

13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)

- Notwithstanding any provision stated in the agreement, it is agreed between the parties herein that Shantawood shall not be bound to purchase the quantity of rubberwood which is currently supplied by the vendor or any part thereof, and Shantawood is at absolute liberty and discretion to decide to whom it shall place the order for rubberwood for any particular period or period of time;
- Either party shall be entitled to terminate the agreement in the event that the other party shall breach any of the terms and or conditions of the agreement.

The Directors of DPS Resources have confirmed that as at 15 July 2004, being the latest practicable date to the printing of the Prospectus, the aforementioned four (4) agreements are still valid, enforceable and binding.

13.6 General Information

During the last financial year and the current financial year, there were no:-

- i) public take-over offers by third parties in respect of DPS Resources Shares; and
- ii) public take-over offers by DPS Resources in respect of other companies' securities.

13.7 Consents

- i) The written consents of the Adviser, Managing Underwriter, Underwriter and Placement Agent, Underwriters, Company Secretaries, Auditors, Solicitors, Principal Bankers, Issuing House, Registrars and Transfer Office, and Independent Market Researcher, to the inclusion in this Prospectus of their names in the form and context in which their names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.
- ii) The written consent of the Reporting Accountants to the inclusion in this Prospectus of their names, Accountants' Report, and their letters relating to the Consolidated Profit Forecast for the financial year ending 31 December 2004 and the Proforma Consolidated Balance Sheets as at 31 March 2004, in the form and context in which they are contained in this Prospectus, has been given before the issue of this Prospectus and has not subsequently been withdrawn.
- iii) The written consent of the Valuers to the inclusion in this Prospectus of their names and valuation certificates relating to the properties of DPS Resources Group, in the form and context in which they are contained in this Prospectus, has been given before the issue of this Prospectus and has not subsequently been withdrawn.

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13. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (CONT'D)**13.8 Documents For Inspection**

Copies of the following documents may be inspected at the registered office of DPS Resources during normal business hours for a period of twelve (12) months from the date of this Prospectus:-

- i) Memorandum and Articles of Association of DPS Resources;
- ii) Reporting Accountants' letters relating to the Consolidated Profit Forecast for the financial year ending 31 December 2004 and the Proforma Consolidated Balance Sheets as at 31 March 2004 set out in sections 9.5 and 9.9 respectively;
- iii) Accountants' Report set out in section 10;
- iv) Valuation Certificate set out in section 11;
- v) Directors' Report set out in section 12;
- vi) Independent Market Research Reports dated 31 December 2003 and 15 July 2004 prepared by Infocredit D&B (Malaysia) Sdn Bhd;
- vii) Material contracts and material agreements referred to in sections 13.4 and 13.5 respectively;
- viii) Letters of consent referred to in section 13.7;
- ix) The audited financial statements of DPS Resources for the three (3) months ended 31 December 2003, and the three (3) months ended 31 March 2004;
- x) The audited financial statements of Shantawood for the five (5) financial years ended 31 December 2003, and the three (3) months ended 31 March 2004; and
- xi) The audited financial statements of DPS Industries for the five (5) financial years ended 31 December 2003, and the three (3) months ended 31 March 2004.

13.9 Responsibility Statements

This Prospectus has been seen and approved by the Promoters and Directors of DPS Resources, and the Offerors, and they collectively and individually accept full responsibility for the accuracy of the information contain herein and confirm having made all reasonable enquiries, that to the best of their knowledge and belief, there are no false or misleading statement or other facts the omission of which would make any statement herein false or misleading. The Directors of DPS Resources hereby accept full responsibility for the profit forecast included in this Prospectus and confirm that the profit forecast have been prepared based on assumptions made.

AmMerchant Bank, being the Adviser, Managing Underwriter, Underwriter and Placement Agent, acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the initial public offering and is satisfied that any profit forecast (for which the Directors of DPS Resources are fully responsible), prepared for inclusion in this Prospectus have been stated by the Directors of DPS Resources after due and careful enquiry and have been duly reviewed by the Reporting Accountants.

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