

DPS RESOURCES BERHAD
(Company No. 630878-X)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 MARCH 2015
(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.03.2015 RM'000	Preceding Year Corresponding Quarter 31.03.2014 RM'000	Current Year To Date 31.03.2015 RM'000	Preceding Year Corresponding Quarter 31.03.2014 RM'000
Revenue	10,654	8,265	55,251	38,314
Cost of sales	(10,643)	(7,055)	(45,865)	(33,300)
Gross profit	11	1,210	9,386	5,014
Operating expenses	(2,092)	(1,306)	(7,741)	(5,236)
Other operating income	522	137	1,705	834
Profit from operations	(1,559)	41	3,350	612
Finance cost	(267)	(796)	(2,963)	(2,020)
	(1,826)	(755)	387	(1,408)
Taxation	-	-	-	-
Loss from Continued operations	(1,826)	(755)	387	(1,408)
Profit from discontinued operations, net of tax	-	-	-	1,074
Net profit for the period	(1,826)	(755)	387	(334)
Other comprehensive income, Net Of Tax				
Fair value adjustment on property, plant and equipment				
Profit on fair value changes	-	2,856	-	4,798
Total comprehensive income for the period	(1,826)	2,101	387	4,464
Weighted average number of shares ('000s)	325,206	264,000	325,206	264,000
Earning per share (sen)				
- Basic	(0.56)	(0.29)	0.12	(0.13)
- Diluted	(0.56)	(0.29)	0.12	(0.13)

The unaudited Condensed Consolidated Statement Of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.

DPS RESOURCES BERHAD
(Company No. 630878-X)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015
(The figures have not been audited)

	As at End Of Current Quarter 31.03.2015 RM'000	As at Preceding Financial Year End 31.03.2014 RM'000
Non-current assets		
Property, plant and equipment	92,870	97,339
Prepaid land lease payments	11,978	12,115
	<u>104,848</u>	<u>109,454</u>
Current assets		
Property development expenditure	1,909	-
Inventories	5,986	7,562
Trade and other receivables	9,058	5,906
Cash, deposits and bank balances	344	132
Assets of disposal group classified as held for sale	-	29,753
	<u>17,297</u>	<u>43,353</u>
Total Assets	<u>122,145</u>	<u>152,807</u>
EQUITY		
Share capital	58,777	132,000
Share premium	185	185
Revaluation reserve	6,068	9,175
Warrant Reserve	10,121	-
Retained Earnings	39,917	(59,056)
Total equity	<u>115,068</u>	<u>82,304</u>
LIABILITIES		
Non-current liabilities		
Long term borrowings	-	13,463
Deferred tax liability	1,621	1,621
	<u>1,621</u>	<u>15,085</u>
Current liabilities		
Borrowings	6,810	21,006
Bank overdraft	259	2,049
Trade and other payables	(1,643)	25,245
Provision for taxation	30	30
Liabilities of disposal group classified as held for sale	-	7,088
	<u>5,456</u>	<u>55,419</u>
Total Liabilities	<u>7,077</u>	<u>70,504</u>
Total Equity And Liabilities	<u>122,145</u>	<u>152,807</u>
Net Tangible Assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.20</u>	<u>0.31</u>

The unaudited Condensed Consolidated Statement Of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.

DPS RESOURCES BERHAD
(Company No. 630878-X)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 MARCH 2015**
(The figures have not been audited)

	Share Capital	<u>Distributable</u> Accumulated Losses/ Retained Earnings	Warrant Reserve	← Share Premium	Non-Distributable Revaluation Reserve	→ Other Reserve	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 April 2013	132,000	(58,722)	-	185	4,377	-	77,840
Net loss for the financial year	-	(334)	-	-	4,798	-	4,464
Balance as at 31 March 2014	132,000	(59,056)	-	185	9,175	-	82,304
Par value reduction	(105,600)	95,479	10,121	-	-	-	-
Issue of shares	32,377	-	-	-	-	-	32,377
Fair value changes due to disposal of subsidiary	-	3,107	-	-	(3,107)	-	-
Net profit for the financial year	-	387	-	-	-	-	387
Balance as at 31 March 2015	58,777	39,917	10,121	185	6,068	-	115,068

The unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2014.

DPS RESOURCES BERHAD
(Company No. 630878-X)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2015
(The figures have not been audited)

	Current Current Year To Date 31.03.15 RM'000	Preceding Year End 31.3.14 RM'000
Net cash inflow from operating activities	(1,321)	3,206
Net cash (outflow)/inflow from investing activities	(270)	211
Net cash inflow(outflow) from financing activities	3,350	(3,720)
Net increase/(decrease) in cash and cash equivalents	<u>1,759</u>	<u>(302)</u>
Cash and bank balances as at 1 April 2014	(1,674)	(1,372)
Cash and cash equivalents as at 31 March 2015	<u><u>85</u></u>	<u><u>(1,674)</u></u>
Reconciliation :		
Cash and bank balances	344	375
Bank overdrafts	(259)	(2,049)
Cash and cash equivalents as at 31 March 2015	<u><u>85</u></u>	<u><u>(1,674)</u></u>

The unaudited Condensed Consolidated Statement Of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.

A1. Changes in accounting policies

The interim financial statements are prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad’s (“Bursa Malaysia”) Listing Requirements and should be read in conjunction with the Group’s annual audited financial statements for the year ended 31 March 2014 and the accompanying notes attached to the unaudited condensed consolidated financial statements.

As of 1 April 2013, the Group has adopted the following MFRSs and amendments which are effective for annual periods beginning on or after 1 April 2013.

Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income
MFRS 3	Business Combinations
MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119 (as revised in 2011)	Employee Benefits
MFRS 127 (as revised in 2011)	Separate Financial Statements
MFRS 128 (as revised in 2011)	Investment in Associates and Joint Ventures
Amendments to MFRS 1	First-time Adoption of MFRS - Government Loans
Amendments to MFRS 1	First-time Adoption of MFRS - Annual improvements 2009 - 2011 Cycle
Amendments to MFRS 7	Financial Instruments: Disclosures - Offsetting Financial Assets and Liabilities
Amendments to MFRS 10	Consolidated Financial Statements: Transition Guidance
Amendments to MFRS 11	Joint Arrangements: Transition Guidance
Amendments to MFRS 12	Disclosures of Interest in Other Entities: Transition Guidance
Amendments to MFRS 101	Annual Improvements 2009 - 2011 Cycle
Amendments to MFRS 116	Annual Improvements 2009 - 2011 Cycle
Amendments to MFRS 132	Annual Improvements 2009 - 2011 Cycle
Amendments to MFRS 134	Annual Improvements 2009 - 2011 Cycle
IC Interpretation 2	Annual Improvements 2009 - 2011 Cycle
IC Interpretation 20	Stripping costs in the Production Phase of a Surface Mine

The adoption of the above MFRSs and amendments does not have any material impact on the financial statements.

The following Standards, Amendments and Issue Committee (“IC”) Interpretations have been issued by the Malaysian Accounting Board (MASB) but are not yet effective and have not been adopted by the Group.

Effective for financial periods beginning on or after 1 January 2014

MFRS 10	Investment Entities
MFRS 12	Investment Entities
Amendments to MFRS 127	Investment Entities
Amendments to MFRS 132	Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities

Effective for financial periods beginning on or after 1 January 2015

MFRS 9	Financial Instruments
Amendments to MFRS 9	Mandatory Effective Date of MFRS 9 and Transition Disclosures

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any effect to the financial statements of the Group upon their initial application.

A2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 March 2014 was not qualified.

A3. Comments about Seasonality or Cyclicity

The Group’s performance is not subject to seasonality or cyclicity.

A4. 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 quarter under review due to their nature, size or incidence.

A5. Changes in Estimates

There were no changes in estimates that have had a material effect in the current quarter results.

A6. Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale or repayment of debt securities nor any movement in the share capital for the quarter and financial period under review, except for those as disclosed below:

(i) reduction of the issued and paid-up share capital of the Company via the cancellation of RM0.40 of the par value of each existing share of RM0.50 each to RM0.10 each pursuant to Section 64 of the Companies Act, 1965, which was completed and took effect on 8 October 2014.

(ii) 323,769,580 new ordinary shares of RM0.10 each and 194,261,761 Warrants 2014/2024 were allotted and listed on Main Market of Bursa Securities on 22 January 2015

A7. Dividends Paid

There were no dividends paid during the quarter under review.

A8. Segmental Reporting

The Group operates wholly in Malaysia. The principal activities of the Group consist of those relating to manufacturing of wood based products and property development. The Group's segmental reporting for business segments is as below :

Current Year Quarter ended 31 March 2015

31 March 2015

Business Segments	Investment Holding	Manufacturing	Property Development	Agro-based Industries	Adjustments and Eliminations	Per consolidated Financial Statements
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue :						
External Sales	-	8,676	1,978	-	-	10,654
Inter-segment	60	-	-	-	(60)	-
Total Revenue	60	8,676	1,978	-	(60)	10,654
Results :						
Segment results	(648)	(1,132)	226	(5)	-	(1,559)
Finance cost						(267)
Profit before tax						(1,826)
Taxation						-
Net profit for the period						(1,826)

31 December 2014

Business Segments	Investment Holding	Manufacturing	Property Development	Agro-based Industries	Adjustments and Eliminations	Per consolidated Financial Statements
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue :						
External Sales	-	11,515	12,274	-	-	23,789
Inter-segment	60	-	-	-	(60)	-
Total Revenue	60	11,515	12,274	-	(60)	23,789
Results :						
Segment results	(209)	(3,761)	7,522	(3)	-	3,549
Finance cost						(2,338)
Profit before tax						1,211
Income tax benefit						-
Net profit for the period						1,211

A9. Valuations of Property, Plant and Equipment

There were no changes in the valuation of property, plant and equipment since the last audited financial statements for the year ended 31 March 2014

A10. Subsequent Events

Other than those disclosed below, there were no material events subsequent to the end of the current quarter under review up to date of this quarterly report:

(i) the rights issue of shares of the Company with warrants has been completed with the listing of 323,769,580 rights shares together with 194,261,746 rights warrants on the Main Market of Bursa Securities on 22 January 2015.

A11. Changes in Composition of the Group

Other than those disclosed below, there were no changes in composition of the group since the last audited financial statements for the year ended 31 March 2014

A12. Changes in Contingent Liabilities and Contingent Assets

There were no contingent liabilities and contingent assets of a material nature since the last audited financial statements for the year ended 31 March 2014 other than those disclosed in B9.

A13. Capital Commitments

There are no capital commitments of the Group for the period ended 31st March 2014.

Capital commitment for the Tanjung Minyak Joint Venture Project

RM'000

2,885

PART B: ADDITIONAL INFORMATION REQUIRED BY BMSB'S LISTING REQUIREMENTS

B1 Review of Performance for Comparison with Current Quarter to Corresponding Quarter of Last Year

Our Group's revenue was increased/(decreased) as follows:

	Increased/ (Decreased) RM'000	Current Year Quarter 31.03.2015 RM'000	Preceding Year Corresponding Quarter 31.03.2014 RM'000
REVENUE			
Manufacturing and trading	411	8,676	8,265
Property development	1,978	1,978	-
Argo-based industries	-	-	-
Investment holdings	-	-	-
Total	<u>2,389</u>	<u>10,654</u>	<u>8,265</u>

Revenue for the current quarter is 10.65 million higher compared to preceding year corresponding quarter mainly due to revenue generated from property development.

B2 Review of Performance for Comparison with Immediate Preceding Quarter's Results

	Current Year Quarter 31.03.2015 RM'000	Immediate Preceding Quarter 31.12.2014 RM'000
REVENUE		
Manufacturing and trading	8,676	11,515
Property development	1,978	12,274
Argo-based industries	-	-
Investment holdings	-	-
Total	<u>10,654</u>	<u>23,789</u>
Cost Of Sales	<u>(10,643)</u>	<u>(18,805)</u>
Gross Profit	<u>11</u>	<u>4,984</u>
PROFIT/ (LOSS) BEFORE TAX ("PBT")		
Manufacturing and trading - operations	(1,349)	(4,893)
Property development	176	6,316
Argo-based industries	(5)	(3)
Investment holdings	(648)	(209)
Total	<u>(1,826)</u>	<u>1,211</u>

B3 Commentary on Prospects

The Group continues to operate in a challenging environment due to uncertainty in the global economy but the outlook is promising if the USD vs RM continues to be strong. The Property Development segment shall be the main profit contributor in the future.

B4 Taxation

	Current Quarter 31.03.15 RM'000	Current Year To Date 31.12.14 RM'000
Tax expense	-	-
Tax charge for the financial period	-	-

B5 Purchase or Disposal of Quoted Securities

- a) There were no purchases or disposals of quoted securities for the current quarter under review.
b) There were no investments in quoted securities as at the end of the financial period.

B6 STATUS OF CORPORATE PROPOSALS

There are no corporate proposals announced as at the reporting date save and except for the following:-

On 13 September 2013, TA Securities Holdings Berhad ("TA Securities"), on behalf of the Board, announced the Company proposed to undertake the Proposals, comprising:-

- (i) the Proposed Par Value Reduction
- (ii) Proposed Joint Ventures ("JVs") of Tanjung Munyak Project and Krubong Land Project
- (iii) Proposed diversification of the principal activities of DPS and its subsidiaries to include property development ("Proposed Diversification");
- (iv) Proposed Rights Issue with Warrants
- (v) Proposed amendment to the Memorandum of Association of DPS to facilitate the implementation of the Proposed Par Value Reduction ("Proposed Amendment"); and
- (vi) Proposed exemption to Datuk (Dr) Sow Chin Chuan and Persons acting concert ("PACs") with him, namely Datin Chu Kim Guek and Eric Sow Yong Shing from the obligation to undertake a mandatory take-over offer to acquire the remaining DPS Shares and convertible securities in DPS not already owned by them under Paragraph 16.1 of Practice Note 9 of the Malaysian Code on Take-overs and Mergers 2010 ("Proposed Exemption").

On 8 October 2014, TA Securities, on behalf of the Board, announced that an office copy of the seal order of the High Court of Malaya, Malacca confirming the Par Value Reduction has been lodged with the Companies Commission of Malaysia on even date, upon which the Par Value Reduction shall take effect and deemed completed. The shareholders of the Company should take note that the Par Value Reduction does not affect the number of the rights attached to the existing DPS Shares held by them. All DPS Shares held in the securities account of the shareholders shall be unaffected, except for the reduction in its par value from RM0.50 to RM0.10 per Share.

On 17 October 2014, TA Securities, on behalf of the Board, announced that the Securities Commission had vide its letter dated 16 October 2014 approved the Exemption.

On 22 January 2015, TA Securities, on behalf of the Board, announced that the Rights Issue of Shares with Warrants has been completed with the listing of 323,769,580 Rights Shares together with 194,261,746 Rights Warrants on the Main Market of Bursa Securities.

B7 Group Borrowings and Debt Securities

Total Group borrowings as at 31 March 2015 were as follows :-

	Secured RM'000	Unsecured RM'000	As at 31.03.15 Total RM'000
Short term borrowings			
Bank Overdrafts	272	(13)	259
Bankers Acceptance	-	-	-
Finance Lease Creditor	143	-	143
Revolving Credit	-	-	-
Term Loans	5,371	1,296	6,667
	<u>5,786</u>	<u>1,283</u>	<u>7,069</u>
Long term borrowings			
Finance Lease Creditors	-	-	-
Term Loans	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total borrowings	<u>5,786</u>	<u>1,283</u>	<u>7,069</u>

B8 Derivative Financial Assets

Details of outstanding derivative financial instruments as at 31 March 2015:

Foreign Exchange Forward Contracts :	Contracted Value	Fair value	Changes in Fair Value
	RM '000	RM '000	RM '000
Within 1 year			
- Used to hedge trade receivables	-	-	-

Forward foreign exchange contracts are entered into with licensed banks to hedge part of the Group's sales from exchange rate movements. As the exchange rates are pre-determined under such contracts, the Group is not exposed to any market risk. Given that the contracts are entered into with licensed banks, the Management are of the view that credit risk is minimal.

B9 MATERIAL LITIGATION

Save for the following, the Group is not engaged in any material litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiary companies and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiary companies as at the date of this report:-

(i) Shantawood Sdn Bhd (“SSB”) (“Plaintiff”) vs Hong Leong MSIG Takaful Berhad (“MSIG”) (“Defendant”) - High Court of Shah Alam Civil No: 22NCVC-1488-12/2012

SSB had on 21 December 2012 filed a suit at the High Court in Shah Alam against MSIG to recover the loss and damages of RM24,219,074.00 (“Fire Claim”) as a result of MSIG repudiating the claims made by SSB under the fire insurance policies taken up by SSB from MSIG for the fire incidents occurred on 10 July 2011, 13 July 2011 and 14 July 2011 in factories belonging to SSB (“Fire Incidents”). MSIG had on 25 February 2013 filed its Statement of Defence disputing the Fire Claim.

On 26 September 2014, the Court had allowed SSB's claim and had awarded SSB a sum of RM19,496,398.90 (“Judgement Sum”) and the cost of RM50,000.00 together with the interest rate of 5% per annum to be calculated from 14 July 2011 until the full and final settlement of the same (“Judgment”). MSIG subsequently filed a notice of appeal to the Court of Appeal against the Judgement and made an application for stay of execution of the Judgement with the High Court on 20 October 2014.

On 17 November 2014, High Court allowed the stay of execution of the Judgement but ordered the Judgement Sum be deposited into the Plaintiff Solicitors' account on a fixed deposit of the Plaintiff's Solicitors Account. On 20 November 2014, the sum of RM22,818,054.85 was deposited into the Plaintiff's Solicitors Account held with Hong Leong Islamic Bank Berhad. The Court of Appeal has fixed on 15 June 2015 as the hearing date for the appeal.

SSB had written off its Property, Plant and Equipment (“PPE”) which were damaged during the Fire Incidents in the fifteen (15)-month FPE 31 March 2012 and FYE 31 March 2013. The Fire Claim will be recognised as other income upon receipt of payment.

The solicitors acting for SSB is of the opinion that, based on the numerous rulings made by the Court on admission of documents and the testimonies of witnesses and experts from SSB and MSIG, SSB has a reasonably fair chance of success in dismissing MSIG's appeal against the Judgment.

(ii) SSB (“Plaintiff”) vs HSBC Amanah Takeful (Malaysia) Berhad (“HSBC Amanah”) (“Defendant”) - Kuala Lumpur High Court

on 25 November 2014, SSB filed a suit at High Court in Kuala Lumpur against HSBC Amanah to recover the loss and damages of RM11,950,175 (“Fire Claim”) as a result of HSBC Amanah's failure to pay loss claim filed by SSB under the fire insurance policies taken up by SSB from HSBC Amanah for the fires which occurred from 10 July 2011 to 19 July 2011. As the Writ of Summons and the Statement of Claim have yet to be extracted, SSB has yet to obtain the date for case management as at to-date.

This legal case was withdrawn subsequently with liberty to file afresh.

B10 Changes in Contingent Assets and Contingent Liabilities

There were no changes in contingent assets and contingent liabilities since the last quarterly report other than those contingent assets as disclosed in B9.

B11 Dividend Payable

No dividend was paid during the financial year and the Directors do not recommend any dividend to be paid for the year under review.

B12 Earnings per Share

a) Basic

The earnings per share for the current quarter and cumulative year to date are computed as follows:

	Individual Current Year Quarter 31.03.15	Cumulative Current Year To Date 31.03.15
Profit attributable to ordinary equity holders of the parent (RM'000)	<u>(1,826)</u>	<u>387</u>
Weighted average number of ordinary shares of RM0.10 each in issue ('000)	<u>325,206</u>	<u>325,206</u>
Basic Earnings Per Share (sen)	<u>(0.56)</u>	<u>0.12</u>

b) Diluted

The calculation of the diluted earnings per share is based on the profit attributable to ordinary equity holders of the parent for the current quarter and cumulative year to date divided by the adjusted weighted average number of ordinary shares of RM0.10 each in issue and issuable under the exercise of share options granted under the DPS Employees' Share Option Scheme.

	Individual Current Year Quarter 31.03.15	Cumulative Current Year To Date 31.03.15
Profit attributable to ordinary equity holders of the parent (RM'000)	<u>(1,826)</u>	<u>387</u>
Weighted average number of ordinary shares of RM0.10 each in issue ('000)	<u>325,206</u>	<u>325,206</u>
Basic Earnings Per Share (sen)	<u>(0.56)</u>	<u>0.12</u>
Diluted Earnings Per Share (sen)	<u>(0.56)</u>	<u>0.12</u>

B13 Disclosure of Realised and Unrealised Profits

The Group's accumulated losses as at reporting date may be analysed as follows:

	Group 31.03.2015 RM'000	Group 31.03.2014 RM'000
Total accumulated losses		
- Realised (losses)	37,509	(36,303)
- Unrealised (losses)/profits	<u>(1,621)</u>	<u>2,999</u>
	35,888	(33,304)
Less : Consolidation adjustments	<u>4,029</u>	<u>(25,752)</u>
Total Group's accumulated losses as per statements of financial position	<u><u>39,917</u></u>	<u><u>(59,056)</u></u>

B14 Profit for the Period

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	To Date	Corresponding
	31.03.2015	Quarter	31.03.2015	Quarter
	RM'000	31.03.2014	RM'000	31.03.2014
		RM'000		RM'000

Profit for the period is arrived at after crediting :

Realised gain on foreign exchange	(200)	(80)	(290)	(299)
Gain on disposal of property, plant and equipment	-	-	-	-

and after charging :

Amortisation of prepaid lease payment	-	33	-	99
Depreciation	846	1,405	4,635	4,128
Loss on disposal of a subsidiary	-	-	-	80
Loss on foreign exchange	-	186	-	374