

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 MARCH 2019
(The figures have not been audited)

	Individual Quarter		Changes	Cumulative Quarter		Changes
	Unaudited	Unaudited		Unaudited	Unaudited	
	Current Year	Preceding Year	Increase/ (decrease)	Current Year	Preceding	Increase/ (decrease)
	Quarter	Quarter	RM'000	To Date	Year	RM'000
	31.03.2019	31.03.2018		31.03.2019	31.03.2018	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	9,815	8,654	1,161	30,699	34,703	(4,004)
Cost of sales	(5,690)	(8,570)	2,880	(24,757)	(32,705)	7,948
Gross profit	4,125	84	4,041	5,942	1,998	3,944
Operating expenses	(2,212)	(1,796)	(416)	(9,235)	(8,547)	(688)
Other operating income	110	(310)	420	1,603	1,589	14
Profit/(loss) from operations	2,023	(2,022)	4,045	(1,690)	(4,960)	3,270
Finance cost	(170)	(66)	(104)	(422)	(175)	(247)
Profit/(loss) before tax	1,853	(2,088)	3,941	(2,112)	(5,135)	3,023
Taxation	(55)	50	(105)	(87)	50	(137)
Profit/(loss) from continued operations	1,798	(2,038)	3,836	(2,199)	(5,085)	2,886
Profit from discontinued operations, net of tax	-	-	-	-	-	-
Net profit/(loss) for the period	1,798	(2,038)	3,836	(2,199)	(5,085)	2,886
Other comprehensive income, Net of Tax	-	-	-	-	-	-
Total comprehensive profit/(loss) for the period	1,798	(2,038)	3,836	(2,199)	(5,085)	2,886
Weighted average number of shares ('000s)	587,770	587,770		587,770	587,770	
Profit/(loss) per share (sen)						
- Basic	0.31	(0.35)		(0.37)	(0.86)	
- Diluted [#]	N/A	N/A		N/A	N/A	

Note :

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

The fully dilutive loss per share of the Group for the current financial period is not presented as the warrants would be anti-dilutive as the exercise price of the warrants is higher than the fair value of the Company's shares.

DPS RESOURCES BERHAD
(Company No. 630878-X)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019
(The figures have not been audited)

	Unaudited As at End Of Current Quarter 31.03.2019 RM'000	Audited As at Preceding Financial Year End 31.03.2018 RM'000
Non-current assets		
Property, plant and equipment	88,986	87,356
Prepaid land lease payments	16,238	11,530
	<u>105,224</u>	<u>98,886</u>
Current assets		
Property development expenditure	14,722	7,124
Inventories	4,584	5,371
Trade and other receivables	12,128	10,598
Cash and bank balances	313	2,599
	<u>31,747</u>	<u>25,692</u>
Total Assets	<u>136,971</u>	<u>124,578</u>
EQUITY		
Share capital	58,962	58,962
Revaluation reserve	14,344	6,133
Warrant reserve	8,742	8,742
Discount on share	(8,742)	(8,742)
Retained earnings	43,102	45,301
Total equity	<u>116,408</u>	<u>110,396</u>
LIABILITIES		
Non-current liabilities		
Borrowings	9,437	4,635
Deferred tax liability	4,071	1,479
	<u>13,508</u>	<u>6,114</u>
Current liabilities		
Trade and other payables	5,849	7,799
Borrowings	1,131	246
Provision for taxation	75	23
	<u>7,055</u>	<u>8,068</u>
Total Liabilities	<u>20,563</u>	<u>14,182</u>
Total Equity And Liabilities	<u>136,971</u>	<u>124,578</u>
Number of ordinary shares of RM0.10 per share ('000)	587,770	587,770
Net Tangible Assets per share attributable to Owner of the Company (RM)	<u>0.20</u>	<u>0.19</u>

Note :

The unaudited Condensed Consolidated Statement Of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

Net assets per share is derived based on DPS Resources Berhad consolidated net assets of RM116,408,000 (FYE 31.03.2018: RM110,396,000) over the issued number of ordinary shares of 587,769,580 (FYE 31.03.2018: 587,769,580) of RM0.10 each.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 MARCH 2019
(The figures have not been audited)

	← Non-Distributable →					Distributable	Total RM'000
	Share Capital RM'000	Warrant Reserve RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Discount on share RM'000	Retained Earnings RM'000	
Balance as at 1 April 2017	58,962	10,121	-	6,133	(10,121)	50,385	115,479
Fair value adjustment of warrants	-	(1,379)	-	-	1,379	-	-
Total comprehensive loss for the year	-	-	-	-	-	(5,084)	(3,103)
Balance as at 31 March 2018	58,962	8,742	-	6,133	(8,742)	45,301	110,396
Revaluation increase	-	-	-	8,211	-	-	8,211
Total comprehensive loss for the year	-	-	-	-	-	(2,199)	(2,199)
Balance as at 31 March 2019	58,962	8,742	-	14,344	(8,742)	43,102	116,408

Note :

The unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2018.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2019
(The figures have not been audited)

	Current Year To Date 31.03.2019 RM'000	Cumulative Preceding Year End 31.03.2018 RM'000
Net cash (outflow) from operating activities	(6,718)	(3,354)
Net cash (outflow)/ inflow from investing activities	(212)	100
Net cash inflow from financing activities	4,645	4,844
Net (decrease)/increase in cash and cash equivalents	<u>(2,285)</u>	<u>1,590</u>
Cash and bank balances as at 1 April	2,598	1,009
	<u>313</u>	<u>2,599</u>
Effect of exchange translation differences on cash and cash equivalents	-	-
Cash and cash equivalents as at 31 March	<u><u>313</u></u>	<u><u>2,599</u></u>
<u>Reconciliation :</u>		
Cash and bank balances	313	2,599
Bank overdrafts	-	-
Cash and cash equivalents as at 31 March	<u><u>313</u></u>	<u><u>2,599</u></u>

The unaudited Condensed Consolidated Statement Of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

A1. Changes in accounting policies

The interim financial statements are unaudited and have been prepared in accordance with the requirements outlined in the Financial Reporting Standards ("FRSs") No. 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and should be read in conjunction with the audited financial statements of the Company and its subsidiaries ("Group") for the financial year ended 31 March 2018. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2018.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the financial statements for the financial year ended 31 March 2018.

The financial statements of the Group and the Company have been prepared with the re-adoption of Financial Reporting Standards ("FRSs") as further explained below and in accordance with the requirements of the Companies Act, 1965 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the significant accounting policies below.

Reversion from Malaysian Financial Reporting Standards ("MFRSs") to FRSs

The Group and the Company fall within the scope of Transitioning Entities and have opted to defer adoption of the new FRS Framework. Accordingly, the Group and the Company will be required to prepare financial statements using the FRS Framework in its first FRS financial statements for the financial year ending 31 March 2019. In presenting its first MFRS financial statements, the Group and the Company will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

A2. Auditors' Report on Preceding Annual Financial Statements

The audit report for the audited financial statements of the Company and its subsidiaries for the financial year ended 31 March 2018 were not subject to any qualification.

A3. Comments about Seasonality or Cyclicity

The Group's business operational results were not materially affected by any major seasonal or cyclical factors.

A4. Unusual Items Due to Their Nature, Size or Incidence

During the current quarter under review, there were no unusual items or events that affecting the assets, liabilities, equity, net income or cash flows, to the effect that is unusual nature, size or incidence.

A5. Material Estimates and Changes in Estimates

There were no changes in estimates that have a material effect in the current quarter and financial period-to-date results under review.

A6. Issuance or Repayment of Debt and Equity Securities

There were no issuances, repurchases and repayment of debt securities during the period under the review and up to the date of this report.

A7. Dividend Declared

No dividend has been declared or paid by the Company during the current quarter under review.

A8. Segmental Information

Segment information is provided based on three (3) major business segments, i.e. investment holding, manufacturing and property development.

Business segments in revenue and results of the Group for the current quarter to date for 31 March 2019 are as follows:

3 months ended 31 March 2019

Business Segments	Investment Holding	Furniture	Property Development	Adjustments/ Eliminations	Consolidated Financial Statements
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External Sales	-	5,023	4,792	-	9,815
Inter-segment	480	-	-	(480)	-
Total Revenue	480	5,023	4,792	(480)	9,815
Results :					
Segment results	(295)	(752)	3,070	-	2,023
Finance cost					(170)
Profit before tax					1,853
Taxation					(55)
Net profit for the period					1,798

3 months ended 31 March 2018

Business Segments	Investment Holding	Furniture	Property Development	Adjustments/ Eliminations	Consolidated Financial Statements
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External Sales	-	7,720	934	-	8,654
Inter-segment	180	-	-	(180)	-
Total Revenue	180	7,720	934	(180)	8,654
Results :					
Segment results	(618)	(722)	(682)	-	(2,022)
Finance cost					(66)
Loss before tax					(2,088)
Taxation					50
Net loss for the period					(2,038)

A9. Subsequent Events

There were no other material events during the current quarter of 31 March 2019 and up to the date of this report, which is likely to substantially affect the results of the operations of the Company.

A10. Valuations of Property, Plant and Equipment

There were valuation surplus of property, plant and equipment since the latest audited financial statements for the financial year ended 31 March 2018.

A11. Changes in Composition of the Group

There are no changes in the composition of the Group during the quarter under review.

A12. Changes in Contingent Liabilities and Contingent Assets

There were no changes in contingent liabilities or contingent assets, since the last financial year ended 31 March 2018.

A13. Capital Commitments

There are no capital expenditure commitments contracted and not provided for in the interim financial statements as at 31 March 2019.

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 as follows:

	Current Year Quarter 31.03.2019 RM'000	Preceding Year Corresponding Quarter after prior period adjustment 31.03.2018 RM'000	Increased/ (Decreased) RM'000
<u>REVENUE</u>			
Furniture	5,023	7,720	(2,697)
Property development	4,792	934	3,858
Investment holdings	-	-	-
Total	<u>9,815</u>	<u>8,654</u>	<u>1,161</u>

Revenue for the current quarter is RM1,161 thousand higher compared to preceding year corresponding quarter mainly due to increased in sales for development. We have obtained the approved building plan and obtained license for on going projects. We are in full force of sales for the projects. We expect to have higher sales in next two quarters.

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

	Current Year Quarter 31.03.2019 RM'000	Immediate Preceding Quarter 31.12.2018 RM'000	Increased/ (Decreased) RM'000
<u>REVENUE</u>			
Furniture	5,023	4,698	325
Property development	4,792	1,158	3,634
Total	<u>9,815</u>	<u>5,856</u>	<u>3,959</u>
Cost of Sales	<u>(5,690)</u>	<u>(5,162)</u>	<u>(528)</u>
Gross Profit	<u>4,125</u>	<u>694</u>	<u>3,431</u>
<u>PROFIT/(LOSS) BEFORE TAX ("PBT")</u>			
Furniture	(842)	(765)	(77)
Property development	2,990	(44)	3,034
Investment holdings	<u>(295)</u>	<u>(242)</u>	<u>(53)</u>
Total	<u>1,853</u>	<u>(1,051)</u>	<u>2,904</u>

For the current quarter, the revenue of the Group is RM9.815m (31.12.18 : RM5.856m), the revenue increase by 67.6% as compared to the preceding quarter due to increase in volume of sales of development. The Group registered a profit of RM1.853m (31.12.18 : RM1.051m loss).

B3 Commentary on Prospects

The Board is of the view that the future prospects of our furniture products are encouraging and the Group will potentially benefit from the outlook of the global furniture industry which is expected to improve our financial performance.

Meanwhile, the Group will also focus on developing affordable housing projects to drive its growth and the Group's profitability. Barring any unforeseen circumstances, our Board is confident that the Group will continue to be resilient and remain profitable in the financial year ended 31 March 2019.

B4 Profit Forecast or Profit Guarantee

Not applicable as the Group did not publish any profit forecast or profit guarantee.

B5 Notes to Consolidated Statement of Comprehensive Income

	Current Year To Date 31.03.2019 RM'000	Cumulative Preceding Year To Date 31.03.2018 RM'000
Loss for the period is arrived at		
after crediting:		
Gain on foreign exchange	-	(49)
Unrealised gain on foreign exchange	19	-
Gain on disposal of property, plant and equipment	(14)	(179)
Interest income	(44)	(20)
Rental income	(1,186)	(893)
and after charging :		
Auditors' remuneration	75	84
Amortisation and depreciation	4,712	4,856
Impairment loss on stock	93	60
Impairment of property, plant and equipment	122	339
Bad debts written off	-	15
Unrealised loss from foreign exchange	-	21
Rental	3	3

B6 Taxation

	Current Year Quarter 31.03.2019 RM'000	Preceding Year Corresponding Quarter 31.03.2018 RM'000
Malaysian income tax:		
- current year provision	87	21
- over provision in prior years	(32)	(52)
	55	(31)
Deferred tax:		
- relating to crystallisation of deferred tax liability on revaluation reserve		(19)
Tax for the financial period	55	(50)

B7 Status of Corporate Proposals

There are no corporate proposals announced but not completed as at the reporting date.

B8 Group Borrowings and Debt Securities

Total Group borrowings as at 31 March 2019 were as follows :-

	As at 31.03.2019 Total RM'000	As at 31.03.2018 Total RM'000
Short term borrowings		
Term Loans- secured	1,131	246
Long term borrowings		
Term Loans- secured	9,437	4,635
Total borrowings	10,568	4,881

The Group does not have any foreign borrowings as at the date of this report.

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:-

Shantawood Sdn. Bhd. v Hong Leong MSIG (High Court of Malaya At Shah Alam Civil No. 22NCVC-1488-12/2012)

The Board refer to the announcements made on 29 September 2014, 29 October 2014, 25 June 2015, 26 October 2015, 5 November 2015, 30 November 2015, 22 January 2016, 30 March 2016, 11 May 2016, 26 July 2016, 14 September 2016, 30 November 2016, 2 February 2017, 27 February 2017, 30 May 2017, 21 July 2017 and 28 February 2019 in relation to the Material Litigation ("Announcement"). Unless otherwise defined, the definitions set out in the Announcement shall apply herein.

The Board of Directors of DPS wishes to announce the following update to the Material Litigation.

Reassessment of Damages at Shah Alam High Court

The reassessment of damages is still at the case management stage and the Board shall update Bursa the development of the case in due course.

This announcement is dated 31st May 2019.

Shantawood Sdn Bhd ("SSB") vs HSBC Amanah Takaful (Malaysia) Berhad ("HSBC")

The Board refer to the announcement made on 21st July 2017, 26th February 2018 and 28th February 2019 in relation to the Material Litigation ("Announcement").

The Board had on 21 July 2017 announced that SSB, its wholly-owned subsidiary had initiated legal proceedings against HSBC on 6 July 2017.

The suit had been filed into court. The matter is going through trials in the High Court in the month of June and July 2019. The Board shall update Bursa the development of the case in due course.

This announcement is dated 31st May 2019.

B10 Proposed Dividend

No dividend has been declared or paid during the current quarter under review and financial year-to-date.

B11 Earnings per Share

a) Basic

Basic earnings per ordinary share is calculated by dividing the net profit for the financial period attributable to owner of the company by the weighted average number of ordinary shares in issue during the financial period.

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding Quarter	To Date	Corresponding Quarter
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	RM'000	RM'000	RM'000	RM'000
Loss attributable to ordinary equity holders of the parent (RM'000)	1,798	(2,038)	(2,199)	(5,085)
Weighted average number of ordinary shares of RM0.10 each in issue ('000)	587,770	587,770	587,770	587,770
Basic profit/(loss) per share (sen)	0.31	(0.35)	(0.37)	(0.87)

b) Diluted

The fully diluted earnings per ordinary share for the Group for the current financial period is not presented as the warrants would be anti-dilutive as the exercise price is higher than the fair value of the Company's shares.

B12 Authority For Issue

The interim financial report were authorised for issue by the Board of Directors in accordance with a resolution of the Directors.