

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 JUNE 2019
(The figures have not been audited)

	Individual Quarter		Changes Increase/ (decrease) RM'000	Cumulative Quarter		Changes Increase/ (decrease) RM'000
	Unaudited Current Year Quarter 30.06.2019 RM'000	Unaudited Preceding Year Corresponding Quarter 30.06.2018 RM'000		Unaudited Current Year To Date 30.06.2019 RM'000	Unaudited Preceding Year 30.06.2018 RM'000	
Revenue	5,537	6,417	(880)	5,537	6,417	(880)
Cost of sales	(5,044)	(5,975)	931	(5,044)	(5,975)	931
Gross profit	493	442	51	493	442	51
Operating expenses	(2,049)	(1,969)	(80)	(2,049)	(1,969)	(80)
Other operating income	673	363	310	673	363	310
Loss from operations	(883)	(1,164)	281	(883)	(1,164)	281
Finance cost	(14)	(25)	11	(14)	(25)	11
Loss before tax	(897)	(1,189)	292	(897)	(1,189)	292
Taxation	-	-	-	-	-	-
Loss from continued operations	(897)	(1,189)	292	(897)	(1,189)	292
Profit from discontinued operations, net of tax	-	-	-	-	-	-
Net loss for the period	(897)	(1,189)	292	(897)	(1,189)	292
Other comprehensive income, Net of Tax	-	-	-	-	-	-
Total comprehensive loss for the period	(897)	(1,189)	292	(897)	(1,189)	292
Weighted average number of shares ('000s)	587,770	587,770		587,770	587,770	
Loss per share (sen)						
- Basic	(0.15)	(0.20)		(0.15)	(0.20)	
- 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 Annual Financial Statements for the year ended 31 March 2019 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.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019
(The figures have not been audited)

	Unaudited As at End Of Current Quarter 30.06.2019 RM'000	Audited As at Preceding Financial Year End 31.03.2019 RM'000
Non-current assets		
Property, plant and equipment	88,092	89,018
Prepaid land lease payments	16,185	16,238
	<u>104,277</u>	<u>105,256</u>
Current assets		
Property development expenditure	15,487	14,722
Inventories	4,434	4,584
Trade and other receivables	12,872	12,964
Cash, deposits and bank balances	882	2,085
	<u>33,675</u>	<u>34,355</u>
Total Assets	<u>137,952</u>	<u>139,611</u>
EQUITY		
Share capital	58,962	58,962
Revaluation reserve	13,996	13,996
Warrant reserve	8,742	8,742
Discount on share	(8,742)	(8,742)
Retained earnings	42,283	43,180
Total equity	<u>115,241</u>	<u>116,138</u>
LIABILITIES		
Non-current liabilities		
Borrowings	9,178	10,045
Deferred tax liability	4,373	4,373
	<u>13,551</u>	<u>14,418</u>
Current liabilities		
Borrowings	3,278	1,619
Trade and other payables	5,807	7,361
Provision for taxation	75	75
	<u>9,160</u>	<u>9,055</u>
Total Liabilities	<u>22,711</u>	<u>23,473</u>
Total Equity And Liabilities	<u>137,952</u>	<u>139,611</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>0.20</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 2019 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 RM115,241,000 (FYE 31.03.2019: RM116,138,000) over the issued number of ordinary shares of 587,769,580 (FYE 31.03.2019: 587,769,580) of RM0.10 each.



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 JUNE 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 2018	58,962	8,742	-	6,133	(8,742)	45,301	115,479
Revaluation increase	-	-	-	7,863	-	-	7,863
Total comprehensive loss for the year	-	-	-	-	-	(2,121)	(2,121)
Balance as at 31 March 2019	58,962	8,742	-	13,996	(8,742)	43,180	116,138
Total comprehensive loss for the year	-	-	-	-	-	(897)	(897)
Balance as at 30 June 2019	58,962	8,742	-	13,996	(8,742)	42,283	115,241

Note :

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 2019.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 30 JUNE 2019
(The figures have not been audited)

	Current Year To Date 30.06.2019 RM'000	Cumulative Preceding Year End 30.06.2018 RM'000
Net cash (outflow)/inflow from operating activities	(384)	727
Net cash (outflow)/inflow from investing activities	(216)	1
Net cash (outflow) from financing activities	(984)	(1,057)
Net decrease in cash and cash equivalents	<u>(1,584)</u>	<u>(329)</u>
Cash and bank balances as at 1 April	313	1,030
	<u>(1,271)</u>	<u>701</u>
Effect of exchange translation differences on cash and cash equivalents	-	-
Cash and cash equivalents as at 30 June	<u><u>(1,271)</u></u>	<u><u>701</u></u>
<u>Reconciliation :</u>		
Cash and bank balances	882	701
Bank overdrafts	<u>(2,153)</u>	<u>-</u>
Cash and cash equivalents as at 30 June	<u><u>(1,271)</u></u>	<u><u>701</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 2019 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 2017. 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 2017.

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 2019.

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 MFRS Framework. Accordingly, the Group and the Company will be required to prepare financial statements using the MFRS Framework in its first MFRS 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 2019 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.

The Directors do not recommend the payment of any dividend in respect of the current financial period 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 30 June 2019 are as follows:

3 months ended 30 June 2019

Business Segments	Investment Holding	Manufacturing	Property Development	Adjustments/ Eliminations	Consolidated Financial Statements
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External Sales	-	4,220	1,317	-	5,537
Inter-segment	120	-	-	(120)	-
Total Revenue	120	4,220	1,317	(120)	5,537
Results :					
Segment results	(68)	(1,037)	222	-	(883)
Finance cost					(14)
Loss before tax					(897)
Taxation					-
Net loss for the period					(897)

3 months ended 30 June 2018

Business Segments	Investment Holding	Manufacturing	Property Development	Adjustments/ Eliminations	Per consolidated Financial Statements
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External Sales	-	7,432	(1,015)	-	6,417
Inter-segment	120	-	-	(120)	-
Total Revenue	120	7,432	(1,015)	(120)	6,417
Results :					
Segment results	(54)	(88)	(1,022)	-	(1,164)
Finance cost					(25)
Loss before tax					(1,189)
Taxation					-
Net loss for the period					(1,189)

A9. Subsequent Events

There were no other material events during the current quarter of 30 June 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 in the valuation of property, plant and equipment since the latest audited financial statements for the financial year ended 31 March 2019.

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 2019.

A13. Capital Commitments

There are no capital expenditure commitments contracted and not provided for in the interim financial statements as at 30 June 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/(decreased) as follows:

	Current Year Quarter 30.06.2019 RM'000	Preceding Year Corresponding Quarter after prior period adjustment 30.06.2018 RM'000	Increased/ (Decreased) RM'000
<u>REVENUE</u>			
Manufacturing and trading	4,220	7,432	(3,212)
Property development	1,317	(1,015)	2,332
Total	<u>5,537</u>	<u>6,417</u>	<u>(880)</u>

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

	Current Year Quarter 30.06.2019 RM'000	Immediate Preceding Quarter 31.03.2019 RM'000	Increased/ (Decreased) RM'000
<u>REVENUE</u>			
Manufacturing and trading	4,220	5,023	(803)
Property development	1,317	4,792	(3,475)
Total	<u>5,537</u>	<u>9,815</u>	<u>(4,278)</u>
Cost Of Sales	<u>(5,044)</u>	<u>(5,690)</u>	<u>646</u>
Gross Profit	<u>493</u>	<u>4,125</u>	<u>(3,632)</u>
<u>(LOSS)/PROFIT BEFORE TAX ("PBT")</u>			
Manufacturing and trading	(1,048)	(842)	(206)
Property development	219	2,990	(2,771)
Investment holdings	(68)	(295)	227
Total	<u>(897)</u>	<u>1,853</u>	<u>(2,750)</u>

For the current quarter, the revenue of the Group is RM5.537m (31.03.19 : RM9.815m), the revenue decrease by 43.59% as compared to the preceding quarter due to lower volume of sales and higher costs of trading of furnitures. The Group registered a loss of RM0.897m (31.03.19 : RM1.853m 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 30.06.2019 RM'000	Cumulative Preceding Year To Date 30.06.2018 RM'000
Loss for the period is arrived at		
after crediting:		
Gain on foreign exchange	(20)	(76)
Gain on disposal of property, plant and equipment	(65)	-
Rental income	(409)	(276)
Interest income	(1)	(4)
	<u>(495)</u>	<u>(356)</u>
and after charging :		
Amortisation and depreciation	1,195	1,204
Auditors' remuneration	19	19
	<u>1,176</u>	<u>1,185</u>

B6 Taxation

	Current Year Quarter 30.06.2019 RM'000	Preceding Year Quarter 30.06.2018 RM'000
Malaysian income tax	-	-
Deferred tax	-	-
Tax for the financial period	-	-
	<u>-</u>	<u>-</u>

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 30 June 2019 were as follows :-

	Secured RM'000	Unsecured RM'000	As at 30.06.2019 Total RM'000
Short term borrowings			
Term Loans	3,278	-	3,278
	<u>3,278</u>	<u>-</u>	<u>3,278</u>
Long term borrowings			
Term Loans	9,178	-	9,178
	<u>9,178</u>	<u>-</u>	<u>9,178</u>
Total borrowings	<u>12,456</u>	<u>-</u>	<u>12,456</u>

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 (“SSB”) (“Plaintiff”) vs Hong Leong MSIG Takaful Berhad (“MSIG”) (“Defendant”)- High Court of 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
	Corresponding	Corresponding	To Date	Corresponding
	Quarter	Quarter	Quarter	Quarter
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
	RM'000	RM'000	RM'000	RM'000
Loss attributable to ordinary equity holders of the parent (RM'000)	(897)	(1,189)	(897)	(1,189)
Weighted average number of ordinary shares of RM0.10 each in issue ('000)	587,770	587,770	587,770	587,770
Basic loss per share (sen)	(0.15)	(0.20)	(0.15)	(0.20)

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.