

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 JUNE 2020
(The figures have not been audited)

	Individual Quarter		Changes Increase/ (decrease) RM'000	Cumulative Quarter		Changes Increase/ (decrease) RM'000
	Unaudited Current Year Quarter 30.06.2020 RM'000	Unaudited Preceding Year Corresponding Quarter 30.06.2019 RM'000		Unaudited Current Year To Date 30.06.2020 RM'000	Unaudited Preceding Year 30.06.2019 RM'000	
Revenue	7,333	5,537	1,796	7,333	5,537	1,796
Cost of sales	(6,424)	(5,044)	(1,380)	(6,424)	(5,044)	(1,380)
Gross profit	909	493	416	909	493	416
Operating expenses	(512)	(2,049)	1,537	(512)	(2,049)	1,537
Other operating income	125	673	(548)	125	673	(548)
Profit/(Loss) from operations	522	(883)	1,405	522	(883)	1,405
Finance cost	(48)	(14)	(34)	(48)	(14)	(34)
Profit/(Loss) before tax	474	(897)	1,371	474	(897)	1,371
Taxation	-	-	-	-	-	-
Profit/(Loss) from continued operations	474	(897)	1,371	474	(897)	1,371
Profit from discontinued operations, net of tax	-	-	-	-	-	-
Net profit/(loss) for the period	474	(897)	1,371	474	(897)	1,371
Other comprehensive income, Net of Tax	-	-	-	-	-	-
Total comprehensive profit/(loss) for the period	474	(897)	1,371	474	(897)	1,371
Weighted average number of shares ('000s)	587,770	587,770		587,770	587,770	
Profit/(Loss) per share (sen)						
- Basic	0.08	(0.15)		0.08	(0.15)	
- 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 2020 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 30 JUNE 2020
(The figures have not been audited)

	Unaudited As at End Of Current Quarter 30.06.2020 RM'000	Audited As at Preceding Financial Year End 31.03.2020 RM'000
Non-current assets		
Property, plant and equipment	84,533	85,435
Right-of-use asset	15,974	16,027
Land held for development	2,256	2,256
	<u>102,763</u>	<u>103,718</u>
Current assets		
Property development expenditure	16,701	14,983
Inventories	1,137	1,189
Trade and other receivables	22,490	22,674
Deposit, bank and cash balance	4,591	6,340
	<u>44,919</u>	<u>45,186</u>
Total Assets	<u>147,682</u>	<u>148,904</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	54,200	53,726
Total equity	<u>127,158</u>	<u>126,684</u>
LIABILITIES		
Non-current liabilities		
Borrowings	8,589	9,477
Deferred tax liability	4,290	4,290
	<u>12,879</u>	<u>13,767</u>
Current liabilities		
Borrowings	1,788	588
Trade and other payables	5,832	7,840
Provision for taxation	25	25
	<u>7,645</u>	<u>8,453</u>
Total Liabilities	<u>20,524</u>	<u>22,220</u>
Total Equity And Liabilities	<u>147,682</u>	<u>148,904</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>0.22</u>	<u>0.21</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 2020 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 RM127,158,000 (FYE 31.03.2020: RM126,684,000) over the issued number of ordinary shares of 587,769,580 (FYE 31.03.2020: 587,769,580) of RM0.10 each.

DPS RESOURCES BERHAD
(Company No. 630878-X)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 JUNE 2020
(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 2019	58,962	8,742	-	13,996	(8,742)	43,180	116,138
Total comprehensive income for the year	-	-	-	-	-	10,546	10,546
Balance as at 31 March 2020	58,962	8,742	-	13,996	(8,742)	53,726	126,684
Total comprehensive income for the year	-	-	-	-	-	474	474
Balance as at 30 June 2020	58,962	8,742	-	13,996	(8,742)	54,200	127,158

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 2020.

DPS RESOURCES BERHAD
(Company No. 630878-X)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 30 JUNE 2020
(The figures have not been audited)

	Current Year To Date 30.06.2020 RM'000	Cumulative Preceding Year End 30.06.2019 RM'000
Net cash(outflow) from operating activities	(1,137)	(384)
Net cash (outflow) from investing activities	(53)	(216)
Net cash (outflow) from financing activities	(295)	(984)
Net decrease in cash and cash equivalents	<u>(1,485)</u>	<u>(1,584)</u>
Cash and bank balances as at 1 April	5,688	313
	<u>4,203</u>	<u>(1,271)</u>
Effect of exchange translation differences on cash and cash equivalents	-	-
Cash and cash equivalents as at 30 June	<u><u>4,203</u></u>	<u><u>(1,271)</u></u>
<u>Reconciliation :</u>		
Cash and bank balances	4,591	882
Bank overdrafts	(388)	(2,153)
Cash and cash equivalents as at 30 June	<u><u>4,203</u></u>	<u><u>(1,271)</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 2020 and the accompanying explanatory notes attached to the interim financial statements.

DPS RESOURCES BERHAD
(Company No. 630878-X)

A1. Changes in accounting policies

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134: Interim financial reporting and Chapter 9 Part K of the Listing Requirement of Bursa Malaysia Securities Berhad.

The interim unaudited financial statement should be read in conjunction with the audited financial statement for the year ended 31 March 2020 and the attached explanatory notes. The explanatory notes provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the group for the financial quarter ended 31 March 2020.

As in the previous financial quarter, the Group and the Company have adopted the new MFRS and amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year.

The Group and the company have not applied the following new MFRSs and amendments to MFRSs that have been issued by MASB but are not yet effective for the Group and the Company. The Group and the Company intend to adopt the following MFRSs when they become effective.

MFRSs

		Effective date for the financial periods <u>beginning on or after</u>
Amendments to MFRS 16	Covid-19-Related Rent Concessions	1-Jun-20
MFRS 17	Insurance Contracts	1-Jan-21
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1-Jan-22
Amendments to MFRSs contained in the document entitled "Annual Improvements to MFRS Standards 2018-2020"		1-Jan-22
Amendments to MFRS 3	Reference to the Conceptual Framework	1-Jan-22
Amendments to MFRS 116	Property, Plant and Equipment-Proceeds before Intended Use	1-Jan-22
Amendments to MFRS 137	Onerous Contracts-Cost of Fulfilling a Contract	1-Jan-22
Amendments to MFRS 10 and MFRS 128	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further noticed

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 2020 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 four (4) 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 2020 are as follows:

3 months ended 30 June 2020

Business Segments	Investment Holding	Rental of Building with Comprehensive Services	Furniture	Property Development	Adjustments/ Eliminations	Consolidated Financial Statements
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
External Sales	-	821	1,403	5,109	-	7,333
Inter-segment	144		-	-	(144)	-
Total Revenue	144	821	1,403	5,109	(144)	7,333
Results :						
Segment results	(32)	(391)	(258)	1,203	-	522
Finance cost						(48)
Profit before tax						474
Taxation						-
Net profit for the period						474

3 months ended 30 June 2019

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	-	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)

A9. Subsequent Events

There were no other material events during the current quarter of 30 June 2020 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 no changes in the valuation of property, plant and equipment since the latest audited financial statements for the financial year ended 31 March 2020.

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 2020.

A13. Capital Commitments

There are no capital expenditure commitments contracted and not provided for in the interim financial statements as at 30 June 2020.

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 30.06.2020 RM'000	Preceding Year Corresponding Quarter after adjustment 30.06.2019 RM'000	Increased/ (Decreased) RM'000
<u>REVENUE</u>			
Furniture	1,403	4,220	(2,817)
Property development	5,109	1,317	3,792
Rental of Building with Comprehensive Services	821	-	821
Total	<u>7,333</u>	<u>5,537</u>	<u>1,796</u>

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

	Current Year Quarter 30.06.2020 RM'000	Immediate Preceding Quarter 31.03.2020 RM'000	Increased/ (Decreased) RM'000
<u>REVENUE</u>			
Furniture	1,403	1,795	(392)
Property development	5,109	9,767	(4,658)
Rental of Building with Comprehensive Services	821	2,660	(1,839)
Total	<u>7,333</u>	<u>14,222</u>	<u>(6,889)</u>
Cost Of Sales	<u>(6,424)</u>	<u>(10,908)</u>	<u>(13,386)</u>
Gross Profit	<u>909</u>	<u>3,314</u>	<u>(22,114)</u>
<u>PROFIT/ (LOSS) BEFORE TAX ("PBT")</u>			
Furniture	(267)	(561)	294
Property development	1,169	733	436
Rental of Building with Comprehensive Services	(396)	200	(596)
Investment holdings	(32)	(287)	255
Total	<u>474</u>	<u>85</u>	<u>389</u>

For the current quarter, the revenue of the Group is RM7.333m (31.03.20 : RM14.222m), the revenue decrease by 48.44% as compared to the preceding quarter due to decrease in volume of development and furniture sales due to Covid-19 pandemic which affects the progress of construction of projects and sales of furniture. The Group registered a profit of RM0.474m (31.03.20 : RM0.085m).

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 2020.

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 30.06.2020 RM'000	Cumulative Preceding Year To Date 30.06.2019 RM'000
Profit for the period is arrived at		
after crediting:		
Gain on foreign exchange	(32)	(20)
Gain on disposal of property, plant and equipment	-	(65)
Rental income	-	(409)
Interest income	(14)	(1)
and after charging :		
Auditors' remuneration	19	19
Amortisation and depreciation	1,008	1,195
Unrealised loss on foreign exchange	15	-
Interest expense	48	14

B6 Taxation

	Current Year Quarter 30.06.2020 RM'000	Preceding Year Corresponding Quarter 30.06.2019 RM'000
Malaysian income tax	-	-
Deferred tax	-	-
Tax for the financial period	-	-

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 2020 were as follows :-

	As at 30.06.2020 Secured RM'000	As at 30.06.2019 Total RM'000
Short term borrowings		
Bank Overdrafts	388	-
Term Loans- secured	1,400	3,278
	<u>1,788</u>	<u>3,278</u>
Long term borrowings		
Term Loans - secured	8,589	9,178
	<u>8,589</u>	<u>9,178</u>
Total borrowings	<u>10,377</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”) vs HSBC Amanah Takaful (Malaysia) Berhad (“HSBC”)

The Board refer to the announcement made on 21st July 2017, 26th February 2018, 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 Court had allowed the claim for the building amounting to RM1,716,362.63 together with 5% interests from the date of filing the suit till the date of full settlement but the Court dismissed the claim for the plant & machineries and stock. Hence, SSB had filed an appeal for the plant & machineries and stock to the Court of Appeal and the matter is now going through the case management stage at the Court of Appeal.

We shall update Bursa on the development of the case in due course.

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	
	Preceding Year	Preceding Year	Preceding Year	Preceding Year
	Current Year	Corresponding	Current Year	Corresponding
	Quarter	Quarter	To Date	Quarter
	30.06.2020	30.06.2019	30.06.2020	30.06.2019
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) attributable to ordinary equity holders of the parent (RM'000)	474	(897)	474	(897)
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)	0.08	(0.15)	0.08	(0.15)

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.