

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 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 30.09.2020 RM'000	Unaudited Preceding Year Corresponding Quarter 30.09.2019 RM'000		Unaudited Current Year To Date 30.09.2020 RM'000	Unaudited Preceding Year 30.09.2019 RM'000	
Revenue	15,190	10,387	4,803	22,523	15,923	6,600
Cost of sales	(11,951)	(8,694)	(3,257)	(18,375)	(13,738)	(4,637)
Gross profit	<u>3,239</u>	<u>1,693</u>	1,546	<u>4,148</u>	<u>2,185</u>	1,963
Operating expenses	(1,196)	(2,245)	1,049	(1,708)	(4,295)	2,587
Other operating income	834	1,069	(235)	959	1,741	(782)
Profit / (loss) from operations	<u>2,877</u>	<u>517</u>	2,360	<u>3,399</u>	<u>(369)</u>	3,768
Finance cost	(53)	(127)	74	(101)	(142)	41
Profit / (loss) before tax	<u>2,824</u>	<u>390</u>	2,434	<u>3,298</u>	<u>(511)</u>	3,809
Taxation	-	-	-	-	-	-
Net profit / (loss) for the period	<u>2,824</u>	<u>390</u>	2,434	<u>3,298</u>	<u>(511)</u>	3,809
Other comprehensive income, Net of Tax	-	-	-	-	-	-
Total comprehensive profit / (loss) for the period	<u>2,824</u>	<u>390</u>	2,434	<u>3,298</u>	<u>(511)</u>	3,809
Weighted average number of shares ('000s)	<u>587,770</u>	<u>587,770</u>		<u>587,770</u>	<u>587,770</u>	
Earnings / (loss) per share (sen)						
- Basic	<u>0.48</u>	<u>0.07</u>		<u>0.56</u>	<u>(0.09)</u>	
- Diluted #	<u>N/A</u>	<u>N/A</u>		<u>N/A</u>	<u>N/A</u>	

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.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020
(The figures have not been audited)

	Unaudited As at End Of Current Quarter 30.09.2020 RM'000	Audited As at Preceding Financial Year End 31.03.2020 RM'000
Non-current assets		
Property, plant and equipment	83,518	85,435
Right-of-use asset	15,921	16,027
Land held for development	2,256	2,256
	<u>101,695</u>	<u>103,718</u>
Current assets		
Property development expenditure	27,618	14,983
Inventories	1,082	1,189
Trade and other receivables	21,966	22,674
Cash, deposits and bank balances	3,931	6,340
	<u>54,597</u>	<u>45,186</u>
Total Assets	<u>156,292</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	57,024	53,726
Total equity	<u>129,982</u>	<u>126,684</u>
LIABILITIES		
Non-current liabilities		
Borrowings	8,524	9,477
Deferred tax liability	4,290	4,290
	<u>12,814</u>	<u>13,767</u>
Current liabilities		
Borrowings	1,400	588
Trade and other payables	12,071	7,840
Provision for taxation	25	25
	<u>13,496</u>	<u>8,453</u>
Total Liabilities	<u>26,310</u>	<u>22,220</u>
Total Equity And Liabilities	<u>156,292</u>	<u>148,904</u>
Number of ordinary shares ('000)	587,770	587,770
Net Tangible Assets per share attributable to Owner of the Company (RM)	<u>0.22</u>	<u>0.22</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 RM129,982,000 (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).

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2020**
(The figures have not been audited)

	Non-Distributable			Distributable		Total RM'000
	Share Capital RM'000	Revaluation Reserve RM'000	Warrant Reserve RM'000	Discount on share RM'000	Retained Earnings RM'000	
Balance as at 1 April 2019 (audited)	58,962	13,996	8,742	(8,742)	43,180	116,138
Total comprehensive income for the year	-	-	-	-	10,546	10,546
Balance as at 31 March 2020 (audited)	58,962	13,996	8,742	(8,742)	53,726	126,684
Total comprehensive income for the period	-	-	-	-	3,298	3,298
Balance as at 30 September 2020	58,962	13,996	8,742	(8,742)	57,024	129,982

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.



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

	Current Year To Date 30.09.2020 RM'000	Cumulative Preceding Year End 30.09.2019 RM'000
Net cash outflow from operating activities	(3,047)	(495)
Net cash inflow/(outflow) from investing activities	1,841	(390)
Net cash outflow from financing activities	(551)	(2,342)
Net decrease in cash and cash equivalents	<u>(1,757)</u>	<u>(3,227)</u>
Cash and bank balances as at 1 April	5,688	2,085
Cash and cash equivalents as at 30 September	<u><u>3,931</u></u>	<u><u>(1,142)</u></u>
<u>Reconciliation :</u>		
Cash and bank balances	3,931	954
Bank overdrafts	-	(2,096)
Cash and cash equivalents as at 30 September	<u><u>3,931</u></u>	<u><u>(1,142)</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.

Notes to the interim financial report for the financial quarter ended 30 September 2020

A. Compliance with Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting and Bursa Malaysia Listing Requirements

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 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 30 September 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	01-Jun-20
MFRS 17	Insurance Contracts	01-Jan-21
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	01-Jan-22
Amendments to MFRSs contained in the document entitled "Annual Improvements to MFRS Standards 2018-		01-Jan-22
Amendments to MFRS 3	Reference to the Conceptual Framework	01-Jan-22
Amendments to MFRS 116	Property, Plant and Equipment-Proceeds before Intended Use	01-Jan-22
Amendments to MFRS 137	Onerous Contracts-Cost of Fulfilling a Contract	01-Jan-22
Amendments to MFRS 10 and	Sales or Contribution of Assets between an Investor and its Associate or	Deferred until
Deferred until MFRS 128	Joint Venture	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.

A. Compliance with Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting and Bursa Malaysia Listing Requirements (cont'd)**A8. Segmental Information**

Segment information is provided based on four (4) major business segments, i.e. investment holding, rental of building with comprehensive services, furniture manufacturing & trading and property development & Construction Services.

Business segments in revenue and results of the Group for the current quarter ended 30 September 2020 are as follows:

Quarter ended 30 September 2020

Business Segments	Investment Holding RM'000	Rental of Building with Comprehensive Services RM'000	Furniture Manufacturing and Trading RM'000	Property Development and Construction Services RM'000	Adjustments/ Eliminations RM'000	Consolidated Financial Statements RM'000
Revenue						
External Sales	-	963	3,306	10,921	-	15,190
Inter-segment	144		-	-	(144)	-
Total Revenue	144	963	3,306	10,921	(144)	15,190
Results :						
Segment results	(265)	(297)	386	2,909	144	2,877
Finance cost						(53)
Loss before tax						2,824
Taxation						-
Net profit for the period						2,824

Quarter ended 30 September 2019

Business Segments	Investment Holding RM'000	Rental of Building with Comprehensive Services RM'000	Furniture Manufacturing and Trading RM'000	Property Development and Construction Services RM'000	Adjustments/ Eliminations RM'000	Consolidated Financial Statements RM'000
Revenue						
External Sales	-	-	5,168	5,219	-	10,387
Inter-segment	288	-	-	-	(288)	-
Total Revenue	288	-	5,168	5,219	(288)	10,387
Results :						
Segment results	(134)	-	103	548	-	517
Finance cost						(127)
Loss before tax						390
Taxation						-
Net loss for the period						390

A9. Subsequent Events

There were no other material events during the current quarter of 30 September 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.

A. Compliance with Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting and Bursa Malaysia Listing Requirements (cont'd)**A13. Capital Commitments**

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

B. Compliance with Bursa Malaysia Main Market Listing Requirements (Part A of Appendix 9B)**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 30.09.2020 RM'000	Preceding Year Corresponding Quarter 30.09.2019 RM'000	Increased/ (Decreased) RM'000
REVENUE			
Furniture Manufacturing and Trading	3,306	5,168	(1,862)
Property development and Construction Services	10,921	5,219	5,702
Rental of Building with Comprehensive Services	963	-	963
Total	15,190	10,387	4,803

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

	Current Year Quarter 30.09.2020 RM'000	Immediate Preceding Quarter 30.06.2020 RM'000	Increased/ (Decreased) RM'000
REVENUE			
Furniture Manufacturing and Trading	3,306	1,403	1,903
Property development and Construction Services	10,921	5,109	5,812
Rental of Building with Comprehensive Services	963	821	142
Total	15,190	7,333	7,857
Cost of Sales	(11,951)	(6,424)	(5,527)
Gross Profit	3,239	909	2,330
PROFIT / (LOSS) BEFORE TAX ("PBT")			
Furniture Manufacturing and Trading	371	(267)	638
Property development and Construction Services	2,871	1,169	1,702
Rental of Building with Comprehensive Services	(297)	(396)	99
Investment holding	(121)	(32)	(89)
Total	2,824	474	2,350

The Group started FYE 2021 softly, when business closure taken place from 18 March 2020 to 3 May 2020 under Movement Control Orders ("MCO") announced by the Government of Malaysia to curb the spread of novel coronavirus ("COVID-19"). Subsequently, Conditional MCO ("CMCO") was announced from 4 May 2020 to 9 June 2020 before Recovery MCO ("RMCO") that was expected to last until 31 December 2020.

With recent surge of new COVID-19 cases, CMCO is reintroduced from 9 November 2020 to 6 December 2020 for all Malaysia, with exception to the states of Perlis, Pahang and Kelantan.

Fortunately, abovementioned RMCO and CMCO have not halted the construction, development and manufacturing activities of the Group. The Group has been adhering to new standard operating procedures ("SOP"), such as social distancing, maintaining high level of occupational safety and health, management of workforce, workers movement, transportation of workers, materials and supplies, company SOP, and implementation of COVID-19 preventive measures.

The Group posted a great QoQ revenue growth, growing revenue from 1Q FYE 2021 of RM7.333 mil to 2Q FYE 2021 of RM15.19 mil, representing an increase of RM7.857 mil (107.15%), with biggest contributor from property development and construction services segment.

Property Development and Construction Services segment

Compared to 1Q FYE 2021, Property development segment posted astonishing revenue increase of RM5.812 mil (113.76%) along with PBT increase of RM1.702 mil (145.59%). This solid performance has proven the resilience of the Group and a great results from developing affordable housing projects.

B. Compliance with Bursa Malaysia Main Market Listing Requirements (Part A of Appendix 9B) (cont'd)**B2. Review of Performance for Comparison with Immediate Preceding Quarter's Results (cont'd)***Furniture Manufacturing and Trading segment*

Furniture manufacturing and trading segment was badly injured by MCO and lockdowns worldwide when MCO first announced on 18 March 2020. However, the revenue of 2Q FYE 2021 is better than 1Q FYE 2021 when the Group resumed the exports of furnitures along with PBT increase of RM0.638 mil (238.95%).

Rental of Building with Comprehensive Services segment

By rendering more comprehensive services to tenants and maintaining good occupancy rate, the Group is able to grow the revenue.

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 continue to 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 return profitable in the financial year ending 31 March 2021.

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 30.09.2020 RM'000	Cumulative Preceding Year To Date 30.09.2019 RM'000
Profit/(loss) for the period is arrived at after crediting:		
Gain on foreign exchange	-	(37)
Gain on disposal of property, plant and equipment	(115)	(118)
Rental with comprehensive income	(1,780)	(133)
Interest income	(14)	(3)
	<hr/> <hr/>	<hr/> <hr/>
and after charging :		
Auditors' remuneration	28	38
Amortisation and depreciation	1,995	2,385
Realised loss on foreign exchange	50	-
Unrealised loss on foreign exchange	15	-
Interest expense	105	-
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B6. Taxation

	Current Year Quarter 30.09.2020 RM'000	Preceding Year Corresponding Quarter 30.09.2019 RM'000
Malaysian income tax	-	-
Deferred tax	-	-
Tax for the financial period	<hr/> <hr/>	<hr/> <hr/>

B7. Status of Corporate Proposals

On 23 October 2020, the Company announced a proposed private placement will be undertaken pursuant to the shareholders' mandate for the issuance of new ordinary shares in DPS ("DPS Share(s)" or "Share(s)") under Section 75 and 76 of the Companies Act 2016 ("Act") obtained at the Company's 17th Annual General Meeting ("AGM") convened on 22 September 2020 whereby the Board has been authorised to allot and issue new ordinary shares in DPS, not exceeding 20% of the issued ordinary shares of the Company ("General Mandate").

As at the date of this announcement, the Company has not identified any placee to the private placement and the price fixing date is yet to be determined.

B. Compliance with Bursa Malaysia Main Market Listing Requirements (Part A of Appendix 9B) (cont'd)**B8. Group Borrowings and Debt Securities**

Total Group borrowings as at 30 September 2020 were as follows :-

	As at 30.09.2020 Total RM'000	As at 31.03.2020 Total RM'000
Term Loans - Long term	8,524	9,477
Term Loans - Short term	1,400	588
Total borrowings	<u>9,924</u>	<u>10,065</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.

On 28 February 2020, the Court had allowed the claim for the building amounting to RM1,716,362.63 together with 5% interests from the date of filling the suit till the date of full settlement but the Court dismissed the claim for the plant and machineries and stock. Hence, SSB had filed an appeal for the plant and 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	
	Current Year Quarter 30.09.2020 RM'000	Preceding Year Corresponding Quarter 30.09.2019 RM'000	Current Year To Date 30.09.2020 RM'000	Preceding Year Corresponding Quarter 30.09.2019 RM'000
Profit / (loss) attributable to ordinary equity holders of the Company (RM'000)	<u>2,824</u>	<u>390</u>	<u>3,298</u>	<u>(511)</u>
Weighted average number of ordinary shares in issue ('000)	<u>587,770</u>	<u>587,770</u>	<u>587,770</u>	<u>587,770</u>
Basic earnings / (loss) per share (sen)	<u>0.48</u>	<u>0.07</u>	<u>0.56</u>	<u>(0.09)</u>

b) Diluted

The 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.