

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2021**
(The figures have not been audited)

	Individual Quarter			Cumulative Quarter		Changes Increase/ (decrease) RM'000
	Unaudited Current Year 30.09.2021 RM'000	Unaudited Preceding Year Corresponding Quarter 30.09.2020 RM'000	Changes Increase/ (decrease) RM'000	Unaudited Current Year To Date 30.09.2021 RM'000	Unaudited Preceding Year 30.09.2020 RM'000	
Revenue	19,863	15,190	4,673	41,421	22,523	18,898
Cost of sales	(16,625)	(11,951)	(4,674)	(35,132)	(18,375)	(16,757)
Gross profit	3,238	3,239	(1)	6,289	4,148	2,141
Operating expenses	(1,546)	(1,196)	(350)	(2,561)	(1,708)	(853)
Other operating income	35	834	(799)	59	959	(900)
Profit from operations	1,727	2,877	(1,150)	3,787	3,399	388
Finance cost	(96)	(53)	(43)	(146)	(101)	(45)
Profit before tax	1,631	2,824	(1,193)	3,641	3,298	343
Taxation	-	-	-	-	-	-
Net profit for the period	1,631	2,824	(1,193)	3,641	3,298	343
Other comprehensive income, Net of Tax	-	-	-	-	-	-
Total comprehensive profit for the period	1,631	2,824	(1,193)	3,641	3,298	343
Weighted average number of shares ('000s)	705,323	587,770		705,323	587,770	
Earnings per share (sen)						
- Basic	0.23	0.48		0.52	0.56	
- Diluted [#]	0.18	0.48		0.40	0.56	

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 2021 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021
(The figures have not been audited)**

	Unaudited As at End Of Current Quarter 30.09.2021 RM'000	Audited As at Preceding Financial Year End 31.03.2021 RM'000
Non-current assets		
Property, plant and equipment	81,348	81,658
Right-of-use asset	15,710	16,187
Land held for development	2,256	2,256
	<u>99,314</u>	<u>100,101</u>
Current assets		
Property development expenditure	15,706	22,050
Inventories	43,942	31,552
Trade and other receivables	35,177	29,921
Cash, deposits and bank balances	14,588	6,971
	<u>109,413</u>	<u>90,494</u>
Total Assets	<u>208,727</u>	<u>190,595</u>
EQUITY		
Share capital	72,833	72,833
Revaluation reserve	13,996	13,996
Warrant reserve	8,742	8,742
Discount on share	(8,742)	(8,742)
Retained earnings	68,963	65,322
Total equity	<u>155,792</u>	<u>152,151</u>
LIABILITIES		
Non-current liabilities		
Borrowings	8,802	9,207
Deferred tax liability	4,207	4,207
	<u>13,009</u>	<u>13,414</u>
Current liabilities		
Borrowings	782	752
Trade and other payables	39,144	23,949
Provision for taxation	-	329
	<u>39,926</u>	<u>25,030</u>
Total Liabilities	<u>52,935</u>	<u>38,444</u>
Total Equity And Liabilities	<u>208,727</u>	<u>190,595</u>
Number of ordinary shares ('000)	705,323	705,323
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 2021 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 RM155,792,000 (FYE 31.03.2021: RM152,151,000) over the issued number of ordinary shares of 705,323,496 (FYE 31.03.2021: 705,323,496).

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2021**
 (The figures have not been audited)

	← Non-Distributable			→ Distributable		Total RM'000
	Share Capital RM'000	Warrant Reserve RM'000	Revaluation Reserve RM'000	Discount on share RM'000	Retained Earnings RM'000	
Balance as at 1 April 2020 (audited)	58,962	8,742	13,996	(8,742)	53,726	126,684
Private Placement	13,871	-	-	-	-	13,871
Total comprehensive income for the year	-	-	-	-	11,596	11,596
Balance as at 31 March 2021 (audited)	72,833	8,742	13,996	(8,742)	65,322	152,151
Total comprehensive income for the period	-	-	-	-	3,641	3,641
Balance as at 30 September 2021	72,833	8,742	13,996	(8,742)	68,963	155,792

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 2021 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2021
 (The figures have not been audited)**

	Current Year To Date 30.09.2021 RM'000	Cumulative Preceding Year End 30.09.2020 RM'000
Net cash outflow from operating activities	(792)	(3,047)
Net cash (outflow) / inflow from investing activities	(1,126)	1,841
Net cash inflow / (outflow) from financing activities	9,535	(551)
Net increase / (decrease) in cash and cash equivalents	<u>7,617</u>	<u>(1,757)</u>
Cash and bank balances as at 1 April	6,971	5,688
Cash and cash equivalents as at 30 September	<u><u>14,588</u></u>	<u><u>3,931</u></u>
<u>Reconciliation :</u>		
Cash and bank balances	14,588	3,931
Bank overdrafts	-	-
Cash and cash equivalents as at 30 September	<u><u>14,588</u></u>	<u><u>3,931</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 2021 and the accompanying explanatory notes attached to the interim financial statements.

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 2021 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 since the financial year ended 31 March 2021.

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the financial year ended 31 March 2021.

During the interim financial statement, the Group has adopted the following amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year as below:

Amendments to MFRS 16	Covid-19-Related Rent Concessions
Amendments to MFRS 4	Extension of the Temporary Exemption from Applying MFRS 9
Amendments to MFRS 9, MFRS 7, MFRS 4, and MFRS 16	Interest Rate Benchmark Reform – Phase 2
Amendments to MFRS 16	Covid-19-Related Rent Concessions Beyond 30 June 2021

The Group has not applied in advance the following new amendments to MFRSs that have been issued by MASB but are not yet effective for the current financial year.

MFRSs

		Effective date for the financial periods <u>beginning on or after</u>
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 MFRSs	Annual Improvements to MFRS Standards 2018 - 2020	1-Jan-22
Amendments to MFRS 17	Insurance Contracts	1-Jan-23
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1-Jan-23
Amendments to MFRS 101	Disclosure of Accounting Policies	1-Jan-23
Amendments to MFRS 108	Definition of Accounting Estimates	1-Jan-23
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group intends to adopt the above amendments to MFRSs when they become effective.

A2. Auditors' Report on Preceding Annual Financial Statements

The Auditors' Report for the audited financial statements of the Company and its subsidiaries for the financial year ended 31 March 2021 was not subject to any qualification.

A3. Comments about Seasonality or Cyclicity

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

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

There were no unusual items affecting the Group's assets, liabilities, equity, net income or cash flows because of their nature, size or incidence during the current financial quarter under review and the financial period to date.

A5. Material Estimates and Changes in Estimates

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

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

A6. Issuance or Repayment of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities during the financial period under 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

Segmental information is provided based on the Group's four (4) major business segments, namely (i) property development and construction ("property development"), (ii) furniture manufacturing and trading ("furniture"), (iii) rental of building with comprehensive services, and (iv) investment holding.

The segment revenue and segment results of the Group's business segments for the current financial quarter ended 30 September 2021 are as follows:

3 months ended 30 September 2021

Business Segments	Property Development	Furniture	Rental of Building with Comprehensive Services	Investment Holding	Adjustments/ Eliminations	Consolidated Financial Statements
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
External Sales	17,113	1,590	1,160	-	-	19,863
Inter-segment	-	-	-	480	(480)	-
Total Revenue	17,113	1,590	1,160	480	(480)	19,863
Results :						
Segment results	1,695	142	56	(646)	480	1,727
Finance cost						(96)
Profit before tax						1,631
Taxation						-
Net profit for the period						1,631

3 months ended 30 September 2020

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

A9. Subsequent Events

There were no material events subsequent to the end of the financial quarter ended 30 September 2021 under review up to the date of this report which is likely to substantially affect the results of the operations of the Group.

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

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 2021.

A11. Changes in Composition of the Group

There are no changes to 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 2021.

A13. Capital Commitments

	30.09.2021 RM'000
<u>Approved and Contracted For:</u>	
Commitments for outright purchase of land	14,183
Commitments for joint venture of land (over 7 years up to FY2028)	<u>17,100</u>

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

B1. Review of Performance (Current Quarter versus Preceding Year Corresponding Quarter)

	Current Year Quarter 30.09.2021 RM'000	Preceding Year Corresponding Quarter 30.09.2020 RM'000	Increased/ (Decreased) RM'000
<u>REVENUE</u>			
Property Development	17,113	10,921	6,192
Furniture	1,590	3,306	(1,716)
Rental of Building with Comprehensive Services	1,160	963	197
Investment Holding	-	-	-
Total	19,863	15,190	4,673
Cost Of Sales	(16,625)	(11,951)	(4,674)
Gross Profit	3,238	3,239	(1)
<u>PROFIT BEFORE TAX ("PBT")</u>			
Property Development	1,612	2,871	(1,259)
Furniture	134	374	(240)
Rental of Building with Comprehensive Services	50	(297)	347
Investment Holding	(166)	(121)	(45)
Total	1,630	2,827	(1,197)

For the current quarter under review, the Group's increased revenue by RM4.67 million (30.76%) to RM19.86 million compared to preceding year corresponding quarter of RM15.19 million. The higher revenue was mainly contributed by Property Development segment which recorded revenue of RM17.11 million, compared to RM10.92 million a year ago. The enhanced performance was spearheaded by higher revenue recognition of RM8.96 million and RM7.10 million from Taman Bukit Rambai Putra Phase I and Phase II projects respectively.

However, the Group's furniture segment revenue declined to RM1.59 million as most of its furniture production facilities only resumed operations towards the end of the quarter as movement restrictions were gradually uplifted. This was supported by Rental of Building with Comprehensive Services segment which saw revenue improvement to RM1.16 million; despite giving out rental support to affected Tenants during the quarter.

The Group recorded lower net profit of RM1.63 million compared to preceding year corresponding quarter's RM2.82 million, mainly caused by increased costs associated with MCO 3.0 lockdown.

PART B: ADDITIONAL INFORMATION REQUIRED BY BMSB'S LISTING REQUIREMENTS (Cont'd)

B2 Review of Performance (Current Quarter versus Immediate Preceding Quarter)

	Current Year Quarter 30.09.2021 RM'000	Immediate Preceding Quarter 30.06.2021 RM'000	Increased/ (Decreased) RM'000
REVENUE			
Property Development	17,113	14,993	2,120
Furniture	1,590	4,920	(3,330)
Rental of Building with Comprehensive Services	1,160	1,645	(485)
Investment holdings	-	-	-
Total	19,863	21,558	(1,695)
Cost of Sales	(16,625)	(18,507)	1,882
Gross Profit	3,238	3,051	187
PROFIT BEFORE TAX ("PBT")			
Property Development	129	647	(518)
Furniture	1,612	913	699
Rental of Building with Comprehensive Services	56	526	(470)
Investment holding	(166)	(77)	(89)
Total	1,631	2,009	(378)

For the current quarter, the Group recorded lower revenue of RM19.86 million compared to immediate preceding quarter's RM21.56 million as the Group's operations were closed to comply with MCO 3.0 lockdown with effect from 1 June 2021. Most of the Group's businesses only resumed operations towards the end of the quarter as movement restrictions were gradually uplifted. Accordingly, the Group's profit was lower at RM1.63 million compared to Q1 2022's RM2.01 million.

B3. Commentary on Prospects

As Malaysia's vaccination program accelerates, the Group anticipates a more positive business environment towards the year-end from the reopening of more economic and social sectors.

Moving forward, the Group will focus on completing its existing affordable housing projects while planning new launches to capitalize on the trend of urban dwellers moving out to more spacious homes in the suburbs. The Group's furniture manufacturing and trading business is also expected to rebound in line with economic recovery of its key markets in Europe and the US and resumption of operations in its production facilities. Barring future lockdowns that require further rental support to tenants, the Group's rental income is expected to remain resilient.

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 30.09.2021 RM'000	Cumulative Preceding Year To Date 30.09.2020 RM'000
Profit for the period is arrived at after crediting:		
Gain on foreign exchange	(18)	-
Gain on disposal of property, plant and equipment	(10)	(115)
Rental with comprehensive income	(2,712)	(1,780)
Interest income	(20)	(14)
and after charging :		
Auditors' remuneration	36	28
Amortisation and depreciation	1,923	1,995
Realised loss on foreign exchange	-	50
Unrealised loss on foreign exchange	15	15
Interest expense	149	105

PART B: ADDITIONAL INFORMATION REQUIRED BY BMSB'S LISTING REQUIREMENTS (Cont'd)

B6. Taxation

	Current Year Quarter 30.09.2021 RM'000	Preceding Year Corresponding Quarter 30.09.2020 RM'000
Malaysian income tax	-	-
Deferred tax	-	-
Tax for the financial period	-	-

B7. Status of Corporate Proposals

- a) On 18 May 2021, DPS announced that its wholly-owned subsidiary, Shantawood Sdn Bhd ("SSB") had on 25 February 2021 entered into a joint venture agreement ("JVA") with Rembia Properties Development Sdn Bhd ("RPD") for the development and completion of a residential development comprising of 4 pieces of freehold lands measuring approximately 25.906 acres held under Geran GM 161, Lot 348; GM 187, Lot 793; GM 186, Lot 794 and GRN 6017, Lot 795, all of which are located in Mukim of Rembia, District of Alor Gajah, Melaka (the "Land").

Subsequently, SSB informed RPD on 18 May 2021 that it had carried out various studies on the Land to ensure commercial viability of future residential and commercial development on the Land and noted the results of the studies and searches on the Land are satisfactory and no adverse issues were uncovered. Pursuant thereto, SSB will proceed to comply with the terms and conditions of the JVA.

On 20 May 2021, DPS made another announcement in relation to the same to provide additional information in response to a query from Bursa Securities on 19 May 2021 ("Query") in relation to the Proposed JV.

- b) On 25 May 2021, DPS announced that its wholly owned subsidiary, Shantawood Sdn Bhd ("SSB") had on 24 May 2021 entered into a Sale and Purchase Agreement ("SPA") with Bao Long Marketing Sdn Bhd for the proposed acquisition of 1 piece of freehold land held under GM 521, Lot 1209, Mukim Tanjong Minyak, Daerah Melaka Tengah, State of Melaka measuring an approximate area of 2.853 Hectares at a purchase consideration of Ringgit Malaysia Six Million One Hundred Forty One Thousand Eight Hundred Eighty Seven and Cents Twenty only (RM6,141,887.20).

- c) On 14 July 2021, DPS announced a recurrent related party transactions of a revenue and/or trading nature ("RRPT") between DPS and its related party, Sand Nisko Capital Berhad ("SNC").

DPS, via its wholly-owned subsidiary, Shantawood Sdn Bhd ("SSB") has awarded seven (7) Letter of Awards ("LOAs") for construction works of projects with aggregate contract value of RM34.52 million to Len Cheong Industries Sdn Bhd ("LCI"), a wholly-owned subsidiary of SNC. The projects are located in Mukim Tanjong Minyak, Mukim Bukit Rambai and Mukim Krubong in the State of Melaka respectively.

B8. Group Borrowings and Debt Securities

The Group's borrowings (denominated in Ringgit Malaysia ("RM")) are as follows :-

	Unaudited As at 30.09.2021 Total RM'000	Audited As at 31.03.2021 Total RM'000
Short term borrowings		
Term Loans- secured	727	697
Lease Liability	55	55
	<u>782</u>	<u>752</u>
Long term borrowings		
Term Loans - secured	8,655	9,045
Lease Liability	147	162
	<u>8,802</u>	<u>9,207</u>
Total borrowings	<u>9,584</u>	<u>9,959</u>

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

B9. Material Litigation

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

On 21 July 2017, DPS announced that its wholly-owned subsidiary, Shantawood Sdn Bhd (“SSB”) had initiated legal proceedings against HSBC Takaful on 6 July 2017.

On 28 February 2020, the High Court had allowed the claim for losses on building amounting to RM1,716,362.63 together with 5% interest from the date of filing the suit till the date of full settlement but the Court dismissed SSB's claim for losses on plant & machineries and stock. Hence, SSB had filed an appeal to recover its losses on plant & machineries and stock to the Court of Appeal. The matter is currently going through case management stage at the Court of Appeal.

The Group will announce any further developments in due course.

Save for the above, 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 subsidiaries and the Board is not aware 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 subsidiaries as at the date of this report.

B10. Proposed Dividend

No dividend has been declared or paid during the current quarter and financial period under review.

B11. Earnings per Share

a) Basic

The calculation of basic earnings per share was based on the profit attributable to ordinary equity holders of the Company and divided by the weighted average number of ordinary shares in issue during the period under review.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2021 RM'000	Preceding Year Corresponding Quarter 30.09.2020 RM'000	Current Year To Date 30.09.2021 RM'000	Preceding Year Corresponding Quarter 30.09.2020 RM'000
Period attributable to ordinary equity holders of the Company (RM '000)	1,631	2,824	3,641	3,298
Weighted average number of ordinary shares in issue ('000)	705,323	587,770	705,323	587,770
Basic earnings per share (sen)	0.23	0.48	0.52	0.56

B11. Earnings per Share (Cont'd)

b) Diluted

The calculation of diluted earnings per share was based on the profit attributable to ordinary equity holders of the Company and divided by the weighted average number of ordinary shares that would have been in issue assuming full exercise of the Company's warrants, adjusted for the number of such ordinary shares that would have been issued at fair value.

The Company had issued 194,261,746 warrants ("Warrant B") which were listed on Bursa Malaysia Securities Berhad on 22 January 2015. Each warrant entitles the registered holder to subscribe for one new ordinary share at the exercise price of RM0.10 per share at any time during the 10-year exercise period.

	Individual Quarter		Cumulative Period	
	Current Year Quarter 30.09.2021 RM'000	Preceding Year Corresponding Quarter 30.09.2020 RM'000	Current Year To Date 30.09.2021 RM'000	Preceding Year Corresponding To Date 30.09.2020 RM'000
Period attributable to ordinary equity holders of the Company (RM '000)	1,631	2,824	3,641	3,298
Weighted average number of ordinary shares in issue ('000)	705,323	587,770	705,323	587,770
Effect of dilution of warrants ('000)	194,262	*	194,262	*
Weighted average number of ordinary shares in issue (Diluted) ('000)	899,585	587,770	899,585	587,770
Diluted earnings per share (sen)	0.18	0.48	0.40	0.56

* There were no effects on the diluted earnings per ordinary share in the comparative quarter as warrants have a dilutive effect only when the average market price of ordinary share during the financial period exceeds the exercise price of the warrants.

B12 Authority For Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 24 November 2021.

By order of the Board,

Edward Sow Yuen Seng
 Group Managing Director

Date: 24 November 2021