

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 JUNE 2022**
(The figures have not been audited)

	Unaudited Individual Quarter Current Year 30.06.2022 RM'000	Unaudited Preceding Year Corresponding Quarter 30.06.2021 RM'000	Changes Increase/ (Decrease) RM'000	Unaudited Cumulative Period Current Year To Date 30.06.2022 RM'000	Unaudited Preceding Year Corresponding To Date 30.06.2021 RM'000	Changes Increase/ (Decrease) RM'000
Revenue	15,840	21,558	(5,718)	15,840	21,558	(5,718)
Cost of sales	(14,030)	(18,507)	4,477	(14,030)	(18,507)	4,477
Gross profit	1,810	3,051	(1,241)	1,810	3,051	(1,241)
Operating expenses	(1,191)	(1,016)	(175)	(1,191)	(1,016)	(175)
Other operating income	101	24	77	101	24	77
Profit from operations	720	2,059	(1,339)	720	2,059	(1,339)
Finance cost	(121)	(50)	(71)	(121)	(50)	(71)
Profit before tax	599	2,009	(1,410)	599	2,009	(1,410)
Taxation	-	-	-	-	-	-
Net profit for the period	599	2,009	(1,410)	599	2,009	(1,410)
Other comprehensive income, Net of Tax	-	-	-	-	-	-
Total comprehensive profit for the period	599	2,009	(1,410)	599	2,009	(1,410)
Weighted average number of shares ('000s)	705,323	705,323		705,323	705,323	
Profit per share (sen)						
- Basic	0.08	0.28		0.08	0.28	
- Diluted	0.07	0.22		0.07	0.22	

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 2022 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022
(The figures have not been audited)

	Unaudited As at End Of Current Quarter 30.06.2022 RM'000	Audited As at Preceding Financial Year End 31.03.2022 RM'000
Non-current assets		
Property, plant and equipment	81,876	82,108
Right-of-use asset	15,552	15,968
Land held for development	18,621	18,621
	<u>116,049</u>	<u>116,697</u>
Current assets		
Contract assets	16,883	20,680
Inventories	35,429	34,901
Trade and other receivables	29,800	24,796
Deposit, bank and cash balance	14,555	7,549
	<u>96,667</u>	<u>87,926</u>
Total Assets	<u>212,716</u>	<u>204,623</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	71,067	70,468
Total equity	<u>157,896</u>	<u>157,297</u>
LIABILITIES		
Non-current liabilities		
Borrowings	20,553	11,193
Deferred tax liability	4,124	4,124
	<u>24,677</u>	<u>15,317</u>
Current liabilities		
Borrowings	742	807
Trade and other payables	29,401	31,144
Provision for taxation	-	58
	<u>30,143</u>	<u>32,009</u>
Total Liabilities	<u>54,820</u>	<u>47,326</u>
Total Equity And Liabilities	<u>212,716</u>	<u>204,623</u>
Number of ordinary shares ('000)	705,323	705,323
Net Assets Per Share (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 2022 and the accompanying explanatory notes attached to the interim financial statements.

Net assets per share is derived based on DPS Resources Berhad's consolidated net assets of RM157,896,000 (FYE 31.03.2022: RM157,297,000) over the issued and paid-up share of 705,323,496 (FYE 31.03.2022: 705,323,496) ordinary shares in the Company.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE FIRST QUARTER ENDED 30 JUNE 2022**
 (The figures have not been audited)

	← Non-Distributable			→ Distributable		Total Equity 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 2021	72,833	13,996	8,742	(8,742)	65,323	152,152
Total comprehensive income for the year	-	-	-	-	5,145	5,145
Balance as at 31 March 2022 (Audited)	72,833	13,996	8,742	(8,742)	70,468	157,297
Total comprehensive income for the year	-	-	-	-	599	599
Balance as at 30 June 2022 (Unaudited)	72,833	13,996	8,742	(8,742)	71,067	157,896

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 2022 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE FIRST QUARTER ENDED 30 JUNE 2022**
 (The figures have not been audited)

	Unaudited Current Year To Date 30.06.2022 RM'000	Unaudited Preceding Year Corresponding To Date 30.06.2021 RM'000
Net cash(outflow) from operating activities	(4,652)	(420)
Net cash (outflow) from investing activities	(223)	(228)
Net cash inflow/(outflow) from financing activities	13,178	(244)
Net increase/(decrease) in cash and cash equivalents	<u>8,303</u>	<u>(892)</u>
Cash and bank balances as at 1 April	6,252	6,971
	<u>14,555</u>	<u>6,079</u>
Effect of exchange translation differences on cash and cash equivalents	-	-
Cash and cash equivalents as at 30 June	<u><u>14,555</u></u>	<u><u>6,079</u></u>
<u>Reconciliation :</u>		
Cash and bank balances	14,555	6,079
Bank overdrafts	-	-
Cash and cash equivalents as at 30 June	<u><u>14,555</u></u>	<u><u>6,079</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 2022 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 2022 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 2022.

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 2022.

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 3	Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment-Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts-Cost of Fulfilling a Contract
Amendments to MFRSs	Annual Improvements to MFRS Standards 2018 - 2020

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.

<u>MFRSs</u>		<u>Effective date for the financial periods beginning on or after</u>
MFRS 17	Insurance Contracts	1-Jan-23
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 112	Deferred tax related to Assets and Liabilities arising from a Single Transaction	1-Jan-23
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 Comparative Information	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 of the preceding financial year ended 31 March 2022 was 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

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.

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 financial quarter under review.

A6. Issuance or Repayment of Debt and Equity Securities

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

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

A7. Dividend Paid / Declared

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

The Directors do not recommend the payment of any dividend in respect of the current financial quarter 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 June 2022 are as follows:

3 months ended 30 June 2022

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	5,755	8,254	1,831		-	15,840
Inter-segment				480	(480)	-
Total Revenue	5,755	8,254	1,831	480	(480)	15,840
Results :						
Segment results	19	674	112	(85)	-	720
Finance cost						(121)
Profit before tax						599
Taxation						-
Net profit for the period						599

3 months ended 30 June 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	14,993	4,920	1,645	-	-	21,558
Inter-segment				240	(240)	-
Total Revenue	14,993	4,920	1,645	240	(240)	21,558
Results :						
Segment results	682	924	530	(77)	-	2,059
Finance cost						(50)
Profit before tax						2,009
Taxation						-
Net profit for the period						2,009

A9. Subsequent Events

There were no material events subsequent to the end of the financial quarter ended 30 June 2022 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 2022.

A11. Changes in Composition of the Group

There were no changes to the composition of the Group during the financial 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 2022.

A13. Capital Commitments

	30.06.2022 RM'000
<u>Approved and Contracted For:</u>	
Commitments for joint venture of land (over 7 years from FY 2022 to FY2028)	15,675

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

B1 Review of Performance (Comparison with Preceding Year Corresponding Quarter's Results)

	Current Year Quarter 30.06.2022 RM'000	Preceding Year Corresponding Quarter 30.06.2021 RM'000	Increase/ (Decrease) RM'000
<u>REVENUE</u>			
Property Development	5,755	14,993	(9,238)
Furniture	8,254	4,920	3,334
Rental of Building with Comprehensive Services	1,831	1,645	186
Investment Holding	-	-	-
Total	15,840	21,558	(5,718)
Cost Of Sales	(14,030)	(18,507)	4,477
Gross Profit	1,810	3,051	(1,241)
<u>PROFIT BEFORE TAX ("PBT")</u>			
Property Development	3	647	(644)
Furniture	611	913	(302)
Rental of Building with Comprehensive Services	70	526	(456)
Investment Holding	(85)	(77)	(8)
Total	599	2,009	(1,410)

For the current quarter under review, the Group's revenue declined by RM5.72 million (26.53%) to RM15.84 million compared to preceding year corresponding quarter of RM21.56 million. The decrease was mainly caused by drop of RM9.24 million (61.64%) in Property Development revenue to RM5.75 million (30.06.2021: RM14.99 million) following successful completion of the Group's flagship Taman Bukit Rambai Putra (Phase I) project which was successfully completed in the previous year. The Group also completed Taman Krubong Jaya (Phase II) project during the current quarter, further contributing to the decline.

However, the decrease was mitigated by improvements made by the Group's furniture segment which recorded revenue of RM8.25 million, an increase of RM3.33 million (67.68%) compared to previous year's RM4.92 million. The furniture manufacturing facilities were not hampered by any lockdowns in the current quarter as opposed to Q1 2022's 3rd Movement Control Order ("MCO 3.0") which took effect on 1 June 2021. Meanwhile, Rental of Building with Comprehensive Services segment saw slight revenue improvement to RM1.83 million (30.06.2021: RM1.64 million).

Accordingly, the Group recorded lower profit of RM0.60 million in the current quarter compared to preceding year corresponding quarter's RM2.01 million. Furniture segment continued to become main profit contributor for the Group with profit of RM0.61 million, supported by Rental of Building with Comprehensive Services with RM0.07 million and Property Development with RM0.003 million although affected by losses in Investment Holding (RM0.08 million).

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

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

	Current Year Quarter 30.06.2022 RM'000	Immediate Preceding Quarter 31.03.2022 RM'000	Increase/ (Decrease) RM'000
REVENUE			
Property Development	5,755	12,618	(6,863)
Furniture	8,254	4,677	3,577
Rental of Building with Comprehensive Services	1,831	1,521	310
Investment Holding	-	-	-
Total	15,840	18,816	(2,976)
Cost Of Sales	(14,030)	(22,210)	8,180
Gross Profit	1,810	(3,394)	5,204
PROFIT BEFORE TAX ("PBT")			
Property Development	3	(643)	646
Furniture	611	646	(35)
Rental of Building with Comprehensive Services	70	(170)	240
Investment Holding	(85)	245	(330)
Total	599	78	521

For the current quarter under review, the Group recorded lower revenue of RM15.84 million compared to immediate preceding quarter's (audit adjusted) revenue of RM18.82 million. The drop of RM2.98 million (15.83%) was mainly due to reduction of approximately RM6.86 million (54.36%) in Property Development revenue to RM5.76 million (31.03.2022: RM12.62 million) as the Group successfully completed Taman Krubong Jaya (Phase II) project during the quarter. The segment's revenue is expected to rebound when other projects which are currently in preliminary stages move into full swing in the coming quarters.

Despite the lower revenue, the Group managed to record a higher profit of RM0.60 million in the current quarter compared to preceding year corresponding quarter's RM0.08 million. The quarter's profit was mainly contributed by Furniture segment.

B3 Commentary on Prospects

As global monetary policy normalisation continues, the Group expects external cost pressures, particularly commodity prices to gradually recede in the coming months. The local currency (MYR) is also forecast to stabilise in the second half of calendar year 2022, further easing domestic inflationary and wage pressures.

The easing of the prices and stabilisation of MYR will provide more certainty and confidence to the Group's Property Development segment in launching new affordable home projects in the future quarters while Furniture segment stands to benefit from lower input prices.

B4 Profit Forecast or Profit Guarantee

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

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

B5 Notes to Consolidated Statement of Comprehensive Income

	Current Year To Date 30.06.2022 RM'000	Cumulative Preceding Year To Date 30.06.2021 RM'000
Profit for the period is arrived at after charging/ (crediting) :		
Auditors' remuneration	18	24
Foreign exchange loss/(income)		
-realised	(69)	(4)
-unrealised	(2)	15
Interest income	(6)	(3)
Interest expense	121	43
Property, plant and equipment		
-depreciation	871	922
-(gain)/loss on disposal	-	(10)

B6 Taxation

	Current Year To Date 30.06.2022 RM'000	Cumulative Preceding Year To Date 30.06.2021 RM'000
Malaysian income tax		
- current year provision	-	-
- under/(over) provision in prior year(s)	-	-
Deferred tax	-	-
Tax for the financial period	-	-

B7 Status of Corporate Proposals

- a) On 8 April 2022, DPS announced that SSB had on 8th April 2022 entered into a JDA ("JDA") with Biotrend Asia (M) Sdn Bhd ("Biotrend") to jointly develop 10 parcels of Land measuring total of approximately 52.186 acres in Melaka (Melaka Land) into mixed development projects ("Mixed Developments" or "Projects").

Pursuant to the JDA, Biotrend, being the developer of the Melaka Land, shall grant SSB, full and unfettered rights to carry out the Development on the Melaka Land, in exchange for total consideration average of 3% from the Total Gross Development Value ("GDV") ("**Co-Developer's Entitlement**").

In view of the interest of certain directors and major shareholders of DPS in the Proposed Joint Development as set out in Section 7 of this Announcement, the Proposed Joint Development is deemed a related party transaction pursuant to Paragraph 10.08 of the Main Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

On 18 April 2022, DPS made another announcement in relation to the same to provide additional information in response to a query from Bursa Securities on 12 April 2022 ("Query") in relation to the Proposed JDA.

B8 Group Borrowings and Debt Securities

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

	Unaudited As at 30.06.2022 Secured RM'000	Audited As at 31.03.2022 Total RM'000
Short term borrowings		
Loans and borrowings	653	709
Lease liabilities	89	98
	<u>742</u>	<u>807</u>
Long term borrowings		
Loans and borrowings	20,430	11,052
Lease liabilities	123	141
	<u>20,553</u>	<u>11,193</u>
Total borrowings	<u>21,295</u>	<u>12,000</u>

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

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

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.

Shantawood Sdn Bhd (“SSB”) vs Liang Soon Properties Sdn Bhd (“Liang Soon”)

On 20 December 2021, DPS announced that its wholly-owned subsidiary, Shantawood Sdn Bhd (“SSB”) had commenced legal proceedings against Liang Soon on 13 July 2021.

The legal proceedings were in relation to the sale and purchase of two pieces of lands held under GM 112 Lot 337 and Geran 5396 Lot 332 Mukim Rembia District of Alor Gajah Melaka measuring approximately 22.85 acres (“the said lands”) for RM9,834,018.47.

SSB had made payment of the sum of RM196,680.37 being the 2% Earnest Deposit to Liang Soon on 12 November 2021 through its solicitors. Whilst the parties were in the midst of finalizing the terms of the SPA, the Defendant had unilaterally terminated the agreement even though the Plaintiff had agreed to fair the SPA for execution and had proceeded to forward the same to the Defendant's solicitors on 8.12.2020.

Despite several requests and demands, Liang Soon had refused and/or failed to proceed with the Sale and Purchase of the said lands. Hence, SSB filed a writ of summons in the Melaka High Court on 13.7.2021 for an order that the Defendant to execute the Sale and Purchase agreement and complete the sale of the said lands.

The Court subsequently ordered the parties to go for mediation for this matter. The matter is still at the pre-trial case management stage and has been fixed for trial on 9.1.2023 – 13.1.2023.

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 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 Period	
	Current Year Quarter 30.06.2022 RM'000	Preceding Year Corresponding Quarter 30.06.2021 RM'000	Current Year To Date 30.06.2022 RM'000	Preceding Year Corresponding To Date 30.06.2021 RM'000
Period attributable to ordinary equity holders of the Company (RM '000)	599	2,009	599	2,009
Weighted average number of ordinary shares in issue ('000)	705,326	705,326	705,326	705,326
Basic earnings per share (sen)	0.08	0.28	0.08	0.28

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

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	Preceding Year	Current Year	Preceding Year
	Quarter	Quarter	To Date	To Date
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM'000	RM'000	RM'000	RM'000
Period attributable to ordinary equity holders of the Company (RM '000)	599	2,009	599	2,009
Weighted average number of ordinary shares in issue ('000)	705,326	705,326	705,326	705,326
Effect of dilution of warrants ('000)	194,262	194,262	194,262	194,262
Weighted average number of ordinary shares in issue (Diluted) ('000)	899,588	899,588	899,588	899,588
Diluted earnings per share (sen)	0.07	0.22	0.07	0.22

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 17 August 2022.

By order of the Board,

Edward Sow Yuen Seng
 Group Managing Director

Date: 17 August 2022