

**SUMMARY OF KEY FINANCIAL INFORMATION  
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2013**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING PERIOD
		[31/12/2013] RM'000	[31/12/2012] RM'000	[31/12/2013] RM'000	[31/12/2012] RM'000
1	Revenue	9,550	13,794	33,160	35,511
2	(Loss)/profit before tax	(1,589)	(761)	(4,104)	(4,089)
3	(Loss)/profit for the period	(1,598)	(766)	(4,140)	(4,120)
4	(Loss)/profit attributable to ordinary equity holders of the Parent	(1,750)	(1,030)	(4,268)	(4,399)
5	Basic (loss)/earnings per share (sen)	(0.46)	(0.27)	(1.11)	(1.15)
6	Proposed/Declared Dividend per share (sen)	-	-	-	-
		<b>AS AT END OF CURRENT QUARTER</b>		<b>AS AT PRECEDING FINANCIAL YEAR END</b>	
7	Net assets per share owners of the parent (RM)		0.09		0.10

**ADDITIONAL INFORMATION**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING PERIOD
		[31/12/2013] RM'000	[31/12/2012] RM'000	[31/12/2013] RM'000	[31/12/2012] RM'000
1	Gross interest income	169	153	522	476
2	Gross interest expense	71	47	147	110

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2013**  
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING PERIOD
	[31/12/2013] RM'000	[31/12/2012] RM'000	[31/12/2013] RM'000	[31/12/2012] RM'000
Revenue	9,550	13,794	33,160	35,511
Operating Expenses	(11,304)	(14,693)	(37,882)	(40,278)
Other Operating Income	242	185	811	788
(Loss)/profit from operations	(1,512)	(714)	(3,911)	(3,979)
Finance costs	(77)	(47)	(193)	(110)
(Loss)/profit before tax	(1,589)	(761)	(4,104)	(4,089)
Taxation	(9)	(5)	(36)	(31)
(Loss)/profit after tax	(1,598)	(766)	(4,140)	(4,120)
Other Comprehensive Loss: Foreign currency translation differences	5	(12)	30	(1)
Other comprehensive income for the period, net of tax	5	(12)	30	(1)
Total Comprehensive (Loss)/Profit for the period	(1,593)	(778)	(4,110)	(4,121)
Attributed to :				
Owners of the parent	(1,750)	(1,030)	(4,268)	(4,399)
Non-controlling interest	152	264	128	279
	(1,598)	(766)	(4,140)	(4,120)
Total comprehensive (loss)/profit attributable to:				
Owners of the parent	(1,745)	(1,042)	(4,238)	(4,400)
Non-controlling interest	152	264	128	279
	(1,593)	(778)	(4,110)	(4,121)
(Loss)/earnings per share :				
- basic (sen)	(0.46)	(0.27)	(1.11)	(1.15)
- diluted (sen)	N/A	N/A	N/A	N/A

	AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
Net assets per share (RM)	0.09	0.10

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial statements.

**DATAPREP HOLDINGS BHD (Company No. : 183059-H)**

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2013**

	<b>As at 31.12.2013 Unaudited RM'000</b>	<b>As at 31.3.2013 Audited RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,366	1,726
Intangible assets	252	133
Other Investments	91	91
Long term receivables	1,059	1,621
	<u>2,768</u>	<u>3,571</u>
<b>Current Assets</b>		
Inventories	1,246	932
Trade receivables	21,130	22,125
Other receivables	2,178	2,686
Tax recoverable	75	67
Deposits, cash and bank balances	24,526	27,431
	<u>49,155</u>	<u>53,241</u>
<b>Total assets</b>	<u>51,923</u>	<u>56,812</u>
<b>Equity attributable to owners of the Parent</b>		
Share capital	95,772	95,772
Share premium	5,488	5,488
Merger deficit	(13,509)	(13,509)
Foreign exchange reserve	41	11
Accumulated losses	(52,342)	(48,074)
	<u>35,450</u>	<u>39,688</u>
<b>Non-controlling interest</b>	755	627
<b>Total equity</b>	<u>36,205</u>	<u>40,315</u>
<b>Non-current liabilities</b>		
Long term borrowings	1,031	1,568
	<u>1,031</u>	<u>1,568</u>
<b>Current Liabilities</b>		
Trade payables	7,320	9,292
Other payables	4,774	3,997
Short term borrowings	2,541	1,603
Provision for taxation	52	37
<b>Total current liabilities</b>	<u>14,687</u>	<u>14,929</u>
<b>Total liabilities</b>	<u>15,718</u>	<u>16,497</u>
<b>Total equity and liabilities</b>	<u>51,923</u>	<u>56,812</u>
Net assets per share (RM)	<u>0.09</u>	<u>0.10</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2013

<----- Attributable to the equity holders of the Company ----->  
<----- Non-distributable ----->

	Share Capital RM'000	Share premium RM'000	Merger deficit RM'000	Foreign exchange reserve RM'000	Accumulated losses RM'000	Total RM'000	Non- controlling Interest RM'000	Total Equity RM'000
<b>At 1 April 2013</b>	<b>95,772</b>	<b>5,488</b>	<b>(13,509)</b>	<b>11</b>	<b>(48,074)</b>	<b>39,688</b>	<b>627</b>	<b>40,315</b>
Loss for the financial year	-	-	-	-	(4,268)	(4,268)	128	(4,140)
Other comprehensive income:								
Foreign currency translation gain for foreign operations	-	-	-	30	-	30	-	30
Total comprehensive loss for the period	-	-	-	30	(4,268)	(4,238)	128	(4,110)
<b>At 31 December 2013</b>	<b>95,772</b>	<b>5,488</b>	<b>(13,509)</b>	<b>41</b>	<b>(52,342)</b>	<b>35,450</b>	<b>755</b>	<b>36,205</b>
<b>At 1 April 2012</b>	<b>95,772</b>	<b>5,488</b>	<b>(13,509)</b>	<b>8</b>	<b>(43,108)</b>	<b>44,651</b>	<b>602</b>	<b>45,253</b>
Loss for the financial year	-	-	-	-	(4,966)	(4,966)	25	(4,941)
Other comprehensive income:								
Foreign currency translation gain for foreign operations	-	-	-	3	-	3	-	3
Total comprehensive loss for the period	-	-	-	3	(4,966)	(4,963)	25	(4,938)
Disposal of part equity in a subsidiary to non-controlling interest	-	-	-	-	-	-	-	-
<b>At 31 March 2013</b>	<b>95,772</b>	<b>5,488</b>	<b>(13,509)</b>	<b>11</b>	<b>(48,074)</b>	<b>39,688</b>	<b>627</b>	<b>40,315</b>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2013**

	Nine Months Ended	
	31.12.2013 RM'000	31.12.2012 RM'000
<b>Cash Flow from Operating Activities</b>		
(Loss)/profit before tax	(4,104)	(4,089)
<b>Adjustment for :-</b>		
Non-cash items	819	1,053
Non-operating items	(375)	(371)
<b>Operating (loss)/profit before working capital changes</b>	<u>(3,660)</u>	<u>(3,407)</u>
(Increase)/Decrease in inventories	(413)	(389)
(Increase)/decrease in receivables	2,066	(2,277)
Increase/(decrease) in payables	(1,194)	2,856
<b>Cash used in operations</b>	<u>(3,201)</u>	<u>(3,217)</u>
Tax (paid)/ refunded	(30)	14
Interest received	522	476
Interest paid	(147)	(110)
<b>Net cash used in operating activities</b>	<u>(2,856)</u>	<u>(2,837)</u>
<b>Cash flow from Investing Activities</b>		
Purchase of property, plant and equipment	(275)	(166)
Purchase of intangible assets	(210)	-
Proceeds from disposal of plant and equipment	5	-
<b>Net cash used in investing activities</b>	<u>(480)</u>	<u>(166)</u>
<b>Cash flow from Financing Activities</b>		
Drawdown of borrowings	1,696	3,772
Repayment of borrowings	(530)	(4,521)
Payment of hire purchase liabilities	(32)	(30)
<b>Net cash from financing activities</b>	<u>1,134</u>	<u>(779)</u>
<b>Net increase in cash and cash equivalents</b>	<b>(2,202)</b>	<b>(3,782)</b>
<b>Effect of exchange rate fluctuations</b>	<b>30</b>	<b>-</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>26,698</b>	<b>26,784</b>
<b>Cash and cash equivalents at end of the period</b>	<u><b>24,526</b></u>	<u><b>23,002</b></u>

Cash and cash equivalents at end of the financial period comprise the following:

	As at 31.12.2013 RM'000	As at 31.12.2012 RM'000
Deposits with licensed commercial banks	17,843	20,082
Cash and bank balances	6,683	4,391
Bank Overdraft	-	(1,471)
<b>Cash and cash equivalents</b>	<u><b>24,526</b></u>	<u><b>23,002</b></u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial statements.

## **1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”). The condensed consolidated interim financial statements also comply with International Accounting Standard 34: Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”).

The interim financial statements should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 March 2013. The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 March 2013 except for the adoption of the following new and revised Malaysian Financial Reporting Standards (“MFRS”), Amendments to MFRSs and IC Interpretations:

- Amendments to MFRS 101: Presentation of Items of Other Comprehensive Income.
- MFRS 10: Consolidated Financial Statements
- MFRS 11: Joint Arrangements
- MFRS 12: Disclosure of Interests in Other Entities
- MFRS 13: Fair Value Measurement
- MFRS 119 (Revised): Employee Benefits
- MFRS 127 (Revised): Separate Financial Statements
- MFRS 128 (Revised): Investments in Associates and Joint Ventures
- IC Interpretation 20: Stripping Costs in the Production Phase of a Surface Mine
- Amendments to MFRS 7: Financial Instruments : Disclosures - Offsetting Financial Assets and Financial Liabilities
- Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards - Government Loans
- Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2009 -2011 Cycle)
- Amendments to MFRS 10, MFRS 11 and MFRS 12: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities : Transition Guidance
- Amendments to MFRS 101: Presentation of Financial Statements (Annual Improvements 2009 - 2011 Cycle)
- Amendments to MFRS 116: Property, Plant and Equipment (Annual Improvements 2009 - 2011 Cycle)
- Amendments to MFRS 132: Financial Instruments: Presentation (Annual Improvements 2009 - 2011 Cycle)
- Amendments to MFRS 134: Interim Financial Reporting (Annual Improvement 2009 -2011 Cycle)

The adoption of the new and revised MFRSs and IC Interpretations and their amendments did not result in any significant effect on the financial position and financial performance of the Group and of the Company nor any significant changes in the presentation and disclosure of amounts in the financial statements

The Group has not adopted the following standards and interpretations that have been issued but are not yet effective:

- (a) **Effective for financial periods beginning on or after 1 January 2014**  
Amendments to MFRS 132: Financial Instruments : Presentation - Offsetting Financial Assets and Financial Liabilities.  
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities  
Amendments to MFRS 136: Recoverable Amount Disclosures for Non-financial Assets  
Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting  
IC Interpretation 21 Levies
- (b) **Effective for financial periods beginning on or after 1 July 2014**  
Defined Benefit Plans: Employee Contributions (Amendments to MFRS 119)  
Amendments to MFRSs contained in the document entitled “Annual Improvements to MFRSs 2010–2012 Cycle”  
Amendments to MFRSs contained in the document entitled “Annual Improvements to MFRSs 2011–2013 Cycle”
- (c) **Deferred to a date to be announced by the Malaysian Accounting Standard Board (“MASB”)**  
MFRS 9: Financial Instruments (IFRS 9 issued by International Accounting Standards Board (“IASB”) in November 2009)  
MFRS 9: Financial Instruments (IFRS 9 issued by IASB in October 2010)  
Amendments to MFRS 9 and MFRS 7: Mandatory Effective Date of MFRS 9 and Transition Disclosures

## **2. Audit qualification of the preceding annual financial statement**

The Auditors’ Report of the most recent Group’s Annual Financial Statements for the financial year ended 31 March 2013 was not subject to any qualification.

## **3. Seasonality or cyclicity of the operations**

The Group does not experience any seasonal or cyclical sales cycle. However, there may be fluctuations between the quarters due to the nature of the system integration businesses which are secured on a project-by-project basis.

## **4. Material unusual items**

There were no material unusual or exceptional items affecting the assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review.

## **5. Changes in estimates**

There were no changes in accounting estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years.

**6. Issuances, cancellation, repurchase, resale and repayment of debt and equity securities**

For the current quarter, there was no cancellation, repurchase, resale and repayment of debt and equity securities.

**7. Dividend paid**

No dividend was paid by the Company since the end of the previous financial year.

**8. Segmental information**

The Group's segmental reporting by business segment is reflected below -

	<b>IT Related Products and Services RM'000</b>	<b>Payment Solutions &amp; Services RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
External sales	31,591	1,569	-	33,160
Intersegment sales	199	-	(199)	-
Total sales	<u>31,790</u>	<u>1,569</u>	<u>(199)</u>	<u>33,160</u>
Segment result (External)	(4,780)	(90)	4,855	(15)
Interest income				522
Unallocated income / (expenses)				<u>(4,418)</u>
Loss from operations				(3,911)
Finance cost				<u>(193)</u>
Loss before taxation				(4,104)
Taxation				<u>(36)</u>
Loss after taxation				<u>(4,140)</u>

**9. Valuation of property, plant and equipment**

The Group has not revalued its property, plant and equipment.

**10. Significant events**

There were no material events which occurred during the current quarter under review.

**11. Effects of changes in the composition of the Group**

There were no material changes in the composition of the Group since the previous financial year ended 31 March 2013.



**12. Changes in contingent liabilities (unsecured)**

Unsecured Contingent Liabilities :-	Group		
	31.12.13 RM'000	31.03.13 RM'000	Increase/ (decrease) RM'000
Corporate guarantee given to financial institutions for: - Performance guarantees given to third parties	6,308	5,770	538
<b>Total</b>	<b>6,308</b>	<b>5,770</b>	<b>538</b>

**13. Review of performance**

**a. Comparison results of current quarter and previous year corresponding quarter**

The Group's revenue for the current quarter decreased to RM9.55 million and suffered a higher loss before tax of RM1.59 million when compared with that of previous year corresponding period. The revenue was lower by RM4.24 million mainly due to reduced sales secured for the quarter under review in view of intense competition in the market place. The higher loss before tax of RM1.59 million was primarily as a result of reduced revenue and gross margin achieved for the quarter under review.

The performance of the business segments for the current quarter as compared to the previous year corresponding quarter is as follows:-

IT Related Products & Services

Revenue decreased to RM9.08 million in the current quarter from RM13.52 million in the previous year corresponding quarter mainly due to lesser sales secured. The lessened revenue has resulted in a higher loss of RM1.94 million for the current quarter compared to the loss of RM0.54 million in previous year corresponding quarter.

Payment Solutions and Services

Revenue increased to RM0.54 million in the current quarter from RM0.36 million in the previous year corresponding quarter mainly due to higher terminal rental income and merchant discount rate. This resulted in a higher gross profit of RM71,000 compared to a gross loss of RM216,000 in the previous year corresponding quarter.

**b. Comparison results of current year-to-date and previous year-to-date**

For the nine months current year-to-date, the Group revenue decreased by 6.6% to RM33.16 million as compared to RM35.51 million in the previous year corresponding period. This is due to lower sales secured for the period under review in view of intense competition in the market place. The higher loss before tax of RM4.10 million when compared with the previous year corresponding period of RM4.09 million was primarily as a result of lower revenue contributed in the period under review.

The performance of the business segments for the current year-to-date as compared to that of the previous year to-date is as follows:

IT Related Products & Services

Revenue decreased by 7.36% to RM31.79 million in the current nine months period from RM34.31 million in the previous year corresponding period mainly due to lower sales secured for the period under review in view of intense competition in the market place. The lower revenue has resulted in a higher loss of RM4.83 million for the current nine months period compared to a loss of RM3.73 million in the previous year corresponding period.

Payment Solutions and Services

Revenue fell to RM1.57 million in the current nine months period from RM1.40 million in the previous year corresponding period. The higher revenue was mainly due to the increased terminal rental income and processing fee received. The higher revenue has resulted in a lower loss before tax of RM90,000 when compared to a loss before tax of RM411,000 in the previous year corresponding period.

**14. Comparison with immediate preceding quarter**

	<u>Current Quarter</u>	<u>Preceding Quarter</u>
	RM'000s	RM'000s
Revenue	9,550	10,221
Loss before Taxation	(1,589)	(1,782)

The Group's current quarter revenue has decreased by 6.56% to RM9.55 million from RM10.22 million in the immediate preceding quarter. The lower revenue was primarily due to lower sales secured for the current quarter in view of the intense competition in the market place. However, the group recorded a lower loss before taxation of RM1.59 million compared to the immediate preceding quarter of RM1.78 million due to higher revenue mix in favour of maintenance service revenue which has higher gross margin.

**15. Prospects**

The business conditions have been very challenging whereby the profit margin has been significantly eroded. We expect the next quarter of the financial year ending 31 March 2014 to continue to incur losses leading to a marginally higher loss for the full financial year ending 31 March 2014. The Group has sufficient resources to meet all on-going commitments. The Group is planning a transformation exercise to broaden the earning base of the Group.

**16. Variance for profit forecast / Shortfall in profit guarantee**

Not applicable.

**17. Taxation**

	<b>Current Year Quarter ended 31.12.13 RM'000</b>	<b>Current Year-to- date ended 31.12.13 RM'000</b>
Income tax		
- Current period	9	36
<b>Tax expense</b>	<b>9</b>	<b>36</b>

**18. Status of corporate exercise**

There was no corporate exercise as at the date of this announcement.

**19. Group borrowings**

The Group's borrowings as at 31 December 2013 are as follows:

		<b>As at 31.12.13 RM'000</b>	<b>As at 31.03.13 RM'000</b>
<b>Short Term Borrowings:</b>			
<b>Secured</b>			
- Banker acceptance		1,696	-
- Bank overdraft		-	733
- Hire purchase		43	42
- Other borrowing		802	828
<b>Total Short Term Borrowings</b>	<b>A</b>	<b>2,541</b>	<b>1,603</b>
<b>Long Term Borrowings:</b>			
<b>Secured</b>			
- Hire purchase		19	52
- Other borrowing		1,012	1,516
<b>Total Long Term Borrowings</b>	<b>B</b>	<b>1,031</b>	<b>1,568</b>
<b>Total Borrowings</b>	<b>(A + B)</b>	<b>3,572</b>	<b>3,171</b>

All borrowings are denominated in Ringgit Malaysia.

**20. Material litigation**

There were no pending material litigation matters as at 31 December 2013.

**21. Dividend proposed or declared**

The directors do not recommend any dividend for the financial period under review.

**22. Loss per share**

**(a) Basic**

	<b>Current Year Quarter ended 31.12.13</b>	<b>Current Year-to- date ended 31.12.13</b>
Loss attributable to owners of the parent (RM'000)	(1,750)	(4,268)
Weighted average number of shares in issue ('000)	383,087	383,087
<b>Basic loss per share (sen)</b>	<b>(0.46)</b>	<b>(1.11)</b>

**(b) Diluted**

There was no dilution effect on earnings per share for the current period.

**23. Capital commitment**

The Group has no material capital commitment as at 31 December 2013.

**24. Notes to the Consolidated Statement of Comprehensive Income**

Total comprehensive income for the period is arrived at after charging:

	<b>Current Year Quarter Ended 31.12.13 RM'000</b>	<b>Current Year- to-date Ended 31.12.13 RM'000</b>
Interest Expense	71	147
Depreciation of property, plant and equipment	177	621
Amortisation of intangible assets	35	91
Allowance for obsolete inventories	22	99
and after crediting:		
Interest Income	(169)	(522)
Incentive from suppliers	-	(8)
Foreign exchange loss/(gains) – realised	1	(18)

Other than as disclosed above, there were no (i) gain or loss on disposal of quoted or unquoted investment, (ii) gain or loss on derivatives, (iii) exceptional items and (iv) allowance for doubtful debts for the current quarter and financial year ended 31 December 2013.

**25. Realised and unrealised profits/(losses)**

	<b>As at 31.12.13 RM'000</b>	<b>As at 31.03.13 RM'000</b>
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(155,298)	(151,158)
- Unrealised	-	-
	(155,298)	(151,158)
Less : Consolidation adjustments	102,956	103,084
<b>Total group accumulated losses as per consolidated accounts</b>	<b>(52,342)</b>	<b>(48,074)</b>

By Order of the Board  
**Dataprep Holdings Bhd**

**Lee Yoong Shyuan**  
**Wong Choong Ming**  
**Company Secretaries**  
**27 February 2014**