

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 2014. The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 March 2014 except for the adoption of the following new and revised Malaysian Financial Reporting Standards (“MFRS”), Amendments to MFRSs and IC Interpretations:

New and Revised MFRSs and IC Interpretation

IC Interpretation 21 Levies

Amendments to MFRSs and IC Interpretation

Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities

Amendments to MFRS 132: Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities.

Amendments to MFRS 136: Recoverable Amount Disclosures for Non-financial Assets

Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting

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.

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 July 2014

Amendments to MFRS 119: Defined Benefit Plans: Employee Contributions

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”

(b) Effective for financial periods beginning on or after 1 January 2016

Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation

Amendments to MFRS 127: Equity Method in Separate Financial Statements

Amendments to MFRSs contained in the document entitled “Annual Improvements to MFRSs 2012–2014 Cycle”

(c) Effective for financial periods beginning on or after 1 January 2017

MFRS 15: Revenue from Contracts with Customers

(d) **Effective for financial periods beginning on or after 1 January 2018**

MFRS 9: Financial Instruments (IFRS 9 as issued by International Accounting Standards Board ("IASB") in July 2014)

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 2014 was not subject to any qualification.

3. Seasonality or cyclical nature 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

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

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 as follows: -

BUSINESS SEGMENT	EXTERNAL SALES RM'000	INTERSEGMENT SALES RM'000	ELIMINATION RM'000	GROUP SALES RM'000
(a) <i>IT Related Products and Services</i>	55,347	-	(156)	55,190
(b) <i>Payment Solutions & Services</i>	1,329	156		1,486
SALES BY SEGMENT	56,676	156	(156)	56,676
(a) <i>IT Related Products and Services</i>	(2,063)		4,902	2,839
(b) <i>Payment Solutions & Services</i>	(87)			(87)
SEGMENT RESULTS	(2,150)	-	4,902	2,752
Interest income				495
Unallocated income / expenses				(4,310)
Loss from operations				(1,063)
Interest expenses				(257)
Loss before taxation				(1,320)
Taxation				(58)
Loss after taxation				(1,378)

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 during the current quarter under review.

12. Changes in contingent liabilities (unsecured)

Unsecured Contingent Liabilities :-	Group		
	31.12.14 RM'000	31.03.14 RM'000	Increase/ (decrease) RM'000
Corporate guarantee given to financial institutions for: - Performance guarantees given to third parties	4,186	5,323	(1,137)
Total	4,186	5,323	(1,137)

13. Review of performance

a. Comparison of results for the current quarter with preceding year corresponding quarter

The Group's revenue increased by RM16.06 million to RM25.61 million in the current quarter as compared to RM9.55 million in the preceding year corresponding quarter. The increase in revenue was due to higher value projects secured in the current quarter. This has resulted in profit before taxation of RM76k as compared to a loss before taxation of RM1.59 million in the preceding year corresponding quarter.

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

IT Related Products & Services

Revenue increased to RM25.13 million in the current quarter from RM9.01 million in the preceding year corresponding quarter due to more high value projects secured. This business segment reported a profit before taxation of RM66k against a loss before taxation of RM1.68 million in the preceding year corresponding quarter.

Payment Solutions and Services

Revenue decreased from RM540k in the preceding year corresponding quarter to RM476k in the current quarter due to lower terminal rental income resulted from a decline in number of terminals installed. This business segment reported a profit before taxation of RM10k in the current quarter against a profit before taxation of RM88k in the preceding year corresponding quarter.

14. Comparison of results for the current quarter with the immediate preceding quarter

	<u>Current Quarter</u> RM'000	<u>Immediate Preceding Quarter</u> RM'000
Revenue	25,606	18,888
Profit before taxation	76	435

The Group's revenue for the current quarter increased significantly by 36% to RM25.61 million from RM18.89 million in the immediate preceding quarter. The much improved revenue was achieved due to more high value projects secured for the current quarter. The Group recorded a profit before taxation of RM76k in the current quarter as compared to a profit before taxation of RM435k in the immediate preceding quarter due to change of sales mix which contributed lower profit margin.

15. Prospects

The Group recorded higher revenue and generated a profitable result in the current quarter due to more projects secured.

The Group continues with the transformation plan to strengthen its financial well-being. Measures undertaken include the identification of potential new ventures and opportunities coupled with the expansion of ICT into new sectors.

The Group expects lower losses for the financial year ending 31 March 2015 as compared to the preceding financial year ended 31 March 2014.

16. Variance for profit forecast / Shortfall in profit guarantee

Not applicable.

17. Taxation

	Current Year Quarter Ended 31.12.14 RM'000	Cumulative Quarter Ended 31.12.14 RM'000
Income tax		
- Current period	21	58
- Undeprovision in prior year	-	-
Tax expense	21	58

18. Status of corporate exercise

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

19. Group borrowings

The Group's borrowings are as follows:

		As at 31.12.14 RM'000	As at 31.03.14 RM'000
Short Term Borrowings:			
Secured			
- Banker acceptance		4,913	1,755
- Hire purchase		43	68
- Other borrowing		932	883
Total Short Term Borrowings	A	5,888	2,706
Long Term Borrowings:			
Secured			
- Hire purchase		211	236
- Other borrowing		80	624
Total Long Term Borrowings	B	291	860
Total Borrowings	(A + B)	6,179	3,566

All borrowings are denominated in Ringgit Malaysia.

20. Material litigation

There were no pending material litigation matters as at 31 December 2014.

21. Dividend proposed or declared

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

22. Earning/(Loss) per share

(a) Basic

	Current Year Quarter Ended 31.12.14	Cumulative Quarter Ended 31.12.14
Loss attributable to owners of the Company (RM'000)	(373)	(2,052)
Weighted average number of shares in issue ('000)	383,087	383,087
Loss per share (sen)	(0.10)	(0.54)

(b) Diluted

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

23. Capital commitment

The Group has no material capital commitment as at 31 December 2014.

24. Notes to the Consolidated Statement of Comprehensive Income

Total comprehensive income for the period is arrived at after charging / (crediting):

	Current Year Quarter Ended 31.12.14 RM'000	Cumulative Quarter Ended 31.12.14 RM'000
Interest expense	92	257
Depreciation of plant and equipment	144	471
Amortisation of intangible assets	25	84
Allowance for doubtful debt	18	-
and after crediting:		
Allowance for obsolete inventories	(91)	(42)
Foreign exchange loss/(gains) – realised	34	(7)
Interest income	(178)	(495)

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 and (iii) exceptional items for the current quarter ended 31 December 2014.

25. Realised and unrealised profit/(losses)

	As at 31.12.14 RM'000	As at 31.03.14 RM'000
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(163,516)	(162,137)
- Unrealised	-	-
	(163,516)	(162,137)
Less : Consolidation adjustments	108,297	108,970
Total group accumulated losses as per consolidated accounts	(55,219)	(53,167)

By Order of the Board
Dataprep Holdings Bhd

Lee Yoong Shyuan
Geng Mun Mooi
Company Secretaries
24 February 2015