

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

**SUMMARY OF KEY FINANCIAL INFORMATION  
FOR THE FIRST QUARTER AND THREE MONTHS ENDED 30 JUNE 2014**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER
		[30/06/2014] RM'000	[30/06/2013] RM'000	[30/06/2014] RM'000	[30/06/2013] RM'000
1	Revenue	12,182	13,389	12,182	13,389
2	(Loss)/profit before tax	(1,831)	(733)	(1,831)	(733)
3	(Loss)/profit for the period	(1,831)	(753)	(1,831)	(753)
4	(Loss)/profit attributable to ordinary equity holders of the Parent	(1,880)	(762)	(1,880)	(762)
5	Basic (loss)/earnings per share (sen)	(0.49)	(0.20)	(0.49)	(0.20)
6	Proposed/Declared Dividend per share (sen)	-	-	-	-
		AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7	Net assets per share owners of the parent (RM)		0.09		0.09

**ADDITIONAL INFORMATION**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER
		[30/06/2014] RM'000	[30/06/2013] RM'000	[30/06/2014] RM'000	[30/06/2013] RM'000
1	Gross interest income	179	202	179	202
2	Gross interest expense	49	59	49	59

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE FIRST QUARTER AND THREE MONTHS ENDED 30 JUNE 2014**  
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER
	[30/06/2014] RM'000	[30/06/2013] RM'000	[30/06/2014] RM'000	[30/06/2013] RM'000
Revenue	12,182	13,389	12,182	13,389
Operating expenses	(14,131)	(14,338)	(14,131)	(14,338)
Other operating income	188	287	188	287
Operating loss	(1,761)	(662)	(1,761)	(662)
Finance costs	(70)	(71)	(70)	(71)
Loss before tax	(1,831)	(733)	(1,831)	(733)
Taxation	-	(20)	-	(20)
Loss for the period	(1,831)	(753)	(1,831)	(753)
Other comprehensive (loss) / income:				
Foreign currency translation differences	2	4	2	4
Other comprehensive (loss) / income for the period, net of tax	2	4	2	4
Total comprehensive (loss) / income for the period	(1,829)	(749)	(1,829)	(749)
Loss for the period attributed to :				
Owners of the Company	(1,880)	(762)	(1,880)	(762)
Non-controlling interest	49	9	49	9
	(1,831)	(753)	(1,831)	(753)
Total comprehensive (loss) / income attributable to:				
Owners of the Company	(1,878)	(758)	(1,878)	(758)
Non-controlling interest	49	9	49	9
	(1,829)	(749)	(1,829)	(749)
Loss per share :				
- basic (sen)	(0.49)	(0.20)	(0.49)	(0.20)
- 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	0.09

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2014 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 30 JUNE 2014

	As at 30.06.2014 (Unaudited) RM'000	As at 31.3.2014 (Audited) RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,480	1,554
Intangible assets	233	262
Other Investments	91	91
Long term receivables	539	618
	<u>2,343</u>	<u>2,525</u>
<b>Current Assets</b>		
Inventories	579	518
Trade receivables	22,822	25,256
Other receivables	2,034	2,169
Tax recoverable	1	1
Deposits, cash and bank balances	21,801	22,886
	<u>47,237</u>	<u>50,830</u>
<b>TOTAL ASSETS</b>	<u>49,580</u>	<u>53,355</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	95,772	95,772
Share premium	5,488	5,488
Merger deficit	(13,509)	(13,509)
Foreign exchange reserve	38	36
Accumulated losses	(55,047)	(53,167)
	<u>32,742</u>	<u>34,620</u>
<b>Non-controlling interest</b>	<u>1,132</u>	<u>1,083</u>
<b>Total equity</b>	<u>33,874</u>	<u>35,703</u>
<b>Non-current liabilities</b>		
Long term borrowings	778	860
	<u>778</u>	<u>860</u>
<b>Current Liabilities</b>		
Trade payables	7,505	9,943
Other payables	4,400	4,087
Provision for taxation	36	56
Short term borrowings	2,987	2,706
<b>Total current liabilities</b>	<u>14,928</u>	<u>16,792</u>
<b>Total liabilities</b>	<u>15,706</u>	<u>17,652</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>49,580</u>	<u>53,355</u>
Net assets per share (RM)	<u>0.09</u>	<u>0.09</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FIRST QUARTER AND THREE MONTHS ENDED 30 JUNE 2014

<-----> Attributable to the Owners 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 2014</b>	95,772	5,488	(13,509)	36	(53,167)	34,620	1,083	35,703
Loss for the period	-	-	-	-	(1,880)	(1,880)	49	(1,831)
Other comprehensive income:								
Foreign currency translation gain for foreign operations	-	-	-	2	-	2	-	2
Total comprehensive loss for the period	-	-	-	2	(1,880)	(1,878)	49	(1,829)
<b>At 30 June 2014</b>	<b>95,772</b>	<b>5,488</b>	<b>(13,509)</b>	<b>38</b>	<b>(55,047)</b>	<b>32,742</b>	<b>1,132</b>	<b>33,874</b>
<b>At 1 April 2013</b>	95,772	5,488	(13,509)	11	(48,074)	39,688	627	40,315
Loss for the financial year	-	-	-	-	(5,093)	(5,093)	456	(4,637)
Other comprehensive income:								
Foreign currency translation gain for foreign operations	-	-	-	25	-	25	-	25
Total comprehensive loss for the year	-	-	-	25	(5,093)	(5,068)	456	(4,612)
<b>At 31 March 2014</b>	<b>95,772</b>	<b>5,488</b>	<b>(13,509)</b>	<b>36</b>	<b>(53,167)</b>	<b>34,620</b>	<b>1,083</b>	<b>35,703</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 2014 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE FIRST QUARTER AND THREE MONTHS ENDED 30 JUNE 2014

	Three Months Ended	
	30.06.2014 RM'000	30.06.2013 RM'000
<b>Cash Flow from Operating Activities</b>		
Loss before tax	(1,831)	(733)
Adjustment for :-		
Non-cash items	233	301
Non-operating items	(130)	(143)
<b>Operating loss before working capital changes</b>	<b>(1,728)</b>	<b>(575)</b>
Decrease / (increase) in inventories	(92)	14
(Increase) / decrease in receivables	2,646	(648)
Increase in payables	(2,126)	(737)
<b>Cash used in operations</b>	<b>(1,300)</b>	<b>(1,946)</b>
Tax (paid) / refunded	(21)	(3)
Interest received	179	202
Interest paid	(49)	(59)
<b>Net cash used in operating activities</b>	<b>(1,191)</b>	<b>(1,806)</b>
<b>Cash flow from Investing Activities</b>		
Purchase of property, plant and equipment	(95)	(108)
Purchase of intangible assets	(2)	(5)
Proceeds from disposal of plant and equipment	3	1
<b>Net cash used in investing activities</b>	<b>(94)</b>	<b>(112)</b>
<b>Cash flow from Financing Activities</b>		
Drawdown of borrowings	268	-
Repayment of borrowings	(53)	(186)
Payment of hire purchase liabilities	(17)	(11)
<b>Net cash from financing activities</b>	<b>198</b>	<b>(197)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(1,087)</b>	<b>(2,115)</b>
Effect of exchange rate fluctuations	2	4
<b>Cash and cash equivalents at beginning of the year</b>	<b>22,886</b>	<b>26,698</b>
<b>Cash and cash equivalents at end of the period</b>	<b>21,801</b>	<b>24,587</b>

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

	As at	As at
	30.06.2014 RM'000	30.06.2013 RM'000
Deposits with licensed commercial banks	18,064	17,844
Cash and bank balances	3,737	6,759
Bank Overdraft	-	(16)
<b>Cash and cash equivalents</b>	<b>21,801</b>	<b>24,587</b>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 March 2014 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 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 a date yet to be confirmed**

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

MFRS 9: Financial Instruments (Hedge Accounting and Amendments to MFRS 9, MFRS 7 and MFRS 139) (IFRS 9 as amended in November 2013)

**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>	11,748	-	(70)	11,678
(b) <i>Payment Solutions &amp; Services</i>	434	70		504
<b>SALES BY SEGMENT</b>	<b>12,182</b>	<b>70</b>	<b>(70)</b>	<b>12,182</b>
(a) <i>IT Related Products and Services</i>	(2,020)		1,746	(274)
(b) <i>Payment Solutions &amp; Services</i>	(71)			(71)
<b>SEGMENT RESULTS</b>	<b>(2,091)</b>	<b>-</b>	<b>1,746</b>	<b>(345)</b>
Interest income				179
Unallocated income / expenses				(1,616)
Loss from operations				(1,782)
Interest expenses				(49)
Loss before taxation				(1,831)
Taxation				-
Loss after taxation				(1,831)

**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 2014.



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

Unsecured Contingent Liabilities :-	Group		
	30.06.14 RM'000	31.03.14 RM'000	Increase/ (decrease) RM'000
Corporate guarantee given to financial institutions for: - Performance guarantees given to third parties	4,949	5,323	(374)
<b>Total</b>	<b>4,949</b>	<b>5,323</b>	<b>(374)</b>

**13. Review of performance**

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

The Group's revenue has decreased by RM1.21 million to RM12.18 million in the current quarter as compared to RM13.39 million in the preceding year corresponding quarter. The revenue shortfall was due to fewer high value projects secured. This has resulted a loss before taxation of RM1.83 million as compared to RM0.73 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 decreased to RM11.75 million in the current quarter from RM12.89 million in the preceding year corresponding quarter was mainly due to lower number of projects secured. This business segment suffered a loss of RM2.02 million against RM0.89 million in the preceding year corresponding quarter.

Payment Solutions and Services

Revenue increased slightly to RM504k in the current quarter from RM502k in the preceding year corresponding quarter mainly due to higher terminal rental income and merchant discount rate. The lower loss of RM71k as compared to RM107k in the preceding year corresponding quarter was mainly due to lower payroll related expenses.

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

	<u>Current Quarter</u>	<u>Immediate Preceding Quarter</u>
	RM'000	RM'000
Revenue	12,182	21,715
Loss before taxation	(1,831)	(388)

The Group's revenue for the current quarter has decreased significantly by 44% to RM12.18 million from RM21.72 million in the immediate preceding quarter. The lower revenue was due to lower high value projects secured for the current quarter. A higher loss before taxation of RM1.83 million was recorded compared to a loss before taxation of RM0.39 million in the immediate preceding quarter.

**15. Prospects**

The Group is mindful of the challenging ICT business landscape and is working conscientiously to turnaround its financial position and performance. The Group's results were affected by intense competition in the market.

The Group is in the midst of implementing several transformation plans to improve its financial position and performance. Measures undertaken include identifying potential new ventures and opportunities and expansion of ICT into new sectors.

The Group expects improvement in the results for the financial year 2015 as compared to preceding financial year 2014

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

Not applicable.

**17. Taxation**

There is no provision for taxation during the quarter under review due to utilization of tax losses and capital allowances that were brought forward.

**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 30.06.14 RM'000	As at 31.03.14 RM'000
<b>Short Term Borrowings:</b>			
<b>Secured</b>			
- Banker acceptance		2,023	1,755
- Hire purchase		65	68
- Other borrowing		899	883
<b>Total Short Term Borrowings</b>	<b>A</b>	<b>2,987</b>	<b>2,706</b>
<b>Long Term Borrowings:</b>			
<b>Secured</b>			
- Hire purchase		222	236
- Other borrowing		556	624
<b>Total Long Term Borrowings</b>	<b>B</b>	<b>778</b>	<b>860</b>
<b>Total Borrowings</b>	<b>(A + B)</b>	<b>3,765</b>	<b>3,566</b>

All borrowings are denominated in Ringgit Malaysia.

**20. Material litigation**

There were no pending material litigation matters as at 30 June 2014.

**21. Dividend proposed or declared**

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

22. Loss per share

(a) Basic

	Current Year Quarter ended 30.06.14	Current Year-to- date ended 30.06.14
Loss attributable to owners of the parent (RM'000)	(1,880)	(1,880)
Weighted average number of shares in issue ('000)	383,087	383,087
<b>Basic loss per share (sen)</b>	<b>(0.49)</b>	<b>(0.49)</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 30 June 2014.

24. Notes to the Consolidated Statement of Comprehensive Income

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

	Quarter Ended 30.06.14 RM'000	to-date Ended 30.06.14 RM'000
Interest expense	49	49
Depreciation of plant and equipment	167	167
Amortisation of intangible assets	31	31
Allowance for obsolete inventories	30	30
and after crediting:		
Foreign exchange gains – realised	(9)	(9)
Interest income	(179)	(179)

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 ended 30 June 2014.

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

	As at 30.06.14 RM'000	As at 31.03.14 RM'000
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(163,968)	(162,137)
- Unrealised	-	-
	(163,968)	(162,137)
Less : Consolidation adjustments	108,921	108,970
<b>Total group accumulated losses as per consolidated accounts</b>	<b>(55,047)</b>	<b>(53,167)</b>

By Order of the Board  
Dataprep Holdings Bhd

Lee Yoong Shyuan  
Geng Mun Mooi  
Company Secretaries  
29 August 2014