

**SUMMARY OF KEY FINANCIAL INFORMATION
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2017**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [31/12/2017] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [31/12/2016] RM'000	CHANGES (AMOUNT/ %)	CURRENT YEAR QUARTER [31/12/2017] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [31/12/2016] RM'000	CHANGES (AMOUNT/ %)
1 Revenue	9,789	9,965	-2%	35,667	23,034	55%
2 Operating loss	(2,736)	(466)	-487%	(2,311)	(2,204)	-5%
3 Loss Before Interest and Tax	(2,736)	(466)	-487%	(2,311)	(2,204)	-5%
4 Loss before tax	(2,741)	(487)	-463%	(2,414)	(2,333)	-3%
5 Loss for the period	(2,741)	(516)	-431%	(2,412)	(2,362)	-2%
6 Loss attributable to owners of the Company	(2,658)	(217)	-1125%	(2,686)	(1,973)	-36%
7 Basic loss per share (sen)	(0.63)	(0.05)		(0.64)	(0.47)	
8 Proposed/Declared dividend per share (sen)	-	-		-	-	
	AS AT END OF CURRENT QUARTER			AS AT PRECEDING FINANCIAL YEAR END		
9 Net assets per share attributable to owners of the Company (RM)		0.07			0.07	

ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [31/12/2017] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [31/12/2016] RM'000	CHANGES (AMOUNT/ %)	CURRENT YEAR QUARTER [31/12/2017] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [31/12/2016] RM'000	CHANGES (AMOUNT/ %)
1 Gross interest income	158	167	-5%	495	510	-3%
2 Gross interest expense	4	15	-73%	94	109	-14%

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2017**
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER
	[31/12/2017] RM'000	[31/12/2016] RM'000	[31/12/2017] RM'000	[31/12/2016] RM'000
Revenue	9,789	9,965	35,667	23,034
Operating expenses	(12,712)	(10,601)	(38,589)	(25,787)
Other operating income	187	170	611	549
Operating loss	(2,736)	(466)	(2,311)	(2,204)
Finance costs	(5)	(21)	(103)	(129)
Loss before tax	(2,741)	(487)	(2,414)	(2,333)
Taxation	-	(29)	2	(29)
Loss for the period	(2,741)	(516)	(2,412)	(2,362)
Other comprehensive income/(loss):				
Foreign currency translation differences	-	27	(90)	47
Other comprehensive income/(loss) for the period, net of tax	-	27	(90)	47
Total comprehensive profit/(loss) for the period	(2,741)	(489)	(2,502)	(2,315)
Loss for the period attributed to :				
Owners of the Company	(2,658)	(217)	(2,686)	(1,973)
Non-controlling interest	(83)	(299)	274	(389)
	(2,741)	(516)	(2,412)	(2,362)
Total comprehensive loss attributable to:				
Owners of the Company	(2,658)	(190)	(2,776)	(1,926)
Non-controlling interest	(83)	(299)	274	(389)
	(2,741)	(489)	(2,502)	(2,315)
Earning/(Loss) per share :				
- basic (sen)	(0.63)	(0.05)	(0.64)	(0.47)
- 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)	0.07	0.07

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2017 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 2017**

	As at 31.12.2017 (Unaudited) RM'000	As at 31.3.2017 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,171	1,136
Intangible assets	116	68
Other Investments	75	75
	<u>1,362</u>	<u>1,279</u>
Current Assets		
Inventories	422	497
Trade receivables	14,977	22,449
Other receivables	1,933	1,207
Amount due from related company	30	-
Tax recoverable	204	155
Deposits, cash and bank balances	23,451	25,050
	<u>41,017</u>	<u>49,358</u>
TOTAL ASSETS	<u>42,379</u>	<u>50,637</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	43,863	43,863
Merger deficit	(13,509)	(13,509)
Foreign exchange reserve	30	120
Retained profit	(1,103)	438
	<u>29,281</u>	<u>30,912</u>
Non-controlling interest	-	1,368
Total equity	<u>29,281</u>	<u>32,280</u>
Non-current liabilities		
Long term borrowings	129	152
	<u>129</u>	<u>152</u>
Current Liabilities		
Trade payables	1,393	8,880
Other payables	3,443	4,393
Provision for taxation	-	2
Short term borrowings	8,133	4,930
Total current liabilities	<u>12,969</u>	<u>18,205</u>
Total liabilities	<u>13,098</u>	<u>18,357</u>
TOTAL EQUITY AND LIABILITIES	<u>42,379</u>	<u>50,637</u>
Net assets per share (RM)	<u>0.07</u>	<u>0.07</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2017 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 2017

←----- 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 profit/(losses) RM'000	Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
At 1 April 2017	43,863	-	(13,509)	120	438	30,912	1,368	32,280
Loss for the period	-	-	-	-	(2,686)	(2,686)	274	(2,412)
Foreign currency translation loss for foreign operations	-	-	-	(90)	-	(90)	-	(90)
Total comprehensive loss for the period	-	-	-	(90)	(2,686)	(2,776)	274	(2,502)
	43,863	-	(13,509)	30	(2,248)	28,136	1,642	29,778
Transactions with owners :								
Acquisition of shares in subsidiaries from non-controlling interests	-	-	-	-	1,145	1,145	(1,642)	(497)
Total transactions with owners	-	-	-	-	1,145	1,145	(1,642)	(497)
At 31 December 2017	43,863	-	(13,509)	30	(1,103)	29,281	-	29,281

Note 1

Note 1 :

On 7 December 2017, the Company acquired back the entire 49% of equity interest in Solsis (M) Sdn Bhd by acquisition of 8,290,800 ordinary shares from an outside corporation for a cash consideration of RM497,448 resulting the shareholding change from 51% to 100% . On the same date, the Company also acquired back the entire 45% of equity interest in Tamadun Interaktif Sdn Bhd by acquisition of 4,500 ordinary shares from an outside corporation for a cash consideration of RM1 resulting the shareholding change from 55% to 100%. This resulted in a profit adjustment of RM1,144,685 on comparison of the net purchase consideration with the carrying value of the investment attributed to the owners within the equity of the Group.

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER AND TWELVE MONTHS ENDED 31 MARCH 2017

←----- 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 profit/(losses) RM'000	Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
At 1 April 2016	95,772	5,488	(13,509)	142	(58,429)	29,464	(109)	29,355
Loss for the financial year	-	-	-	-	(2,537)	(2,537)	(556)	(3,093)
Foreign currency translation gain for foreign operations	-	-	-	(22)	-	(22)	-	(22)
Total comprehensive loss for the period	-	-	-	(22)	(2,537)	(2,559)	(556)	(3,115)
Transactions with owners :								
Share Premium Reduction		(5,488)			5,488			
Share Capital Reduction	(57,463)				57,463			
Private Placement :-								
-of Ordinary Shares	3,830	1,724				5,554		5,554
Disposal of shares in a subsidiary to non-controlling interest					(1,547)	(1,547)	2,033	486
Total transactions with owners to share capital	(53,633)	(3,764)			61,404	4,007	2,033	6,040
Reclass of share premium to share capital	1,724	(1,724)						
At 31 March 2017	43,863	-	(13,509)	120	438	30,912	1,368	32,280

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER AND TWELVE MONTHS ENDED 31 MARCH 2017

Note 1:

On 4 May 2016, the proposed reduction of the share premium account of the Company amounting to RM5,488,032 pursuant to Section 60(2) and 64(1) of the Companies Act, 1965 ("Act") ("Proposed Share Premium Reduction") and the proposed reduction of the issued and paid up share capital of the Company pursuant to Section 64(1) of the Act, involving cancellation of RM0.15 from the par value of every existing ordinary share of RM0.25 each in the Company ("Proposed Par Value Reduction") were completed. The credit arising from the Share Premium Reduction of RM 5,488,032 and the Par Value Reduction of RM 57,463,079 were utilised to set-off against the accumulated losses and the remaining credit was credited to the retained earnings of the Company.

Note 2:

Pursuant to the Proposed Private Placement as approved by Bursa Malaysia Securities Berhad ("Bursa Securities") vide its letter dated 2 March 2016 for the listing of the Placement Shares on the Main Market of Bursa Securities and the approval obtained from the shareholders of the Company at its Extraordinary General Meeting held on 4 April 2016, the Company issued 38,308,632 Placement Shares at the price of 0.145 per share giving rise to total proceeds of RM 5,554,752. On 23 May 2016, the Proposed Private Placement was completed following the listing and quotation of the 38,308,632 Placement Shares on the Main Market of Bursa Malaysia Securities Berhad. Hence, the issued share capital of the Company was increased by RM3,830,863 representing 38,308,362 Placement Shares at par value of RM 0.10 each and give rise to a credit in the share premium account amounting to RM 1,723,888.

Note 3:

On 4 July 2016, the Company reduced its equity interest in Solsis (M) Sdn. Bhd. from 100% to 51% by disposing 8,290,800 ordinary shares, representing 49% of the paid up share capital for a cash consideration of RM497,448 to an outside corporation. This resulted in a loss of RM1,546,940 on comparison of the net consideration with the carrying value of the investment attributed to the owners within the equity of the Group. The disposal has the effect of increasing the non-controlling interest within equity of the Group by RM2,033,016.

Note 4:

Nominal value of shares is abolished on 31 January 2017, upon commencement of the Companies Act 2016 ("CA 2016"). According to transition provision of Section 618(2) of CA 2016, any amount standing to the credit of a Company's share premium account shall become part of the Company's share capital, upon commencement of Section 74, which abolishes nominal value of shares.

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2017 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 2017**

	Nine Months Ended	
	31.12.2017 (Unaudited) RM'000	31.03.2017 (Audited) RM'000
Cash Flow from Operating Activities		
Loss before taxation	(2,414)	(3,064)
Adjustment for :-		
Non-cash items	351	409
Non-operating items	(401)	(529)
Operating loss before working capital changes	<u>(2,464)</u>	<u>(3,184)</u>
Decrease in inventories	58	186
Decrease / (increase) in receivables	6,706	(6,356)
(Decrease) / increase in payables	(8,440)	6,293
Cash used in operations	<u>(4,140)</u>	<u>(3,061)</u>
Tax paid	(49)	(133)
Interest received	495	669
Interest paid	(94)	(140)
Net cash used in operating activities	<u>(3,788)</u>	<u>(2,665)</u>
Cash flow from Investing Activities		
Purchase of plant and equipment	(460)	(240)
Proceed from disposal of plant and equipment	52	-
Net proceed from disposal of shares in a subsidiary to non controlling interest	-	486
Proceeds from private placement	-	5,554
Acquisition of shares in subsidiaries from non-controlling interests	(497)	-
Net cash (used in)/ generated from investing activities	<u>(905)</u>	<u>5,800</u>
Cash flow from Financing Activities		
Drawdown /(Repayment) of borrowings	3,203	(1,721)
Payment of hire purchase liabilities	(20)	(26)
Net cash generated from /(used in) financing activities	<u>3,183</u>	<u>(1,747)</u>
Net (decrease) /increase in cash and cash equivalents	<u>(1,510)</u>	<u>1,388</u>
Effect of exchange rate fluctuations	<u>(89)</u>	<u>(22)</u>
Cash and cash equivalents at beginning of the year	<u>25,050</u>	<u>23,684</u>
Cash and cash equivalents at end of the period	<u>23,451</u>	<u>25,050</u>
Cash and cash equivalents at end of the period comprise the following:		
	As at 31.12.2017 RM'000	As at 31.03.2017 RM'000
Deposits with licensed commercial banks	16,359	16,107
Cash and bank balances	7,092	8,943
Cash and cash equivalents	<u>23,451</u>	<u>25,050</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.

1. Basis of preparation

The interim financial statements are audited 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 2017. The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 March 2017 except for the adoption of the following new and revised Malaysian Financial Reporting Standards (“MFRS”), Amendments to MFRSs and IC Interpretations:

Amendments to MFRSs and IC Interpretation

Amendment to MFRS 107 – Disclosure Initiative

Amendment to MFRS 112- Recognition of Deferred tax Assets for Unrealized Losses

Amendment to MFRS 12- Disclosure of Interests in Other Entities Classified as “Annual Improvement to MFRS 2014-2016 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.

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 2018**

MFRS 9: Financial Instruments (IFRS 9 as issued by in July 2014)

MFRS 15: Revenue from Contracts with Customers

Classification to MFRS 15, Revenue from Contracts with Customers

Amendment to MFRS 2: Classification and Measurement of Share-based payment transaction

Amendment to MFRS 140- Transfers of Investment Property

Amendment to MFRS 1 First Time Adoption of Malaysia Financial Reporting Standards (Annual Improvements to MFRSs 2014-2016 Cycle.

IC Interpretation 22, Foreign Currency Transactions and Advance Consideration

(b) **Effective for financial periods beginning on or after 1 January 2019**

MFRS 16 Leases

Amendment to MFRS 3(Annual Improvements to MFRS Standards 2015-2017 Cycle)

MFRS 112 Income Tax

Amendment to MFRS 112(Annual Improvements to MFRS Standards 2015-2017 Cycle)

(c) **Effective for annual periods beginning on or after a date to be determined by MASB**

Amendments to MFRS 10 and MFRS 128 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

2. Audit qualification of the preceding annual financial statement

The Auditors' Report of the Group's Annual Financial Statements for the financial year ended 31 March 2017 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

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 as at 31 Dec 2017 is as follows: -

BUSINESS SEGMENT	EXTERNAL SALES RM'000	INTERSEGMENT SALES RM'000	ELIMINATION RM'000	GROUP SALES RM'000
(a) IT Related Products and Services and Trading	34,548	229	(164)	34,613
(b) Payment Solutions & Services	1,054			1,054
SALES BY SEGMENT	35,602	229	(164)	35,667
(a) IT Related Products and Services and Trading	(2,990)		4,864	1,874
(b) Payment Solutions & Services	(399)			(399)
SEGMENT RESULTS	(3,389)	-	4,864	1,475
Interest income				495
Unallocated expenses				(4,290)
Loss from operations				(2,320)
Interest expenses				(94)
Loss before taxation				(2,414)
Taxation				2
Loss after taxation				(2,412)

9. Valuation of property, plant and equipment

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

10. Significant events

TAKE-OVERS & MERGERS (PARAGRAPH/RULE 9.19 (47A))

On 11 October 2017, Wardah Communication Sdn Bhd (“Offeror”) entered into a share sale agreement with VXL Holdings Sdn Bhd, the then holding company of Dataprep Holdings Bhd (“Dataprep” or “Company”) to acquire an aggregate of 270,540,800 ordinary shares in Dataprep, representing 64.2% of the equity interest in Dataprep, which was transacted via a direct business transaction at RM0.16 per Dataprep Share.

Accordingly on the same day, the Company received a notice of unconditional mandatory take-over offer from Kenanga Investment Bank Berhad, on behalf of the Offeror to acquire all the remaining ordinary shares in the Company not already held by the Offeror, Joint Ultimate Offerors and the person acting in concert with them for a cash offer price of RM0.16 per Offer Share.

In accordance with Paragraph 3.06 of the Rules on Take-Overs, Mergers and Compulsory Acquisitions, on 13 October 2017, the Board (save for the interested director) announced that it does not intend to seek an alternative person to make a take-over offer for the Offer Shares and has appointed Mercury Securities Sdn Bhd to act as the Independent Adviser to advise the Board (save for the interested director) and the holders of the Offer Shares in respect of the fairness and reasonableness of the Offer.

Notification to shareholders in relation to the receipt of the above notice was despatched to the holders of the Offer Shares on 19 October 2017.

The Offer document prepared by Kenanga Investment Bank Berhad, on behalf of the Offeror together with the Form of Acceptance and Transfer was despatched to the holders of the Offer Shares on 1 November 2017.

On 13 November 2017, the Independent Advice Circular in relation to the unconditional mandatory take-over offer was despatched to the holders of the Offer Shares.

The acceptance of the Offer was closed at 5.00 pm on 22 November 2017.

11. Effects of changes in the composition of the Group

a) Strike-off of dormant companies incorporated in British Virgin Islands

The Company has received notification from its corporate services agent on 27 February 2018 that two dormant wholly-owned subsidiaries, DP International Ltd and IO Holdings Ltd incorporated in the British Virgin Islands were struck-off from the BVI Government Registrar on 1 November 2017. The striking-off of both subsidiaries, DP International Ltd and IO Holdings Ltd has no material effect on the earnings or net assets of DHB Group for the financial year ending 31 March 2018.

The Company is in the process of applying to strike-off the dormant subsidiary incorporated in Singapore, DP International Pte Ltd.

b) Change of shareholdings in subsidiaries

On 7 December 2017, the Company has acquired back the entire 49% of equity interest in Solsis (M) Sdn Bhd by acquisition of 8,290,800 ordinary shares from an outside corporation for a cash consideration of RM497,448 resulting the shareholding change from 51% to 100% . On the same date, the Company also acquired back the entire 45% of equity interest in Tamadun Interaktif Sdn Bhd by acquisition of 4,500 ordinary shares from an outside corporation for a cash consideration of RM1 resulting the shareholding change from 55% to 100%.

c) Changes in the composition of the Group

Subsequent to the current quarter, on 14 February 2018, the Company has incorporated a wholly-owned subsidiary, Dataprep International (Labuan) Ltd (Company No.LL14504) in Malaysia under the Labuan Companies Act 1990 as part of the business review exercise. The total issued and paid-up share capital is USD1.00. The principal business of this subsidiary is investment holdings and the incorporation is not expected to have any material effects on the earnings, net assets or gearing of DHB Group for the financial year ending 31 March 2018.

Subsequently, on 19 February 2018, the subsidiary, Dataprep International (Labuan) Ltd has acquired 51% stake in DP Kyoto Tech Middle East Limited, UAE resulting DHB Group to own a 51% indirect subsidiary. The principal business of DP Kyoto Tech Middle East Limited, UAE is providing education technology that delivers technological and logistic support services across the globe and has the necessary infrastructure, technologies network and skill sets to support and team up for a business alliance. None of the Directors or major shareholders or persons connected with them has any interest, direct and indirect, in the said acquisition. The acquisition does not have any material impact on the net assets and earnings per share of DHB Group for the financial year ending 31 March 2018.

12. Changes in contingent liabilities (Secured)

Contingent Liabilities :-	Group		
	31.12.2017 RM'000	31.03.2017 RM'000	Increase/ (decrease) RM'000
Corporate guarantee given by financial institutions for: - Performance guarantees given to third parties	1,984	2,771	(787)
Total	1,984	2,771	(787)

13. Review of performance

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

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [31/12/2017] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [31/12/2016] RM'000	CHANGES (AMOUNT/ %)	CURRENT YEAR QUARTER [31/12/2017] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [31/12/2016] RM'000	CHANGES (AMOUNT/ %)
Revenue	9,789	9,965	-2%	35,667	23,034	55%
Operating loss	(2,736)	(466)	-487%	(2,311)	(2,204)	-5%
Loss Before Interest and Tax	(2,736)	(466)	-487%	(2,311)	(2,204)	-5%
Loss before tax	(2,741)	(487)	-463%	(2,414)	(2,333)	-3%
Loss for the period	(2,741)	(516)	-431%	(2,412)	(2,362)	-2%
Loss attributable to owners of the Company	(2,658)	(217)	-1125%	(2,686)	(1,973)	-36%

The Group's revenue for the current quarter of RM9.79 million was slightly lower than the preceding year corresponding quarter of RM9.97 million due to fewer small scale projects.

However, the Group recorded a loss before taxation amounting to RM2.74 million in the current quarter against a loss before taxation of RM0.49 million in the preceding year corresponding quarter. The loss before taxation was affected by non-recurring expenses incurred during the quarter in relation to professional and consultancy fees of RM0.26 million for corporate matters and ex-gratia payment to a non-independent executive director of RM0.60 million. The performance was also affected by low margin contribution from delivery services projects and fewer managed services projects with high margin.

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

IT Related Products and Services and Trading

The revenue for the current quarter of RM9.49 million was lower than the preceding year corresponding quarter of RM9.54 million due to fewer small scale projects.

This business segment recorded a loss before taxation of RM0.78 million in the current quarter as against a profit before taxation of RM0.59 million in the preceding year corresponding quarter.

The performance was affected by low margin contribution from delivery services projects and fewer managed services projects with high margin.

Payment Solutions and Services

The revenue decreased from RM0.42 million in the preceding year corresponding quarter to RM0.30 million in the current quarter due to lower number of terminals installed which resulted in a loss before taxation of RM 0.20 million in the current quarter as against a loss before taxation of RM0.055 million in the preceding year corresponding quarter.

13. Review of performance (Cont'd)

b. Comparison of results for the current cumulative quarter ended 31 December 2017 with preceding year corresponding cumulative quarter ended 31 December 2016.

The Group's revenue for the current cumulative quarter of RM35.66 million was significantly higher than the preceding year corresponding cumulative quarter of RM23.03 million due to more trading and delivery services projects.

However, the Group recorded a loss before taxation of RM2.41 million in the current cumulative quarter as against a loss before taxation of RM2.33 million in the preceding year corresponding cumulative quarter. The results was affected by non-recurring expenses mainly professional and consultancy fees for corporate matters and ex-gratia payment to a non-independent executive director incurred in the third quarter amounted to RM0.86 million. The high one-off expenses was offset by savings in payroll and other operation expenses of RM 0.78 million resulted from costs cutting measures to mitigate the loss.

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

IT Related Products and Services and Trading

The revenue for the current cumulative quarter of RM34.61 million was substantially higher than the preceding year corresponding cumulative quarter of RM21.76 million as a result of more trading and delivery services projects.

The higher revenue resulted in a profit before taxation of RM1.87 million in the current cumulative quarter as against a profit before taxation of RM1.07 million in the preceding year corresponding cumulative quarter.

Payment Solutions and Services

The revenue decreased from RM1.28 million in the preceding year corresponding cumulative quarter to RM1.05 million in the current cumulative quarter due to lower number of terminals installed which resulted in a loss before taxation of RM 0.40 million in the current cumulative quarter as against a loss before taxation of RM0.13 million in the preceding year corresponding cumulative quarter.

c. Assets and Liabilities

Total Assets decreased from RM50.64 million as at 31 March 2017 to RM 42.37 million as at 31 December 2017 due to lower trade receivables resulted from settlement of outstanding debts from customers.

Total Liabilities decreased from RM18.36 million as at 31 March 2017 to RM13.10 million as at 31 December 2017 due to settlement of trade and other payables.

d. Cash Flow for the nine months ended 31 December 2017

Net cash used in operating activities:
Increase was due to settlement of trade and other payables.

Net cash (used in) / generated from investing activities
Decrease was due to no major investing activities in the current quarter.

Net cash generated from / (used in) financing activities
Increase was due to utilization of trade facilities to finance projects.

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

		CURRENT YEAR QUARTER [31/12/2017] RM'000	IMMEDIATE PRECEDING QUARTER [30/09/2017] RM'000	CHANGES (AMOUNT/%)
1	Revenue	9,789	12,664	-23%
2	Operating (losses)/profit	(2,736)	566	583%
3	(Loss)/Profit Before Interest and Tax	(2,736)	566	583%
4	(Loss)/Profit before tax	(2,741)	534	613%
5	(Loss)/Profit for the period	(2,741)	534	613%
6	(Loss)/Profit attributable to owners of the Company	(2,658)	37	7284%

The Group's revenue for the current quarter decreased by 23% to RM9.79 million as compared to the immediate preceding quarter principally due to lower delivery services projects of high value.

The Group recorded a loss before taxation of RM2.74 million in the current quarter as compared to a profit before taxation of RM0.53 million in the immediate preceding quarter. The higher loss before taxation was affected by non-recurring expenses incurred during the quarter in relation to professional and consultancy fees of RM0.26 million for corporate matters and ex-gratia payment to a non-independent executive director of RM0.60 million. The performance was also affected by low margin contribution from delivery services projects and fewer managed services projects with high margin.

15. Prospects

The Group recorded an improvement in revenue from RM23.03 million in the cumulative preceding year corresponding quarter to RM35.67 million in the cumulative current quarter. However, the result was affected by the non-recurring expenses of RM0.86 million which were mainly professional and consultancy fees for corporate matters and ex-gratia payment to a non-independent executive director and fewer high margin managed services projects. This resulted in a loss after taxation of RM2.41 million in the current cumulative quarter and a loss after taxation of RM2.36 million in the preceding year corresponding cumulative quarter.

The Group is working on a turnaround plan to mitigate losses for the remaining period of the financial year. Dataprep is planning to launch its very own e-wallet business in the year 2018 and the related companies will seek more new business opportunities in the near future. The Group will collaborate with potential partners in the ICT sectors to source for new ICT business opportunities while maintaining the existing customers by emphasizing on its good deliveries record and nationwide services, especially targeting on the financial institutions, oil and gas industry and companies in the private sector to enlarge its base of customers.

16. Taxation

	Current Year Quarter Ended 31.12.2017 RM'000	Cumulative Year Quarter Ended 31.12.2017 RM'000
Income tax		
- Current year	-	-
- Overprovision in prior year	-	2
Tax expense	-	2

17. Status of corporate exercise

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

18. Event subsequent to the end of reporting period

- a) On 17 January 2018, the Company has announced that it had entered into a Memorandum of Collaboration with URC E-Commerce (M) Sdn Bhd (“URCE”).

Under the Memorandum of Collaboration, the Company (“Dataprep”) and URCE will work to coordinate the efforts in developing the connection with the provision of e-commerce services and solutions in respect of Alibaba.com in Malaysia (“the Project”). The Project covers the training, consultancy and business services in areas where DATAPREP and URCE can benefit each other.

- b) On 14 February 2018, the Company has incorporated a wholly-owned subsidiary, Dataprep International (Labuan) Ltd (Company No.LL14504) in Malaysia under the Labuan Companies Act 1990 as part of the business review exercise. The total issued and paid-up share capital is USD1.00. The principal business of this subsidiary is investment holdings and the incorporation is not expected to have any material effects on the earnings, net assets or gearing of DHB Group for the financial year ending 31 March 2018.
- c) On 19 February 2018, the subsidiary, Dataprep International (Labuan) Ltd has acquired 51% stake in DP Kyoto Tech Middle East Limited, UAE resulting DHB Group to own a 51% indirect subsidiary. The principal business of DP Kyoto Tech Middle East Limited, UAE is providing education technology that delivers technological and logistic support services across the globe and has the necessary infrastructure, technologies network and skill sets to support and team up for a business alliance. None of the Directors or major shareholders or persons connected with them has any interest, direct and indirect, in the said acquisition. The acquisition does not have any material impact on the net assets and earnings per share of DHB Group for the financial year ending 31 March 2018.

19. Group borrowings

The Group's borrowings are as follows:

		As at 31.12.2017 RM'000	As at 31.03.2017 RM'000
Short Term Borrowings:			
Secured			
- Banker acceptance		8,106	4,903
- Hire purchase		27	27
Total Short Term Borrowings	A	8,133	4,930
Long Term Borrowings:			
Secured			
- Hire purchase		129	152
Total Long Term Borrowings	B	129	152
Total Borrowings	(A + B)	8,262	5,082

All borrowings are denominated in Ringgit Malaysia.

20. Material litigation

There were no pending material litigation matters as at 31 December 2017.

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 Quarter Ended 31.12.2017	Cumulative Quarter Ended 31.12.2017
Loss attributable to owners of the Company (RM'000)	(2,658)	(2,686)
Weighted average number of shares in issue ('000)	421,396	421,396
Loss per share (sen)	(0.63)	(0.64)

(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 2017.

24. Notes to the Consolidated Statement of Comprehensive Income

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

	Current Quarter Ended 31.12.2017 RM'000	Cumulative Quarter Ended 31.12.2017 RM'000
Interest expense	4	94
Depreciation of plant and equipment	101	294
Amortisation of intangible assets	20	54
and after crediting:		
Interest income	(158)	(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 2017

25. Realised and unrealised (losses)/profit

	As at 31.12.2017 RM'000	As at 31.03.2017 RM'000
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(127,296)	(123,390)
- Unrealised	-	-
	(127,296)	(123,390)
Less : Consolidation adjustments	126,193	123,828
Total group (accumulated losses)/ retained profit as per consolidated accounts	(1,103)	438

By Order of the Board
Dataprep Holdings Bhd

Geng Mun Mooi
Leong Shiak Wan
Zuriati Binti Yaacob

Company Secretaries
27 February 2018