

SUMMARY OF KEY FINANCIAL INFORMATION  
FOR THE SECOND QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2019

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [30/09/2019] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2018] RM'000	CHANGES (AMOUNT/%)	CURRENT YEAR QUARTER [30/09/2019] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2018] RM'000	CHANGES (AMOUNT/%)
1 Revenue	10,963	6,257	75%	21,067	12,526	68%
2 Operating profit/ (loss)	(662)	(2,455)	73%	(3,386)	(5,089)	33%
3 Profit/ (Loss) Before Interest and Tax	(662)	(2,455)	73%	(3,386)	(5,089)	33%
4 Profit / (Loss) before taxation	(768)	(2,490)	69%	(3,642)	(5,166)	30%
5 Profit / (Loss) for the year	(768)	(2,490)	69%	(3,642)	(5,166)	30%
6 Profit / (Loss) attributable to owners of the Company	(767)	(2,489)	69%	(3,641)	(5,165)	30%
7 Basic earning / (loss) per share (sen)	(0.18)	(0.59)		(0.86)	(1.23)	
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)		0.03			0.04	

ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [30/09/2019] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2018] RM'000	CHANGES (AMOUNT/%)	CURRENT YEAR QUARTER [30/09/2019] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2018] RM'000	CHANGES (AMOUNT/%)
1 Gross interest income	51	112	-54%	116	213	-46%
2 Gross interest expense	75	33	127%	188	71	165%

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE SECOND QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2019**  
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER
	[30/09/2019] RM'000	[30/09/2018] RM'000	[30/09/2019] RM'000	[30/09/2018] RM'000
Revenue	10,963	6,257	21,067	12,526
Operating expenses	(11,688)	(8,825)	(24,586)	(17,835)
Other operating income	63	113	133	220
Operating profit / (loss)	(662)	(2,455)	(3,386)	(5,089)
Finance costs	(106)	(35)	(256)	(77)
Profit / (Loss) before tax	(768)	(2,490)	(3,642)	(5,166)
Taxation	-	-	-	-
Profit / (Loss) for the year	(768)	(2,490)	(3,642)	(5,166)
Other comprehensive income/(loss):				
Foreign currency translation differences	(4)	113	(7)	94
Other comprehensive income/(loss) for the year, net of tax	(4)	113	(7)	94
Total comprehensive income / (loss) for the year	(772)	(2,377)	(3,649)	(5,072)
Profit / (Loss) for the year attributed to :				
Owners of the Company	(767)	(2,489)	(3,641)	(5,165)
Non-controlling interest	(1)	(1)	(1)	(1)
	(768)	(2,490)	(3,642)	(5,166)
Total comprehensive income / (loss) attributable to:				
Owners of the Company	(771)	(2,376)	(3,648)	(5,071)
Non-controlling interest	(1)	(1)	(1)	(1)
	(772)	(2,377)	(3,649)	(5,072)
Earning / (Loss) per share :				
- basic (sen)	(0.18)	(0.59)	(0.86)	(1.23)
- 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)	0.03	0.04

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2019 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2019

	As at 30.09.2019 (Unaudited) RM'000	As at 31.3.2019 (Audited) RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3,232	3,604
Right of use assets	1,820	-
Intangible assets	2,256	1,668
	<u>7,308</u>	<u>5,272</u>
<b>Current Assets</b>		
Inventories	292	298
Trade receivables	17,323	13,372
Other receivables	1,859	2,053
Contract assets	8	455
Amount due from related companies	294	158
Tax recoverable	165	204
Deposits, cash and bank balances	7,000	11,321
	<u>26,941</u>	<u>27,861</u>
<b>TOTAL ASSETS</b>	<u>34,249</u>	<u>33,133</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	46,583	43,863
Merger deficit	(13,509)	(13,509)
Foreign exchange reserve	110	117
Retained profit / (Accumulated losses)	(18,933)	(15,292)
	<u>14,251</u>	<u>15,179</u>
<b>Non-controlling interest</b>	<u>140</u>	<u>141</u>
<b>Total equity</b>	<u>14,391</u>	<u>15,320</u>
<b>Non-current liabilities</b>		
Long term borrowings	77	92
Lease Liabilities	573	-
	<u>650</u>	<u>92</u>
<b>Current Liabilities</b>		
Trade payables	2,399	2,538
Other payables	4,390	3,453
Contract liabilities	5,066	4,285
Short term borrowings	4,985	7,174
Lease Liabilities	1,281	-
Amount due to a related company	1,074	258
Provision for taxation	13	13
<b>Total current liabilities</b>	<u>19,208</u>	<u>17,721</u>
<b>Total liabilities</b>	<u>19,858</u>	<u>17,813</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>34,249</u>	<u>33,133</u>
Net assets per share (RM)	<u>0.03</u>	<u>0.04</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2019 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SECOND QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2019

	←----- Attributable to the Owners of the Company ----->						
	←----- Non-distributable ----->			----->			
	Share Capital RM'000	Share premium RM'000	Merger deficit RM'000	Foreign exchange reserve	Retained profit/ Accumulated losses	Total	Total Equity RM'000
<b>At 1 April 2019</b>	43,863	-	(13,509)	117	(15,292)	15,179	15,320
Loss for the financial year	-	-	-	-	(3,641)	(3,641)	(3,642)
Foreign currency translation loss of foreign operations	-	-	-	(7)	-	(7)	(7)
Total comprehensive loss for the year	-	-	-	(7)	(3,641)	(3,648)	(3,649)
Transactions with owners :							
Issuance of Ordinary Shares	2,720	-	-	-	-	2,720	2,720
Total transactions with owners	2,720	-	-	-	-	2,720	2,720
<b>At 30 September 2019</b>	<b>46,583</b>	<b>-</b>	<b>(13,509)</b>	<b>110</b>	<b>(18,933)</b>	<b>14,251</b>	<b>14,391</b>

□ Note 1

Note 1:

On 29 October 2018, the Company has announced that it proposes to undertake a private placement of up to 42,139,500 new ordinary shares in the Company ("Placement Shares"), representing up to 10% of the issued and paid-up share capital of the Company ("Proposed Private Placement") pursuant to Sections 75 and 76 of the Companies Act 2016. The Bursa Securities has vide its letter dated 16 May 2019 approved the aforesaid application for extension of time to 28 November 2019 for the completion of the exercise.

The first tranche of the Placement Shares was listed and quoted on the Main Market of Bursa Securities on 11 July 2019 as announced on 10 July 2019. The issuance of the Placement Shares of 6,000,000 at RM0.17 each has increased the issued and paid-up share capital of the Company from RM43,863,470.84 representing 421,395,824 ordinary shares to RM44,883,470.84 representing 427,395,824 ordinary shares and raised proceeds of RM1,020,000.

The second tranche of the Placement Shares was listed and quoted on the Main Market of Bursa Securities on 30 August 2019 as announced on 29 August 2019. The issuance of the Placement Shares of 10,000,000 at RM0.17 each has increased the issued and paid-up share capital of the Company from RM44,883,470.84 representing 427,395,824 ordinary shares to RM46,583,470.84 representing 437,395,824 ordinary shares and raised proceeds of RM1,700,000.

The first and second tranches of the Private Placement have raised total proceeds of RM 2,720,000.

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2019 and the accompanying explanatory notes attached to the interim financial statements.



CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
AS AT 30 SEPTEMBER 2019

	30.09.2019 (Unaudited) RM'000	31.03.2019 (Audited) RM'000
<b>Cash Flow from Operating Activities</b>		
Loss before taxation	(3,643)	(11,824)
Adjustment for :-		
Non-cash items	1,351	2,755
Non-operating items	72	(46)
<b>Operating loss before working capital changes</b>	<u>(2,220)</u>	<u>(9,115)</u>
Increase in inventories	(29)	(15)
(Increase) in receivables	(3,756)	(1,760)
Decrease/ (increase) in contract asset	447	(455)
Increase in right of use assets	(2,520)	-
Increase in payables	799	1,343
Increase in contract liabilities	781	4,285
(Increase) / decrease in amount due from related companies	(136)	446
Increase in amount due to a related company	816	258
<b>Cash used in operations</b>	<u>(5,818)</u>	<u>(5,013)</u>
Tax paid	(62)	(98)
Tax refunded	100	124
Interest received	116	294
Interest paid	(188)	(248)
<b>Net cash used in operating activities</b>	<u>(5,852)</u>	<u>(4,941)</u>
<b>Cash flow from Investing Activities</b>		
Purchase of plant and equipment	(40)	(2,492)
Purchase of intangible assets	(727)	(1,586)
Proceed from disposal of plant and equipment	-	2
Proceeds from private placement of new shares	2,720	-
Proceeds from issuance of shares in a subsidiary to non controlling interest	-	150
<b>Net cash generated / (used) in investing activities</b>	<u>1,953</u>	<u>(3,926)</u>
<b>Cash flow from Financing Activities</b>		
Repayment borrowings	(2,593)	(1,799)
Lease liabilities	1,790	-
Payment of hire purchase liabilities	(15)	(30)
<b>Net cash generated / (used in) from financing activities</b>	<u>(818)</u>	<u>(1,829)</u>
<b>Net decrease in cash and cash equivalents</b>	<u>(4,717)</u>	<u>(10,696)</u>
<b>Effect of exchange rate fluctuations</b>	<u>(7)</u>	<u>77</u>
<b>Cash and cash equivalents at beginning of the year</b>	<u>9,846</u>	<u>20,465</u>
<b>Cash and cash equivalents at end of the period</b>	<u>5,122</u>	<u>9,846</u>

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

	As at 30.09.2019 RM'000	As at 31.03.2019 RM'000
Deposits with licensed commercial banks	6,252	7,641
Cash and bank balances	748	3,680
	<u>7,000</u>	<u>11,321</u>
Short Term Borrowing :		
-Overdraft	(1,877)	(1,475)
<b>Cash and cash equivalents</b>	<u>5,123</u>	<u>9,846</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 March 2019 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”) and the provisions of the Companies Act 2016 in Malaysia.

The interim financial statements should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 March 2019. The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 March 2019 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**

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

Classified as “Annual Improvement to MFRSs 2014-2016 Cycle”

-Amendment to MFRS 128 – Investment in Associates and Joint Ventures

IC Interpretation 22 Foreign Currency Transactions and Advance Consideration

MFRS 16 Leases

MFRS16 will supersede the existing MFRS 117 Leases, IC Interpretation 4 Determining whether an Arrangement contains a Lease, IC Interpretation 115 Operating Leases – Incentives and IC Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease and it sets out the principles for the recognition, measurement, presentation and disclosures of leases.

The new MFRS 16 introduces a single accounting model and requires a lessee to recognise assets and liabilities for the rights and obligations arising from all leases and hence eliminates the distinction between finance leases and operating leases. As a consequence, a lessee recognises the right-of-use assets and lease liabilities arising from this operating leases. The right-of-use asset is depreciated in accordance with the principle in MFRS 116 Property, Plant and Equipment and the lease liability is accreted over time with interest expense recognise in profit or loss.

The Group, as a lessee has operating leases for office premises and is required to recognise the lease assets as right-of-use assets and the corresponding lease liabilities in its financial statements in the initial period of application of MFRS 16. The charge of operating lease rental on a straight line basis to profit or loss is replaced with the appropriate depreciation on the right-of-use assets and interest expense on the lease liabilities. Leases are recognized as right-of-use assets and corresponding lease liabilities at the date of which the leased assets are available for use by the Group. Lease liabilities are based on the present value of future lease payments calculated using the incremental borrowing rate. Lease payments would be split into principal and interest payments, using the effective interest method. Correspondingly, the right-of-use (“ROU”) assets are based on the present value of the lease liabilities at the commencement date of the lease. The ROU asset will be depreciated on a straight-line basis over the lease term of the leased asset.

**Amendments to MFRSs and IC Interpretation (Cont'd)**

The effect arising from the adoption of MFRS16 is disclosed as below:

Adoption of MFRS16 Leases	As previously reported 31 March 2019	Adjustment	As reported under MFRS 16 Leases 1 April 2019
	RM'000	RM'000	RM'000
<b>Non current assets</b>			
Right of use assets	-	2,520	2,520
<b>Current Liabilities</b>			
Lease Liabilities	-	1,360	1,360
<b>Non-current liabilities</b>			
Lease Liabilities	-	1,160	1,160

The Group has adopted the changes in accounting policies for MFRS 16 Leases on 1 April 2019 and applied the simplified transition approach in accordance with the transition requirements, comparatives are not restated.

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 2019**

Amendments to MFRS 128 – Long term interest in Associates and Joint Ventures

Amendment to MFRS 9 – Prepayment Features with Negative Compensation

Amendments to MFRS 119 – Plan Amendment Curtailment or Settlement

Amendment to MFRSs Classified as “Annual Improvements to MFRS Standard 2015-2017 Cycle”:

-Amendment to MFRS 3, Business Combination and MFRS 11, Joint Arrangement –Previously Held interest in a Joint Operation,

-Amendment to MFRS 112 Income Tax- Income tax Consequences of Payment on Financial Instrument Classified as Equity

- Amendment to MFRS 123, Borrowing Cost- Borrowing Costs Eligible for Capitalisation

IC Interpretation 23 Uncertainty over Income Tax Treatment.

**Amendments to MFRSs and IC Interpretation (Cont'd)****(b) Effective for financial periods beginning on or after 1 January 2020**

Amendments to MFRS 3 - Definition of a Business

Amendments to MFRS 101 and Amendments to MFRS 108 - Definition of Material

**(c) Effective for financial periods beginning on or after 1 January 2021**

Amendments to MFRS 17 – Insurance Contracts

**(d) 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 2019 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 30 September 2019 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 and Trading</i>	20,516	92	( 92)	20,516
(b) <i>Payment Solutions &amp; Services</i>	551			551
<b>SALES BY SEGMENT</b>	<b>21,067</b>	<b>92</b>	<b>( 92)</b>	<b>21,067</b>
(a) <i>IT Related Products and Services and Trading</i>	(3,625)		3,532	(93)
(b) <i>Payment Solutions &amp; Services</i>	(211)			(211)
<b>SEGMENT RESULTS</b>	<b>(3,836)</b>	<b>-</b>	<b>3,532</b>	<b>(304)</b>
Interest income				116
Unallocated expenses				(3,266)
Loss from operations				(3,454)
Interest expenses				(188)
Loss before taxation				(3,642)
Taxation				-
Loss after taxation				(3,642)

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

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

**10. Significant events**

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

**11. Changes in the composition of the Group**

On 25 June 2019, the Group has announced that a wholly-owned subsidiary of Dataprep Holdings Bhd (“DHB”), Dataprep International (Labuan) Ltd has incorporated a company in Indonesia, PT Dataprep Teknologi Indonesia (“PTDTI”) with shareholding of 65%.

The Ministry of Law and Human Rights of the Republic of Indonesia, pursuant to its decision (Daftar Perseroan No.AHU-0098106.AH.01.11.Tahun 2019) dated 25 June 2019 has approved the deed of establishment of PT Dataprep Teknologi Indonesia resulting in PTDTI being duly established and granted its legal entity status.

The incorporation of PTDTI is to expand the business capacity in Indonesian market and to work further following the recent strategic collaboration with PT Asia Pelangi Remiten in Information and Communication Technologies (ICT) areas.

PTDTI is a limited liability company with an authorised share capital of USD 250,000 comprising 250,000 shares each having a nominal value of USD1.00. The estimated total issued and paid-up capital is USD250,000, to be subscribed by one of the Company's wholly owned investment holding company and one Indonesian company as follows – Dataprep International (Labuan) Ltd – 162,500 shares (65%) and PT Asia Pelangi Remiten – 87,500 shares (35%). The issued capital of PTDTI will be increased as and when necessary to support the business growth. The intended principal activity of PTDTI is conducting the business of sales and marketing of its ICT products, software and services for the Indonesian market. The business will be located in Kota Jakarta Selatan.

The incorporation of PTDTI is not expected to have any material impact on the Group's earnings, net assets and gearing of DHB for the current financial year. The incorporation has no effects on the issued share capital and substantial shareholders' of DHB.

**12. Change of financial year end**

Dataprep Holdings Bhd (“the Company”) announced on 23 September 2019 that the Board of Directors of the Company has approved the change of financial year end from 31 March to 31 December to be coterminous with the financial year end of the ultimate holding company of the Company, Widad Business Group Sdn Bhd.

The next set of audited financial statements shall be for a period of 9 months from 1 April 2019 to 31 December 2019. Thereafter, the financial year end of the Company shall be on the last day of December, 31 December, for subsequent years.

**13. Changes in contingent liabilities (Secured)**

Contingent Liabilities :-	Group		
	30.09.2019 RM'000	31.03.2019 RM'000	Increase/ (decrease) RM'000
Corporate guarantee given to financial institutions for performance guarantee of a subsidiary (secured)	595	570	25
	595	570	25

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

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [30/09/2019] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2018] RM'000	CHANGES (AMOUNT/ %)	CURRENT YEAR QUARTER [30/09/2019] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2018] RM'000	CHANGES (AMOUNT/ %)
Revenue	10,963	6,257	75%	21,067	12,526	68%
Operating profit / (loss)	(662)	(2,455)	73%	(3,386)	(5,089)	33%
Profit / (Loss) Before Interest and Tax	(662)	(2,455)	73%	(3,386)	(5,089)	33%
Profit / (Loss) before taxation	(768)	(2,490)	69%	(3,642)	(5,166)	30%
Profit / (Loss) for the year	(768)	(2,490)	69%	(3,642)	(5,166)	30%
Profit / (Loss) attributable to owners of the Company	(767)	(2,489)	69%	(3,641)	(5,165)	30%

The Group’s revenue for the current quarter of RM10.96 million was higher than the preceding year corresponding quarter of RM6.26 million due to more delivery and managed services projects secured.

The lower loss before taxation of RM0.77 million in the current quarter as against loss before taxation of RM2.49 million in the preceding year corresponding quarter was due to higher revenue and better gross profit margin contribution from managed services projects.

**14. Review of performance (Cont'd)**

**a. Comparison of results for the current quarter with the preceding year corresponding quarter (Cont'd)**

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 RM10.62 million was higher than the preceding year corresponding quarter of RM6.02 million due to more delivery and managed services projects secured.

The profit before taxation of RM0.89million in the current quarter as against a loss before taxation of RM0.86million in the preceding year corresponding quarter was due to higher revenue and better gross profit margin contribution from managed services projects.

Payment Solutions and Services

The revenue has increased from RM0.24 million in the preceding year corresponding quarter to RM0.34 million in the current quarter due to higher merchant discount rate income earned.

This segment recorded a profit before taxation of RM0.041million in the current quarter as against a loss before taxation of RM0.19 million in the preceding year corresponding quarter due to improvement in revenue.

**b. Comparison of results for the current cumulative quarter ended 30 September 2019 with the preceding year corresponding cumulative quarter ended 30 September 2018.**

The Group's revenue for the current cumulative quarter of RM21.07 million was higher than the preceding year corresponding cumulative quarter of RM12.53 million due to more delivery and managed services projects secured.

The Group recorded a lower loss before taxation of RM3.64 million in the current cumulative quarter as against a loss before taxation of RM5.17 million in the preceding year corresponding cumulative quarter. The improvement in loss before taxation in the current cumulative quarter was due to increase of revenue from delivery and managed services projects with better gross profit margin contribution.

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

IT Related Products and Services and Trading

The revenue for the current cumulative quarter of RM20.52 million was higher than the preceding year corresponding cumulative quarter of RM12.06 million due to more delivery and managed services projects secured.

The lower loss before taxation of RM0.093million in the current cumulative quarter as against a loss before taxation of RM1.93 million in the preceding year corresponding cumulative quarter was due to improvement of revenue and better gross profit margin contribution from managed services projects.

**14. Review of performance (Cont'd)**

- b. Comparison of results for the current cumulative quarter ended 30 September 2019 with the preceding year corresponding cumulative quarter ended 30 September 2018 (Cont'd).**

Payment Solutions and Services

The revenue has increased from RM0.47 million in the preceding year corresponding cumulative quarter to RM0.55 million in the current cumulative quarter due to higher merchant discount rate income earned.

The lower loss before taxation of RM0.21million in the current cumulative quarter as against a loss before taxation of RM0.37million in the preceding year corresponding cumulative quarter was due to improvement of revenue.

**c. Assets and Liabilities**

Total assets increased from RM33.13 million as at 31 March 2019 to RM 34.25 million as at 30 September 2019 due to higher trade receivables and lower borrowings resulted by improvement in revenue and settlement of bank borrowings.

Total liabilities increase from RM17.81 million as at 31 March 2019 to RM19.86 million as at 30 September 2019 was due to lease liabilities presented in accordance to MFRS 16 for leases.

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

	CURRENT YEAR QUARTER [30/09/2019] RM'000	IMMEDIATE PRECEDING QUARTER [30/06/2019] RM'000	CHANGES (AMOUNT/%)
Revenue	10,963	10,104	9%
Operating profit / (loss)	(663)	(2,724)	76%
Profit / (Loss) Before Interest and Tax	(663)	(2,724)	76%
Profit / (Loss) before taxation	(769)	(2,874)	73%
Profit / (Loss) for the year	(769)	(2,874)	73%
Profit / (Loss) attributable to owners of the Company	(768)	(2,874)	73%

The Group's revenue for the current quarter was RM10.96 million as compared to the immediate preceding quarter of RM10.10 million due to improvement in revenue.

The Group recorded a loss before taxation of RM0.77 million in the current quarter as compared to a loss before taxation of RM2.87 million in the immediate preceding quarter. The lower loss before taxation in the current quarter was due to better gross profit margin contribution from managed services projects.

## **16. Prospects**

The Group is targeting untapped opportunities in the fast-evolving ICT, including media segment and participating in numerous tenders of large scale ICT products and services projects to increase revenue. We have also embarked on global collaborative efforts to develop partnerships with the ultimate aim of representing them in the region. The Group has signed a memorandum of understanding with India's Attinad Software Pvt Ltd, China's Sky Soar (Shenzhen) Technology Co Ltd and Indonesia's PT Asia Pelangi Remiten to further enhance long-term revenue and profitability.

The Group has successfully won a number of significant scale projects to provide an array of operations and maintenance support services through our extensive network at 26 locations nation-wide to a few local banks. The Group will continue to emphasize on its core strength of providing quality services to customers and offering of solutions, support network and maintenance services nationwide with its existing expertise of technicians and engineers to secure more numbers of significant projects especially from the financial services, oil and gas sectors, and government-linked companies.

On 13 November 2019, the Group's subsidiary, Dataprep Payment Solutions Sdn Bhd was granted approval by Bank Negara Malaysia for issuing Designated Payment Instrument (electronic money or e-money) under Section 11 of the Financial Services Act 2013. The e-money developed by the Group is targeting a captive market, especially in the education sector to boost its payment solutions and services segment.

The Group is also leveraging on the synergies between the Group and its related companies which have diversified market segments to secure more ICT projects.

The strategic blueprint of the Group would be centered around improving the profitability and increasing revenue of all segments, by leveraging on the upcoming new business opportunities and to focus on securing more projects with a better gross profit margin.

## **17. Taxation**

There was no provision for taxation in the current quarter due to the Group has sufficient unutilised tax losses and unaborsorbed capital allowances.

## **18. Status of corporate exercise**

On 29 October 2018, the Company has announced that it proposes to undertake a private placement of up to 42,139,500 new ordinary shares in the Company ("Placement Shares"), representing up to 10% of the issued and paid-up share capital of the Company ("Proposed Private Placement") pursuant to Sections 75 and 76 of the Companies Act 2016. The Placement Shares shall be placed to third party investors to be identified and at an issue price to be determined at a later date. The proceeds to be raised from the proposed private placement shall be utilised for repayment of bank borrowings, working capital requirements and to settle the expenses for the corporate exercise.

The Company's application for the listing of and quotation for the Placement Shares was approved by Bursa Malaysia Securities Berhad ("Bursa Securities") on 29 November 2018.

On 10 May 2019, the Company further announced that the Company has submitted an application to Bursa Securities for an extension of approximately 6 months up to 28 November 2019 for the Company to complete the implementation of the Proposed Private Placement. On 17 May 2019, the Company announced that Bursa Securities vide its letter dated 16 May 2019 has approved the aforesaid application for extension of time to 28 November 2019 for the completion of the exercise.

**18. Status of corporate exercise (Cont'd)**

On 4 July 2019, the Company announced that the Board has fixed the issue price for the first tranche of the Placement Shares at RM0.17 each (“Issue Price”). The Issue Price represents a discount of approximately RM0.0185 or 9.81% to the 5-day volume weighted average market price of the Dataprep Holdings Bhd (“DHB”) Shares up to and including 3 July 2019 of RM0.1885 per DHB Share.

The first tranche of the Placement Shares was listed and quoted on the Main Market of Bursa Securities on 11 July 2019 as announced on 10 July 2019. The issuance of the Placement Shares of 6,000,000 at RM0.17 each has increased the issued and paid-up share capital of the Company from RM43,863,470.84 representing 421,395,824 ordinary shares to RM44,883,470.84 representing 427,395,824 ordinary shares and raised proceeds of RM1,020,000.

On 23 August 2019, the Company announced that it has fixed the issue price for the second tranche of the Placement Shares at RM0.17 each (“Issue Price”). The Issue Price represents a discount of approximately RM0.0049 or 2.80% to the 5-day volume weighted average market price of the DHB Shares up to and including 22 August 2019 of RM0.1749 per DHB Share.

The second tranche of the Placement Shares was listed and quoted on the Main Market of Bursa Securities on 30 August 2019 as announced on 29 August 2019. The issuance of the Placement Shares of 10,000,000 at RM0.17 each has increased the issued and paid-up share capital of the Company from RM44,883,470.84 representing 427,395,824 ordinary shares to RM46,583,470.84 representing 437,395,824 ordinary shares and raised proceeds of RM1,700,000.

Subsequent to the current quarter, on 22 October 2019, the Company announced that it has fixed the issue price for the third tranche of the Placement Shares at RM0.177 each (“Issue Price”). The Issue Price represents a discount of approximately RM0.0194 or 9.88% to the 5-day volume weighted average market price of the DHB Shares up to and including 21 October 2019 of RM0.1964 per DHB Share.

The third tranche of the Placement Shares was listed and quoted on the Main Market of Bursa Securities on 30 October 2019 as announced on 29 October 2019. The issuance of the Placement Shares of 10,000,000 at RM0.177 each has increased the issued and paid-up share capital of the Company from RM46,583,470.84 representing 437,395,824 ordinary shares to RM48,353,470.84 representing 447,395,824 ordinary shares and raised proceeds of RM1,770,000.

On 12 November 2019, the Company announced that it has fixed the issue price for the final tranche of the Placement Shares at RM0.1750 each (“Issue Price”). The Issue Price represents a discount of approximately RM0.0164 or 8.57% to the 5-day volume weighted average market price of the DHB Shares up to and including 11 November 2019 of RM0.1914 per DHB Share.

The final tranche of the Placement Shares was listed and quoted on the Main Market of Bursa Securities on 19 November 2019 as announced on 18 November 2019. The issuance of the Placement Shares of 16,139,500 at RM0.175 each has increased the issued and paid-up share capital of the Company from RM48,353,470.84 representing 447,395,824 ordinary shares to RM 51,177,883.34 representing 463,535,324 ordinary shares and raised proceeds of RM2,824,412.50.

The Private Placement of 42,139,500 new ordinary shares was completed on 19 November 2019 and has raised total proceeds of RM 7,314,412.50.

**18. Status of corporate exercise (Cont'd)**

The first, second, third and final tranches' proceeds raised of RM 7,314,412.50 from the Private Placement were utilized as follows:-

	Proceeds *1st Tranche RM	Proceeds **2nd Tranche RM	Proceeds ***3rd Tranche RM	Proceeds ****Final Tranche RM	Total Proceeds RM
Repayment of bank borrowings	369,000.00	500,000.00	1,375,759.00	2,342,987.00	4,587,746.00
Working capital requirements	609,469.00	1,180,178.00	373,603.00	450,563.59	2,613,813.59
Settlement of expenses for the corporate exercise	41,531.00	19,822.00	20,638.00	30,861.91	112,852.91
	<b>1,020,000.00</b>	<b>1,700,000.00</b>	<b>1,770,000.00</b>	<b>2,824,412.50</b>	<b>7,314,412.50</b>

\* 1st Tranche proceeds of RM1,020,000 was utilised in July 2019

\*\* 2nd Tranche proceeds of RM1,700,00 was utilised in September 2019

\*\*\* 3rd Tranche proceeds of RM1,770,00 was utilised in November 2019

\*\*\*\* Final Tranche proceeds of RM2,824,412.50 was utilised in November 2019

**19. Event subsequent to the end of reporting period**

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

**20. Group borrowings**

The Group borrowings are as follows:

		As at 30.09.2019 RM'000	As at 31.03.2019 RM'000
<b>Short Term Borrowings:</b>			
<b>Secured :</b>			
- Banker acceptances		3,077	5,670
- Bank overdraft		1,877	1,475
- Hire purchase payables		30	29
<b>Total Short Term Borrowings</b>	<b>A</b>	<b>4,985</b>	<b>7,174</b>
<b>Long Term Borrowings:</b>			
<b>Secured :</b>			
- Hire purchase payables		77	92
<b>Total Long Term Borrowings</b>	<b>B</b>	<b>77</b>	<b>92</b>
<b>Total Borrowings</b>	<b>(A + B)</b>	<b>5,061</b>	<b>7,266</b>

All borrowings are denominated in Ringgit Malaysia.



**21. Material litigation**

There was no material litigation as at 30 September 2019.

**22. Dividend proposed or declared**

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

**23. Loss per share****(a) Basic**

	Current Quarter Ended 30.09.2019	Cumulative Quarter Ended 30.09.2019
Loss attributable to owners of the Company (RM'000)	(767)	(3,641)
Weighted average number of shares in issue ('000)	425,833	425,833
<b>Loss per share (sen)</b>	<b>(0.18)</b>	<b>(0.86)</b>

**(b) Diluted**

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

**24. Capital commitment**

The Group has no material capital commitment as at 30 September 2019.

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

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

	<b>Current Quarter Ended 30.09.2019 RM'000</b>	<b>Cumulative Quarter Ended 30.09.2019 RM'000</b>
Interest expense	75	188
Depreciation of plant and equipment	204	411
Amortisation of intangible assets	72	138
Allowance for obsolete inventories	25	36
and after crediting:		
Interest income	(51)	(116)

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 30 September 2019.

By Order of the Board  
Dataprep Holdings Bhd

Geng Mun Mooi (MIA 8365)  
Nor Fazieana Daud (MAICSA 7067115)  
Leong Shiak Wan (MAICSA 7012855)  
Zuriati Binti Yaacob (LS0009971)

Company Secretaries  
27 November 2019