

DATAPREP HOLDINGS BHD (Registration No. 198901005754 (183059-H)

SUMMARY OF KEY FINANCIAL INFORMATION
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2021

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [30/09/2021] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2020] RM'000	CHANGES (AMOUNT/ %)	CURRENT YEAR QUARTER [30/09/2021] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2020] RM'000	CHANGES (AMOUNT/ %)
1 Revenue	6,022	8,551	-30%	21,137	23,626	-11%
2 Operating profit/ (loss)	(2,857)	(2,205)	-30%	(10,779)	(6,527)	-65%
3 Profit/ (Loss) Before Interest and Tax	(2,857)	(2,205)	-30%	(10,779)	(6,527)	-65%
4 Profit / (Loss) before taxation	(2,940)	(2,308)	-27%	(10,981)	(6,796)	-62%
5 Profit / (Loss) for the year	(2,940)	(2,308)	-27%	(10,981)	(6,796)	-62%
6 Profit / (Loss) attributable to owners of the Company	(2,600)	(2,288)	-14%	(10,596)	(6,760)	-57%
7 Basic loss per share (sen)	(0.41)	(0.49)		(1.66)	(1.45)	
8 Diluted loss per share (sen)	(0.40)	-		(1.64)	-	
9 Proposed/Declared dividend per share (sen)	-	-		-	-	
	AS AT END OF CURRENT QUARTER			AS AT PRECEDING FINANCIAL YEAR END		
10 Net assets per share attributable to owners of the Company (RM)		0.13			0.03	

ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [30/09/2021] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2020] RM'000	CHANGES (AMOUNT/ %)	CURRENT YEAR QUARTER [30/09/2021] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2020] RM'000	CHANGES (AMOUNT/ %)
1 Gross interest income	162	30	440%	344	101	241%
2 Gross interest expense	51	70	-27%	135	201	-33%

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2021**
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER [30/09/2021] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2020] RM'000	CURRENT YEAR QUARTER [30/09/2021] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2020] RM'000
Revenue	6,022	8,551	21,137	23,626
Operating expenses	(9,045)	(10,786)	(32,273)	(30,285)
Other operating income	166	30	357	132
Operating profit / (loss)	(2,857)	(2,205)	(10,779)	(6,527)
Finance costs	(83)	(103)	(202)	(269)
Profit / (Loss) before tax	(2,940)	(2,308)	(10,981)	(6,796)
Taxation	-	-	-	-
Profit / (Loss) for the financial period/year	(2,940)	(2,308)	(10,981)	(6,796)
Other comprehensive income/(loss):				
Foreign currency translation differences	(2)	(10)	5	(74)
Other comprehensive income/(loss) for the period/year, net of tax	(2)	(10)	5	(74)
Total comprehensive income / (loss) for the period /year	(2,942)	(2,318)	(10,976)	(6,870)
Profit / (Loss) for the period/year attributed to :				
Owners of the Company	(2,600)	(2,288)	(10,596)	(6,760)
Non-controlling interest	(340)	(20)	(385)	(36)
	(2,940)	(2,308)	(10,981)	(6,796)
Total comprehensive income / (loss) for the period/year attributable to:				
Owners of the Company	(2,602)	(2,298)	(10,591)	(6,834)
Non-controlling interest	(340)	(20)	(385)	(36)
	(2,942)	(2,318)	(10,976)	(6,870)
Earning / (Loss) per share :				
- basic (sen)	(0.41)	(0.49)	(1.66)	(1.45)
- diluted (sen)	(0.40)	N/A	(1.64)	N/A
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
Net assets per share (RM)		0.13		0.03

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the 12 months ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

DATAPREP HOLDINGS BHD (Registration No. 198901005754 (183059-H)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021**

	As at 30.09.2021 (Unaudited) RM'000	As at 31.12.2020 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	2,222	2,352
Intangible assets	5,979	2,540
Right of use assets	2,298	1,251
	<u>10,499</u>	<u>6,143</u>
Current Assets		
Inventories	200	202
Trade receivables	10,281	13,148
Other receivables	20,040	1,985
Contract assets	2,232	1,999
Amount due from related companies	83	83
Tax recoverable	469	312
Deposits, cash and bank balances	56,939	18,404
	<u>90,244</u>	<u>36,133</u>
TOTAL ASSETS	<u>100,743</u>	<u>42,276</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	140,457	72,727
Merger deficit	(13,509)	(13,509)
Foreign exchange reserve	64	59
Share Option Reserve	485	1,637
Retained profit / (Accumulated losses)	(41,474)	(30,878)
	<u>86,023</u>	<u>30,036</u>
Non-controlling interest	<u>(775)</u>	<u>286</u>
Total equity	<u>85,248</u>	<u>30,322</u>
Non-current liabilities		
Long term borrowings	1,477	45
Lease Liabilities	1,232	338
	<u>2,709</u>	<u>383</u>
Current Liabilities		
Trade payables	1,557	1,097
Other payables	4,236	3,359
Contract liabilities	3,424	1,383
Amount due to a related company	147	215
Short term borrowings	2,281	4,540
Lease liabilities	1,121	957
Share Application Money	-	-
Provision for taxation	20	20
Total current liabilities	<u>12,786</u>	<u>11,571</u>
Total liabilities	<u>15,495</u>	<u>11,954</u>
TOTAL EQUITY AND LIABILITIES	<u>100,743</u>	<u>42,276</u>
Net assets per share (RM)	<u>0.13</u>	<u>0.05</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the 12 months ended 31 December 2020 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 30 SEPTEMBER 2021

----- Attributable to the Owners of the Company ----->

	Share Capital RM'000	Merger deficit RM'000	Foreign exchange reserve RM'000	Share Options Reserve RM'000	Accumulated losses RM'000	Total RM'000	Non- controlling Interest RM'000	Total Equity RM'000
At 1 January 2021	72,727	(13,509)	59	1,637	(30,878)	30,036	286	30,322
Loss for the financial year	-	-	-	-	(10,596)	(10,596)	(385)	(10,981)
Foreign currency translation loss of foreign operations	-	-	5	-	-	5	-	5
Total comprehensive loss for the year	-	-	5	-	(10,596)	(10,591)	(385)	(10,976)
Transactions with owners :								
Issuance of new ordinary shares through Private Placement	63,345	-	-	-	-	63,345	-	63,345
Issuance of new ordinary shares through ESOS	3,233	-	-	-	-	3,233	-	3,233
Fair value of ESOS option - transfer to share capital	1,152	-	-	(1,152)	-	-	-	-
Acquisition of equity interest from non-controlling interest in a subsidiary	-	-	-	-	-	-	(676)	(676)
Total transactions with owners	67,730	-	-	(1,152)	-	66,578	(676)	65,902
At 30 September 2021	140,457	(13,509)	64	485	(41,474)	86,023	(775)	85,248

Note 1
Note 2
Note 3

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the 12 months ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

DATAPREP HOLDINGS BHD (Registration No. 198901005754 (183059-H))

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2021**

Note 1

On 3 May 2021, the Company has announced the issued and listing of 48,354,600 new ordinary shares pursuant to the Proposed Private Placement which further increased the number of ordinary shares from 620,912,817 to 669,267,417 and the share capital from 75,841,517.34 to RM139,186,043.34. The issued and listing of 48,354,600 new ordinary shares pursuant to the Proposed Private Placement has raised proceeds of RM63,344,526 .

Note 2

Listing Date	No of shares (Units)	Proceeds (RM)
On 8 March 2021	6,654,500	1,131,265
On 19 March 2021	4,579,000	778,430
On 2 April 2021	2,922,000	496,740
On 16 April 2021	531,500	90,355
On 3 May 2021	3,630,000	617,100
On 3 June 2021	560,000	95,200
On 2 July 2021	143,000	24,310
	19,020,000	3,233,400

The issued and paid-up share capital of the Company was increased from RM 72,727,627.34 comprising of 602,595,817 ordinary shares as at 1 January 2021 to RM140,457,481 comprising of 669,970,417 ordinary shares as at 30 September 2021 pursuant to the Private Placement and the ESOS Share Options. Included in the issued and paid-up share capital of the Company was the corresponding fair value of RM11,151,928 for the total number of 19,020,000 ESOS Share Options exercised which was transferred from share options reserve to share capital.

Note 3

The acquisition of RIDAA for a total cash consideration of RM3,000,000 was duly completed on 15 February 2021. Accordingly, RIDAA became a 51% owned subsidiary of the Group.

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the 12 months ended 31 December 2020 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 DECEMBER 2020

←----- Attributable to the Owners of the Company ----->

	Share Capital RM'000	Merger deficit RM'000	Foreign exchange reserve RM'000	Share Options Reserve RM'000	Accumulated losses RM'000	Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
At 1 January 2020	51,177	(13,509)	116	-	(21,138)	16,646	472	17,118
Loss for the financial year	-	-	-	-	(9,727)	(9,727)	(49)	(9,776)
Foreign currency translation loss of foreign operations	-	-	(57)	-	-	(57)	-	(57)
Total comprehensive loss for the year	-	-	(57)	-	(9,727)	(9,784)	(49)	(9,833)
Transactions with owners :								
Issuance of new ordinary shares through Private Placement	21,550	-	-	-	-	21,550	-	21,550
Fair Value of ESOS options granted	-	-	-	1,637	-	1,637	-	1,637
Acquisition of equity interest from non-controlling interest in a subsidiary	-	-	-	-	(13)	(13)	(137)	(150)
Total transactions with owners	21,550	-	-	1,637	(13)	23,174	(137)	23,037
At 31 December 2020	72,727	(13,509)	59	1,637	(30,878)	30,036	286	30,322

↳ Note 1
↳ Note 2
↳ Note 3

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER AND TWELVE MONTHS ENDED 31 DECEMBER 2020

Note 1

On 21 April 2020, the Company has announced that it proposes to undertake proposed private placement of up to 139,060,500 new ordinary shares in Dataprep Holdings Bhd ("DHB"), representing up to 30% of the total number of issued shares of DHB to parties identified and to be identified at a later date ("Proposed Share Placement").

Bursa Securities via its letter dated 29 June 2020 had approved the listing of up to 139,060,500 Placement Shares to be issued pursuant to the Proposed Share Placement.

On 17 July 2020, the Proposals was approved by shareholders during the Extraordinary General Meeting("EGM").

The Company has issued and listed the first tranches of private placement of 30,120,482 ordinary shares to Widad Business Group Sdn Bhd ("WBG") on 1 September 2020. The Company's issued and paid-up share capital has increased from RM51,177,883.34 comprising 463,535,324 ordinary shares to RM56,177,883.34 comprising 493,655,806 ordinary shares and raised proceeds of RM5,000,000 from the first tranches as announced on 28 August 2020.

The Company's issued and paid-up share capital has increased from RM56,177,883.34 comprising 493,655,806 ordinary shares to RM60,177,883.34 comprising 517,185,217 ordinary shares and raised proceeds of RM4,000,000 from the final balance of the first tranches as announced on 6 October 2020.

The Company's issued and paid-up share capital has increased from RM60,177,883.34 comprising 517,185,217 ordinary shares to RM70,965,419.34 comprising 591,582,017 ordinary shares and raised proceeds of RM10,787,536 as announced on 20 October 2020.

The Company's issued and paid-up share capital has increased from RM70,965,419.34 comprising 591,582,017 ordinary shares to RM72,727,627.34 comprising 602,595,817 ordinary shares and raised proceeds of RM1,762,208 as announced on 21 December 2020.

Note 2

The fair value of the number of the employee share option scheme ("ESOS") of 27,030,000 granted on 28 October 2020 was measured using the Trinomial Option Pricing model. The fair value of share options granted was measured at the grant date at RM0.060564 which was equivalent to RM 1,637,045. The total fair value of share options granted of RM1,637,045 was recognized as employee benefits expense with a corresponding adjustment to the equity.

Note 3:

On 2 April 2018, the issued share capital of Tamadun was increased from 10,000 ordinary shares to 500,000 ordinary shares and the new shares shall rank pari passu in all respects with the existing ordinary shares. On the same date, Tamadun had disposed 150,000 ordinary shares to an outside corporation for a consideration of RM150,000, representing 30% of the equity interest in Tamadun and thereafter, the Group 's shareholding in Tamadun was reduced from 100% to 70%.

On 15 July 2020, The Company had transfer back the remaining 150,000 ordinary shares representing 100% equity interest in Tamadun Interaktif Sdn Bhd from non-controlling interest (Abroo Sdn Bhd) from 70% to 100%.

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the 12 months ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

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

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
AS AT 30 SEPTEMBER 2021

	30.09.2021 (Unaudited) RM'000	31.12.2020 (Audited) RM'000
Cash Flow from Operating Activities		
Loss before taxation	(10,981)	(9,767)
Adjustment for :-		
Non-cash items	(5,051)	4,150
Non-operating items	(209)	214
Operating loss before working capital changes	(16,241)	(5,403)
Decrease in inventories	2	-
Increase in receivables	(15,186)	(1,771)
Increase in contract asset	(233)	(1,968)
Increase in payables	1,336	1,067
Increase / (Decrease) in contract liabilities	2,041	(933)
Increase in amount due from related companies	-	(83)
Decrease amount due to ultimate holding company	-	(105)
Decrease in amount due to immediate holding company	-	(23)
Decrease in amount due to a related company	(68)	(387)
Cash used in operations	(28,349)	(9,606)
Tax paid	(157)	(130)
Tax refunded	-	12
Interest received	344	127
Interest paid	(135)	(341)
Net cash used in operating activities	(28,297)	(9,938)
Cash flow from Investing Activities		
Purchase of plant and equipment	(448)	(77)
Purchase of intangible assets	(8)	(429)
Proceeds from issuance of new ordinary shares	67,729	21,550
Acquisition of additional shares in subsidiaries	(676)	(150)
Net cash generated from investing activities	66,597	20,894
Cash flow from Financing Activities		
(Placement) / Withdrawal of fixed deposits pledged	(957)	124
Drawdown of borrowings	(1,008)	312
Payment of lease liabilities	1,059	(1,325)
Payment of hire purchase liabilities	(24)	(23)
Net cash used in financing activities	(930)	(912)
Net increase in cash and cash equivalents	37,370	10,044
Effect of exchange rate fluctuations	3	(57)
Cash and cash equivalents at beginning of the period/year	11,241	1,254
Cash and cash equivalents at end of the period/year	48,614	11,241
Cash and cash equivalents at end of the financial year comprise the following:		
	As at 30.09.2021 RM'000	As at 31.12.2020 RM'000
Deposits with licensed commercial banks	7,185	6,228
Cash and bank balances	49,754	12,176
	56,939	18,404
Short Term Borrowing :		
-Overdraft	(1,140)	(935)
	55,799	17,469
Less : fixed deposits pledged	(7,185)	(6,228)
	48,614	11,241

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the 12 months ended 31 December 2020 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”) 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 December 2020. The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2020 except for the adoption of the following new and revised Malaysian Financial Reporting Standards (“MFRS”), Amendments to MFRSs and IC Interpretations:

During the financial year, the Group has adopted the following new MFRS and IC Interpretation and amendments to MFRSs issued by the Malaysian Accounting Standards Board (“MASB”) which are effective for accounting period of the Group beginning on or after 1 January 2021:-

Amendments to MFRS 16 - Covid'19-Related Rent Concessions
Amendments to MFRS 9, MFRS 139 and MFRS 7, MFRS 4 and MFRS 16 - Interest Rate Benchmark Reform (Phase 2)

The Group has not early adopted the following amendments to MFRSs that have been issued by the MASB but are not yet effective: -

- (a) Effective for annual periods beginning on or after 1 January 2022
 - Amendments to MFRS 1, MFRS 9, MFRS 16 and MFRS 141 contained in the document entitled "Annual Improvements to MFRS Standards 2018-2020"
 - Amendments to MFRS 3 - Reference to the Conceptual Framework
 - Amendments to MFRS 116 - Property, Plant and Equipment - Proceeds before Intended Use
 - Amendments to MFRS 137 - Onerous Contracts - Cost of Fulfilling a Contract
- (b) Effective for annual periods beginning on or after 1 January 2023
 - Amendments to MFRS 17 - Insurance Contracts
 - Amendments to MFRS 101 - Classification of Liabilities as Current or Non-current
 - Amendments to MFRS 101 - Disclosure of Accounting Policies
 - Amendments to MFRS 108 - Definition of Accounting Estimates
 - Amendments to MFRS 112 – Deferred tax related to Assets and Liabilities arising from a Single Transaction
- (c) Effective for financial 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 Associates or Joint Venture

The Group will adopt the above amendments to MFRSs that are applicable when they become effective. The initial application of the amendments is not expected to have any significant impact on the financial statements of the Group and of the Company.

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 December 2020 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 and size of the ICT projects secured and the milestone of completion 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

Debt Securities

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

Equity Securities

LONG TERM INCENTIVE PLAN ("LTIP")- EMPLOYEE SHARE OPTION SCHEME ("ESOS") AND SHARE GRANT SCHEME ("SGS")

The LTIP consists of an ESOS and a SGS which comprises the Retention Share Plan ("RSP") and Performance Share Plan ("PSP"). The Company's LTIP is governed by the By-Laws which were approved by the shareholders on 17 July 2020. This LTIP was implemented on 21 July 2020 and will expire on 20 July 2030 ("the Option Period"). On 28 September 2020, the Company has announced the offer of Options to the eligible employee and directors of the Company and its subsidiaries ("Eligible Persons") to subscribe for new ordinary shares in the Company under the LTIP ("Offer"). The shares Options offered to Eligible Persons as defined in the By-Laws was up to 36,675,000 number of shares Options at exercise offer price of RM0.17 and were effective and exercisable from the date of announcement on 28 September 2020. The number of shares Options granted and accepted by the Eligible Persons within 30 days of offer period which lapsed on 27 October 2020 was 27,030,000.

6. Issuances, cancellation, re-purchase, resale and repayment of debt and equity securities (Cont'd)

The number of ordinary shares issued under the ESOS during the current quarter was 143,000. The new ordinary shares issued under the ESOS, shall, upon allotment and issue, rank pari passu in all respects with the existing ordinary shares of the Company.

The number of ordinary shares of the Company listed and issued under ESOS and Private Placement during the current quarter was as follows:-

	Share Capital No of Units	Share Capital RM
As at 30 June 2021	669,827,417	140,424,510
Issuance of new ordinary shares pursuant to ESOS:-		
On 2 July 2021	143,000	24,310
As at 30 September 2021	669,970,417	140,448,820
Fair value adjustment-ESOS	-	8,661
As at 30 September 2021	669,970,417	140,457,481

The movements of ESOS Options under the LTIP during the financial period up to as at 30 September 2021 were as follows:-

Grant Date	Exercise Price RM	Number of share options			As at 30.9.2021
		Granted	Exercised	Lapsed	
28 October 2020	0.17	27,030,000	19,020,000	-	8,010,000

The issued and paid-up share capital of the Company was increased from RM72,727,627 comprising of 602,595,817 ordinary shares as at 1 January 2021 to RM140,457,481 comprising of 669,970,417 ordinary shares as at 30 September 2021 pursuant to the Private Placement and the ESOS Share Options. Included in the issued and paid-up share capital of the Company was the corresponding fair value of RM1,151,928 for the total number of 19,020,000 ESOS Share Options exercised which was transferred from share options reserve to share capital.

7. Dividend paid

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

8. Segmental information

The Group's segmental reporting by business segment as at 30 September 2021 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	20,724	121	(121)	20,724
(b) Payment Solutions & Services	413			413
SALES BY SEGMENT	21,137	121	(121)	21,137
(a) IT Related Products and Services and Trading	(10,887)		8,089	(2,798)
(b) Payment Solutions & Services	(1,113)			(1,113)
SEGMENT RESULTS	(12,000)	-	8,089	(3,911)
Interest income				344
Unallocated expenses				(7,279)
Loss from operations				(10,846)
Interest expenses				(135)
Loss before taxation				(10,981)
Taxation				-
Loss after taxation				(10,981)

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

There was no change in the composition of the Group in the current quarter under review.

However, there were changes in the composition of the Group subsequent to the current quarter and during the first quarter of the financial year ending 31 December 2021 as follows:-

(a) Changes in the composition of the Group subsequent to the current quarter:-

The Board of Directors of Dataprep Holdings Bhd. ("Dataprep" or "the Company") announced on 1 November 2021 that the Board of Directors of Dataprep (Malaysia) Sdn. Berhad ("DPM"), a wholly-owned subsidiary of Dataprep had on 1 November 2021 incorporated a new 51% owned subsidiary in Malaysia, named as Dataprep Asia Sdn. Bhd. ("DASB") Registration No: 202101036167 (1436467-P) under the Companies Act 2016.

DASB was incorporated as a private limited company with the issued share capital comprising of 1,000 ordinary shares of RM1.00 each. The share capital of DASB will be RM1,000.00 divided into 1,000 ordinary shares of RM1.00 each, of which 510 ordinary shares of RM1.00 each will be held by

11. Changes in the composition of the Group (Cont'd)

(a) Changes in the composition of the Group subsequent to the current quarter (Cont'd):-

DPM and the remaining 490 ordinary shares of RM1.00 each will be held by Asia Coding Centre Sdn. Bhd.

The proposed directors of DASB will be Dato' Mohd Rizal bin Mohd Jaafar and Mr Hep Kim Hong.

The intended principal activities of DASB will be providing the healthcare information technology solution and general trading.

The Incorporation of DASB will not have any effect on the issued share capital and substantial shareholders' shareholdings, and is not expected to have any material effect on the earnings per share, net assets per share and gearing of the Group for the financial year ending 31 December 2021.

None of the Directors and/or major shareholders of Dataprep or persons connected to the Directors and/or major shareholders of Dataprep have any interest, direct or indirect in the said incorporation.

(b) Changes in the composition of the Group in the first quarter :-

- (i) Acquisition of RIDAA Associates Sdn Bhd ("RIDAA") by the Company's wholly-owned subsidiary, Solsisnet Sdn Bhd

The Company via its subsidiary, Solsisnet Sdn Bhd had on 10 December 2020 entered into a conditional Share Sale Agreement with Rohzan bin Abdul Rahman and Badrul Ilahan bin Dato' Hj. Abd Jabbar, the registered shareholders of RIDAA to acquire the existing 510,000 ordinary shares of RM1.00 each in RIDAA representing 51% of the total issued and paid-up share capital of RIDAA for a total cash consideration of RM3,000,000.00 only. The acquisition was duly completed on 15 February 2021.

- (ii) Acquisition of Asia Solutions Centre Sdn. Bhd ("Asia Solutions") by the Company's wholly-owned subsidiary, Dataprep (Malaysia) Sdn Berhad

The Company via its subsidiary, Dataprep (Malaysia) Sdn Berhad had on 15 March 2021 entered into a Share Sale Agreement with Asia Solutions Centre Sdn. Bhd. and Asia Coding Centre Sdn Bhd, the registered shareholders of Asia Solutions to acquire the existing 51 ordinary shares of RM1.00 each in Asia Solutions representing 51% of its total issued and paid-up share capital for a total cash consideration of RM51.00 only.

As announced on 26 March 2021, Dataprep (Malaysia) Sdn Berhad, a wholly owned subsidiary of the Company has on 26 March 2021 completed the acquisition of 51 ordinary shares, representing 51% of the total issued and paid-up share capital of Asia Solutions for a total cash consideration of RM51.00.

- (iii) Acquisition of Asia Biomed Centre Sdn. Bhd ("Asia Biomed") by the Company's wholly-owned subsidiary, Dataprep (Malaysia) Sdn Berhad

The Company via its subsidiary, Dataprep (Malaysia) Sdn Berhad had on 15 March 2021 entered into a Share Sale Agreement with Asia Biomed Centre Sdn. Bhd. and Asia Coding Centre Sdn Bhd, the registered shareholders of Asia Biomed to acquire the existing 51 ordinary shares of RM1.00 each in Asia Biomed representing 51% of its total issued and paid-up share capital for a total cash consideration of RM51.00 only.

11. Changes in the composition of the Group (Cont'd)

(b) Changes in the composition of the Group in the first quarter (Cont'd):-

As announced on 26 March 2021, Dataprep (Malaysia) Sdn Berhad, a wholly owned subsidiary of the Company has on 26 March 2021 completed the acquisition of 510 ordinary shares, representing 51% of the total issued and paid-up share capital of Asia Biomed for a total cash consideration of RM510.00.

12. Changes in contingent liabilities (Secured)

Contingent Liabilities :-	Group		
	30.09.2021 RM'000	30.06.2021 RM'000	Increase/ (decrease) RM'000
Corporate guarantee given to financial institutions for performance guarantee of a subsidiary (secured)	961	1,010	(49)
	961	1,010	(49)

13. Review of performance

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

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [30-09-2021] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30-09-2020] RM'000	CHANGES (AMOUNT/%)	CURRENT YEAR QUARTER [30-09-2021] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30-09-2020] RM'000	CHANGES (AMOUNT/%)
Revenue	6,022	8,551	-30%	21,137	23,626	-11%
Operating profit / (loss)	(2,857)	(2,205)	-30%	(10,779)	(6,527)	-65%
Profit / (Loss) Before Interest and Tax	(2,857)	(2,205)	-30%	(10,779)	(6,527)	-65%
Profit / (Loss) before taxation	(2,940)	(2,308)	-27%	(10,981)	(6,796)	-62%
Profit / (Loss) for the year	(2,940)	(2,308)	-27%	(10,981)	(6,796)	-62%
Profit / (Loss) attributable to owners of the Company	(2,600)	(2,288)	-14%	(10,596)	(6,760)	-57%

The Group recorded sales of RM6.02 million in the current quarter as compared to the preceding year corresponding quarter of RM8.55 million was due to completion of managed services projects. The loss before taxation was RM2.94 million in the current quarter as against RM2.31 million in the preceding year corresponding quarter was due to projects with lower gross profit margin secured.

13. 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 was RM5.94 million as compared to the preceding year corresponding quarter of RM8.33 million was due to completion of managed services projects.

The loss before taxation of RM1.33 million for this segment in the current quarter as against a loss before taxation of RM0.63 million in the preceding year corresponding quarter was due to projects with lower gross profit margin secured.

Payment Solutions and Services

The revenue decreased from RM0.22 million in the preceding year corresponding quarter to RM0.08 million in the current quarter was due to lower number of terminals installed.

This segment recorded a loss before taxation of RM0.34 million in the current quarter as against a loss before taxation of RM0.16 million was due to lower revenue derived from terminals installed.

b. Comparison of results for the current cumulative quarter ended 30 September 2021 with the preceding year corresponding cumulative quarter ended 30 September 2020.

The Group's revenue for the current cumulative quarter was RM21.14 million as against the preceding year corresponding cumulative quarter of RM23.63 million was due to completion of managed services projects.

The Group recorded a loss before taxation of RM10.98 million in the current cumulative quarter as against a loss before taxation of RM6.80 million in the preceding year corresponding cumulative quarter was due to projects with lower gross profit margin contributions and non-recurring professional fees of RM2.98 million incurred for corporate exercise.

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

IT Related Products and Services and Trading

The revenue for the current cumulative quarter of RM20.72 million as against the preceding year corresponding cumulative quarter of RM23.06 million was due to completion of managed services projects.

The loss before taxation of RM2.80 million in the current cumulative quarter as against a loss before taxation of RM1.61 million in the preceding year corresponding cumulative quarter was due to projects with lower gross profit margin secured.

13. Review of performance (Cont'd)

- b. Comparison of results for the current cumulative quarter ended 30 September 2021 with the preceding year corresponding cumulative quarter ended 30 September 2020(Cont'd).

Payment Solutions and Services

The revenue decreased from RM0.57 million in the preceding year corresponding cumulative quarter to RM0.42 million in the current cumulative quarter due to lower number of terminals installed.

The loss before taxation of RM1.11 million in the current cumulative quarter as against a loss before taxation of RM0.56 million in the preceding year corresponding cumulative quarter was due to lower revenue derived from the terminals installed.

- c. Assets and Liabilities

Total assets increased significantly from RM42.28 million as at 31 December 2020 to RM 100.74 million as at 30 September 2021. The significant increase in working capital was due to funds raised pursuant to ESOS and Private Placement.

Total liabilities increased from RM11.95 million as at 31 December 2020 to RM15.50 million as at 30 September 2021 was due to timing difference of settlement.

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

		CURRENT YEAR QUARTER [30/09/2021] RM'000	IMMEDIATE PRECEDING QUARTER [30/06/2021] RM'000	CHANGES (AMOUNT/%)
1	Revenue	6,022	7,441	-19%
2	Operating profit / (loss)	(2,857)	(5,158)	45%
3	Profit / (Loss) Before Interest and Tax	(2,857)	(5,158)	45%
4	Profit / (Loss) before taxation	(2,940)	(5,224)	44%
5	Profit / (Loss) for the year	(2,940)	(5,224)	44%
6	Profit / (Loss) attributable to owners of the Company	(2,600)	(5,308)	51%

The Group's revenue for the current quarter was RM6.02 million as compared to the immediate preceding quarter of RM7.44 million was due to fewer delivery services projects secured.

The Group recorded a loss before taxation of RM2.94 million in the current quarter as compared to a loss before taxation of RM5.22 million in the immediate preceding quarter. The significant loss before taxation of RM5.22 million in the immediate preceding quarter was due to non-recurring professional fees of RM2.98 million incurred for corporate exercise.

15. Prospects

The Group is focusing and engaging in more new business opportunities under the wide spectrum of ICT services in line with the Government’s digitalization efforts through the various Digital Initiatives. The Group is actively participating in tenders and collaborating with strategic ICT partners to secure more tenders.

Currently, the Group is expanding its core ICT business by adding multimedia and communication into its revenue stream. The Group is undertaking preparatory work to bid for tenders to construct new telecommunication towers for broadband and 4G services in line with Malaysian Communications and Multimedia Commission (“MCMC”) target for the transition of changing coverage from 3G to 4G. The Group has planned through its subsidiary, Ridaa Associates Sdn Bhd (“Ridaa”) who has the licences such as Network Service Provider License (“NSP”) , Network Facility Provider License (“NFP”) and Applications Service Provider Class License (“ASP(C)”) issued by the MCMC to bid for tenders of the multimedia and communication industry. These licences enabled Ridaa to participate and tender for contracts or opportunities in the multimedia and communication industry especially on the 5G infrastructure, fibre-optic network and opportunities to build, install, operate, maintain and manage the telecommunication tower assets in Malaysia, beside the existing sites that are being constructed under private initiatives.

The Group via its wholly-owned subsidiary, Dataprep Payment Solutions Sdn Bhd had on 13 November 2019 secured approval from Bank Negara Malaysia for issuing electronic money or e-money. The Group is targeting the e-money segment for the education sector to boost the revenue for its payment solutions and services segment. Subject to regulatory approval, the Group plans to expand the usage of e-wallet to the general public and to be used by other parties under the white label arrangement.

The Group plans to further enhance its ICT solutions business via its subsidiaries Asia Biomed Sdn Bhd , Asia Solutions Centre Sdn Bhd and the newly incorporated subsidiary, Dataprep Asia Sdn Bhd for new business opportunities in healthcare information technology solution and other related activities.

Barring unforeseen circumstances, the Group will continue to be resilient in the current adverse business environment and remain positive on the potential prospects and opportunities to increase the revenue of the Group.

16. Taxation

There was no provision of taxation in the current quarter due to Group has sufficient unutilized tax losses and unabsorbed capital allowances.

17. Status of corporate exercise

On 16 February 2021, the Company has announced the Proposal to undertake private placement of up to 138,597,000 new ordinary shares in the Company (“DHB Shares” or “Shares”) (“Placement Shares”), representing up to 20% of the total number of issued shares in the Company (“Proposed Private Placement”).

The Proposed Private Placement shall be undertaken in accordance with the General Mandate pursuant to Sections 75 and 76 of the Companies Act, 2016 approved by the shareholders of Company at the Annual General Meeting (“AGM”) of the Company held on 24 June 2020 which authorizes the Board to issue and allot new ordinary shares not exceeding 20% of the total number of issued shares of the Company (“General Mandate”). The General Mandate, unless revoked or varied by the Company at a general meeting, shall continue to be in force until the conclusion of the next AGM of the Company.

As announced on 23 February 2021, the additional listing application in relation to the Proposed Private Placement has been submitted to Bursa Securities on 22 February 2021. The Company has provided additional information in response to the comments received from Bursa Securities on the announcement in relation to the proposed private placement on 2 March 2021.

Subsequently, Bursa Securities had, vide its letter dated 3 March 2021, approved the listing of and quotation for up to 138,597,000 Placement Shares to be issued pursuant to the Proposed Private Placement as announced on 4 March 2021.

On 21 April 2021, the Company has fixed the issue price for the first tranche of the Proposed Private Placement at RM1.31 per Placement Share. The Issue Price represents a discount of RM0.140 or approximately 9.64% to the 5-day volume weighted average market price of DHB Shares up to and including 20 April 2021, being the last market day immediately preceding the Price-Fixing Date of RM1.4497 per DHB Share. The Company had on 23 April 2021 fixed the number of Placement Shares for the first tranche of up to 50,000,000 new ordinary shares.

On 3 May 2021, the Company has announced the issued and listing of 48,354,600 new ordinary shares pursuant to the Proposed Private Placement which further increased the number of ordinary shares from 620,912,817 to 669,267,417 and the share capital from 75,841,517.34 to RM139,186,043.34

The issued and listing of 48,354,600 new ordinary shares pursuant to the Proposed Private Placement has raised proceeds of RM63,344,526 .

The utilisation of proceeds from the Private Share Placement up to 30 September 2021 was as follows:-

	RM
Proceeds received on 3 May 2021 from Private Share Placement	63,344,526
Utilisation in the quarter ended 30 June 2021	(6,814,078)
Utilisation in the current quarter	(21,261,540)
Balance unutilised @ 30 September 2021	<u>35,268,908</u>

17. Status of corporate exercise (Cont'd)

Utilisation of Proceeds	Proposed utilisation RM'000	Actual utilisation	Actual utilisation
		(Current Quarter Ended 30 Sept 2021) RM'000	(Cumulative Quarter Ended 30 Sept 2021) RM'000
Working Capital	18,769	15,863	19,243
Repayment of bank borrowings	6,000	2,399	5,328
Future investment or projects	13,065	3,000	3,180
Estimated expenses for the Private Shares Placement	130	-	325
Total	37,964	21,262	28,076

On 24 August 2021, the Company has submitted the application to Bursa Securities to seek approval for extension of time up to 31 December 2021 to complete the implementation of the Private Placement. The Company has announced on 9 September 2021 that Bursa Securities had, vide its letter dated 8 September 2021, resolved to grant the Company an extension of time up to 31 December 2021 to complete the implementation of the Private Placement.

18. Event subsequent to the end of reporting period

There is no significant event subsequent to the end of reporting period.

19. Group borrowings

The Group borrowings are as follows:

		As at 30.09.2021 RM'000	As at 31.12.2020 RM'000
Short Term Borrowings:			
Secured :			
- Banker acceptances		930	3,573
- Bank overdraft		1,140	935
- Hire purchase payables		33	32
- Term financing		178	-
Total Short Term Borrowings	A	2,281	4,540
Long Term Borrowings:			
Secured :			
- Hire purchase payables		20	45
- Term financing		1,457	-
Total Long Term Borrowings	B	1,477	45
Total Borrowings	(A + B)	3,758	4,585

All borrowings are denominated in Ringgit Malaysia.

20. Material litigation

There was no material litigation as at 30 September 2021.

21. Dividend proposed or declared

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

22. Loss per share

(a) Basic

	Current Quarter Ended 30.9.2021	Cumulative Quarter Ended 30.9.2021
Loss attributable to owners of the Company (RM'000)	(2,600)	(10,596)
Number of shares in issue as at beginning of the current quarter / year ('000)	615,287	602,596
Weighted average effect of exercise of ESOS ('000)	5,253	10,128
	620,540	612,724
Weighted average effect of Private Placement Shares ('000)	16,295	24,111
Weighted average number of shares in issue ('000)	636,835	636,835
Basic loss per share (sen)	(0.41)	(1.66)

(b) Diluted

The dilution effect on earnings per share for the current quarter is as follows:-

	Current Quarter Ended 30.9.2021	Cumulative Quarter Ended 30.9.2021
Loss attributable to owners of the Company (RM'000)	(2,600)	(10,596)
Weighted average number of shares in issue ('000)	636,835	636,835
Diluted weighted average effect of exercise of ESOS ('000)	8,010	8,010
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	644,845	644,845
Diluted loss per share (sen)	(0.40)	(1.64)

23. Capital commitment

The Group has no material capital commitment as at 30 September 2021

24. Notes to the Consolidated Statement of Comprehensive Income

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

	Current Quarter Ended 30.09.2021 RM'000	Cumulative Quarter Ended 30.09.2021 RM'000
Interest expense	52	135
Depreciation of plant and equipment	190	571
Amortisation of intangible assets	90	273
Allowance for slow moving inventory	-	7
and after crediting:		
Interest income	(162)	(344)

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 2021.

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
25 November 2021