

SUMMARY OF KEY FINANCIAL INFORMATION
FOR THE FIRST QUARTER AND THREE MONTHS ENDED 31 MARCH 2022

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [31/03/2022] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [31/03/2021] RM'000	CHANGES (AMOUNT/ %)	CURRENT YEAR QUARTER [31/03/2022] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [31/03/2021] RM'000	CHANGES (AMOUNT/ %)
1 Revenue	5,076	7,674	-34%	5,076	7,674	-34%
2 Operating profit/ (loss)	(2,528)	(2,764)	9%	(2,528)	(2,764)	9%
3 Profit/ (Loss) Before Interest and Tax	(2,528)	(2,764)	9%	(2,528)	(2,764)	9%
4 Profit / (Loss) before taxation	(2,650)	(2,817)	6%	(2,650)	(2,817)	6%
5 Profit / (Loss) for the year	(2,650)	(2,817)	6%	(2,650)	(2,817)	6%
6 Profit / (Loss) attributable to owners of the Company	(2,659)	(2,688)	1%	(2,659)	(2,688)	1%
7 Basic loss per share (sen)	(0.40)	(0.45)		(0.40)	(0.45)	
8 Diluted loss per share (sen)	-	-		-	-	
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)		0.12			0.12	

ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [31/03/2022] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [31/03/2021] RM'000	CHANGES (AMOUNT/ %)	CURRENT YEAR QUARTER [31/03/2022] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [31/03/2021] RM'000	CHANGES (AMOUNT/ %)
1 Gross interest income	43	32	34%	43	32	34%
2 Gross interest expense	118	33	258%	118	33	258%

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER AND THREE MONTHS ENDED 31 MARCH 2022**
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER [31/03/2022] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [31/03/2021] RM'000	CURRENT YEAR QUARTER [31/03/2022] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [31/03/2021] RM'000
Revenue	5,076	7,674	5,076	7,674
Operating expenses	(7,653)	(10,476)	(7,653)	(10,476)
Other operating income	49	38	49	38
Operating profit / (loss)	(2,528)	(2,764)	(2,528)	(2,764)
Finance costs	(122)	(53)	(122)	(53)
Effect from Business Combination	-	-	-	-
Profit / (Loss) before tax	(2,650)	(2,817)	(2,650)	(2,817)
Taxation	-	-	-	-
Profit / (Loss) for the financial period/year	(2,650)	(2,817)	(2,650)	(2,817)
Other comprehensive income/(loss):				
Foreign currency translation differences	(5)	7	(5)	7
Other comprehensive income/(loss) for the period/year, net of tax	(5)	7	(5)	7
Total comprehensive income / (loss) for the period /year	(2,655)	(2,810)	(2,655)	(2,810)
Profit / (Loss) for the period/year attributed to :				
Owners of the Company	(2,659)	(2,688)	(2,659)	(2,688)
Non-controlling interest	9	(129)	9	(129)
	(2,650)	(2,817)	(2,650)	(2,817)
Total comprehensive income / (loss) for the period/year attributable to:				
Owners of the Company	(2,664)	(2,681)	(2,664)	(2,681)
Non-controlling interest	9	(129)	9	(129)
	(2,655)	(2,810)	(2,655)	(2,810)
Earning / (Loss) per share :				
- basic (sen)	(0.40)	(0.45)	(0.40)	(0.45)
- diluted (sen)				
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
Net assets per share (RM)		0.12		0.12

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the 12 months ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	As at 31.03.2022 (Unaudited) RM'000	As at 31.12.2021 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	2,003	2,047
Intangible assets	7,863	7,945
Right of use assets	1,671	1,985
Goodwill	1,168	1,168
	<u>12,705</u>	<u>13,145</u>
Current Assets		
Inventories	30,944	180
Trade receivables	10,019	10,167
Other receivables	13,762	38,345
Contract assets	7,091	6,320
Amount due from related companies	100	75
Tax recoverable	551	370
Deposits, cash and bank balances	25,435	30,993
	<u>87,902</u>	<u>86,450</u>
TOTAL ASSETS	<u>100,607</u>	<u>99,595</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	138,160	137,584
Merger deficit	(13,509)	(13,509)
Foreign exchange reserve	61	66
Share Option Reserve	304	455
Retained profit / (Accumulated losses)	(44,475)	(41,816)
	<u>80,541</u>	<u>82,780</u>
Non-controlling interest	<u>1,981</u>	<u>1,972</u>
Total equity	<u>82,522</u>	<u>84,752</u>
Non-current liabilities		
Long term borrowings	1,051	1,314
Lease Liabilities	904	1,065
Deferred Tax Liabilities	1,074	1,074
	<u>3,029</u>	<u>3,453</u>
Current Liabilities		
Trade payables	1,998	2,367
Other payables	3,326	2,430
Contract liabilities	3,449	2,739
Amount due to a related company	15	15
Short term borrowings	5,204	2,762
Lease liabilities	851	990
Provision for taxation	213	87
Total current liabilities	<u>15,056</u>	<u>11,390</u>
Total liabilities	<u>18,085</u>	<u>14,843</u>
TOTAL EQUITY AND LIABILITIES	<u>100,607</u>	<u>99,595</u>
Net assets per share (RM)	<u>0.12</u>	<u>0.12</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the 12 months ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER AND THREE MONTHS ENDED 31 MARCH 2022

<----- 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	137,584	(13,509)	66	455	(41,816)	82,780	1,972	84,752
Loss for the financial year	-	-	-	-	(2,659)	(2,659)	9	(2,650)
Foreign currency translation loss of foreign operations	-	-	(5)	-	-	(5)	-	(5)
Total comprehensive loss for the year	-	-	(5)	-	(2,659)	(2,664)	9	(2,655)
Transactions with owners :								
Issuance of new shares through ESOS	425	-	-	-	-	425	-	425
Fair value of ESOS Options	151	-	-	(151)	-	-	-	-
Total transactions with owners	576	-	-	(151)	-	425	-	425
At 31 December 2021	138,160	(13,509)	61	304	(44,475)	80,541	1,981	82,522

Note 1

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 2021 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER AND THREE MONTHS ENDED 31 MARCH 2022

Note 1

The issued and listing date of the ordinary shares pursuant to the exercise of ESOS Options were as follows:-

Listing Date	No of shares (Units)	Proceeds (RM)
On 13 January 2022	2,250,000	382,500
On 21 January 2022	250,000	42,500
	2,500,000	425,000

The issued and paid-up share capital of the Company was increased from RM 137,583,856.05 comprising of 670,470,417 ordinary shares as at 1 January 2022 to RM138,160,266 comprising of 672,970,417 ordinary shares as at 31 March 2022 pursuant to the exercise of 2,500,000 ESOS Options into 2,500,000 new ordinary shares at the exercise price of RM0.17 which raised proceeds of RM425,000

Included in the issued and paid-up share capital of the Company was the corresponding fair value of RM151,410 for the total number of 2,500,000 ESOS Share Options exercised which was transferred to share capital.

All the new ordinary shares issued rank pari passu in all respects with the existing issued ordinary shares of the Company.

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 2021 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 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	-	-	-	-	(10,938)	(10,938)	(74)	(11,012)
Foreign currency translation loss of foreign operations	-	-	7	-	-	7	-	7
Total comprehensive loss for the year	-	-	7	-	(10,938)	(10,931)	(74)	(11,005)
Transactions with owners :								
Issuance of new shares through								
¹ -Share Placement	63,345	-	-	-	-	63,345	-	63,345
¹ -ESOS	3,319	-	-	-	-	3,319	-	3,319
Fair value of ESOS Options	1,182	-	-	(1,182)	-	-	-	-
Shares issued expenses	(2,989)	-	-	-	-	(2,989)	-	(2,989)
Acquisition of equity interest from non-controlling interest in a subsidiary	-	-	-	-	-	-	1,760	1,760
Total transactions with owners	64,857	-	-	(1,182)	-	63,675	1,760	65,435
At 31 December 2021	137,584	(13,509)	66	455	(41,816)	82,780	1,972	84,752

Note 1
Note 2
Note 3
Note 4

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 2021**

Note 1

The Company increased its issued and paid-up share capital from RM72,727,627 comprising 602,595,817 ordinary shares as at 1 January 2021 to RM137,583,856 comprising 670,470,417 ordinary shares as at 31 December 2021 through the issued and listing of 48,354,600 new ordinary shares to identified third parties, pursuant to the Proposed Private Placement for the listing of and quotation for up to 138,597,000 Placement Shares representing 20% of the total number of issued shares of the Company as approved by Bursa Malaysia Securities Berhad ["Bursa Securities"] vide its letter dated 3 March 2021 as announced on 4 March 2021 and approved by the shareholders of the Company at the Annual General Meeting held on 24 June 2020.

The Placement Shares were issued for cash consideration in tranches as follows: -

Date listed and quoted on Bursa Securities	Number of Placement Shares	Issue Price Per Share RM	Share Capital RM
3 May 2021	48,354,600	1.31	63,344,526
Tranches			
First tranche and final			

The issued and listing of 48,354,600 new ordinary shares has raised a total proceeds of RM63,344,526 which were utilized for working capital, repayment of bank borrowings of the Group, funding investments and projects and corporate exercise expenses.

Note 2

During the current financial year, there was listing and quotation of 19,520,000 new ordinary shares pursuant to ESOS Share Options exercised by the eligible directors and employees under the Long Term Incentive Plan. Included in the issued and paid-up share capital of the Company was also the corresponding fair value of RM1,182,209 for the total number of 19,520,000 ESOS Share Options exercised.

The ESOS Options granted on 28 October 2020 were exercised and issued as follows:-

Grant Date	Date listed and quoted on Bursa Securities	Number of Placement Shares	Issue Price Per Share RM	Share Capital RM
28 October 2020	8 March 2021	6,654,500	0.17	1,131,265
28 October 2020	19 March 2021	4,579,000	0.17	778,430
28 October 2020	2 April 2021	2,922,000	0.17	496,740
28 October 2020	16 April 2021	531,500	0.17	90,355
28 October 2020	3 May 2021	3,630,000	0.17	617,100
28 October 2020	3 June 2021	560,000	0.17	95,200
28 October 2020	2 July 2021	143,000	0.17	24,310
28 October 2020	23 December	500,000	0.17	85,000
		19,520,000		3,318,400

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 2021**

Note 3

The share issued expenses of RM2.989M were related to placement fee for the issued and listing of new ordinary shares pursuant to the Private Placement to third parties.

Note 4

The Company has via its wholly owned subsidiary, Solsisnet Sdn Bhd acquired 51% equity interest in Ridaa Associates Sdn Bhd ("RIDAA") from the registered shareholders, Rohzan bin Abdul Rahman and Badrul Ilahan bin Dato' Hj. Abd Jabbar by acquiring 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 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 STATEMENTS OF CASH FLOWS
AS AT 31 MARCH 2022

	31.03.2022 (Unaudited) RM'000	31.12.2021 (Audited) RM'000
Cash Flow from Operating Activities		
Loss before taxation	(2,650)	(11,143)
Adjustment for :-		
Non-cash items	436	4,825
Non-operating items	75	(113)
Operating loss before working capital changes	(2,139)	(6,431)
Increase in inventories	(30,760)	(11)
Decrease / (Increase) in receivables	24,731	(33,562)
Increase in contract asset	(771)	(3,971)
Increase/ (Decrease) in payables	528	(1,543)
Increase in contract liabilities	710	1,356
(Increase) / Decrease in amount due from related companies	(25)	8
Decrease in amount due to a related company	-	(200)
Cash used in operations	(7,726)	(44,354)
Tax paid	(55)	(272)
Tax refunded	-	26
Interest received	43	414
Interest paid	(118)	(301)
Net cash used in operating activities	(7,856)	(44,487)
Cash flow from Investing Activities		
Purchase of plant and equipment	(143)	(211)
Purchase of intangible assets	(9)	(1,294)
Subscription of additional shares in a subsidiary	576	(3,987)
Net cash generated from investing activities	424	(5,492)
Cash flow from Financing Activities		
Net proceeds from issuance of new shares in the Company	-	63,675
Placement of fixed deposits pledged	(29)	(547)
Net drawdown / (repayment) of borrowings	604	(786)
Payment of lease liabilities	(300)	(1,228)
Payment of hire purchase liabilities	(8)	(33)
Net cash used in financing activities	267	61,081
Net increase in cash and cash equivalents	(7,165)	11,102
Effect of exchange rate fluctuations	(4)	7
Cash and cash equivalents at beginning of the period/year	22,350	11,241
Cash and cash equivalents at end of the period/year	15,181	22,350
Cash and cash equivalents at end of the financial year comprise the following:		
	As at 31.03.2022 RM'000	As at 31.12.2021 RM'000
Deposits with licensed commercial banks	7,487	7,458
Cash and bank balances	17,948	23,535
	25,435	30,993
Short Term Borrowing :		
-Overdraft	(2,767)	(1,185)
	22,668	29,808
Less : fixed deposits pledged	(7,487)	(7,458)
	15,181	22,350

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 April 2021
Amendment to MFRS 16 - Covid-19 - Related Rent Concessions beyond 30 June 2021
- (b) 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
- (c) Effective for annual periods beginning on or after 1 January 2023
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
- (d) 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 2021 was not subject to any qualification.

3. Seasonality or cyclical nature of the operations

The Group does not experience any seasonal or cyclical sales cycle. However, there may be fluctuations between the quarters due to the nature 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 28 October 2020 was 27,280,000.

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 2,500,000. 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 1 January 2022	670,470,417	137,583,856.05
Issuance of ordinary shares pursuant to ESOS Share Options:-		
On 13 January 2022	2,250,000	382,500.00
On 21 January 2022	250,000	42,500.00
Fair Value of ESOS options granted		151,410.00
As at 31 March 2022	<u>672,970,417</u>	<u>138,160,266.05</u>

The movements of ESOS Options under the LTIP during the financial period up to as at 31 March 2022 were as follows:-

Grant Date	Exercise Price	Number of ESOS Options		
		At 1.1.2022	Granted	Exercised
28.10.2020	RM0.17	<u>27,280,000</u>	-	<u>(22,020,000)</u>
				<u>5,260,000</u>

The exercise of 2,500,000 ESOS Options during the quarter has increased the issued and paid-up share capital of the Company from RM 137,583,856.05 comprising of 670,470,417 ordinary shares as at 1 January 2022 to RM 138,160,266.05 comprising of 672,970,417 ordinary shares as at 31 March 2022.

Included in the issued and paid-up share capital of the Company was the attributable fair value of RM151,410.00 for the total number of 2,500,000 ESOS Share Options exercised during the quarter 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.

Dataprep Holdings Bhd – Registration No. 198901005754 (183059-H)
Notes to the Interim Financial Statements – First quarter ended 31 March 2022

8. Segmental information

The Group's segmental reporting by business segment as at 31 March 2022 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	4,964	41	(41)	4,964
(b) Payment Solutions & Services	112			112
SALES BY SEGMENT	5,076	41	(41)	5,076
(a) IT Related Products and Services and Trading	(1,979)		1,689	(290)
(b) Payment Solutions & Services	(355)			(355)
SEGMENT RESULTS	(2,334)	-	1,689	(645)
Interest income				43
Unallocated expenses				(1,930)
Loss from operations				(2,532)
Interest expenses				(118)
Loss before taxation				(2,650)
Taxation				-
Loss after taxation				(2,650)

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 were no changes in the composition of the Group during the current quarter ended 31 March 2022.

12. Changes in contingent liabilities

Contingent Liabilities :-	31.03.2022 RM'000	31.12.2021 RM'000	Increase/ (decrease) RM'000
Corporate guarantee given to financial institutions for performance guarantee of a subsidiary (secured)	538	1,019	(481)
	538	1,019	(481)

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 [31/03/2022] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [31/03/2021] RM'000	CHANGES (AMOUNT/ %)	CURRENT YEAR QUARTER [31/03/2022] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [31/03/2021] RM'000	CHANGES (AMOUNT/ %)
Revenue	5,076	7,674	-34%	5,076	7,674	-34%
Operating profit / (loss)	(2,528)	(2,764)	9%	(2,528)	(2,764)	9%
Profit / (Loss) Before Interest and Tax	(2,528)	(2,764)	9%	(2,528)	(2,764)	9%
Profit / (Loss) before taxation	(2,650)	(2,817)	6%	(2,650)	(2,817)	6%
Profit / (Loss) for the year	(2,650)	(2,817)	6%	(2,650)	(2,817)	6%
Profit / (Loss) attributable to owners of the Company	(2,659)	(2,688)	1%	(2,659)	(2,688)	1%

The Group recorded sales of RM5.07 million in the current quarter as compared to the preceding year corresponding quarter of RM7.67 million due to smaller scale projects secured. The loss before taxation was RM2.65 million in the current quarter as against a loss before taxation of RM2.82 million in the preceding year corresponding quarter due to better gross profit margin from existing new projects.

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 RM4.96 million as compared to the preceding year corresponding quarter of RM7.67 million was due to completion of delivery services projects.

The loss before taxation of RM0.29 million for this segment in the current quarter as against a loss before taxation of RM1.11 million in the preceding year corresponding quarter was due to better gross profit margin from existing new projects.

Payment Solutions and Services

The revenue decreased from RM0.18 million in the preceding year corresponding quarter to RM0.11 million in the current quarter was due to lower number of terminals installed.

This segment recorded a loss before taxation of RM0.36 million in the current quarter as against a loss before taxation of RM0.27 million due to lower revenue derived from terminals installed.

b. Assets and Liabilities

Total assets increased from RM99.60 million as at 31 December 2021 to RM 100.61 million as at 31 March 2022. There is no significant variance in the total assets.

Total liabilities increased from RM14.84 million as at 31 December 2021 to RM18.09 million as at 31 March 2022 was due to timing difference of settlement.

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

		CURRENT YEAR QUARTER [31/03/2022] RM'000	IMMEDIATE PRECEDING QUARTER [31/12/2021] RM'000	CHANGES (AMOUNT/%)
1	Revenue	5,076	14,853	-66%
2	Operating profit / (loss)	(2,528)	(44)	-5645%
3	Profit / (Loss) Before Interest and Tax	(2,528)	(44)	-5645%
4	Profit / (Loss) before taxation	(2,650)	(163)	-1526%
5	Profit / (Loss) for the year	(2,650)	(32)	-8181%
6	Profit / (Loss) attributable to owners of the Company	(2,659)	(343)	-675%

The Group's revenue for the current quarter was RM5.08 million as compared to the immediate preceding quarter of RM14.85 million was due to completion of milestone of a few large scale delivery services projects.

The Group recorded a loss before taxation of RM2.65 million in the current quarter as compared to a loss before taxation of RM0.16 million in the immediate preceding quarter.

15. Prospects

The Group is sourcing business opportunities from the public and private sector under the wide spectrum of ICT services in line with the Government's digitalization efforts and continue to improve its revenue stream by actively participating in projects tender, pursuing new business opportunities and collaborating with strategic domestic and overseas partners to secure more profitable ICT projects, solutions and new business ventures. The Group with vast experiences in digital technology and handling of significant scale projects with good deliveries track record of providing ICT solutions and services at 27 locations nationwide aims to be the digital solution provider in line with the Government's Digital Initiatives and the Malaysian Digital Economy Blueprint.

The Group is rolling out its very-own e-money business in April 2022. The e-money known as dPurse was granted approval by Bank Negara Malaysia on 13 November 2019 and is targeting the education sector. 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.

15. Prospects (Cont'd)

The Group has drawn up a strategy and roadmap to fully harness the potential of telecommunication projects in Malaysia in line with the Government programme of MyDigital and JENDELA under the 12th Malaysia Plan. The Group through its subsidiary 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 is looking forward to the new ventures into telecommunication tower projects, Point of Presence (“PoP”) fibre optic and Internet Service Providers (“ISP”) as it is aligned with the implementation of the National Fiberisation and Connectivity Plan (“NFCP”) by the government as the foundation of the country's digital infrastructure transition towards roll out the 5G network in Malaysia.

The Group’s subsidiary has been appointed as an exclusive project delivery partner by Asia Coding Centre Sdn Bhd for all projects involving total outsourcing of integrated solution for COVID-19 rapid molecular testing using Professional RTK Antigen and RT-PCR Rapid Molecular Testing under the MiCo BioMed brand. The COVID-19 Screening Service will ease the screening processes in the country, especially for travellers who find it difficult to slot in last-minute testing into their travel schedule and facilitate business travellers and social visitors entering through International Border Entrances, Ferry Terminals and Ports.

The Group has announced that its subsidiary and collaborative partner was appointed to supply and operate COVID-19 Screening Services using Professional RTK Antigen and RT-PCR Rapid Molecular Testing at the following locations:-

- (i) Kukup International Ferry Terminal, in Johor;
- (ii) Labuan International Ferry Terminal and Labuan Port; and
- (iii) Senai International Airport in Johor.

The Group is expanding its ICT solutions business via its subsidiaries for new business opportunities in healthcare information technology solution and other related activities.

Barring any unforeseen circumstances, the Group is optimistic on the potential prospects and opportunities to improve the business performance of the Group. The Group will remain focus in undertaking new opportunities and profitable ventures to pursue a sustainable and healthier financial position for the Group over long run.

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

In the previous financial year, the Company's issued and paid-up share capital was increased from RM72,727,627 comprising 602,595,817 ordinary shares to RM137,583,856 comprising 670,470,417 ordinary shares during the current financial year through the issuance of 67,874,600 new ordinary shares arising from the following: -

- a) Private placement of 48,354,600 new ordinary shares at the issue price of RM1.31 per share to independent third parties which increased the issued and paid-up share capital by RM60,355,619 after deducting share issue expenses; and

17. Status of corporate exercise (Cont'd)

- b) Exercise of 19,520,000 ESOS Options into 19,520,000 new ordinary shares at the exercise price of RM0.17 per share which increased the issued and paid-up share capital by RM4,500,610 after including attributable fair value of the ESOS Options transferred from share options reserve.

The above private placement arose from the first tranche of up to 50,000,000 new ordinary shares out of the private placement of up to 138,597,000 new ordinary shares representing up to 20% of the issued shares of the Company ("Private Placement"), which was announced on 16 February 2021 to be undertaken by the Company in accordance with the general mandate pursuant to Sections 75 and 76 of the Companies Act 2016 approved by the shareholders of the Company at its Annual General Meeting held on 24 June 2020. The Private Placement is deemed completed on 31 December 2021 after the Company withdrew its application to Bursa Malaysia Securities Berhad ("Bursa Securities") for further extension of time to complete its implementation, as announced on 7 January 2022.

The private placement has raised cash proceeds of RM63,344,526 for purposes of working capital, repayment of bank borrowings of the Group, funding of investments and projects and to defray expenses for the private placement exercise.

All the new ordinary shares issued rank pari passu in all respects with the existing issued ordinary shares of the Company.

The utilisation of proceeds from the Private Share Placement up to 31 March 2022 was as follows:-

Utilisation of proceeds	Proposed utilisation RM'000	Actual utilisation	Todate
		(Current Quarter Ended 31 March 2022) RM'000	Actual utilisation RM'000
Working capital requirement	18,769	5,548	46,723
Repayment of bank borrowings	6,000	-	6,000
Future investment or projects	13,065	-	3,180
Estimated expenses for the Private Share Placement	130	-	2,989
Total	37,964	5,548	58,892
Balance unutilised			<u>4,452</u>

During the current quarter, the number of issued and paid-up shares of the Company was further increased from 670,470,417 ordinary shares to 672,970,417 ordinary shares by way of the exercise of 2,500,000 ESOS Options into 2,500,000 new ordinary shares at the exercise price of RM0.17 per ordinary share.

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 31.03.2022 RM'000	As at 31.12.2021 RM'000
Short Term Borrowings:			
Secured :			
- Banker acceptances		696	-
- Bank overdraft		2,767	1,185
- Hire purchase payables		34	44
- Term financing		1,707	1,533
Total Short Term Borrowings	A	5,204	2,762
Long Term Borrowings:			
Secured :			
- Hire purchase payables		3	45
- Term financing		1,048	1,269
Total Long Term Borrowings	B	1,051	1,314
Total Borrowings	(A + B)	6,255	4,076

All borrowings are denominated in Ringgit Malaysia.

20. Material litigation

There was no material litigation as at 31 March 2022.

21. Dividend proposed or declared

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

22. Earnings / (Loss) per share

(a) Basic

	Current Quarter Ended 31.03.2021	Cumulative Quarter Ended 31.03.2021
Loss attributable to owners of the Company (RM'000)	(2,659)	(2,659)
Weighted average number of shares in issue ('000)	672,970	672,970
Loss per share (sen)	(0.40)	(0.40)

22. Earnings / (Loss) per share (Cont'd)

(b) Diluted

For the purpose of calculating diluted loss per share, the loss for the year attributable to owners of the Company and the weighted average number of ordinary shares in issue during the current quarter have been adjusted for the dilutive effects of all potential ordinary shares arising from the assumed exercise of the ESOS Options where applicable.

The computation of diluted loss per share for the current quarter excluded the exercise of ESOS Options as their exercise would not result in any dilutive potential ordinary shares after adjusting for the number of such ordinary shares that would have been issued at fair value being average market price of the shares during the current quarter. Accordingly, the diluted loss per share equals the basic loss per share for the current quarter.

23. Capital commitment

The Group has no material capital commitment as at 31 March 2022.

24. Notes to the Consolidated Statement of Comprehensive Income

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

	Current Quarter Ended 31.03.2022 RM'000	Cumulative Quarter Ended 31.03.2022 RM'000
Interest expense	118	118
Depreciation of plant and equipment	187	187
Amortisation of intangible assets	89	89
and after crediting:		
Interest income	(43)	(43)
Write-back of allowance for slow moving inventory	(3)	(3)

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 March 2022.

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
26 May 2022