

**SUMMARY OF KEY FINANCIAL INFORMATION  
FOR THE SECOND QUARTER AND SIX MONTHS ENDED 30 JUNE 2023**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [30/06/2023] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/06/2022] RM'000	CHANGES (AMOUNT/ %)	CURRENT YEAR QUARTER [30/06/2023] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/06/2022] RM'000	CHANGES (AMOUNT/ %)
1 Revenue	11,592	8,303	40%	17,902	13,379	34%
2 Operating profit/ (loss)	(3,615)	(3,337)	-8%	(7,514)	(5,865)	-28%
3 Profit/ (Loss) Before Interest and Tax	(3,615)	(3,337)	-8%	(7,514)	(5,865)	-28%
4 Profit / (Loss) before taxation	(3,768)	(3,415)	-10%	(7,783)	(6,065)	-28%
5 Profit / (Loss) for the year	(3,596)	(3,102)	-16%	(7,548)	(5,752)	-31%
6 Profit / (Loss) attributable to owners of the Company	(3,702)	(2,861)	-29%	(7,525)	(5,520)	-36%
7 Basic loss per share (sen)	(0.54)	(0.42)		(1.11)	(0.82)	
8 Diluted loss per share (sen)	-	-		-	-	
9 Proposed/Declared dividend per share (sen)	-	-		-	-	
	<b>AS AT END OF CURRENT QUARTER</b>			<b>AS AT PRECEDING FINANCIAL YEAR END</b>		
10 Net assets per share attributable to owners of the Company (RM)		0.09			0.09	

**ADDITIONAL INFORMATION**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [30/06/2023] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/06/2022] RM'000	CHANGES (AMOUNT/ %)	CURRENT YEAR QUARTER [30/06/2023] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/06/2022] RM'000	CHANGES (AMOUNT/ %)
1 Gross interest income	94	38	147%	104	81	28%
2 Gross interest expense	140	72	94%	252	194	30%

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE SECOND QUARTER AND SIX MONTHS ENDED 30 JUNE 2023**  
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER [30/06/2023] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/06/2022] RM'000	CURRENT YEAR QUARTER [30/06/2023] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/06/2022] RM'000
Revenue	11,592	8,303	17,902	13,379
Operating expenses	(15,340)	(11,696)	(25,567)	(19,349)
Other operating income	133	56	151	105
Operating profit / (loss)	(3,615)	(3,337)	(7,514)	(5,865)
Finance costs	(153)	(78)	(269)	(200)
Profit / (Loss) before tax	(3,768)	(3,415)	(7,783)	(6,065)
Taxation	172	313	235	313
Profit / (Loss) for the financial period/year	(3,596)	(3,102)	(7,548)	(5,752)
Other comprehensive income/(loss):				
Foreign currency translation differences	(67)	(26)	(97)	(31)
Other comprehensive income/(loss) for the period/year, net of tax	(67)	(26)	(97)	(31)
Total comprehensive income / (loss) for the period /year	(3,663)	(3,128)	(7,645)	(5,783)
Profit / (Loss) for the period/year attributed to :				
Owners of the Company	(3,702)	(2,861)	(7,525)	(5,520)
Non-controlling interest	106	(241)	(23)	(232)
	(3,596)	(3,102)	(7,548)	(5,752)
Total comprehensive income / (loss) for the period/year attributable to:				
Owners of the Company	(3,769)	(2,887)	(7,622)	(5,551)
Non-controlling interest	106	(232)	(23)	(232)
	(3,663)	(3,119)	(7,645)	(5,783)
Earning / (Loss) per share :				
- basic (sen)	(0.54)	(0.42)	(1.11)	(0.82)
- diluted (sen)	-	-	-	-
	<b>AS AT END OF CURRENT QUARTER</b>		<b>AS AT PRECEDING FINANCIAL YEAR END</b>	
Net assets per share (RM)		0.09		0.09

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the 12 months ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 30 JUNE 2023

	As at 30.06.2023 (Unaudited) RM'000	As at 31.12.2022 (Audited) RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	18,024	19,362
Investment property	558	564
Intangible assets	4,678	5,654
Right of use assets	1,730	2,328
Goodwill	1,168	1,168
	<u>26,158</u>	<u>29,076</u>
<b>Current Assets</b>		
Inventories	7,375	7,394
Trade receivables	11,254	11,425
Other receivables	15,261	19,564
Contract assets	8,252	7,074
Amount due from related companies	389	387
Tax recoverable	302	564
Deposits, cash and bank balances	15,799	12,962
	<u>58,632</u>	<u>59,370</u>
<b>TOTAL ASSETS</b>	<u>84,790</u>	<u>88,446</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	148,782	138,537
Merger deficit	(13,509)	(13,509)
Foreign exchange reserve	(39)	58
Share Option Reserve	216	216
Retained profit / (Accumulated losses)	(67,725)	(60,200)
	<u>67,725</u>	<u>65,102</u>
<b>Non-controlling interest</b>	<u>1,811</u>	<u>1,834</u>
<b>Total equity</b>	<u>69,536</u>	<u>66,936</u>
<b>Non-current liabilities</b>		
Long term borrowings	823	988
Lease Liabilities	558	1,197
Deferred Tax Liabilities	949	1,185
	<u>2,330</u>	<u>3,370</u>
<b>Current Liabilities</b>		
Trade payables	1,749	2,701
Other payables	2,274	2,335
Contract liabilities	3,233	4,871
Amount due to a related company	317	23
Short term borrowings	4,092	6,988
Lease liabilities	1,259	1,222
Provision for taxation	-	-
<b>Total current liabilities</b>	<u>12,924</u>	<u>18,140</u>
<b>Total liabilities</b>	<u>15,254</u>	<u>21,510</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>84,790</u>	<u>88,446</u>
Net assets per share (RM)	<u>0.09</u>	<u>0.09</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the 12 months ended 31 December 2022 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 JUNE 2023**

←----- 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
<b>At 1 January 2023</b>	138,537	(13,509)	58	216	(60,200)	65,102	1,834	66,936
Loss for the financial year	-	-	-	-	(7,525)	(7,525)	(23)	(7,548)
Foreign currency translation loss of foreign operations	-	-	(97)	-	-	(97)	-	(97)
Total comprehensive loss for the year	-	-	(97)	-	(7,525)	(7,622)	(23)	(7,645)
Transactions with owners :								
Issuance of new ordinary shares through Private Placement	10,245	-	-	-	-	10,245	-	10,245
Total transactions with owners	10,245	-	-	-	-	10,245	-	10,245
<b>At 30 June 2023</b>	148,782	(13,509)	(39)	216	(67,725)	67,725	1,811	69,536

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 2022 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 SECOND QUARTER AND SIX MONTHS ENDED 30 JUNE 2023**

**Note 1**

The Company has announced the following issuance of the new ordinary shares pursuant to Private Placement:-

	<b>Share Capital No of Units</b>	<b>Issued Price RM</b>	<b>Share Capital RM</b>
As at 1 January 2023	674,670,417		138,537,083.85
Issuance of ordinary shares pursuant to Private Placement:-			
On 28 March 2023	15,375,100	0.1626	2,499,991.27
On 13 June 2023	8,034,700	0.1629	1,308,852.63
On 19 June 2023	22,213,000	0.1582	3,514,096.60
On 21 June 2023	17,678,100	0.1653	2,922,189.93
As at 30 June 2023	<u>737,971,317</u>		<u>148,782,214.28</u>

The Company's issued and paid-up share capital was increased from RM 138,537,083.85 comprising 674,670,417 ordinary shares to RM 148,782,214.28 comprising 737,971,317 ordinary shares during the period ended 30 June 2023 through the issuance of 63,300,900 new ordinary shares to independent third parties pursuant to the private placement. The private placement has raised cash proceeds of RM10,245,130.43 for the 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 condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the 12 months ended 31 December 2022 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 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
<b>At 1 January 2022</b>	137,584	(13,509)	66	455	(41,816)	82,780	1,972	84,752
Loss for the financial year	-	-	-	-	(17,610)	(17,610)	(925)	(18,535)
Foreign currency translation loss of foreign operations	-	-	(8)	-	-	(8)	-	(8)
Total comprehensive loss for the year	-	-	(8)	-	(17,610)	(17,618)	(925)	(18,543)
Transactions with owners :								
Issuance of new shares	953	-	-	(239)	-	714	-	714
-Exercise of Esos Option	-	-	-	-	(774)	(774)	774	-
Acquisition of non controlling interest in a subsidiary	-	-	-	-	-	-	13	13
Disposal of equity interest in subsidiaries	-	-	-	-	-	-	-	-
Total transactions with owners	953	-	-	(239)	(774)	(60)	787	727
<b>At 31 December 2022</b>	<b>138,537</b>	<b>(13,509)</b>	<b>58</b>	<b>216</b>	<b>(60,200)</b>	<b>65,102</b>	<b>1,834</b>	<b>66,936</b>

Note 1

Note 2

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.

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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FOURTH QUARTER AND TWELVE MONTHS ENDED 31 DECEMBER 2022**

**Note 1**

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

Listing Date	Number of Shares (Units)	Proceeds (RM)
13 January 2022	2,250,000	382,500
21 January 2022	250,000	42,500
20 May 2022	1,700,000	289,000
	<u>4,200,000</u>	<u>714,000</u>

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 RM138,537,038 comprising of 674,670,417 ordinary shares as at 30 June 2022 pursuant to the exercise of 4,200,000 ESOS Options into 4,200,000 new ordinary shares at the exercise price of RM0.17 which raised proceeds of RM714,000.

Included in the issued and paid-up share capital of the Company was the corresponding fair value of RM239,227 for the total number of 4,200,000 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.

**Note 2**

On 12 December 2022, Dataprep (Malaysia) Sdn Berhad has increased its shareholding from 51 % to 100% in Dataprep Asia Sdn Bhd by entering into share transfer agreement with Asia Coding Centre Sdn Bhd for the transfer of 490 ordinary shares, in the capital of the Company for cash consideration of RM490. The acquisition of the remaining 49% shareholding in Dataprep Asia Sdn Bhd from Asia Coding Centre Sdn Bhd has resulted an equity adjustment of RM774,272 to 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 2021 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
AS AT 30 JUNE 2023

	30.06.2023 (Unaudited) RM'000	31.12.2022 (Audited) RM'000
<b>Cash Flow from Operating Activities</b>		
Loss before taxation	(7,783)	(18,544)
Adjustment for :-		
Non-cash items	3,143	9,144
Non-operating items	148	335
<b>Operating loss before working capital changes</b>	<b>(4,492)</b>	<b>(9,065)</b>
Decrease / (Increase) in inventories	12	(7,209)
Decrease in receivables	4,474	14,779
Increase in contract asset	(1,177)	(754)
(Decrease) / Increase in payables	(1,011)	272
(Decrease) / Increase in contract liabilities	(1,640)	2,132
Increase in amount due from related companies	(2)	(312)
Increase in amount due to a related company	294	8
<b>Cash used in operations</b>	<b>(3,542)</b>	<b>(149)</b>
Tax paid	(70)	(161)
Tax refunded	332	-
Interest received	104	153
Interest paid	(252)	(488)
<b>Net cash used in operating activities</b>	<b>(3,428)</b>	<b>(645)</b>
<b>Cash flow from Investing Activities</b>		
Purchase of plant and equipment	(8)	(20,486)
Purchase of intangible assets	(210)	(173)
Purchase of investment property	-	(143)
Proceed from disposal of property, plant & equipment	-	8
<b>Net cash used in investing activities</b>	<b>(218)</b>	<b>(20,794)</b>
<b>Cash flow from Financing Activities</b>		
Net proceeds from issuance of new shares in the Company	10,245	714
Placement of fixed deposits pledged	1,820	(235)
Repayment of borrowings	(2,953)	2,403
Payment of lease liabilities	(602)	(1,198)
Payment of hire purchase liabilities	(11)	(33)
<b>Net cash generated from financing activities</b>	<b>8,499</b>	<b>1,651</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>4,853</b>	<b>(19,788)</b>
Effect of exchange rate fluctuations	(99)	(8)
<b>Cash and cash equivalents at beginning of the period/financial year</b>	<b>2,554</b>	<b>22,350</b>
<b>Cash and cash equivalents at end of the period/ financial year</b>	<b>7,308</b>	<b>2,554</b>
<b>Cash and cash equivalents at end of the period/ financial year comprise the following:</b>		
	As at 30.06.2023 RM'000	As at 31.12.2022 RM'000
Deposits with licensed commercial banks	5,873	7,693
Cash and bank balances	9,926	5,269
Short Term Borrowing :	15,799	12,962
-Overdraft	(2,618)	(2,715)
	13,181	10,247
Less : fixed deposits pledged	(5,873)	(7,693)
	<b>7,308</b>	<b>2,554</b>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the 12 months ended 31 December 2022 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 2022. The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2022 except for the adoption of the following new and revised Malaysian Financial Reporting Standards (“MFRS”), Amendments to MFRSs and IC Interpretations:

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 2023:-

- 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

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 2024

- Amendments to MFRS 101 - Classification of Liabilities as Current or Non-current
- Amendments to MFRS 16 – Lease Liability in a Sale and Leaseback
- Amendment to MFRS 101 –Non-current liabilities with Covenants
- Amendment to MFRS 107 and MFRS 7 – Supplier Finance Arrangements

(b) 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 2022 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 during the current quarter.

**Equity Securities**

**(a) 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.

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 movements of ESOS Options under the LTIP during the current quarter ended 30 June 2023 were as follows:-

Grant Date	Exercise Price	Number of ESOS Options		
		At 1.1.2023	Granted	At 30.6.2023
28.10.2020	RM0.17	3,560,000	-	3,560,000

There were no ordinary shares of the Company listed and issued under ESOS during the current quarter ended 30 June 2023.

(b) PRIVATE PLACEMENT

The Company has announced the following issuance of the new ordinary shares pursuant to Private Placement:-

	Share Capital No of Units	Issued Price RM	Share Capital RM
As at 1 January 2023	674,670,417		138,537,083.85
Issuance of ordinary shares pursuant to Private Placement:-			
On 28 March 2023	15,375,100	0.1626	2,499,991.27
On 13 June 2023	8,034,700	0.1629	1,308,852.63
On 19 June 2023	22,213,000	0.1582	3,514,096.60
On 21 June 2023	17,678,100	0.1653	2,922,189.93
As at 30 June 2023	737,971,317		148,782,214.28

The aforesaid shares issuance is pursuant to the proposed private placement of up to 10% of the total number of issued shares of the Company in accordance with the general mandate under Sections 75 and 76 of the Companies Act 2016 obtained from the shareholders of the Company at the Annual General Meeting held on 30 June 2021 as announced on 20 May 2022. Bursa Securities has approved the proposed private placement on 22 June 2022 and has subsequently granted extension of time of 6 months from 22 December 2022 to 22 June 2023 for the Company to complete the proposed Private Placement

On 21 June 2023, the Company has announced that the final tranche of 17,678,100 Placement Shares were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad with effect from 9.00 a.m. on the same day, which marks the completion of the Private Placement.

The Company's issued and paid-up share capital was increased from RM 138,537,083.85 comprising 674,670,417 ordinary shares to RM 148,782,214.28 comprising 737,971,317 ordinary shares during the period ended 30 June 2023 through the issuance of 63,300,900 new ordinary shares to independent third parties pursuant to the private placement. The private placement has raised cash proceeds of RM10,245,130.43 for the 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.

**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 June 2023 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	17,790	79	( 79)	17,790
(b) Payment Solutions & Services	112			112
<b>SALES BY SEGMENT</b>	<b>17,902</b>	<b>79</b>	<b>( 79)</b>	<b>17,902</b>
(a) IT Related Products and Services and Trading	(7,051)		3,454	(3,597)
(b) Payment Solutions & Services	(776)			(776)
<b>SEGMENT RESULTS</b>	<b>(7,827)</b>	<b>-</b>	<b>3,454</b>	<b>(4,373)</b>
Interest income				104
Unallocated expenses				(3,262)
Loss from operations				(7,531)
Interest expenses				(252)
Loss before taxation				(7,783)
Taxation				235
Loss after taxation				(7,548)

## 9. Valuation of property, plant and equipment

There was no valuation of property, plant and equipment during the current quarter.

## 10. Significant event

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

## 11. Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter.

## 12. Changes in contingent liabilities

Contingent Liabilities :-	Group		
	30.06.2023 RM'000	31.03.2023 RM'000	Increase/ (decrease) RM'000
Corporate guarantee given to financial institutions for performance guarantee of a subsidiary (secured)	1,502	1,398	104
	1,502	1,398	104

### 13. Review of performance

#### a. Comparison of results for the current quarter ended 30 June 2023 with the preceding year corresponding quarter ended 30 June 2022.

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [30/06/2023] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/06/2022] RM'000	CHANGES (AMOUNT/ %)	CURRENT YEAR QUARTER [30/06/2023] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/06/2022] RM'000	CHANGES (AMOUNT/ %)
Revenue	11,592	8,303	40%	17,902	13,379	34%
Operating profit / (loss)	(3,615)	(3,337)	-8%	(7,514)	(5,865)	-28%
Profit / (Loss) Before Interest and Tax	(3,615)	(3,337)	-8%	(7,514)	(5,865)	-28%
Profit / (Loss) before taxation	(3,768)	(3,415)	-10%	(7,783)	(6,065)	-28%
Profit / (Loss) for the year	(3,596)	(3,102)	-16%	(7,548)	(5,752)	-31%
Profit / (Loss) attributable to owners of the Company	(3,702)	(2,861)	-29%	(7,525)	(5,520)	-36%

The Group recorded revenue of RM11.59million in the current quarter as compared to the preceding year corresponding quarter of RM8.30 million due to projects secured.

The loss before taxation was RM3.77 million in the current quarter as against a loss before taxation of RM3.42 million in the preceding year corresponding quarter was due to projects secured with higher costs of sales incurred and increase of depreciation charge.

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 RM11.54 million as compared to the preceding year corresponding quarter of RM8.23 million was due to projects secured.

The loss before taxation of RM1.73 million for this segment in the current quarter as against a loss before taxation of RM0.21 million in the preceding year corresponding quarter was due to projects secured with higher costs of sales incurred and increase of depreciation charge.

#### Payment Solutions and Services

The revenue decreased from RM0.07 million in the preceding year corresponding quarter to RM0.05 million in the current quarter was due to decrease of terminals installed. This segment recorded a loss before taxation of RM0.37 million in the current quarter as against a loss before taxation of RM0.38 million was due to decrease of terminals installed.

### 13. Review of performance

#### b. Comparison of results for the current cumulative quarter ended 30 June 2023 with the preceding year corresponding cumulative quarter ended 30 June 2022.

The Group recorded revenue of RM17.90 million in the current cumulative quarter as compared to the preceding year corresponding cumulative quarter of RM13.38 million due to projects secured.

The Group recorded a loss before taxation was RM7.78 million in the current cumulative quarter as against a loss before taxation of RM6.07 million in the preceding year corresponding cumulative quarter was due to projects secured with higher costs of sales incurred and increase of depreciation charge.

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 RM17.79 million as compared to the preceding year corresponding cumulative quarter of RM13.20 million was due to projects secured.

The loss before taxation of RM3.60 million for this segment in the current cumulative quarter as against a loss before taxation of RM0.51 million in the preceding year corresponding cumulative quarter was due to projects secured with higher costs of sales incurred and increase of depreciation charge.

#### Payment Solutions and Services

The revenue decreased from RM0.18 million in the preceding year corresponding cumulative quarter to RM0.11 million in the current cumulative quarter was due to decrease of terminals installed. This segment recorded a loss before taxation of RM0.78 million in the current cumulative quarter as against a loss before taxation of RM0.74 million in the preceding year corresponding cumulative quarter was due to decrease of terminals installed.

#### **Assets and Liabilities**

Total assets decreased from RM 88.45 million as at 31 December 2022 to RM84.79 million as at 30 June 2023 was due to decrease of other receivables.

Total liabilities decrease from RM21.51 million as at 31 December 2022 to RM15.25 million as at 30 June 2023 was due to repayment of borrowings.

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

		CURRENT YEAR QUARTER [30/06/2023] RM'000	IMMEDIATE PRECEDING QUARTER [31/03/2023] RM'000	CHANGES (AMOUNT/%)
1	Revenue	11,592	6,310	84%
2	Operating profit / (loss)	(3,615)	(3,899)	7%
3	Profit / (Loss) Before Interest and Tax	(3,615)	(3,899)	7%
4	Profit / (Loss) before taxation	(3,768)	(4,015)	6%
5	Profit / (Loss) for the year	(3,596)	(3,952)	9%
6	Profit / (Loss) attributable to owners of the Company	(3,702)	(3,823)	3%

The Group's revenue for the current quarter was RM11.59 million as compared to the immediate preceding quarter of RM6.31 million due to projects secured.

The Group recorded a loss before taxation of RM3.77 million in the current quarter as compared to a loss before taxation of RM4.02 million in the immediate preceding quarter. The loss before taxation was due to projects secured with higher costs of sales incurred.

**15. Prospects**

The Group continues to undertake measures to improve the financial performance by pursuing new business opportunities to secure more profitable ICT projects, solutions and new business ventures. The Group is actively on the lookout for new projects and participates in tenders to replenish those completed projects.

The Group through its subsidiary who has the licenses such as Network Service Provider License ("NSP"), Network Facility Provider License ("NFP") and Applications Service Provider Class License ("ASP(C)") is focusing to source for more contracts in the multimedia and communication industry and business opportunities in the telecommunication sector to improve revenue of the Group.

The Group's subsidiary has also rolled out its e-money business known as dPurse and has been actively marketing the usage of dPurse to the public, especially at the schools and higher learning institutions.

The Group is leveraging on the Government's Digital Economy Blueprint and the Government's Jalanan Digital Negara initiatives and aims to tap on new ICT business opportunities especially in the telecommunication sector to improve the financial position of the Group.

16. Taxation

	Current Year Quarter Ended 30.06.2023 RM'000	Cumulative Year Quarter Ended 30.06.2023 RM'000
Income tax		
- Current year	-	-
- Overprovision in prior year	-	-
Reversal of deferred tax liabilities	(172)	(235)
<b>Tax credit</b>	<b>(172)</b>	<b>(235)</b>

17. Status of corporate exercise

The Company has announced the following issuance of the new ordinary shares pursuant to Private Placement:-

	Share Capital No of Units	Issued Price RM	Share Capital RM
As at 1 January 2023	674,670,417		138,537,083.85
Issuance of ordinary shares pursuant to Private Placement:-			
On 28 March 2023	15,375,100	0.1626	2,499,991.27
On 13 June 2023	8,034,700	0.1629	1,308,852.63
On 19 June 2023	22,213,000	0.1582	3,514,096.60
On 21 June 2023	17,678,100	0.1653	2,922,189.93
As at 30 June 2023	<u>737,971,317</u>		<u>148,782,214.28</u>

The aforesaid shares issuance is pursuant to the proposed private placement of up to 10% of the total number of issued shares of the Company in accordance with the general mandate under Sections 75 and 76 of the Companies Act 2016 obtained from the shareholders of the Company at the Annual General Meeting held on 30 June 2021 as announced on 20 May 2022. Bursa Securities has approved the proposed private placement on 22 June 2022 and has subsequently granted extension of time of 6 months from 22 December 2022 to 22 June 2023 for the Company to complete the proposed Private Placement.



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

On 21 June 2023, the Company has announced that the final tranche of 17,678,100 Placement Shares were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on the same day, which marks the completion of the Private Placement.

The Company's issued and paid-up share capital was increased from RM138,537,083.85 comprising 674,670,417 ordinary shares to RM148,782,214.28 comprising 737,971,317 ordinary shares through the issuance of 63,300,900 new ordinary shares during the period of the financial year ending 31 December 2023 to independent third parties pursuant to the Private Placement.

The private placement has raised cash proceeds of RM10,245,130.43 for the 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 status of proceeds utilisation as at 30 June 2023 is as follows:-

	Proposed utilisation	Todate Proceeds Actual utilisation
Utilisation of proceeds	RM'000	RM'000
Working capital requirement	3,951	6,813
Repayment of bank borrowings	5,100	3,021
Future expansion	7,000	-
Estimated expenses for the Private Share Placement	100	81
<b>Total</b>	<b>16,151</b>	<b>9,915</b>
Balance unutilised		<u>330</u>
Total proceeds raised from the Private Placement		<u>10,245</u>

**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 30.06.2023 RM'000	As at 31.12.2022 RM'000
<b>Short Term Borrowings:</b>			
<b>Secured :</b>			
- Banker acceptances		1,149	3,947
- Bank overdraft		2,618	2,715
- Hire purchase payables		-	11
- Term financing		325	315
<b>Total Short Term Borrowings</b>	<b>A</b>	<b>4,092</b>	<b>6,988</b>
<b>Long Term Borrowings:</b>			
<b>Secured :</b>			
- Hire purchase payables		-	-
- Term financing		823	988
<b>Total Long Term Borrowings</b>	<b>B</b>	<b>823</b>	<b>988</b>
<b>Total Borrowings</b>	<b>(A + B)</b>	<b>4,915</b>	<b>7,976</b>

All borrowings are denominated in Ringgit Malaysia.

## 20. Material litigation

There was no material litigation as at 30 June 2023.

## 21. Dividend proposed or declared

The directors do not recommend any dividend for the current quarter under review.

## 22. Earnings / (Loss) per share

### (a) Basic

	Current Quarter Ended 30.06.2023	Cumulative Quarter Ended 30.06.2023
Loss attributable to owners of the Company (RM'000)	(3,702)	(7,525)
Number of ordinary shares issue at beginning of year (RM'000)	674,670	674,670
Weighted average number of new ordinary shares in issue ('000)	5,613	5,613
Total weighted average number of ordinary shares in issue ('000)	680,283	680,283
<b>Loss per share (sen)</b>	<b>(0.54)</b>	<b>(1.11)</b>

**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 30 June 2023.

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

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

	Current Quarter Ended 30.06.2023 RM'000	Cumulative Quarter Ended 30.06.2023 RM'000
Interest expense	140	252
Depreciation of plant and equipment	665	1,343
Depreciation of right of use asset	288	598
Amortisation of intangible assets	754	1,168
Amortisation of investment property	3	6
Allowance for slow moving inventory	1	7
and after crediting:		
Interest income	(94)	(104)

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 June 2023.

By Order of the Board  
**Dataprep Holdings Bhd**

**Geng Mun Mooi (MLA 8365)**  
**Nor Fazieana Daud (MAICSA 7067115)**

**Company Secretaries**  
**21 August 2023**