

**SUMMARY OF KEY FINANCIAL INFORMATION
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2023**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [30/09/2023] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2022] RM'000	CHANGES (AMOUNT/ %)	CURRENT YEAR QUARTER [30/09/2023] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2022] RM'000	CHANGES (AMOUNT/ %)
1 Revenue	8,262	4,109	101%	26,164	17,488	50%
2 Operating profit/ (loss)	(7,058)	(4,539)	-55%	(14,572)	(10,404)	-40%
3 Profit/ (Loss) Before Interest and Tax	(7,058)	(4,539)	-55%	(14,572)	(10,404)	-40%
4 Profit / (Loss) before taxation	(7,170)	(4,639)	-55%	(14,953)	(10,704)	-40%
5 Profit / (Loss) for the year	(6,875)	(4,567)	-51%	(14,423)	(10,319)	-40%
6 Profit / (Loss) attributable to owners of the Company	(7,163)	(4,020)	-78%	(14,688)	(9,540)	-54%
7 Basic loss per share (sen)	(1.03)	(0.60)		(2.11)	(1.41)	
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)		0.08			0.09	

ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [30/09/2023] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2022] RM'000	CHANGES (AMOUNT/ %)	CURRENT YEAR QUARTER [30/09/2023] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2022] RM'000	CHANGES (AMOUNT/ %)
1 Gross interest income	30	34	-12%	134	115	17%
2 Gross interest expense	106	93	14%	358	287	25%

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2023**
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER [30/09/2023] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2022] RM'000	CURRENT YEAR QUARTER [30/09/2023] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2022] RM'000
	Revenue	8,262	4,109	26,164
Operating expenses	(15,364)	(8,725)	(40,931)	(28,074)
Other operating income	44	77	195	182
Operating profit / (loss)	(7,058)	(4,539)	(14,572)	(10,404)
Finance costs	(112)	(100)	(381)	(300)
Profit / (Loss) before tax	(7,170)	(4,639)	(14,953)	(10,704)
Taxation	295	72	530	385
Profit / (Loss) for the financial period/year	(6,875)	(4,567)	(14,423)	(10,319)
Other comprehensive income/(loss):				
Foreign currency translation differences	58	(34)	(39)	(65)
Other comprehensive income/(loss) for the period/year, net of tax	58	(34)	(39)	(65)
Total comprehensive income / (loss) for the period /year	(6,817)	(4,601)	(14,462)	(10,384)
Profit / (Loss) for the period/year attributed to :				
Owners of the Company	(7,163)	(4,020)	(14,688)	(9,540)
Non-controlling interest	288	(547)	265	(779)
	(6,875)	(4,567)	(14,423)	(10,319)
Total comprehensive income / (loss) for the period/year attributable to:				
Owners of the Company	(7,105)	(4,054)	(14,727)	(9,605)
Non-controlling interest	288	(547)	265	(779)
	(6,817)	(4,601)	(14,462)	(10,384)
Earning / (Loss) per share :				
- basic (sen)	(1.03)	(0.60)	(2.11)	(1.41)
- diluted (sen)	-	-	-	-
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
Net assets per share (RM)		0.08		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 SEPTEMBER 2023

	As at 30.09.2023 (Unaudited) RM'000	As at 31.12.2022 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	17,387	19,362
Investment property	555	564
Intangible assets	3,526	5,654
Right of use assets	1,426	2,328
Goodwill	1,168	1,168
	<u>24,062</u>	<u>29,076</u>
Current Assets		
Inventories	7,375	7,394
Trade receivables	8,165	11,425
Other receivables	15,693	19,564
Contract assets	12,154	7,074
Amount due from related companies	632	387
Tax recoverable	258	564
Deposits, cash and bank balances	14,813	12,962
	<u>59,090</u>	<u>59,370</u>
TOTAL ASSETS	<u>83,152</u>	<u>88,446</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	148,782	138,537
Merger deficit	(13,509)	(13,509)
Foreign exchange reserve	19	58
Share Option Reserve	216	216
Retained profit / (Accumulated losses)	(74,888)	(60,200)
	<u>60,620</u>	<u>65,102</u>
Non-controlling interest	<u>2,099</u>	<u>1,834</u>
Total equity	<u>62,719</u>	<u>66,936</u>
Non-current liabilities		
Long term borrowings	738	988
Lease Liabilities	448	1,197
Deferred Tax Liabilities	654	1,185
	<u>1,840</u>	<u>3,370</u>
Current Liabilities		
Trade payables	1,906	2,701
Other payables	2,349	2,335
Contract liabilities	9,377	4,871
Amount due to a related company	464	23
Short term borrowings	3,436	6,988
Lease liabilities	1,061	1,222
Total current liabilities	<u>18,593</u>	<u>18,140</u>
Total liabilities	<u>20,433</u>	<u>21,510</u>
TOTAL EQUITY AND LIABILITIES	<u>83,152</u>	<u>88,446</u>
Net assets per share (RM)	<u>0.08</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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 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
At 1 January 2023	138,537	(13,509)	58	216	(60,200)	65,102	1,834	66,936
Loss for the financial year	-	-	-	-	(14,688)	(14,688)	265	(14,423)
Foreign currency translation loss of foreign operations	-	-	(39)	-	-	(39)	-	(39)
Total comprehensive loss for the year	-	-	(39)	-	(14,688)	(14,727)	265	(14,462)
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
At 30 September 2023	148,782	(13,509)	19	216	(74,888)	60,620	2,099	62,719

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.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2023**

Note 1

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 September 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 September 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
At 1 January 2022	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
At 31 December 2022	138,537	(13,509)	58	216	(60,200)	65,102	1,834	66,936

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 SEPTEMBER 2023

	30.09.2023 (Unaudited) RM'000	31.12.2022 (Audited) RM'000
Cash Flow from Operating Activities		
Loss before taxation	(14,953)	(18,544)
Adjustment for :-		
Non-cash items	11,151	9,144
Non-operating items	224	335
Operating loss before working capital changes	(3,578)	(9,065)
Decrease / (Increase) in inventories	7	(7,209)
Decrease in receivables	1,457	14,779
Increase in contract asset	(5,078)	(754)
(Decrease) / Increase in payables	(780)	272
Increase in contract liabilities	4,504	2,132
Increase in amount due from related companies	(245)	(312)
Increase in amount due to a related company	441	8
Cash used in operations	(3,272)	(149)
Tax paid	(95)	(161)
Tax refunded	401	-
Interest received	134	153
Interest paid	(358)	(488)
Net cash used in operating activities	(3,190)	(645)
Cash flow from Investing Activities		
Purchase of plant and equipment	(30)	(20,486)
Purchase of intangible assets	(421)	(173)
Purchase of investment property	-	(143)
Proceed from disposal of property, plant & equipment	-	8
Net cash used in investing activities	(451)	(20,794)
Cash flow from Financing Activities		
Net proceeds from issuance of new shares in the Company	10,245	714
Placement of fixed deposits pledged	1,929	(235)
(Repayment) / Drawdown of borrowings	(3,601)	2,403
Payment of lease liabilities	(910)	(1,198)
Payment of hire purchase liabilities	(11)	(33)
Net cash generated from financing activities	7,652	1,651
Net increase / (decrease) in cash and cash equivalents	4,011	(19,788)
Effect of exchange rate fluctuations	(41)	(8)
Cash and cash equivalents at beginning of the period/financial year	2,554	22,350
Cash and cash equivalents at end of the period/ financial year	6,524	2,554
Cash and cash equivalents at end of the period/ financial year comprise the following:		
	As at 30.09.2023 RM'000	As at 31.12.2022 RM'000
Deposits with licensed commercial banks	5,764	7,693
Cash and bank balances	9,049	5,269
Short Term Borrowing :	14,813	12,962
-Overdraft	(2,525)	(2,715)
	12,288	10,247
Less : fixed deposits pledged	(5,764)	(7,693)
	6,524	2,554

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 September 2023 were as follows:-

Grant Date	Exercise Price	Number of ESOS Options			
		At 1.1.2023	Granted	Exercised	At 30.9.2023
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 September 2023.

(b) PRIVATE PLACEMENT

The Company has announced the following issuance of new ordinary shares pursuant to Private Placement during the period of financial year ending 31 December 2023 :-

	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 September 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 of financial year ending 31 December 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.

There was no change in the Company's issued and paid-up share capital in the current quarter.

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 2023 is as follows: -

BUSINESS SEGMENT	EXTERNAL SALES RM'000	INTERSEGMENT SALES RM'000	ELIMINATION RM'000	GROUP SALES RM'000
(a) <i>IT Related Products and Services and Trading</i>	26,025	116	(116)	26,025
(b) <i>Payment Solutions & Services</i>	139			139
SALES BY SEGMENT	26,164	116	(116)	26,164
(a) <i>IT Related Products and Services and Trading</i>	(13,745)		5,268	(8,477)
(b) <i>Payment Solutions & Services</i>	(1,201)			(1,201)
SEGMENT RESULTS	(14,946)	-	5,268	(9,678)
Interest income				134
Unallocated expenses				(5,051)
Loss from operations				(14,595)
Interest expenses				(358)
Loss before taxation				(14,953)
Taxation				530
Loss after taxation				(14,423)

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 :-	30.09.2023 RM'000	30.06.2023 RM'000	Increase/ (decrease) RM'000
Corporate guarantee given to financial institutions for performance guarantee of a subsidiary (secured)	1,454	1,502	(47)
	1,454	1,502	(47)

13. Review of performance

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

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [30/09/2023] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2022] RM'000	CHANGES (AMOUNT/ %)	CURRENT YEAR QUARTER [30/09/2023] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/09/2022] RM'000	CHANGES (AMOUNT/ %)
Revenue	8,262	4,109	101%	26,164	17,488	50%
Operating profit / (loss)	(7,058)	(4,539)	-55%	(14,572)	(10,404)	-40%
Profit / (Loss) Before Interest and Tax	(7,058)	(4,539)	-55%	(14,572)	(10,404)	-40%
Profit / (Loss) before taxation	(7,170)	(4,639)	-55%	(14,953)	(10,704)	-40%
Profit / (Loss) for the year	(6,875)	(4,567)	-51%	(14,423)	(10,319)	-40%
Profit / (Loss) attributable to owners of the Company	(7,163)	(4,020)	-78%	(14,688)	(9,540)	-54%

The Group recorded revenue of RM8.26 million in the current quarter as compared to the preceding year corresponding quarter of RM4.11 million due to completion milestone of projects secured with higher revenue recognition.

The loss before taxation was RM7.17 million in the current quarter as against a loss before taxation of RM4.64 million in the preceding year corresponding quarter. Higher loss before taxation were due to high depreciation and amortization of RM2.04 million, further impairment of expected credit loss on trade receivables of RM1.53 million and on other receivables of RM1.38 million for the outstanding debts of prior years.

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 RM8.23 million as compared to the preceding year corresponding quarter of RM4.04 million due to completion milestone of projects secured with higher revenue recognition.

The loss before taxation of RM4.88 million for this segment in the current quarter as against a loss before taxation of RM3.16 million in the preceding year corresponding quarter. Higher loss before taxation were due to high depreciation and amortization and further impairment of expected credit loss on trade receivables and other receivables for the outstanding debts of prior years.

Payment Solutions and Services

The revenue decreased from RM0.07 million in the preceding year corresponding quarter to RM0.03 million in the current quarter was due to fewer terminals installed. This segment recorded a loss before taxation of RM0.43 million in the current quarter as against a loss before taxation of RM0.38 million was due to lower income earned from terminals.

13. Review of performance

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

The Group recorded revenue of RM26.16 million in the current cumulative quarter as compared to the preceding year corresponding cumulative quarter of RM17.49 million due to completion milestone of projects secured with higher revenue recognition.

The Group recorded a loss before taxation of RM14.95 million in the current cumulative quarter as against a loss before taxation of RM10.70 million in the preceding year corresponding cumulative quarter. Higher loss before taxation were due to high depreciation and amortization of RM4.56 million, further impairment of expected credit loss on trade receivables of RM1.53 million and other receivables of RM1.38 million for the outstanding debts of prior years.

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 RM26.02 million as compared to the preceding year corresponding cumulative quarter of RM17.23 million was due to completion milestone of projects secured with higher revenue recognition.

The loss before taxation of RM8.48 million for this segment in the current cumulative quarter as against a loss before taxation of RM3.66 million in the preceding year corresponding cumulative quarter. Higher loss before taxation were due to high depreciation and amortization and further impairment of expected credit loss on trade receivables and other receivables for the outstanding debts of prior years.

Payment Solutions and Services

The revenue decreased from RM0.26 million in the preceding year corresponding cumulative quarter to RM0.14 million in the current cumulative quarter was due to fewer terminals installed. This segment recorded a loss before taxation of RM1.20 million in the current cumulative quarter as against a loss before taxation of RM1.12 million in the preceding year corresponding cumulative quarter was due to lower income earned from terminals.

Assets and Liabilities

Total assets decreased from RM 88.45 million as at 31 December 2022 to RM83.15 million as at 30 September 2023 due to lower balance of right of use assets arising from lease rental agreements and decrease of the property, plant and equipment and intangible assets balances attributed to high depreciation and amortization. The non-current assets have decreased by RM5.01 million.

Total liabilities decrease from RM21.51 million as at 31 December 2022 to RM20.43 million as at 30 September 2023 due to repayment of short term borrowings.

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

		CURRENT YEAR QUARTER [30/09/2023] RM'000	IMMEDIATE PRECEDING QUARTER [30/06/2023] RM'000	CHANGES (AMOUNT/%)
1	Revenue	8,262	11,592	-29%
2	Operating profit / (loss)	(7,058)	(3,615)	-95%
3	Profit / (Loss) Before Interest and Tax	(7,058)	(3,615)	-95%
4	Profit / (Loss) before taxation	(7,170)	(3,768)	-90%
5	Profit / (Loss) for the year	(6,875)	(3,596)	-91%
6	Profit / (Loss) attributable to owners of the Company	(7,163)	(3,702)	-93%

The Group's revenue for the current quarter was RM8.26 million as compared to the immediate preceding quarter of RM11.59 million due to fewer large scale projects secured.

The Group recorded a loss before taxation of RM7.17 million in the current quarter as compared to a loss before taxation of RM3.77 million in the immediate preceding quarter. Higher loss before taxation were due to high depreciation and amortization and further impairment of expected credit loss on trade receivables and other receivables for the outstanding debts of prior years.

15. Prospects

The Group continues to undertake measures to improve the financial performance by actively lookout for sales opportunities, frequently preparing proposals to key prospects and participates in more tenders to increase sales orders. The Group's subsidiary which was appointed as the "Apple" Authorized Reseller is also focusing to market the ICT products and devices especially to the education sector in line with the 'Bring Your Own Device' program. The Group is strategizing its marketing efforts and continues to harness potential business opportunities arising from the various Government's Digitalization Initiatives and Programs. The Group is tapping on new ICT business opportunities by expanding and widening its customers' base which are in the telecommunication, healthcare, financial and oil & gas sectors respectively.

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 which has rolled out its e-money business known as dPurse is actively carrying out marketing activities to promote the usage of its e-money, dPurse to the general public, especially at the schools, higher learning institutions and also factories' canteen.

The Group will continuously strive to improve its revenue and financial position.

16. Taxation

	Current Year Quarter Ended 30.09.2023 RM'000	Cumulative Year Quarter Ended 30.09.2023 RM'000
Income tax		
- Current year	-	-
- Overprovision in prior year	-	-
Reversal of deferred tax liabilities	(295)	(530)
Tax credit	(295)	(530)

17. Status of corporate exercise

The Company has announced the following issuance of the new ordinary shares pursuant to Private Placement during the period of financial year ending 31 December 2023:-

	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 September 2023	<u>737,971,317</u>		<u>148,782,214.28</u>

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

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 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.

There was no change in the Company's issued and paid-up share capital in the current quarter.

The status of proceeds utilisation as at 30 September 2023 is as follows:-

	Proposed utilisation	Todate Proceeds Actual utilisation
Utilisation of proceeds	RM'000	RM'000
Working capital requirement	3,951	7,143
Repayment of bank borrowings	5,100	3,021
Future expansion	7,000	-
Estimated expenses for the Private Share Placement	100	81
Total	16,151	10,245
Balance unutilised		-
Total proceeds raised from the Private Placement		10,245

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 30.09.2023 RM'000	As at 31.12.2022 RM'000
Short Term Borrowings:			
Secured :			
- Banker acceptances		580	3,947
- Bank overdraft		2,525	2,715
- Hire purchase payables		-	11
- Term financing		331	315
Total Short Term Borrowings	A	3,436	6,988
Long Term Borrowings:			
Secured :			
- Hire purchase payables		-	-
- Term financing		738	988
Total Long Term Borrowings	B	738	988
Total Borrowings	(A + B)	4,174	7,976

All borrowings are denominated in Ringgit Malaysia.

20. Material litigation

There was no material litigation as at 30 September 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 30.09.2023	Cumulative Quarter Ended 30.09.2023
Loss attributable to owners of the Company (RM'000)	(7,163)	(14,688)
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)	21,568	21,568
Total weighted average number of ordinary shares in issue ('000)	696,238	696,238
Loss per share (sen)	(1.03)	(2.11)

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 September 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 30.09.2023 RM'000	Cumulative Quarter Ended 30.09.2023 RM'000
Interest expense	106	358
Depreciation of plant and equipment	660	2,003
Depreciation of right of use asset	304	902
Amortisation of intangible assets	1,381	2,549
Amortisation of investment property	3	9
Allowance for slow moving inventory	4	11
Allowance for impairment losses on trade receivables	1,534	1,534
Allowance for impairment losses on other receivables	1,380	1,380
and after crediting:		
Interest income	(30)	(134)

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 2023.

By Order of the Board
Dataprep Holdings Bhd

Geng Mun Mooi (MIA 8365)
Nor Fazieana Daud (MAICSA 7067115)

Company Secretaries
28 November 2023