

SUMMARY OF KEY FINANCIAL INFORMATION
FOR THE SECOND QUARTER AND SIX MONTHS ENDED 30 JUNE 2024

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [30/06/2024] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/06/2023] RM'000	CHANGES (AMOUNT/ %)	CURRENT YEAR QUARTER [30/06/2024] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/06/2023] RM'000	CHANGES (AMOUNT/ %)
1 Revenue	10,699	11,592	-8%	16,877	17,902	-6%
2 Operating profit/ (loss)	(6,563)	(3,615)	-82%	(13,068)	(7,514)	-74%
3 Profit/ (Loss) Before Interest and Tax	(6,563)	(3,615)	-82%	(13,068)	(7,514)	-74%
4 Profit / (Loss) before taxation	(6,729)	(3,768)	-79%	(13,348)	(7,783)	-72%
5 Profit / (Loss) for the year	(6,728)	(3,596)	-87%	(12,431)	(7,548)	-65%
6 Profit / (Loss) attributable to owners of the Company	(6,401)	(3,702)	-73%	(12,294)	(7,525)	-63%
7 Basic loss per share (sen)	(0.87)	(0.54)		(1.67)	(1.11)	
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)		0.06			0.07	

ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [30/06/2024] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/06/2023] RM'000	CHANGES (AMOUNT/ %)	CURRENT YEAR QUARTER [30/06/2024] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/06/2023] RM'000	CHANGES (AMOUNT/ %)
1 Gross interest income	21	94	-78%	54	104	-48%
2 Gross interest expense	163	140	16%	269	252	7%

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER AND SIX MONTHS ENDED 30 JUNE 2024**
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
	QUARTER [30/06/2024] RM'000	CORRESPONDING QUARTER [30/06/2023] RM'000	QUARTER [30/06/2024] RM'000	CORRESPONDING QUARTER [30/06/2023] RM'000
Revenue	10,699	11,592	16,877	17,902
Operating expenses	(17,287)	(15,340)	(30,072)	(25,567)
Other operating income	25	133	127	151
Operating profit / (loss)	(6,563)	(3,615)	(13,068)	(7,514)
Finance costs	(166)	(153)	(280)	(269)
Profit / (Loss) before tax	(6,729)	(3,768)	(13,348)	(7,783)
Taxation	1	172	917	235
Profit / (Loss) for the financial period/year	(6,728)	(3,596)	(12,431)	(7,548)
Other comprehensive income/(loss):				
Foreign currency translation differences	15	(67)	(15)	(97)
Other comprehensive income/(loss) for the period/year, net of tax	15	(67)	(15)	(97)
Total comprehensive income / (loss) for the period /year	(6,713)	(3,663)	(12,446)	(7,645)
Profit / (Loss) for the period/year attributed to :				
Owners of the Company	(6,401)	(3,702)	(12,294)	(7,525)
Non-controlling interest	(327)	106	(137)	(23)
	(6,728)	(3,596)	(12,431)	(7,548)
Total comprehensive income / (loss) for the period/year attributable to:				
Owners of the Company	(6,386)	(3,769)	(12,309)	(7,622)
Non-controlling interest	(327)	106	(137)	(23)
	(6,713)	(3,663)	(12,446)	(7,645)
Earning / (Loss) per share :				
- basic (sen)	(0.87)	(0.54)	(1.67)	(1.11)
- diluted (sen)	-	-	-	-
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
Net assets per share (RM)		0.06		0.07

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	As at 30.06.2024 (Unaudited) RM'000	As at 31.12.2023 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	15,616	16,801
Investment property	546	552
Intangible assets	2,315	2,664
Investment -Sublease	232	-
Right of use assets	725	1,122
Goodwill	1,168	1,168
	<u>20,602</u>	<u>22,307</u>
Current Assets		
Inventories	4,569	5,472
Trade receivables	7,136	7,155
Other receivables	18,419	23,304
Investment -Sublease	92	-
Contract assets	3,250	9,035
Tax recoverable	311	264
Deposits, cash and bank balances	13,482	11,078
	<u>47,259</u>	<u>56,308</u>
TOTAL ASSETS	<u>67,861</u>	<u>78,615</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	148,908	148,782
Merger deficit	(13,509)	(13,509)
Foreign exchange reserve	(10)	5
Share Option Reserve	2,809	216
Retained profit / (Accumulated losses)	(95,823)	(83,607)
	<u>42,375</u>	<u>51,887</u>
Non-controlling interest	<u>1,132</u>	<u>1,269</u>
Total equity	<u>43,507</u>	<u>53,156</u>
Non-current liabilities		
Long term borrowings	476	652
Lease Liabilities	824	445
Deferred Tax Liabilities	-	917
	<u>1,300</u>	<u>2,014</u>
Current Liabilities		
Trade payables	4,171	1,480
Other payables	6,496	2,694
Contract liabilities	6,471	13,945
Short term borrowings	5,718	4,575
Lease liabilities	198	751
Total current liabilities	<u>23,054</u>	<u>23,445</u>
Total liabilities	<u>24,354</u>	<u>25,459</u>
TOTAL EQUITY AND LIABILITIES	<u>67,861</u>	<u>78,615</u>
Net assets per share (RM)	<u>0.06</u>	<u>0.07</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the 12 months ended 31 December 2023 and the accompanying explanatory notes to the financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER AND SIX MONTHS ENDED 30 JUNE 2024

←----- 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 2024	148,782	(13,509)	5	216	(83,607)	51,887	1,269	53,156
Loss for the financial year	-	-	-	-	(12,294)	(12,294)	(137)	(12,431)
Foreign currency translation loss of foreign operations	-	-	(15)	-	-	(15)	-	(15)
Total comprehensive loss for the year	-	-	(15)	-	(12,294)	(12,309)	(137)	(12,446)
Transactions with owners :								
Issuance of new ordinary shares through ESOS Options	-	-	-	3,388	-	3,388	-	3,388
- Fair value of ESOS Options accepted (Tranche 2)	82	-	-	-	-	82	-	82
- Exercise of ESOS Options (Tranche 2)	44	-	-	(44)	-	-	-	-
- Reversal of fair value of ESOS Options exercised (Tranche 2)	-	-	-	(78)	78	-	-	-
- Fair value of ESOS Options lapsed (Tranche 1)	-	-	-	(673)	-	(673)	-	(673)
- Fair value of ESOS Options lapsed (Tranche 2)	-	-	-	-	-	-	-	-
	126	-	-	2,593	78	2,797	-	2,797
	148,908	(13,509)	(10)	2,809	(95,823)	42,375	1,132	43,507

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER AND SIX MONTHS ENDED 30 JUNE 2024**

NOTE 1:

ESOS Options (Tranche 2)

On 10 January 2024, the Company announced an offer of 45,040,000 ESOS Options (Tranche 2) with an exercise price of RM0.147 per share to the eligible directors and employees ("Eligible Persons") of the Company. Upon the closing date of offer and for acceptance, the Company granted 43,760,000 ESOS Options (Tranche 2) to the Eligible Persons on 5 April 2024. These ESOS Options have no further vesting conditions and vested immediately with the Eligible Persons on the grant date. The ESOS Options granted of 43,760,000 units have fair value of RM0.0774 per Shares option as determined on the grant date.

Issuance of new ordinary shares

The Company has listed and quoted 561,000 new ordinary shares up to 30 June 2024 pursuant to the exercise of ESOS Options (Tranche2) by Eligible Persons with an exercise price of RM0.147 per share and fair value of RM0.0774 per Shares option. The exercise of ESOS Options of 561,000 units have resulted an increase in share capital of RM82,467 and transfer of the attributable portion of Shares option reserve to share capital amounted to RM43,421.

Lapsed ESOS Options (Tranche 2) - granted on 5 April 2024

There was 8,690,000 units of ESOS Options (Tranche 2) lapsed during the period up to 30 June 2024 due to resignation of Eligible Persons has resulted in the reversal of the attributable portion of Share options reserve amounted to RM672,606 to the retained profits for the financial year.

Lapsed ESOS Options (Tranche 1) - granted on 28 October 2020

The Company has also lapsed 1,290,000 units of ESOS Options (Tranche 1) with fair value of RM0.060564 per Shares option as determined at grant date due to resignation of Eligible Persons and has resulted the transfer of Share options reserve amounted to RM78,127 to retained profits

The changes of the share capital of the Group and Company due to ESOS options exercised are as follows:-

	Group and Company	
	Number of Ordinary Shares 30 June 2024	Amount 30 June 2024 RM
SHARE CAPITAL Issued and fully paid:		
At beginning of financial period	737,971,317	148,782,214.29
Issuance of new shares during the financial period:-		
Exercise of ESOS Options	51,000	7,497
-Listed and quoted on Bursa Securities on 3 May 2024	500,000	73,500
-Listed and quoted on Bursa Securities on 6 June 2024	10,000	1,470
Transfer from share options reserve upon exercise of ESOS Options		43,421.40
At end of reporting quarter	<u>738,532,317</u>	<u>148,908,102.69</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER AND TWELVE MONTHS ENDED 31 DECEMBER 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	-	-	-	-	(23,407)	(23,407)	(565)	(23,972)
Foreign currency translation loss of foreign operations	-	-	(53)	-	-	(53)	-	(53)
Total comprehensive loss for the year	-	-	(53)	-	(23,407)	(23,460)	(565)	(24,025)
Transactions with owners :								
Issuance of new shares through -Private Placement	10,245	-	-	-	-	10,245	-	10,245
	148,782	(13,509)	5	216	(83,607)	51,887	1,269	53,156

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 2023 and the accompanying explanatory notes to the financial statements.

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

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 2023 and the accompanying explanatory notes to the financial statements.

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

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
AS AT 30 JUNE 2024

	30.06.2024 (Unaudited) RM'000	31.12.2023 (Audited) RM'000
Cash Flow from Operating Activities		
Loss before taxation	(13,348)	(24,240)
Adjustment for :-		
Non-cash items	4,128	13,634
Non-operating items	215	267
Operating loss before working capital changes	(9,005)	(10,339)
Decrease in inventories	15	1,020
Decrease / (Increase) in receivables	3,502	(5,002)
Decrease / (Increase) in contract asset	5,785	(1,961)
Decrease / (Increase) in payables	6,494	(885)
(Decrease) / Increase in contract liabilities	(7,474)	9,074
Cash generated from / (used in) operations	(683)	(8,093)
Tax paid	(47)	(102)
Tax refunded	-	400
Interest received	54	189
Interest paid	(269)	(456)
Net cash generated from / (used in) operating activities	(945)	(8,062)
Cash flow from Investing Activities		
Purchase of plant and equipment	-	(101)
Proceed from disposal of property, plant & equipment	-	57
Net cash used in investing activities	-	(44)
Cash flow from Financing Activities		
Net proceeds from issuance of new shares in the Company	2,797	10,245
Placement of fixed deposits pledged	(134)	1,864
(Repayment) / Drawdown of borrowings	2,004	(3,980)
Payment of lease liabilities	(389)	(1,223)
Payment of hire purchase liabilities	-	(11)
Net cash generated from financing activities	4,278	6,895
Net increase / (decrease) in cash and cash equivalents	3,333	(1,211)
Effect of exchange rate fluctuations	(25)	(53)
Cash and cash equivalents at beginning of the period/financial year	1,290	2,554
Cash and cash equivalents at end of the period/ financial year	4,598	1,290
Cash and cash equivalents at end of the period/ financial year comprise the following:		
	As at 30.06.2024 RM'000	As at 31.12.2023 RM'000
Deposits with licensed commercial banks	5,963	5,829
Cash and bank balances	7,519	5,249
Short Term Borrowing :	13,482	11,078
-Overdraft	(2,921)	(3,959)
Less : fixed deposits pledged	10,561	7,119
	(5,963)	(5,829)
	4,598	1,290

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the 12 months ended 31 December 2023 and the accompanying explanatory notes to the 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 2023. The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2023 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 2024:-

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

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 2025
Amendment to MFRS 121 on Lack of Exchangeability
- (b) Effective for annual periods beginning on or after 1 January 2026
Amendments to the MFRS 9 and MFRS 7 - the Classification and Measurement of Financial Instruments
- (c) Effective for annual periods beginning on or after 1 January 2027
MFRS 18 – Presentation and Disclosure Financial Statements
MFRS 19- Subsidiaries without Public Accountability: Disclosures
- (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 2023 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

The change in the Group and Company's issued and paid-up share capital due to exercise of ESOS Options are as follows:-

	<u>Group and Company</u>	
	<u>Number of Ordinary Shares 30 June 2024</u>	<u>Amount 30 June 2024 RM</u>
SHARE CAPITAL Issued and fully paid:		
At beginning of financial period	737,971,317	148,782,214.29
Issuance of new shares during the financial period:-		
Exercise of ESOS Options		
-Listed and quoted on Bursa Securities on 3 May 2024	51,000	7,497
-Listed and quoted on Bursa Securities on 6 June 2024	500,000	73,500
-Listed and quoted on Bursa Securities on 26 June 2024	10,000	1,470
Transfer from share options reserve upon exercise of ESOS Options		43,421.40
At end of reporting quarter	<u>738,532,317</u>	<u>148,908,102.69</u>

(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 (Tranche 1) 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.

On 10 January 2024, the Company announced an offer of 45,040,000 ESOS Options with an exercise price of RM0.147 per share to the Eligible Persons. Upon the closing date of offer and for acceptance, the Company granted 43,760,000 ESOS Options (Tranche 2) to the Eligible Persons on 5 April 2024.

These ESOS Options have no further vesting conditions and vested immediately with the Eligible Persons on the grant date.

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 2024 were as follows:-

Grant Date	Exercise Price	Number of ESOS Options (Tranche 1)				At 30.6.2024
		At 1.1.2024	Granted	Exercised	Lapsed	
28.10.2020	RM0.17	3,560,000	-	-	(1,290,000)	2,270,000

Grant Date	Exercise Price	Number of ESOS Options (Tranche 2)				At 30.6.2024
		At 1.1.2024	Granted	Exercised	Lapsed	
5.4.2024	RM0.147	-	43,760,000	(561,000)	(8,690,000)	34,509,000

The lapsed ESOS Options for Tranche 1 and 2 was due to resignation of Eligible Persons.

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 2024 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	16,818	71	(71)	16,818
(b) Payment Solutions & Services	59			59
SALES BY SEGMENT	16,877	71	(71)	16,877
(a) IT Related Products and Services and Trading	(12,919)		6,903	(6,016)
(b) Payment Solutions & Services	(1,040)			(1,040)
SEGMENT RESULTS	(13,959)	-	6,903	(7,056)
Interest income				54
Unallocated expenses				(6,077)
Loss from operations				(13,079)
Interest expenses				(269)
Loss before taxation				(13,348)
Taxation				917
Loss after taxation				(12,431)

9. Valuation of property, plant and equipment

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

10. Significant event

There was no significant event which occurred during the current quarter.

11. Changes in the composition of the Group

On 29 January 2024, PT Jaringan Pintar Bersama was incorporated as a 60.00% owned subsidiary of PT Dataprep Teknologi Indonesia, a subsidiary of Dataprep Holdings Bhd with 65.00% effective interest held through its wholly-owned subsidiary, Dataprep International (Labuan) Ltd.

There was no change in the composition of the Group during the second quarter of the financial year ending 31 December 2024.

However subsequent to the current quarter, on 15 August 2024, the wholly-owned subsidiary of the Company, Solsisnet Sdn Bhd (“Solsisnet”) has disposed 260,000 ordinary shares in Ridaa Associates Sdn Bhd (“RIDAA”) representing 26% of the total issued and paid-up share capital of RIDAA for a fair value of disposal consideration of RM2,000,000 pursuant to the completion of Share Sale Agreement on 15 August 2024 with two of the existing shareholders of the ordinary shares in RIDAA, Rohzan bin Abdul Rahman and Badrul Ilahan bin Dato’ Hj. Abd Jabbar. The fair value of the disposal consideration is to be settled fully by waiver of intercompany debts owed to RIDAA within the Group. Upon completion of the disposal of 26% equity interest back to RIDAA’s existing shareholders with no longer maintain management control, Solsinet’s remaining equity interest in RIDAA was reduced from 51% to 25% and RIDAA was no longer considered a subsidiary but remain as an associated company to the Group.

The deconsolidation of RIDAA results to be an associated company in subsequent reporting quarter has no material impact on the financial statements of the Group and of the Company for the financial year ending 31 December 2024.

12. Changes in contingent liabilities

Contingent Liabilities :-	Group		
	30.06.2024 RM'000	31.03.2024 RM'000	Increase/ (decrease) RM'000
Corporate guarantee given to financial institutions for performance guarantee of a subsidiary (secured)	5,668	1,699	3,969
	5,668	1,699	3,969

13. Review of performance

a. Comparison of results for the current quarter ended 30 June 2024 with the preceding year corresponding quarter ended 30 June 2023.

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER [30/06/2024] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/06/2023] RM'000	CHANGES (AMOUNT/ %)	CURRENT YEAR QUARTER [30/06/2024] RM'000	PRECEDING YEAR CORRESPONDING QUARTER [30/06/2023] RM'000	CHANGES (AMOUNT/ %)
Revenue	10,699	11,592	-8%	16,877	17,902	-6%
Operating profit / (loss)	(6,563)	(3,615)	-82%	(13,068)	(7,514)	-74%
Profit / (Loss) Before Interest and Tax	(6,563)	(3,615)	-82%	(13,068)	(7,514)	-74%
Profit / (Loss) before taxation	(6,729)	(3,768)	-79%	(13,348)	(7,783)	-72%
Profit / (Loss) for the year	(6,728)	(3,596)	-87%	(12,431)	(7,548)	-65%
Profit / (Loss) attributable to owners of the Company	(6,401)	(3,702)	-73%	(12,294)	(7,525)	-63%

The Group recorded revenue of RM10.70 million in the current quarter as compared to the preceding year corresponding quarter of RM11.59 million. The lower revenue was attributable to smaller scale projects secured replacing completed projects.

The loss before taxation was RM6.73 million in the current quarter as against a loss before taxation of RM3.77 million in the preceding year corresponding quarter. Higher loss before taxation in the current quarter was due to recognition of ESOS Options Share-based payment of RM2.71 million derived from ESOS Options (Tranche 2) granted to Eligible Persons on 5 April 2024.

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

IT Related Products and Services and Trading

The revenue for the current quarter was RM10.66 million as compared to the preceding year corresponding quarter of RM11.54 million. The lower revenue was attributable to smaller scale projects secured replacing completed projects.

The loss before taxation was RM1.64 million for this segment in the current quarter as against a loss before taxation of RM1.73 million in the preceding year corresponding quarter.

Payment Solutions and Services

The revenue decreased from RM0.05 million in the preceding year corresponding quarter to RM0.04 million in the current quarter was due to lower number of terminal installed. This segment recorded a loss before taxation of RM0.63 million in the current quarter as against a loss before taxation of RM0.37 million due to lower number of terminal installed.

b. Comparison of results for the cumulative quarter ended 30 June 2024 with the preceding year corresponding cumulative quarter ended 30 June 2023.

The Group recorded revenue of RM16.88 million in the current cumulative quarter as compared to the preceding year corresponding cumulative quarter of RM17.90 million. The lower revenue was attributable to smaller scale projects secured replacing completed projects.

The Group recorded a loss before taxation was RM13.35 million in the current cumulative quarter as against a loss before taxation of RM7.78 million in the preceding year corresponding cumulative quarter was due recognition of ESOS Options Share- based payment of RM2.71 million derived from ESOS Options (Tranche 2) granted to Eligible Persons on 5 April 2024.

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 RM16.82 million as compared to the preceding year corresponding cumulative quarter of RM17.79 million. The lower revenue was attributable to smaller scale projects secured replacing completed projects.

The loss before taxation was RM6.02 million for this segment in the current cumulative quarter as against a loss before taxation of RM3.60 million in the preceding year corresponding cumulative quarter. Higher loss before taxation was due to recognition of ESOS Options Share- based payment of RM2.71 million derived from ESOS Options (Tranche 2) granted to Eligible Persons on 5 April 2024.

Payment Solutions and Services

The revenue decreased from RM0.11 million in the preceding year corresponding cumulative quarter to RM0.06 million in the current cumulative quarter was due to lower number of terminal installed. This segment recorded a loss before taxation of RM1.04 million in the current cumulative quarter as against a loss before taxation of RM0.78 million in the preceding year corresponding cumulative quarter due to lower number of terminals installed.

Assets and Liabilities

Total assets decreased from RM 78.62 million as at 31 December 2023 to RM67.86 million as at 30 June 2024 due to decline of contract assets from RM9.04 million to RM3.25 million attributable to progress billings of completed projects and decrease of other receivables resulted from lower prepaid expenses for projects pending completion.

Total liabilities decreased from RM25.46 million as at 31 December 2023 to RM24.35 million as at 30 June 2024 due to decline of contract liabilities from RM13.95 million to RM6.47 million attributed to timing of the performance of contracts secured offset against increase of trade and other payables from RM4.17M to RM10.67M attributable to timing different of settlement.

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

		CURRENT YEAR QUARTER [30/06/2024] RM'000	IMMEDIATE PRECEDING QUARTER [31/03/2024] RM'000	CHANGES (AMOUNT/%)
1	Revenue	10,699	6,178	73%
2	Operating profit / (loss)	(6,563)	(6,505)	-1%
3	Profit / (Loss) Before Interest and Tax	(6,563)	(6,505)	-1%
4	Profit / (Loss) before taxation	(6,729)	(6,619)	-2%
5	Profit / (Loss) for the year	(6,728)	(5,703)	-18%
6	Profit / (Loss) attributable to owners of the Company	(6,401)	(5,893)	-9%

The Group's revenue for the current quarter was RM10.70 million as compared to the immediate preceding quarter of RM6.18 million due to recognition of revenue of projects completed.

The Group recorded a loss before taxation of RM6.73 million in the current quarter as compared to a loss before taxation of RM6.62 million in the immediate preceding quarter. The loss before taxation in the current quarter was affected by lower gross margin contribution from completed projects, recognition of ESOS Options Share-based payment of RM2.71 million offset by higher allowance for obsolete stocks, impairment on the expected credit losses of receivable and higher depreciation in the immediate preceding quarter.

15. Prospects

The Group continues to identify new opportunities that emerge from digitalization in line with the government's MyDigital blueprint initiatives and also capitalizes on opportunities arising from the advancements in key areas like Intelligent Solutions AI, cybersecurity, data analytics, edge and cloud computing and other trending ICT solutions that continue to reshape ICT industries.

The Group is leveraging its expertise in telecommunication projects, innovative ICT solutions for the digital infrastructure development to secure more projects. The Group has actively participates in more tenders and continues to strategize its marketing efforts to secure more sales opportunities arising from the various Government's digital transformation initiatives under the 12th Malaysia Plan.

On 6 February 2024, its subsidiary in Indonesia, PT Jaringan Pintar Bersama had entered into an agreement with PT Bandung Infra Investama for the development and maintenance of telecommunication infrastructure in the City of Bandung, Republic of Indonesia for a concession period of thirty (30) years. The project undertaken would include the development and maintenance of underground telecommunication infrastructure, including but not limited to ducting, manhole and hand hole for installation of fiber optics and construction of telecommunication microcell pole. The said project allows the Group to expand its market reach in Indonesia, particularly in the Group's ICT related products and services segment.

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

The Group has proven good track record of ICT experiences with capabilities to support and serve its customers nationwide for large-scale ICT projects will strategize initiatives and marketing efforts to improve the financial position of the Group.

16. Taxation

	Current Year Quarter Ended 30.06.2024 RM'000	Cumulative Year Quarter Ended 30.06.2024 RM'000
Income tax		
- Current year	-	-
- Overprovision in prior year	-	-
Reversal of deferred tax liabilities	(1)	(917)
Tax credit	(1)	(917)

17. Status of corporate exercise

On 19 December 2023, the Company has announced to undertake the proposed acquisition by Solsisnet Sdn Bhd, a wholly-owned subsidiary of Dataprep Holdings Bhd ("DHB"), of 70,000 ordinary shares in DACS Network Solutions Sdn Bhd ("DNS") representing 70.00% equity interest in DNS from Clou дарon Group Berhad for a total purchase consideration of RM10.50 million to be satisfied via issuance of 82,677,165 new ordinary shares in DHB ("Consideration Shares") at an issue price of RM0.1270 per Consideration Share.

Bursa Securities had vide its letter dated 29 May 2024 resolved to grant DHB an extension of time until 30 July 2024 to comply with Paragraph 9.33(1)(a) of the Listing Requirements in relation to the submission of the draft circular in relation to the Proposed Acquisition to Bursa Securities.

However, on 20 June 2024, the Company announced that following further discussion between the Purchaser and the Vendor, the parties had on 20 June 2024 mutually agreed to terminate the SSA. Following the effective date of the termination, neither party shall have any further obligations or liabilities under the SSA.

There was no subsequent corporate exercise undertaken in the current quarter.

18. Event subsequent to the end of reporting period

There was no event subsequent to the end of reporting period.

19. Group borrowings

The Group borrowings are as follows:

		As at 30.06.2024 RM'000	As at 31.12.2023 RM'000
Short Term Borrowings:			
Secured :			
- Banker acceptances		1,150	281
- Bank overdraft		2,921	3,959
- Term financing		1,647	335
Total Short Term Borrowings	A	5,718	4,575
Long Term Borrowings:			
Secured :			
- Term financing		476	652
Total Long Term Borrowings	B	476	652
Total Borrowings	(A + B)	6,194	5,227

All borrowings are denominated in Ringgit Malaysia.

20. Material litigation

There was no material litigation as at 30 June 2024.

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

Basic loss per share is calculated by dividing the loss for the financial year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period ended 30 June 2024.

	Current Quarter Ended 30.06.2024	Cumulative Quarter Ended 30.06.2024
Loss attributable to owners of the Company (RM'000)	(6,401)	(12,294)
Number of ordinary shares issue at beginning of year (RM'000)	737,971	737,971
Weighted average number of ordinary shares in issue ('000)	86	86
Total weighted average number of ordinary shares in issue ('000)	738,057	738,057
Loss per share (sen)	(0.87)	(1.67)

(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 2024.

24. Notes to the Consolidated Statement of Comprehensive Income

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

	Current Quarter Ended 30.06.2024 RM'000	Cumulative Quarter Ended 30.06.2024 RM'000
Interest expense	163	269
Depreciation of plant and equipment	562	1,185
Depreciation of right of use asset	307	611
Amortisation of intangible assets	105	360
Amortisation of investment property	3	6
Allowance for slow moving inventory	-	887
Allowance for impairment losses on other receivables	88	1,077
and after crediting:		
Interest income	(21)	(54)

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 2024.

By Order of the Board
Dataprep Holdings Bhd

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

Company Secretaries
28 August 2024