

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

**SUMMARY OF KEY FINANCIAL INFORMATION
FOR THE FOURTH QUARTER ENDED 31 MARCH 2007**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		[31/03/2007] RM'000	[31/03/2006] RM'000	[31/03/2007] RM'000	[31/03/2006] RM'000
1	Revenue	28,297	21,855	112,152	74,657
2	Profit/(loss) before tax	(43)	434	1,417	388
3	Profit/(loss) for the period	969	192	2,117	(1,490)
4	Profit/(loss) attributable to ordinary equity holders of the Company	486	142	1,941	(1,813)
5	Basic earnings/(loss) per share (sen)	0.64	0.19	2.55	(2.52)
6	Proposed/Declared Dividend per share (sen)	-	-	-	-
		AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7	Net assets per share attributable to ordinary equity holders of the Company (RM)		0.19		0.16

ADDITIONAL INFORMATION

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		[31/03/2007] RM'000	[31/03/2006] RM'000	[31/03/2007] RM'000	[31/03/2006] RM'000
1	Gross interest income	74	81	291	354
2	Gross interest expense	416	275	1,355	1,141

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

**CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2007**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	[31/03/2007] RM'000	[31/03/2006] RM'000	[31/03/2007] RM'000	[31/03/2006] RM'000
Revenue	28,297	21,855	112,152	74,657
Operating Expenses	(28,211)	(21,251)	(109,974)	(73,566)
Other Operating Income	287	105	594	438
Profit from operations	373	709	2,772	1,529
Finance costs	(416)	(275)	(1,355)	(1,141)
Profit/(loss) before tax	(43)	434	1,417	388
Taxation	1,012	(242)	700	(1,878)
Profit/(loss) after tax	969	192	2,117	(1,490)
Attributed to :				
Equity holders of the Company	486	142	1,941	(1,813)
Minority Interest	483	50	176	323
	969	192	2,117	(1,490)
Earnings/(loss) per share :				
- basic (sen)	0.64	0.19	2.55	(2.52)
- diluted (sen)	N/A	N/A	N/A	N/A
Dividend per share (sen)	-	-	-	-

	AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
Net assets per share (RM)	0.19	0.16

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 March 2006 and the accompanying explanatory notes attached to the interim financial statements.

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

**CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2007**

	As at 31.03.2007 Unaudited RM'000	As at 31.03.2006 Audited RM'000 (Restated)
ASSETS		
Non-current assets		
Property, plant and equipment	3,885	3,101
Intangible assets	4,222	4,560
Deferred tax assets	3,175	2,477
	11,282	10,138
Current Assets		
Inventories	2,125	1,819
Trade receivables	51,750	26,444
Other receivables	8,106	2,740
Tax recoverable	207	6
Deposits, cash and bank balances	14,268	16,669
	76,456	47,678
Total assets	87,738	57,816
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	76,118	76,118
Share premium	15,738	15,738
Merger deficit	(13,509)	(13,509)
Warrants	3,030	3,030
Capital reserve	51	51
Irredeemable Convertible Unsecured Loan		
Stocks ("ICULS") - equity component	28,566	28,566
Accumulated losses	(95,731)	(97,681)
	14,263	12,313
Minority interests	2,122	1,810
Total equity	16,385	14,123
Non-current liabilities		
Long term borrowings	1,089	-
ICULS	-	438
	1,089	438
Current Liabilities		
Trade payables	38,923	18,024
Other payables	13,151	10,278
Short term borrowings	18,190	14,953
Total current liabilities	70,264	43,255
Total liabilities	71,353	43,693
Total equity and liabilities	87,738	57,816
Net assets per share (RM)	0.19	0.16

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 March 2006 and the accompanying explanatory notes attached to the interim financial statements.

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

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 MARCH 2007

	Attributable to the equity holders of the Company							Minority Interests	Total Equity	
	Share Capital RM'000	Share premium RM'000	Merger deficit RM'000	Warrants RM'000	Capital reserve RM'000	ICULS - Equity Component RM'000	Accumulated loss RM'000			Total RM'000
At 1 April 2006	76,118	15,738	(13,509)	3,030	51	28,566	(97,681)	12,313	1,810	14,123
Disposal of shares in a subsidiary to a minority shareholder	-	-	-	-	-	-	-	-	110	110
Dilution arising from additional shares issued by a subsidiary	-	-	-	-	-	-	9	9	26	35
Profit for the year	-	-	-	-	-	-	1,941	1,941	176	2,117
At 31 March 2007	76,118	15,738	(13,509)	3,030	51	28,566	(95,731)	14,263	2,122	16,385
At 1 April 2005	64,061	11,623	(13,509)	3,030	51	44,738	(95,868)	14,126	1,255	15,381
Issue of new ordinary shares on conversion of ICULS at RM1.50 each	12,057	4,115	-	-	-	(16,172)	-	-	-	-
Disposal of shares in a subsidiary to a minority shareholder	-	-	-	-	-	-	-	-	232	232
Loss for the year	-	-	-	-	-	-	(1,813)	(1,813)	323	(1,490)
At 31 March 2006	76,118	15,738	(13,509)	3,030	51	28,566	(97,681)	12,313	1,810	14,123

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2006 and the accompanying explanatory notes attached to the interim financial statements.

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

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2007

	Twelve Months Ended	
	31.03.2007 RM'000	31.03.2006 RM'000 (Restated)
Cash Flow from Operating Activities		
Profit before tax	1,417	388
Adjustment for :-		
Non-cash items	1,638	1,531
Non-operating items	1,064	787
Operating profit before working capital changes	<u>4,119</u>	<u>2,706</u>
Changes in working capital	(5,582)	(3,939)
Cash used in operations	<u>(1,463)</u>	<u>(1,233)</u>
Tax paid	(199)	(325)
Interest received	288	339
Interest paid	(1,217)	(1,036)
Net cash flows used in operating activities	<u>(2,591)</u>	<u>(2,255)</u>
Cash flow from Investing Activities		
Acquisition of property, plant and equipment	(1,006)	(1,604)
Purchase of intangible assets	(110)	(613)
Proceeds from disposal of property, plant and equipment	-	1
Proceeds from partial disposal of a subsidiary	69	273
Net cash flow used in investing activities	<u>(1,047)</u>	<u>(1,943)</u>
Cash flow from Financing Activities		
Drawdown of borrowings	28,339	29,992
Repayment of borrowings	(23,914)	(29,942)
Payment of hire purchase liabilities	(159)	-
Issue of ordinary shares of a subsidiary to minority interest	35	-
Repayment of liability portion of ICULS	(1,227)	(1,754)
Net cash flow generated from financing activities	<u>3,074</u>	<u>(1,704)</u>
Net decrease in cash and cash equivalents	(564)	(5,902)
Cash and cash equivalents at beginning of the year	13,994	19,896
Cash and cash equivalents at end of the year	<u><u>13,430</u></u>	<u><u>13,994</u></u>
Cash and cash equivalents at end of the financial year comprise the following:		
	As at 31.03.2007	As at 31.03.2006
	RM'000	RM'000
Deposits with licensed banks	12,223	13,313
Cash and bank balances	2,045	3,356
Deposits, Cash and Bank Balances	<u>14,268</u>	<u>16,669</u>
Less: Bank overdraft	(838)	(2,675)
Cash and cash equivalents	<u><u>13,430</u></u>	<u><u>13,994</u></u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 March 2006 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 Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”).

The interim financial statements should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 March 2006. Other than as stated below, the accounting policies and presentation adopted for these interim financial statements are consistent with those adopted for the annual financial statements for the financial year ended 31 March 2006:-

- FRS 3 - Business Combinations
- FRS 116 - Property, Plant and Equipment
- FRS 136 - Impairment of Assets
- FRS 138 - Intangible Assets

The new FRS 3 has resulted in consequential amendments to FRS 136.

The adoption of these new FRSs has resulted in the Group ceasing annual goodwill amortisation. Goodwill is carried at cost less accumulated impairment losses and is now tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. Any impairment loss is recognised in profit or loss and subsequent reversal is not allowed. For the period to 31 March 2006, goodwill was amortised annually on a straight-line basis over 20 years. This change in accounting policy has been accounted for prospectively for business combinations where the agreement date is on or after 1 January 2006. The carrying amount of goodwill as at 1 April 2006 of RM2,856,000 ceased to be amortised. This has the effect of reducing the amortisation charge by RM168,000 in the financial year ended 31 March 2007.

FRS 3 requires all business combinations to be accounted for using the purchase method. The Group accounted for certain business combinations prior to 1 April 2006 using the merger method. FRS 3 is applied prospectively for business combinations with agreements dated on or after 1 January 2006 only. Hence, there was no effect on the consolidated income statement for the financial year ended 31 March 2007.

FRS 116 requires that the residual value and the useful life of an asset needs to be reviewed at least at the end of each financial period and if expectations differ from previous estimates, the change shall be accounted as a change in accounting estimate in accordance with FRS 108. Accordingly, the Group has reassessed the useful life of motor vehicles and computer equipment. As a result of this change in accounting estimates, the total savings in depreciation charge for the current financial year amounted to RM340,000.

With the adoption of FRS 138 on 1 April 2006, the Group reclassified computer software, previously classified under property, plant and equipment that meets the identifiability criterion of an intangible asset as intangible assets. The comparative carrying amount of the computer software has been reclassified accordingly.

1. Basis of Preparation (cont'd)

The following are FRSs that have been issued but are not yet effective:

FRS 117	Leases
FRS 124	Related Party Disclosures
FRS 139	Financial Instruments : Recognition and Measurement

The Group will adopt FRS 117 and 124 (both effective for periods beginning on or after 1 October 2006) for the financial year ending 31 March 2008. The adoption of FRS 117 will have no significant financial impact on the financial statements. The adoption of FRS 124 will only affect disclosures and will have no financial impact on the financial statements. The effective date of FRS 139 has been deferred to a date to be announced and accordingly, its implications on the financial statements upon implementation cannot be reasonably evaluated at present.

2. Audit qualification of the preceding annual financial statement

The Auditors' Report on the financial statements for the financial year ended 31 March 2006 was not qualified.

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 of the system integration businesses which are secured 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 financial year under review except as disclosed in Note 1 on FRS 1 and FRS 116.

5. Changes in estimates

Refer to Note 1 on FRS 3 and FRS 116 on changes in estimates.

6. Issuances, cancellation, repurchase, resale and repayment of debt and equity securities

For the fourth quarter ended 31 March 2007, there were no issuances, cancellation, repurchase, resale and repayment of debt and equity securities.

7. Dividends

No dividends were paid by the Company since the end of the previous financial year.

8. Segmental information

The Group's segmental reports are as follows: -

31 March 2007	Consulting, Technology & Integration RM'000	Outsourcing & Managed Services RM'000	Business Process Outsourcing RM'000	Management Services RM'000	Elimination RM'000	Group RM'000
SALES						
- External sales	15,124	96,065	963	-	-	112,152
- Intersegment sales	739	8,659	-	2,901	(12,299)	-
Total sales	15,863	104,724	963	2,901	(12,299)	112,152
RESULTS						
Segment results	(40)	8,624	(957)	(5,147)	1,089	3,569
Interest income						291
Unallocated expenses						(1,088)
Profit from operations						2,772
Interest expenses						(1,355)
Profit before tax						1,417
Taxation						700
Profit after tax						2,117

31 March 2006	Consulting Technology & Integration RM'000	Outsourcing & Managed Services RM'000	Management Services RM'000	Elimination RM'000	Group RM'000
SALES					
- External sales	14,204	60,453	-	-	74,657
- Intersegment sales	4,630	143	2,053	(6,826)	-
Total sales	18,834	60,596	2,053	(6,826)	74,657
RESULTS					
Segment results	841	5,196	(6,235)	1,413	1,215
Interest income					354
Unallocated expenses					(40)
Profit from operations					1,529
Interest expenses					(1,141)
Loss before tax					388
Taxation					(1,878)
Loss after tax					(1,490)

9. Valuation of property, plant and equipment

The Group has not revalued its property, plant and equipment.

10. Significant events

- (a) On 20 July 2006, the Company disposed 846,000 ordinary shares, representing a 5% equity interest in its subsidiary, Solsis (M) Sdn. Bhd. for a cash consideration of RM68,688.

The disposal had resulted in a loss of RM41,038 to the Group and a loss of RM1,791,367 to the Company.

- (b) On 27 July 2006, DP International Ltd, a wholly owned subsidiary of the Company, acquired a 100% equity interest in DP International Pte Ltd for a cash consideration of SGD1.00.

DP International Pte Ltd was incorporated on 5 June 2006 and has a paid up share capital of SGD 1.00. Its principal activity is the provision of information technology services and solutions.

- (c) On 5 September 2006, HRM Business Consulting Sdn. Bhd., a subsidiary of the Company, acquired 2 ordinary shares of RM1 each representing 100% equity interest in HRMBC Franchise Advisory Sdn. Bhd. for a cash consideration of RM2.

HRMBC Franchise Advisory Sdn. Bhd. was incorporated on 12 May 2005 and has a paid-up share capital of RM2.00. Its intended principal activity is the provision of franchise consulting services.

On 26 January 2007, HRMBC Franchise Advisory Sdn. Bhd. increased its paid up share capital from RM2 to RM100,000 of which HRM Business Consulting Sdn. Bhd. had subscribed for 64,998 ordinary shares of RM1 each for a cash consideration of RM64,998. The total number of shares held by HRM Business Consulting Sdn Bhd after the allotment was 65,000 ordinary shares of RM1.00 each, representing 65% equity interest in HRMBC Franchise Advisory Sdn. Bhd.

The Group's effective equity interest in Franchise Advisory Sdn. Bhd. decreased from 51% to 33% when Franchise Advisory Sdn. Bhd. issued new ordinary shares to minority shareholders and the Group did not take up its proportionate share of new ordinary shares issued. Accordingly, gain on deemed disposal of RM8,632 arising from the dilution of equity interest is recognised as a movement in equity.

The balance of the 35,000 ordinary shares of RM1.00 each representing 35% equity interest, was subscribed by Encik Awalan bin Abdul Aziz, a director of HRMBC Franchise Advisory Sdn. Bhd. for a cash consideration of RM35,000.

11. Effects of changes in the composition of the Group

There were no changes in the composition of the Group since the previous financial year ended 31 March 2006 except as disclosed in Note 10 above.

12. Changes in Contingent Liabilities (Unsecured)

Unsecured Contingent Liabilities :-	Group		
	31.03.07 RM'000	31.3.06 RM'000	Increase/ (decrease) RM'000
Corporate guarantee given to financial institutions for :			
- Performance guarantees given to third parties	5,288	4,826	462
- Credit facilities granted to subsidiary	135	1,331	(1,196)
Total	5,423	6,157	(734)

13. Review of performance

The changes from the adoption of new FRSs applicable to the Group are disclosed in Note 1.

For the fourth quarter ended 31 March 2007, the Group recorded a revenue of RM28.3 million and achieved a pre-tax loss of RM43,000 as compared to the revenue of RM21.9 million and a pre-tax profit of RM434,000 in the corresponding quarter of the previous financial year. Despite a higher revenue in the current quarter as compared to the corresponding quarter, the group achieved a pre-tax loss due to the low gross margin which was insufficient to cover the increase in operating expenses. Further, the higher pre-tax profit in the corresponding quarter of the previous financial year was due to reversal of provision for corporate guarantee of RM774,000.

For the financial year ended 31 March 2007, the Group recorded a revenue of RM112.2 million and achieved a pre-tax profit of RM1.4 million as compared to the revenue of RM74.7 million and a pre-tax profit of RM388,000 of the previous financial year. The improvement in performance for the financial year under review was due to the increase in revenue.

14. Comparison with Immediate Preceding Quarter

The changes from the adoption of new FRSs applicable to the Group are disclosed in Note 1.

The lower revenue recorded in the current quarter of RM28.3 million had resulted in the Group achieving a pre-tax loss of RM43,000 when compared with the immediate preceding quarter's revenue of RM39.6 million.

15. Prospects

The Company has, on 21 July 2006, submitted to the Securities Commission, the proposed corporate restructuring scheme ("the Scheme") to regularize its financial position. Upon completion of the Scheme, the Company will cease to be an "affected listed issuer" under the Amended PN 17 category.

The Scheme had been approved by Securities Commission and all other relevant authorities with the exception of the High Court, of which is expected to be received by 30 June 2007.

In view of the current financial year's better performance than last financial year, the Board of Directors expects the Group's performance for the next financial year to improve further in view of the better utilization of IT products and services by both public and private sectors.

16. Variance for profit forecast / Shortfall in profit guarantee

Not applicable.

17. Taxation

	Current Year Quarter ended 31.03.07 RM'000	Current Year-to- date ended 31.03.07 RM'000
Income tax		
- Current period	-	(5)
- Reversal of preceding quarter's income tax	48	-
- Overprovision in prior year	-	7
Deferred tax		
- Relating to origination and reversal of temporary differences	1,215	949
- Relating to change in tax rate	(236)	(236)
- Overprovision in prior year	(15)	(15)
Taxation charge	1,012	700

The taxation charge for the Group is in respect of subsidiaries which have taxable income.

Malaysian income tax is calculated at the statutory tax rate of 27% of the estimated chargeable income for the financial year ended 31 March 2007.

The effective income tax rate for the year ended 31 March 2007 of 49% was above the statutory tax rate of 27% principally due to losses incurred by subsidiaries were not allowed to offset against the Group profits and recognition of deferred tax assets.

18. Sale of unquoted investments or properties

There were no sales of unquoted investments or properties for the financial year under review.

19. Purchase and disposal of quoted securities

There was no purchase and disposal of quoted securities for the financial year under review.

20. Status of Corporate Proposal

- (a) On 8 May 2006, the Company was designated as an affected listed issuer pursuant to the amended Practice Note 17/2005 ("PN 17") whereby the Company's shareholders' equity on consolidated basis is less than twenty five percent (25%) of its issued and paid-up share capital of RM76,118,087.

With the proposed corporate restructuring scheme mentioned in paragraph (b), the Company will be able to regularise its financial condition and cease to be an affected listed issuer pursuant to PN17.

On the same date, the Company proposed to implement the following corporate restructuring scheme:

- (i) Reduction of the issued and paid-up share capital of the Company pursuant to Section 64(1) of the Companies Act 1965 involving the cancellation of RM0.75 of the par value of each existing ordinary share of RM1.00 each of the Company in issue to reduce the accumulated losses in the Company ("Proposed Par Value Reduction") and relevant amendments to the Memorandum and Articles of Association of the Company;
 - (ii) Reduction of the share premium account of the Company of up to RM15,738,255 pursuant to Section 64(1) and 60(2) of the Companies Act 1965 to reduce the accumulated losses in the Company;
 - (iii) Renounceable rights issue of up to 85,632,848 new ordinary shares of RM0.25 each ("Rights Shares") on the basis of nine (9) Rights Shares for every eight (8) existing ordinary shares of RM0.25 each held after the Proposed Par Value Reduction; and
 - (iv) Issuance of up to RM10,000,000 nominal value of 5% three (3)-year irredeemable convertible unsecured loan stock.
- (b) On 18 July 2006, the Company announced the following amendments to the above restructuring scheme:-
- (i) the proposed reduction in the share premium account of Dataprep pursuant to Sections 64(1) and 60(2) of the Act of up to RM15,667,287 rather than up to RM15,738,255;
 - (ii) the proposed renounceable rights issue of up to 85,632,848 Rights Shares on the basis of nine (9) Rights Shares for every eight (8) existing ordinary shares of RM0.25 each held after the Proposed Par Value Reduction will be issued with up to 21,408,212 free detachable warrants ("Warrants"). The Warrants will be issued on the basis of one (1) free Warrant for every four (4) Rights Shares;
 - (iii) pursuant to the Proposed Issuance of ICULS, RM4,480,186 nominal value of ICULS will be issued to VXL Management Sdn Bhd to set-off against the outstanding amount due to VXL Management Sdn Bhd as at 31 March 2006 instead of RM4,436,896. The balance of up to RM5,519,814 nominal value of ICULS will be issued to parties to be identified later via private placement and the gross proceeds of up to RM5,519,814 shall be utilised to finance the working capital requirements of the Group; and

20. Status of Corporate Proposal (cont'd)

- (iv) the expected gross proceeds of RM21,408,212 to be raised from the Proposed Rights Issue of Shares with Warrants will be utilised as follows:

	Revised figure	Figure announced on 8 May 2006
Proposed utilisation	RM'000	RM'000
Working capital	11,363	10,408
Repayment of borrowings	9,045	10,000
Estimated expenses for the Proposals	1,000	1,000
	*21,408	*21,408

** The RM21.408 million excludes the proceeds to be raised from the Proposed Issuance of ICULS as stated in paragraph (iii) above.*

- (c) On 21 July 2006, the Company submitted the proposed corporate restructuring scheme to regularize its financial position to the Securities Commission ("SC"). The proposed corporate restructuring scheme was approved by SC on 30 November 2006 under Section 32(5) of the Securities Commission Act, 1993 subject to the conditions as announced on 4 December 2006 to the BMSB, except for the Proposed Amendment to the Memorandum and Articles of Association which does not require SC's approval. In the same letter, SC had also informed that the Proposed Issuance of ICULS has been approved under Foreign Investment Committee's Guideline on the Acquisition of Interest, Mergers and Take-Overs by Local and Foreign Interest.

The summary of the significant conditions imposed by SC in their letter dated 30 November 2006 are as follows:-

- (i) Submission of confirmation by the Advisers that they have verified the substantial shareholders' confirmation of the required financial resources to subscribe for their entitlement of shareholdings before the issuance of the abridged prospectus.
- (ii) The Company to inform SC upon completion of the Proposals;
- (iii) Requirement to fully comply with the other requirements of the SC Guidelines in relation to the implementation of the Proposals;
- (iv) The Company to increase its Bumiputera equity by 5.92% based on the new enlarged issued and paid up share capital (representing 8,300,000 new shares) within two (2) years after the date of implementation of the Proposals;
- (v) The Advisers to notify SC of the names of the appointed Arranger, Trustee and Facility Agent for the ICULS prior to the issue date of the ICULS and to observe the relevant Guidelines on the Offering of Private Debt Securities (PDS Guidelines) including the Guidelines on the Minimum Contents Requirement for Trust Deeds;
- (vi) Provision of confirmation by the Adviser to potential investors over the existence of the RM4,480,186 amount owing by the Company to VXL Management Sdn Bhd;
- (vii) The Adviser to fully disclose to all prospective investors and relevant parties of any conflict and potential conflict-of-interest arising from the issuance of the ICULS together with the relevant mitigating measures. The Adviser is also required to inform all prospective investors that the Board of Directors of the Company is fully informed of and aware of the conflict and potential conflict-of-interest situations (if any) and is agreeable to proceed with the present arrangement;
- (viii) The Company shall obtain all necessary approvals from all relevant parties in relation to the proposed ICULS and the Adviser is to submit a written confirmation on the same to the SC prior to the issue date of the ICULS;

20. Status of Corporate Proposal (cont'd)

- (ix) The Adviser and the Company to disclose in writing to potential investors that each ICULS issue will carry different risks and all potential investors are strongly encouraged to evaluate each ICULS issue on its own merit;
- (x) PMBB and Dataprep to obtain the SC's approval should there be any changes to the terms and conditions of the ICULS;
- (xi) The Adviser to remind all relevant parties including the Company and the Trustee to the ICULS of the need to observe and fully comply with all statutory requirements, in particular, those set out in Division 4 of Part IV of the Securities Commission Act 1993; and
- (xii) Solsis (M) Sdn Bhd ("Solsis"), a subsidiary company of the Company to notify the Ministry of Finance ("MOF") of its Bumiputera equity interest pursuant to the condition imposed by MOF for Solsis to qualify as a Bumiputera contractor.

The full details of the conditions are contained in the announcement to BMSB on 4 December 2006.

- (d) On 22 December 2006, subscription price of the Rights Shares, exercise price of the Warrants and the conversion price of the ICULS pursuant to the proposed corporate restructuring scheme have been fixed at RM0.25, RM0.25 and RM0.33 respectively.
- (e) On 18 January 2007, Bank Negara Malaysia approved the issuance of the Warrants to be issued pursuant to the Proposed Rights Issue of Shares with Warrants to non-resident shareholders of the Company.
- (f) On 27 February 2007, SC has granted approval to revise the number of renounceable rights issues up to 206,482,904 rights shares and up to 51,620,726 warrants. In the same letter, SC has also approved the revision to the utilization of proceeds.

	Revised figure	Existing
Proposed utilisation	RM'000	RM'000
Working capital	11,876	16,883
Repayment of borrowings	13,933	9,045
Estimated expenses for the Proposals	1,000	1,000
	26,809	26,928

An announcement was made on 28 February 2007 to notify the approval granted by SC. The Company also included the following in the same announcement:-

- (i) The Minimum Subscription Level of the Proposed Rights Issue of Shares with Warrants was fixed at 85,632,848 Rights Shares and 21,408,212 Warrants.

20. Status of Corporate Proposal (cont'd)

- (ii) The Company has procured the written irrevocable undertakings from its substantial shareholders, VXL Holdings Sdn Bhd and Seberang Jati Sdn Bhd, to subscribe in full for their entitlements pursuant to the Proposed Rights Issue of Shares with Warrants.

The irrevocable undertakings to subscribe for the Rights Shares by the substantial shareholders of the Company are as detailed below and that the balance of the Rights Shares not subscribed for by the substantial shareholders will be underwritten up to the Minimum Subscription Level :-

Substantial shareholders	No. of Shares held as at 15 February 2007	% of the existing issued and paid-up share capital	No. of Rights Shares entitled to/undertaken to be subscribed	% of Rights Shares undertaken to be subscribed
VXL Holdings Sdn Bhd	40,486,070	53.19	45,546,829	53.19
Seberang Jati Sdn Bhd	8,206,900	10.78	9,232,763	10.78

- (g) On 29 March 2007, the proposed corporate restructuring scheme was approved by the shareholders at the Extraordinary General Meeting.
- (h) On 3 April 2007, the application was made to the High Court to seek their confirmation to the reduction in par value and share premium. The hearing date for the confirmation of the reduction has been fixed on 21 June 2007.
- (i) Other approvals to be obtained:
- (i) BMSB for the listing of and quotation for the following on the Second Board of BMSB:-
 - (a) Dataprep Shares to be issued pursuant to the Proposed Rights Issue of Shares with Warrants;
 - (b) warrants to be issued pursuant to the Proposed Rights Issue of Shares with Warrants;
 - (c) new Dataprep Shares to be issued pursuant to any exercise of the Warrants; and
 - (d) new Dataprep Shares to be issued pursuant to the conversion of the ICULS
 - (ii) SC for the registration of the Abridged Prospectus.

21. Group borrowings

The Group's borrowings as at 31 March 2007 are as follows:

		As at 31.03.07 RM'000	As at 31.3.06 RM'000
Short Term Borrowings:			
Unsecured			
- Bank Overdraft		-	2,675
- Hire purchase		1,438	-
- Irredeemable Convertible Unsecured Loan Stocks ("ICULS")		438	1,227
Secured			
- Bank Overdraft		838	-
- Banker Acceptance		6,695	2,680
- Trust Receipts		-	2,371
- Term Loan		8,781	6,000
Total Short Term Borrowings	(A)	18,190	14,953
Long Term Borrowings :			
Unsecured			
- ICULS		-	438
- Hire purchase		1,089	-
Total Long Term Borrowings	(B)	1,089	438
Total Borrowings	(A+B)	19,279	15,391

All borrowings are denominated in Ringgit Malaysia.

22. Off Balance Sheet Financial instruments

There was no financial instrument with off balance sheet risk as at 31 March 2007.

23. Material litigation

As at 31 May 2007, there were no pending material litigation matters.

24. Dividend

The directors do not recommend any dividend for the financial year under review (preceding financial year: nil).

25. Earnings per share

(a) Basic

	Current Year Quarter ended 31.03.07	Current Year- to-date ended 31.03.07
Profit attributable to ordinary equity holders of the company (RM'000)	486	1,941
Weighted average number of shares in issue ('000)	76,118	76,118
Basic earnings per share (sen)	0.64	2.55

(b) Diluted

Diluted earnings/(loss) per share of the Group is calculated by dividing the profit/(loss) for the financial period attributable to equity holders of the Company by the adjusted weighted average number of ordinary shares in issue during the financial period. The adjusted weighted average number of ordinary shares in issue is arrived at assuming full conversion of the ICULS and the full implementation of the ESOS which represents the dilutive potential of the ordinary shares.

No disclosure of earnings per share has been made as it is anti-dilutive.

26. Capital commitment

The Group has no material capital commitment as at 31 March 2007.

27. Irredeemable Convertible Unsecured Loan Stocks ("ICULS")

On 6 August 2002, the Company issued the following ICULS to the creditor banks, pursuant to a debt restructuring scheme implemented:

- a) 30,000,000 nominal amount of 4% three (3) year ICULS in the Company at 100% nominal amount of RM1.00 each; and
- b) 34,062,520 nominal amount of 4% five (5) year ICULS in the Company at 100% nominal amount of RM1.00 each.

27. Irredeemable Convertible Unsecured Loan Stocks (“ICULS”) (cont’d)

The movements of the ICULS since inception are as follows:

	Group & Company
	RM'000
Face value of ICULS as at 1 April	
- 4% ICULS-3	30,000
- 4% ICULS-5	34,062
	64,062
Converted to shares	(28,151)
	35,911
Repayment of liability component	(6,907)
Total equity and liability components	29,004
Less : Equity conversion component	(28,566)
Liability component at end of financial year	438
Due within 12 months	438
Due after 12 months	-
	438

The principal terms of the ICULS are as follows:

- a) The ICULS bear interest of 4% per annum payable in arrears on the first anniversary of the date of issue of ICULS and subsequent interest payments shall be payable in arrears on the anniversaries of the date of issue of the ICULS during the tenure which they shall remain outstanding, except that the last interest payment shall be made on the Maturity Date;
- b) The ICULS are convertible at any time on and after 2 October 2002 into new ordinary shares of the Company at the conversion price of RM1.50 ICULS for one ordinary share of RM1.00 each;
- c) The ICULS will be mandatory converted into new ordinary shares of the Company at the conversion price of RM1.50 ICULS for one ordinary share of RM1.00 each on the maturity date; and
- d) The new ordinary shares allotted and issued upon conversion of the ICULS will be considered as fully paid up and will rank pari passu in all respects with the existing ordinary shares of the Company.

The carrying value of the ICULS approximates its fair value.

On 5 August 2005, the Company increased its issued and paid up share capital from RM64,061,014 to RM76,118,087 by way of issuance of 12,057,073 ordinary shares of RM1.00 each through the mandatory conversion of 18,085,635 units of 4% three (3) year ICULS of RM1.00 each. The premium arising from the ICULS conversion of RM4,115,107 has been credited to the Share Premium account.

The balance of ICULS as at 31 March 2007 of RM29,004,000 relates to the 4% five (5) year ICULS of RM1.00 each.

28. Deferred tax assets

	31.03.07	31.3.06
	RM'000	RM'000
At 1 April	2,477	3,700
Recognised in income statement	698	(1,223)
At end of the period	3,175	2,477
Presented after appropriate offsetting as follows:		
- Deferred tax assets	3,601	2,478
- Deferred tax liabilities	(426)	(1)
	3,175	2,477

By Order of the Board
Dataprep Holdings Bhd

Tan Hock Chye
Koh Ai Hoon
Company Secretaries
31 May 2007