



COVER rationale



The cover design captures the heart and soul of Dataprep's commitment in delivering on its promise to create **innovative** solutions in the increasingly challenging technological environment.

CONTENTS

Corporate Mission Statement **2** Corporate Structure **3** Notice of Annual General Meeting **2**
Statement Accompanying Notice of 16th Annual General Meeting **13** Corporate Information **14**
Our Services & Solutions **15** Our Support Infrastructure **16** Board of Directors **17** Leadership
Profile **20** Chairman's Statement **22** Statement on Internal Control **24** Statement of Corporate
Governance **26** Audit Committee Report **32** Directors' Report **38** Income Statements **44** Balance
Sheets **45** Statements of Changes in Equity **47** Cash Flow Statements **49** Notes to the Financial
Statements **51** Statement by Directors **86** Statutory Declaration **86** Report of the Auditors **87**
Shareholdings Statistics/Perangkaan Pegangan Saham **88** Warrant Statistics/Perangkaan Warrant **90**
ICULS-3 Statistics/Perangkaan ICULS-3 **92** ICULS-5 Statistics/Perangkaan ICULS-5 **94** Proxy Form

OURvision

to be a leading regional ICT company by providing business and technology solutions and services.

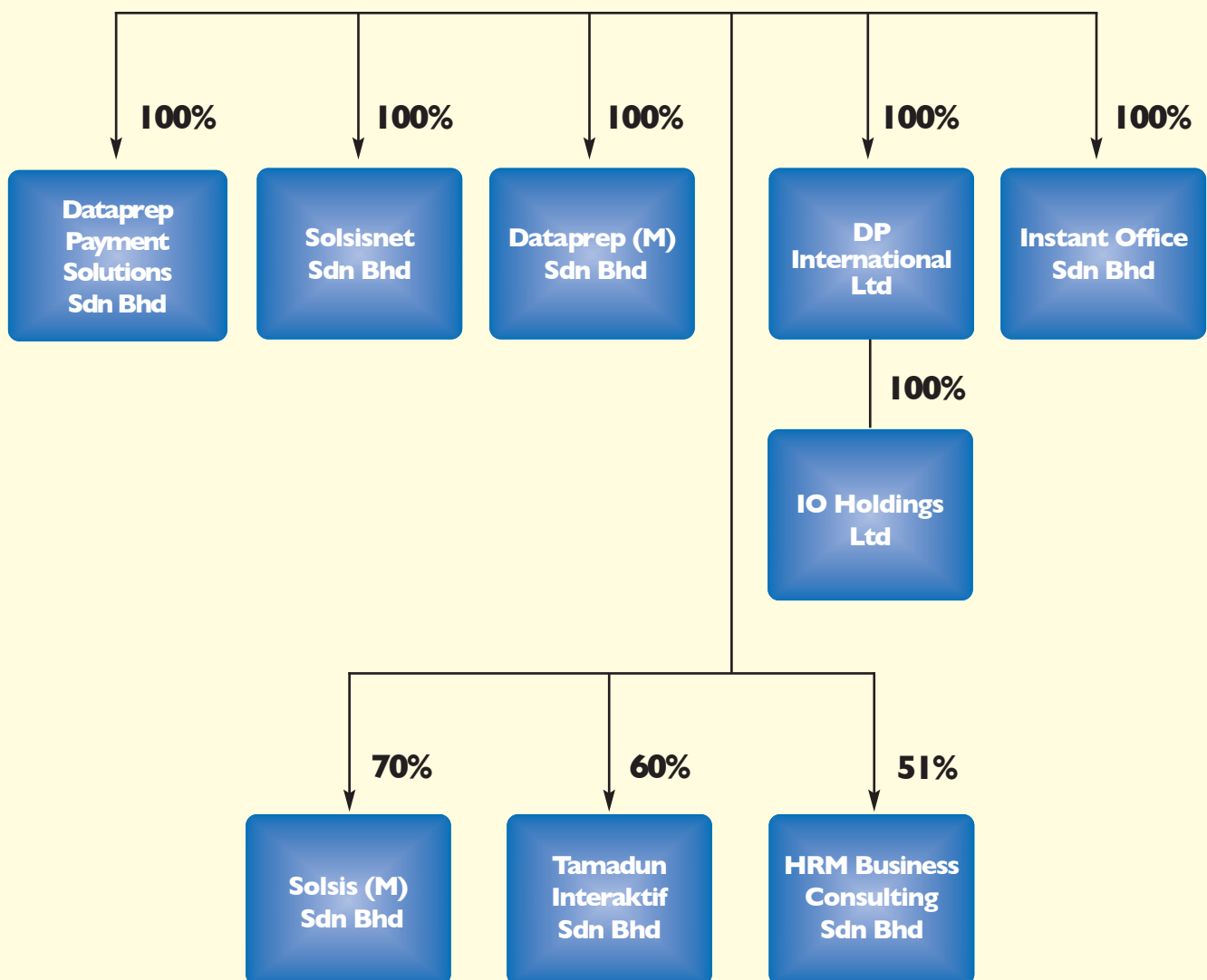
OURmission

to build and develop relationships by providing innovative solutions thereby creating value for our clients and realizing their corporate objectives.

CORPORATE structure



Consulting>Integration>Outsourcing



NOTICE of annual general meeting

Notice is hereby given that the Sixteenth Annual General Meeting of the Company will be held at Ballroom 1, Tropicana Golf & Country Resort Berhad, Jalan Kelab Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 30th August 2005 at 11.30am to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the audited financial statements of the Company and of the Group for the year ended 31 March 2005 and the Reports of the Directors and Auditors thereon. **Ordinary Resolution 1**
2. To approve the payment of Directors' fees of RM200,000 per annum. **Ordinary Resolution 2**
3. To re-elect the following Directors:
 - 3.1 Encik Mirzan bin Mahathir retires by rotation pursuant to Article 98 of the Company's Articles of Association and being eligible, offers himself for re-election. **Ordinary Resolution 3**
 - 3.2 Mr Michael Yee Kim Shing retires by rotation pursuant to Article 98 of the Company's Articles of Association and being eligible, offers himself for re-election. **Ordinary Resolution 4**
4. To re-appoint Messrs Ernst & Young as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. **Ordinary Resolution 5**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following ordinary resolution: -

5. **Authority to issue shares pursuant to Section 132D of the Companies Act, 1965** **Ordinary Resolution 6**

"THAT subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the relevant Government and / or Regulatory Authorities, pursuant to Section 132D of the Companies Act, 1965, the Directors of the Company be and are hereby empowered to issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes and to such person or persons as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed 10 percent of the issued share capital of the Company for the time being AND THAT the Directors are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad."

NOTICE of annual general meeting (Cont'd)

6. **Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature with Genting Berhad, its subsidiaries and associate companies ("Genting Group")**

"THAT the shareholders mandate for the recurrent related party transactions of a revenue or trading nature as approved by the shareholders of the Company on 28 September 2004 pursuant to Paragraph 10.09 of the Listing Requirements of the Bursa Malaysia Securities Berhad, authorizing the Company's subsidiaries to enter into the recurrent related party transactions of a revenue or trading nature with Genting Group ("Related Transacting Party") as particularized in Section 2.4 of Circular dated 8 August 2005 which are necessary for the Company's subsidiaries day to day operations in the ordinary course of business and on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not to the detriment of the minority shareholders of the Company, be and is hereby renewed PROVIDED THAT: -

- (a) disclosure is made in the Annual Report of the aggregate value of transactions conducted pursuant to the Shareholders' mandate during the financial year,

AND THAT the authority conferred by such renewed mandate shall continue to be in force until: -

- (i) the conclusion of the next Annual General Meeting of the Company following the Annual General Meeting at which the Proposed Renewal of Shareholders' mandate for the Recurrent Related Party Transactions is approved, at which time it will lapse, unless by a resolution passed at the Annual General Meeting, the mandate is again renewed;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company after that date is required to be held pursuant to Section 143 (1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143 (2) of the Companies Act, 1965); or
- (iii) revoked or varied by resolution passed by Shareholders in general meeting,

Whichever is earlier,

AND THAT the Directors and / or any of them be and are hereby authorized to complete and do all such acts and things including executing such documents as may be required or necessary to give effect to the transactions contemplated and / or authorized by this Ordinary Resolution."

Ordinary Resolution 7

NOTICE of annual general meeting (Cont'd)

7. **Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature with Kien Huat Development Sdn Bhd ("KHD") and VXL Holdings Sdn Bhd ("VXL Holdings")**

"THAT the shareholders mandate for the recurrent related party transactions of a revenue or trading nature as approved by the shareholders of the Company on 28 September 2004 pursuant to Paragraph 10.09 of the Listing Requirements of the Bursa Malaysia Securities Berhad, authorizing the Company's subsidiary to enter into the recurrent related party transactions of a revenue or trading nature with (i) KHD and (ii) VXL Holdings ("Related Transacting Parties") as particularized in Section 2.4 of Circular dated 8 August 2005 which are necessary for the Company's subsidiary day to day operations in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company, be and is hereby renewed PROVIDED THAT: -

- (a) disclosure is made in the Annual Report of the aggregate value of transactions conducted pursuant to the Shareholders' mandate during the financial year;

AND THAT the authority conferred by such renewed mandate shall continue to be in force until: -

- (i) the conclusion of the next Annual General Meeting of the Company following the Annual General Meeting at which the Proposed Renewal of Shareholders' mandate for the Recurrent Related Party Transactions is approved, at which time it will lapse, unless by a resolution passed at the Annual General Meeting, the mandate is again renewed;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company after that date is required to be held pursuant to Section 143 (1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143 (2) of the Companies Act, 1965); or
- (iii) revoked or varied by resolution passed by Shareholders in general meeting,

Whichever is earlier,

AND THAT the Directors and / or any of them be and are hereby authorized to complete and do all such acts and things including executing such documents as may be required or necessary to give effect to the transactions contemplated and / or authorized by this Ordinary Resolution."

Ordinary Resolution 8

NOTICE of annual general meeting (Cont'd)

8. **Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature with HRM Business Consulting Sdn Bhd ("HRMBC")**

"THAT the shareholders mandate for the recurrent related party transactions of a revenue or trading nature as approved by the shareholders of the Company on 28 September 2004 pursuant to Paragraph 10.09 of the Listing Requirements of the Bursa Malaysia Securities Berhad, authorizing the Company's subsidiaries to enter into the recurrent related party transactions of a revenue or trading nature with HRMBC ("Related Transacting Party") as particularized in Section 2.4 of Circular dated 8 August 2005 which are necessary for the Company's subsidiaries day to day operations in the ordinary course of business and on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not to the detriment of the minority shareholders of the Company, be and is hereby renewed PROVIDED THAT: -

- (a) disclosure is made in the Annual Report of the aggregate value of transactions conducted pursuant to the Shareholders' mandate during the financial year;

AND THAT the authority conferred by such mandate shall continue to be in force until: -

- (i) the conclusion of the next Annual General Meeting of the Company following the Annual General Meeting at which the Proposed Shareholders' mandate for the Recurrent Related Party Transactions is approved, at which time it will lapse, unless by a resolution passed at the Annual General Meeting, the mandate is again renewed;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company after that date is required to be held pursuant to Section 143 (1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143 (2) of the Companies Act, 1965); or
- (iii) revoked or varied by resolution passed by Shareholders in general meeting,

Whichever is earlier,

AND THAT the Directors and / or any of them be and are hereby authorized to complete and do all such acts and things including executing such documents as may be required or necessary to give effect to the transactions contemplated and / or authorized by this Ordinary Resolution."

Ordinary Resolution 9

NOTICE of annual general meeting (Cont'd)

9. **Proposed additional shareholders' mandate for recurrent related party transactions of a revenue or trading nature with HRM Business Consulting Sdn Bhd ("HRMBC")**

"THAT subject to the Listing Requirements of the Bursa Malaysia Securities Berhad, the Company and its subsidiaries are hereby mandated to enter into all recurrent related party transactions of a revenue or trading nature ("RRPT") with HRMBC ("Related Transacting Party") as particularized in Section 2.4 of Circular dated 8 August 2005 which are necessary for the Company and its subsidiaries day to day operations in the ordinary course of business and on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not to the detriment of the minority shareholders of the Company, PROVIDED THAT: -

Ordinary Resolution 10

- (a) disclosure is made in the Annual Report of the aggregate value of transactions conducted pursuant to the Shareholders' mandate during the financial year,

AND THAT the authority conferred by such mandate shall continue to be in force until: -

- (i) the conclusion of the next Annual General Meeting of the Company following the Annual General Meeting at which the Proposed Shareholders' mandate for the Recurrent Related Party Transactions is approved, at which time it will lapse, unless by a resolution passed at the Annual General Meeting, the mandate is again renewed;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company after that date is required to be held pursuant to Section 143 (1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143 (2) of the Companies Act, 1965); or
- (iii) revoked or varied by resolution passed by Shareholders in general meeting,

Whichever is earlier,

AND THAT the Directors and / or any of them be and are hereby authorized to complete and do all such acts and things including executing such documents as may be required or necessary to give effect to the transactions contemplated and / or authorized by this Ordinary Resolution."

NOTICE of annual general meeting (Cont'd)

10. Proposed additional shareholders' mandate for recurrent related party transactions of a revenue or trading nature with Koleksi Sejati Sdn Bhd ("KSSB")

"THAT subject to the Listing Requirements of the Bursa Malaysia Securities Berhad, the Company and its subsidiaries are hereby mandated to enter into all recurrent related party transactions of a revenue or trading nature ("RRPT") with KSSB ("Related Transacting Party") as particularized in Section 2.4 of Circular dated 8 August 2005 which are necessary for the Company and its subsidiaries day to day operations in the ordinary course of business and on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not to the detriment of the minority shareholders of the Company, PROVIDED THAT: -

- (a) disclosure is made in the Annual Report of the aggregate value of transactions conducted pursuant to the Shareholders' mandate during the financial year,

AND THAT the authority conferred by such mandate shall continue to be in force until: -

- (i) the conclusion of the next Annual General Meeting of the Company following the Annual General Meeting at which the Proposed Shareholders' mandate for the Recurrent Related Party Transactions is approved, at which time it will lapse, unless by a resolution passed at the Annual General Meeting, the mandate is again renewed;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company after that date is required to be held pursuant to Section 143 (1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143 (2) of the Companies Act, 1965); or
- (iii) revoked or varied by resolution passed by Shareholders in general meeting,

Whichever is earlier,

AND THAT the Directors and / or any of them be and are hereby authorized to complete and do all such acts and things including executing such documents as may be required or necessary to give effect to the transactions contemplated and / or authorized by this Ordinary Resolution."

Ordinary Resolution 11

NOTICE of annual general meeting (Cont'd)

11. **Proposed additional shareholders' mandate for recurrent related party transactions of a revenue or trading nature with Genting Group**

"THAT subject to the Listing Requirements of the Bursa Malaysia Securities Berhad, the Company and its subsidiaries are hereby mandated to enter into all recurrent related party transactions of a revenue or trading nature ("RRPT") with Genting Group ("Related Transacting Party") as particularized in Section 2.4 of Circular dated 8 August 2005 which are necessary for the Company and its subsidiaries day to day operations in the ordinary course of business and on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not to the detriment of the minority shareholders of the Company, PROVIDED THAT: -

Ordinary Resolution 12

- (a) disclosure is made in the Annual Report of the aggregate value of transactions conducted pursuant to the Shareholders' mandate during the financial year,

AND THAT the authority conferred by such mandate shall continue to be in force until: -

- (i) the conclusion of the next Annual General Meeting of the Company following the Annual General Meeting at which the Proposed Shareholders' mandate for the Recurrent Related Party Transactions is approved, at which time it will lapse, unless by a resolution passed at the Annual General Meeting, the mandate is again renewed;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company after that date is required to be held pursuant to Section 143 (1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143 (2) of the Companies Act, 1965); or
- (iii) revoked or varied by resolution passed by Shareholders in general meeting,

Whichever is earlier,

AND THAT the Directors and / or any of them be and are hereby authorized to complete and do all such acts and things including executing such documents as may be required or necessary to give effect to the transactions contemplated and / or authorized by this Ordinary Resolution."

NOTICE of annual general meeting (Cont'd)

12. **Proposed additional shareholders' mandate for recurrent related party transactions of a revenue or trading nature with VXL Holdings Sdn Bhd, its subsidiaries and associate companies ("VXL Group")**

"THAT subject to the Listing Requirements of the Bursa Malaysia Securities Berhad, the Company and its subsidiaries are hereby mandated to enter into all recurrent related party transactions of a revenue or trading nature ("RRPT") with VXL Group ("Related Transacting Parties") as particularized in Section 2.4 of Circular dated 8 August 2005 which are necessary for the Company and its subsidiaries day to day operations in the ordinary course of business and on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not to the detriment of the minority shareholders of the Company, PROVIDED THAT: -

Ordinary Resolution 13

- (a) disclosure is made in the Annual Report of the aggregate value of transactions conducted pursuant to the Shareholders' mandate during the financial year,

AND THAT the authority conferred by such mandate shall continue to be in force until: -

- (i) the conclusion of the next Annual General Meeting of the Company following the Annual General Meeting at which the Proposed Shareholders' mandate for the Recurrent Related Party Transactions is approved, at which time it will lapse, unless by a resolution passed at the Annual General Meeting, the mandate is again renewed;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company after that date is required to be held pursuant to Section 143 (1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143 (2) of the Companies Act, 1965); or
- (iii) revoked or varied by resolution passed by Shareholders in general meeting,

Whichever is earlier,

AND THAT the Directors and / or any of them be and are hereby authorized to complete and do all such acts and things including executing such documents as may be required or necessary to give effect to the transactions contemplated and / or authorized by this Ordinary Resolution."

NOTICE of annual general meeting (Cont'd)

13. To consider any other business of which due notice shall have been given.

BY ORDER OF THE BOARD

KOH AI HOON (MAICSA: 7006997)

SIM GEOK LING (MIA: 16493)

Secretaries

8 August 2005

Petaling Jaya, Selangor Darul Ehsan

Note:

A member entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company. The instrument appointing a proxy must be deposited at the Company registered office at 11th Floor, Menara Luxor, 6B Persiaran Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan, not less than 48 hours before the time appointed for holding the meeting and at any adjournment thereof.

Explanatory Notes to Item 5 (Ordinary Resolution 6) of the Agenda:

The proposed ordinary resolution 6 if passed, will give the Directors of the Company the authority to issue shares in the Company up to an amount not exceeding in total 10% of the issued share capital of the Company for such purposes as the Directors consider would be in the interest of the Company. This would avoid any delay and cost involved in convening a general meeting to specifically approve such an issue of shares. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting or the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is earlier.

Explanation Notes to Item 6 (Ordinary Resolution 7), Item 7 (Ordinary Resolution 8), Item 8 (Ordinary Resolution 9), Item 9 (Ordinary Resolution 10), Item 10 (Ordinary Resolution 11), Item 11 (Ordinary Resolution 12) and Item 12 (Ordinary Resolution 13) of the Agenda:

The proposed ordinary resolution 7, 8, 9, 10, 11, 12 and 13 if passed, will empower the Directors of the Company and its subsidiary companies to enter into recurrent related party transactions of revenue or trading nature with the Mandated Related Parties. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting or the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is earlier.

STATEMENT accompanying notice of annual general meeting

Pursuant to Paragraph 8.28 (2) of the Listing Requirements of the Bursa Malaysia Securities Berhad

1. Five (5) Board Meetings were held during the financial year 31 March 2005.

Date of Meeting	Total Board Members	% of Attendance
29 May 2004	5	60
20 August 2004	5	100
28 September 2004	6	100
30 November 2004	6	80
25 February 2005	6	80

2. Details of Directors' attendance at Board Meetings are as follows:-

Name of Directors	Attendance
Encik Mirzan Bin Mahathir	3/5
Datuk Lim Chee Wah	3/5
Dato' Pian bin Sukro (appointed on 27 August 2004)	3/3
Encik Muhammad Fauzi Bin Abdul Ghani	5/5
Mr Michael Yee Kim Shing	5/5
Mr Chew Liong Kim	5/5

3. Details of Director standing for re-election and re-appointment are as follows: -

The Directors retiring by rotation pursuant to Article 98 of the Articles of Association and seeking re-election are Encik Mirzan bin Mahathir and Mr Michael Yee Kim Shing.

The details of Encik Mirzan bin Mahathir and Mr Michael Yee Kim Shing are disclosed under the Directors' profile which appear on pages 17 to 19 of this Annual Report.

CORPORATE information

BOARD OF DIRECTORS

Chairman

Mirzan Bin Mahathir
Non-Independent Non-Executive Director

Directors

Chew Liong Kim
Chief Executive Officer

Datuk Lim Chee Wah
Executive Director

Dato' Pian Bin Sukro
Independent Non-Executive Director

Muhammad Fauzi Bin Abd Ghani
Independent Non-Executive Director

Michael Yee Kim Shing
Independent Non-Executive Director

COMPANY SECRETARIES

Koh Ai Hoon (MAICSA: 7006997)
Sim Geok Ling (MIA: 16493)

AUDIT COMMITTEE

Chairman

Michael Yee Kim Shing
Independent Non-Executive Director

Members

Muhammad Fauzi Bin Abd Ghani
Independent Non-Executive Director

Dato' Pian bin Sukro
Independent Non-Executive Director

Chew Liong Kim
Chief Executive Officer

REMUNERATION, QUALITY & NOMINATING COMMITTEE

Chairman

Dato' Pian bin Sukro
Independent Non-Executive Director

Members

Michael Yee Kim Shing
Independent Non-Executive Director

Muhammad Fauzi Bin Abd Ghani
Independent Non-Executive Director

Chew Liong Kim
Chief Executive Officer

EMPLOYEE SHARE OPTION SCHEME COMMITTEE

Chairman

Chew Liong Kim

Members

Ahmad Rizan bin Ibrahim
Ng Keok Ang
Tan Hock Chye

LEADERSHIP

Chief Executive Officer

Chew Liong Kim

Executive Director/ Chief Strategy Officer

Datuk Lim Chee Wah

Head of Network Managed Services

Ahmad Rizan bin Ibrahim

Head of IT Outsourcing & Managed Services

Ng Keok Ang

Head of Consulting, Integration & Technology

Chew Liong Kim

Head of Business Support

Tan Hock Chye

REGISTERED OFFICE

11th Floor, Menara Luxor,
6B Persiaran Tropicana,
Tropicana Golf & Country Resort,
47410 Petaling Jaya,
Selangor Darul Ehsan.
Telephone : (603) 7883 2200
Facsimile : (603) 7880 8033

SHARE REGISTRAR

Symphony Share Registrars Sdn Bhd
Level 26, Menara Multi Purpose,
Capital Square,
8, Jalan Munshi Abdullah,
50100 Kuala Lumpur.
Telephone : (603) 2721 2222
Facsimile : (603) 2721 2530

PRINCIPAL BANKERS

Malayan Banking Berhad
Public Bank Berhad
Southern Bank Berhad

AUDITORS

Ernst & Young

OUR SERVICES & SOLUTIONS

Dataprep Group provides a full spectrum of ICT services from business and technology consulting, systems and network integration, software developments to managed services, e-business and application services and its services is segmented into three Business units i.e. Consulting, Integration & Technology (CIT) Solutions, IT Outsourcing & Managed Services and Network Managed Services. The Business units is further segmented into 6 practices which is synonymous to the Group's vision of growth.

Consulting, Integration & Technology Business Unit

▲ MANAGEMENT CONSULTING Strategy

- Strategy Solutions
- Organizational Transformation

Organizational Performance

- Finance Business Intelligence
- Finance Strategy
- Operational Effectiveness
- Strategic Cost Management
- Change & Leadership
- People & Knowledge Services

Customer & Channel

- Customer & Channel Business Architecture
- Customer & Channel Strategy
- Customer Relationship Management

Supply Chain

- Supply Chain Planning/Execution
- Supply Chain Strategy
- Procurement
- Strategic Sourcing
- Logistics

▲ PAYMENT SOLUTIONS

- Hardware Solutions
- Software Solutions
- Merchant Acquisition Services
- Terminal Maintenance Services

▲ TECHNOLOGY INTEGRATION SOLUTIONS Systems Integration

Enterprise Business Applications

- Strategic IT Assessment & Planning
- ERP Selection & Implementation

Enterprise Application Integration

Software Customization / Development

IT Outsourcing & Managed Services Business Unit

▲ TECHNOLOGY PRODUCTS & SERVICES

- Hardware Maintenance
- Software Maintenance
- Deployment
- Warranty Enhancement
- Product Procurement

▲ IT OUTSOURCING

- Application Management
- Hosting
- Desktop Management
- Server Management
- IT Outsourcing
- IT Helpdesk

Network Managed Services Business Unit

- Network Consolidation & Migration
- Network Assessment
- Network Planning, Design & Implementation
- Network Support
- COINS Franchisee Program
- Broadband Reseller Program
- Solsis IP/VPN Network
- Network Security Assessment, Audit & Management

OUR SUPPORT INFRASTRUCTURE

Apart from Dataprep Group's 34 years of proven group-wide accumulated IT experience and professional staff with proven capabilities in implementing large scaled ICT projects, Dataprep Group is fully equipped to provide the necessary support and back-up tools for its clients. With 25 service centres located nationwide to provide a support network, Dataprep Group's call centres offers 24-hour service, 7 days a week. The 25 Support Service Centres offer operational and maintenance services.



Nationwide Service Network

Headquarters

- Petaling Jaya (2)

Northern Region

- Kangar, Perlis
- Ipoh
- Pulau Pinang
- Alor Setar
- Pulau Langkawi

Southern Region

- Johor Bahru
- Kluang, Johor
- Melaka
- Seremban

Eastern Region

- Kuantan
- Temerloh
- Kerteh
- Kota Bharu
- Kuala Terengganu

Sabah

- Kota Kinabalu
- Sandakan
- Labuan
- Tawau

Sarawak

- Kuching
- Sibul
- Limbang
- Bintulu
- Miri

BOARD of directors

Encik Mirzan Bin Mahathir

Non-Independent Non-Executive Chairman

Encik Mirzan Bin Mahathir, a Malaysian, aged 47, was appointed to the Board in 15 February 1990 and as the Chairman in 1997. He graduated with a Bachelor of Science (Honours) in Computer Science from Brighton Polytechnic, United Kingdom and obtained his Masters in Business Administration from the Wharton Business School, University of Pennsylvania, United States of America.

Between 1982 and 1985, he worked for IBM World Trade Corporation in Malaysia as a Systems Engineer. While pursuing his Masters degree, he joined Salomon Brothers, Inc., in New York as a summer associate in the futures and options trading and bond market research department. Upon completion of his Masters programme in 1987, he rejoined Salomon Brothers Inc. as an associate in the Proprietary Strategies Department, developing and testing analytical tools and trading strategies.

In 1989, he was seconded to the Asia Pacific Investment Banking Department of Salomon Brothers Hong Kong Ltd., where he was involved in financing and valuation analysis of acquisition targets, privatisation and capital market proposals and providing investment banking account coverage for South East Asia.

He currently sits in the Board of several public listed companies namely, Konsortium Logistik Berhad, Worldwide Holdings Berhad, Dolomite Corporation Berhad, Artwright Holdings Berhad and Nakamichi Corporation Berhad. He is also the President of Container Hauliers' Association of Malaysia (CHAM) and President of the Asian Strategy and Leadership Institute (ASLI).

He has attended three meetings out of the total of five Board Meetings held during the financial year ended 31 March 2005.

He has direct and indirect shareholdings of 10,488,893 ordinary shares in the Company.

He does not have any family relationship with any director nor any conflict of interest in business arrangements involving the Company.

He has not been convicted of any offence within the past 10 years, except for traffic offences, if at all.



Datuk Lim Chee Wah

Executive Director

Datuk Lim Chee Wah, a Malaysian, aged 51, was appointed to the Board on 5 March 2002. He is the founder and President of VXL of the VXL Group of companies. He was formerly the Deputy Managing Director of Genting Berhad and Joint Managing Director of Asiatic Development Berhad.

Datuk Lim graduated from the London School of Economics with a degree in economics.

The formation of VXL Group is part of Datuk Lim's vision to bring into realisation information and communication services and technology transfer as advocated by the Government of Malaysia. Datuk Lim has been involved in the information, communication and technology ("ICT") sector since the early 1990's. He has invested in various business ventures in the ICT sector such as video streaming technology and e-commerce business applications.

Besides investing into the above, together with his team, Datuk Lim is also fast expanding VXL's other core businesses such as construction and financial services.

He also sits on the Board of Kien Huat Berhad and VXL Capital Limited, a Hong Kong publicly listed company.

He has attended three meetings out of the total of five Board Meetings held during the financial year ended 31 March 2005.

He has indirect shareholdings of 29,060,440 ordinary shares in the Company.

He does not have any family relationship with any director of the Company.

Except for certain recurrent related party transaction of a revenue nature which are necessary for day-to-day operations of the Company, for which he is deemed interested, there are no other business arrangements with the Company in which he has a personal interest.

He has not been convicted of any offence within the past 10 years, except for traffic offences, if at all.



BOARD of directors (Cont'd)

Dato' Pian Bin Sukro

Independent Non-Executive Director

Dato' Pian Bin Sukro, a Malaysian, aged 57, was appointed to the Board on 27 August 2004.

He was the President and Chief Executive Officer to Tenaga Nasional Berhad. He was trained as an engineer and holds a B.Sc. (Hons) degree. He later secured his M.Sc. in Project Analysis, Finance and Investment. Dato' Pian is also a Chartered Engineer, member of Institute of Electrical Engineers, UK, member of Institute of Engineers, Malaysia and a member of Professional Engineers, Malaysia. He has held senior positions at TNB within the 34 years of service with the organization which covers the full spectrum of the utility business such as equipment manufacture and installation; power station operation and maintenance, project construction and commissioning, project engineering and management; steps and studies related to the introduction of nuclear power to Malaysia; project appraisals and feasibility studies; power system development planning including fuel procurement, energy pricing and site studies; formulation of electricity tariff; ASEAN inter-utility cooperation North-East and South-East Asian Utility cooperation, ASEAN energy cooperation; managing the implementation of thermal generation projects; corporate, financial and strategy planning; corporatisation of LLN to TNB; privatization of TNB; industry regulation; introduction of independent power producers; power purchase agreements; corporate restructuring and formation of subsidiaries, sourcing of project and corporate funds (local and

international); formation of joint ventures and JV companies; development and diversification of TNB's business locally and overseas. He has also undertaken various functions for other groups and organizations including the Ministry of Energy, Communications and Multimedia, ASEAN Energy Cooperation, International Atomic Energy Agency (IAEA), World Energy Council, International Council on Large Electric System (CIGRE), Asian Development Bank and the World Bank (IBRD).

He also sits on the Audit Committee as an Ordinary Member and is Chairman of the Remuneration, Quality and Nominating Committee.

He is also a director of Malaysian Merchant Marine Berhad and Chairman of ACIL Tasman Sdn Bhd.

He has no shareholdings in the Company.

He has attended 3 meetings out of the total of three Board Meetings of which he was a Director, held during the financial year ended 31 March 2005.

He has no family relationship with any director and/or major shareholders, nor any conflict of interest in business arrangement involving the Company.

He has not been convicted of any offence within the past 10 years.

Encik Muhammad Fauzi Bin Abd Ghani

Independent Non-Executive Director

Encik Muhammad Fauzi Bin Abd. Ghani

a Malaysian, aged 43, was appointed to the Board in September 1998. He holds a Master of Business Administration from Ohio University, a Bachelor of Commerce from University of Western Australia as well as a Post-graduate Diploma in Systems Analysis from Institute Teknologi MARA. He is a member of the Malaysian Institute of Certified Public Accountants, Malaysian Institute of Accountants and CPA, Australia. He joined Arthur Andersen & Co as a Tax Accountant in 1985. He then forge ahead his career by joining Arab-Malaysian as an Assistant Manager in the Corporate Finance department, Sapura Telecommunications Bhd as Group Financial Controller and Head of Strategic & Business Development of Golden Hope Plantations Berhad. He has accumulated professional experience of more than 19 years. He is presently the Chief Financial Officer of Titan Petrochemicals & Polymers Berhad.

He presently sits on the Audit Committee and Remuneration, Quality and Nominating Committee as an Ordinary Member.

He does not hold directorship in other public companies.

He has attended 5 meetings out of the total of five Board Meetings held during the financial year ended 31 March 2005.

He has direct shareholdings of 137,200 ordinary shares in the Company.

He does not have any family relationship with any director and/or major shareholders, nor any conflict of interest in business arrangements involving the Company.

He has not been convicted of any offence within the past 10 years, except for traffic offences, if at all.



BOARD of directors (Cont'd)

Mr Michael Yee Kim Shing

Independent Non-Executive Director

Mr Michael Yee Kim Shing, a Malaysian, aged 67, was appointed to the Board on 31 May 2002, as an Independent Non-Executive Director. He graduated with a Bachelor of Commerce from the University of Melbourne. He is a member of the Malaysian Institute of Accountants, the Institute of Chartered Accountant of Australia and the Institute of Certified Public Accountants of Singapore.

He was formerly with Ernst & Whinney (now known as Ernst & Young), an international firm of accountants, before retiring in 1990 as a Senior Partner in Kuala Lumpur after 26 years in professional practice, handling all facets of professional services as a practising accountant. He has successfully implemented several schemes of reconstruction, restructuring and re-listing of public listed companies.

He is presently Chairman of the Audit Committee and he also sits on the Remuneration, Quality and Nominating Committee as an Ordinary Member.

His directorships in other public companies are Mega First Corporation Berhad, Pacific & Orient Berhad, Pacific & Orient Insurance Berhad and VXL Capital Limited (a company incorporated and listed on the Hong Kong Stock Exchange).

He has attended 5 meetings out of the total of five Board Meetings held during the financial year ended 31 March 2005.

He has no shareholdings in the Company.

He does not have any family relationship with any director and/or major shareholders of the Company.

He has not been convicted of any offence within the past 10 years, except for traffic offences, if at all.



Mr Chew Liong Kim

Executive Director/Chief Executive Officer

Mr Chew Liong Kim, a Malaysian, aged 50, was appointed to the Board on 26 February 2004. He graduated with a Bachelor of Commerce from Auckland University, New Zealand. He is a Chartered Accountant of the Malaysian Institute of Accountants, an Associate Member of the Institute of Chartered Accountant of New Zealand and the Malaysian Institute of Chartered Secretaries and Administrators.

He was a senior partner of the Andersen Worldwide Societe Cooperative, Switzerland. He has, during his tenure with the Arthur Andersen Group, held the position of the Asia Pacific and subsequently Asean Managing Partner of Andersen Business Consulting. He was also the Managing Director of Andersen Business Consulting Malaysia for a period of 7 years, before establishing HRM Business Consulting Sdn Bhd in 2002.

He also served as a member of Andersen Worldwide Board Nominating Committee and Chairman of the Advisory Council to the Andersen Worldwide Chief Executive Officer.

He was a member of the National Economic Consultative Group in 2000 in his role as Chairman of the Malaysian Bureau of Consultants.

Currently he is a member of the Franchise Advisory Board and Advisory Panel of the Professional Services Development Corporation. He has in total 25 years of management and financial consulting experience covering public sector privatization and policy studies, private enterprise transformation, technology implementation and change management for Government, multi-national companies, listed and private enterprises.

He presently sits on the Audit Committee and the Remuneration, Quality and Nominating Committee as an Ordinary Member.

He does not hold directorship in other public companies.

He has direct and indirect shareholdings of 65,000 and 166,000 ordinary shares respectively in the Company.

He does not have any family relationship with any director and/or major shareholders of the Company.

Except for certain recurrent related party transaction of a revenue nature which are necessary for day-to-day operations of the Company, for which he is deemed interested, there are no other business arrangements with the Company in which he has a personal interest.

He has attended 5 meetings out of the total of five Board Meetings held during the financial year ended 31 March 2005.

He has not been convicted of any offence within the past 10 years, except for traffic offences, if at all.

LEADERSHIP profile



Chew Liong Kim

*Executive Director/Chief Executive Officer
Head of Consulting, Integration & Technology*

The details of Chew Liong Kim are disclosed under the Directors' profile which appears on page 19 of this Annual Report.



Datuk Lim Chee Wah

*Executive Director
Chief Strategy Officer*

The details of Datuk Lim Chee Wah are disclosed under the Directors' profile which appears on page 17 of this Annual Report.

LEADERSHIP profile (Cont'd)



Ahmad Rizan bin Ibrahim

Head of Network Managed Services

Ahmad Rizan, aged 42, a Malaysian, has two Bachelor of Science degrees in Computer Science and Management Science and a Master of Computer Science and MBA from Oregon State University, Corvalli, Oregon.

Ahmad Rizan was a partner with Business Consulting in Arthur Andersen and also the Head of Andersen's ASEAN Enterprise Application Line-of-Business. He also served as the Andersen's Asia Pacific Head of Enterprise Application for two years. Prior to joining Arthur Andersen, he served as the Consulting Director for Oracle Systems Malaysia Sdn. Bhd.

Ahmad Rizan is the Head of Network Managed Services Division of the Dataprep Group. He is also the Managing Director of HRM Business Consulting Sdn Bhd and Solsis (M) Sdn Bhd. He has over 18 years of management and consulting experience in ICT Strategic Master Plan, technology design and implementation, package implementation, custom implementation, operations management, eBusiness, project management, and general management for government and manufacturing sectors.

Tan Hock Chye

Head of Business Support

Tan Hock Chye, aged 46, a Malaysian, is a Chartered Accountant of the Malaysian Institute of Accountants. He is also a Fellow Member of the Chartered Institute of Management Accountants, United Kingdom and has a Master of Business Administration (Honors) from Oklahoma City University, Oklahoma, USA.

He has over 23 years of management and financial experience in the private sector involving nurturing newly start-ups, corporate restructuring and debt reorganization, financial systems implementation, operations and general management for retailing, manufacturing, publishing, trading, transportation, leisure and oil and gas industries.

Currently, he is the Head of Business Support Division of the Dataprep Group. He previously held other senior management positions in multinational and public companies.

He was the Deputy President of MATTA (Malaysian Association of Travel and Tour Agencies), Honorary Treasurer of Japan Airlines Select Consortium, Committee member of PPTF (Policies and Procedures Task Force), United Engineers Bhd and was a member of the British Institute of Management.

Ng Keok Ang

Head of IT Outsourcing and Managed Services

Ng Keok Ang, aged 50, a Malaysian, has a Diploma in Electronics and Telecommunication from Singapore Polytechnic and a Diploma in Management from Malaysian Institute of Management.

Currently, he is the Head of IT Outsourcing and Managed Services Division for the Dataprep Group. He has over 27 years of management and operational experience in ICT covering service management, business process reengineering and quality system.

He is a member of the Malaysian Institute of Management, a member of the Association for Service Management International and also a member of the Helpdesk Institute.

CHAIRMAN'S statement



On behalf of the Board of Directors of **Dataprep Holdings Berhad**, it is my pleasure to present the 16th Annual Report for the financial year ended 31st March 2005.

Financial Year 2005 has been an eventful year for Dataprep Holdings Berhad amidst an ever demanding and competitive ICT industry environment. It was a year where the Group achieved a turnaround and made a modest profit. It was also a year filled with challenges - Information Technology (IT) spending was prudent, intense market competition and increase competition from international players in outsourcing.

Industry Trends

According to the International Data Corporation's (IDC) latest research, Malaysia's IT services market reached US\$801.81 million, a year-on-year growth of 29% in 2004 compared with 2003. In 2004, the consulting and Systems Integration (SI) market had the highest share of the services pie at 42%, followed by support and training at 33% and outsourcing at 25%. Boosted by strong outsourcing requirements, the IT services market is forecasted to show a 16.3% compounded annual growth rate (CAGR) for 2004-2009.

In the SI market, demand for enterprise application, either packaged or customized, will continue to drive a double-digit growth rate in the market at a CAGR of 11.6%. This is driven by the advent of new technologies such as radio frequency identification (RFID) application, virtualization application, as well as changes in delivery models of the service providers, shifting from the traditional SI model to a service model. Network

consulting and integration continue to spur growth in the market, especially when the concept of ubiquitous computing is embedded in the user community.

The Group envisions that in the long term, the number of outsourcing projects will increase, as companies are likely to increase the use of outsourcing for IT investment rationalization. In the deployment and support segment, hardware and software maintenance will grow at a more moderate rate, seeing higher competitiveness from the value-added service providers in the market to provide a more dynamic service offering to take over the maintenance responsibilities using a managed service model, rather than the traditional annual maintenance service model.

With a more focused strategy, the Group will stand to benefit from the latest market reality.

Financial Performance

For financial year ended 31st March 2005, the Group recorded a revenue of RM71 million and net profit of RM2.4 million as compared to RM86 million revenue and RM39 million net loss in the previous financial year. At the Company level, Dataprep registered a revenue of RM2.4 million and net profit of RM1.3 million compared to RM5.7 million and RM3.6 million net loss in the previous financial year.

CHAIRMAN'S statement (Cont'd)

The decline in revenue for the Group was mainly attributed to deferment in some projects whereas the increase in the Group's net profit was due to increased profit margin, lower operating costs, recovery of bad debts and non-recurrence of exceptional charges.

Overall, the Group's financial performance for the year has improved with earnings per share of 3.7 sen compared to a loss per share of 62.15 sen in the previous financial year.

Corporate Developments

During the year under review, efforts were made to strengthen the Group's core competencies vis-à-vis its ongoing initiatives for internal rationalization and cost control measures.

Sales effectiveness and delivery capabilities were enhanced with the aim to improve our "speed to market". The focus of attention was on client selection along industry lines, retention of key accounts and client penetration including intensifying channel sales and strengthening alliance relationship with major partners like Cisco, Computer Associates, 3Com, Novell, IBM, HP and Dell resulting in Solsis (M) Sdn. Bhd. being awarded with a Silver Partner status by Cisco Systems and Platinum Partner status by Novell Inc.

Delivery capabilities were realigned along market needs and PMO (Program/Project Management Office) practices leveraging on the Group's 25 service outlets nationwide including overseas associates and affiliates. A mark of our quality achievement is our certification to the internationally benchmarked ISO 9001:2000 certification for the "Delivery of IT related support services", the "design, development and implementation of engineering solutions based on IT related products" for Solsis (M) Sdn. Bhd. and the "Provision of business consulting services" for HRM Business Consulting Sdn. Bhd.

Internally, the Group implemented Oracle financials for its back-office and instituted a Knowledge Management System with the objective of promoting enterprise-wide knowledge sharing and creating a knowledge-based learning organization. On the business front, the Group embarked on identifying, exploring and developing

opportunities in regional markets that can add or create better value towards building a portfolio of profitable business.

Prospects

The IT market is expected to register a spending momentum of 16% growth over 2004 with hardware trading and system integration as the largest contributor.

In line with this, the Group expects to acquire the benefits of these growing trends to further improve its performance in the next financial year. Further with a more focused structure, the Group can deliver and support customers more effectively including building better relationships for long term sustainability.

Overall the Board looks to the year ahead with optimism and with confidence that the Management will be able to strengthen the Group's position and improve its competitive edge.

Acknowledgements

On behalf of the Board, I welcome Dato' Pian Bin Sukro who joined as an Independent Non-Executive Director on 27th August 2004.

I would like to take this opportunity to pay tribute to the Management and Staff for their hard work and dedication for the significant turnaround of the Group. The Group's positive performance would not have been possible without their relentless efforts and contributions. I would also like to thank the Management staff for their confidence and commitment as reflected by the exercising of their respective share options during the year despite a lower share price in the marketplace.

Finally, we are grateful for the resolute support and alliance from our shareholders, customers, suppliers, business associates, government agencies, financiers and all other stakeholders.

Mirzan Mahathir

Chairman
30 May 2005

STATEMENT on internal control

INTRODUCTION

The Malaysian Code on Corporate Governance stipulates that the Board of Directors of listed companies should maintain a sound system of internal control to safeguard the shareholders' investments and the Group's assets. Set out below is the Board of Directors' Statement on Internal Control made in compliance with paragraph 15.27 of the BMSB's (Bursa Malaysia Securities Berhad) Listing Requirements and the Statement on Internal Control: Guidance for Directors of Public Listed Companies.

RESPONSIBILITY

The Board acknowledges its responsibility to maintain a sound system of internal controls and effective risk management practices in the Group to safeguard the shareholders' investments and the Group's assets. The Board ensures continuously the adequacy and integrity of the overall internal control system for the Group. The Board also recognizes that the system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives. In this regard, internal control can provide only reasonable and not absolute assurance against material misstatements or losses.

RISK MANAGEMENT

The Board has always regarded risk management as an integral part of the Group's system of internal controls. The Group has established a formal and structured Enterprise Risk Management framework. Management is constantly aware of the risks affecting the group and has implemented appropriate controls to manage those risks. These controls have been embedded into the operations such as the review by the Deals Review Committee and the Bid & Contract Management Process to mitigate the project risks.

MANAGEMENT PROCESSES

A well-defined organisation and management structure and reporting line reinforces the systems of internal control of the Group, which ensure its continued relevance and effectiveness. Some of the management disciplines include a pre-defined chart of responsibility that provides clear lines of delegated authority to the various management levels along functional lines.

The Group also operates a comprehensive integrated information system that provides for transactions to be captured, compiled and reported. The automated information system provides management with dependable data, analyses, variations, exceptions and other inputs relevant to gauging their performance. In addition, a detailed annual budget is prepared at the beginning of the financial year.

In some of the Group's business operations, periodic meetings are held to ensure that progress, exceptions and variations are fully discussed and appropriate actions are taken. This ensures that business objectives are met.

To ensure effectiveness of the internal control and its continuity, the group maintains an established human capital function to ensure that the people driving key operations are sufficiently skilled and exert the required qualities of professionalism and integrity in their conduct. There are continuous education and training programs to enhance the skills of employees and to reinforce such qualities.

The Board is responsible for setting the business direction including a clear Group vision, mission and strategic direction, which is communicated to employees at all levels. The Board also oversees the conduct of the Group's operations through various management reporting mechanisms. Through these mechanisms the Board is informed of all major control issues pertaining to internal control, regulatory compliance and risk management.

The intranet is used as an effective means of communication and knowledge sharing at all levels.

STATEMENT on internal control (Cont'd)

MONITORING AND REVIEW

The Board has delegated day-to-day functions to the CEO, who is aided by a team of corporate officers to assist with the carrying out of his duties. Part of his role is to drive each of the business operations in a manner that ensures the integrity of the internal control systems and effective risk management practices in place throughout the year.

From a process viewpoint, the CEO presides over regular management meetings in each of the business operations. These meetings review financial performance, business issues including internal control matters and risk management.

The Group has an internal audit function whose primary responsibility is to assure the Board, through the Audit Committee, that the internal control systems function as intended. In providing this assurance, the Internal Audit Unit carries out regular audits to review the adequacy and integrity of the internal control systems and thereafter reports of the shortcomings together with appropriate recommendations as are submitted to the Audit Committee. These together with the external auditors' findings arising from the audit of the statutory financial statements provide further assurance of the soundness and effectiveness of the internal control systems. In addition, as part of the requirements of the ISO 9001 certification accredited to two subsidiaries, scheduled audits are conducted internally as well as by the SIRIM auditors. Results of these audits are reported to the Audit Committee.

SUMMARY

The systems of internal control described in this statement are considered appropriate to the business operations as well as the risks taken are at an acceptable level within the context of the business environment throughout the Group. Therefore, the systems of internal control that exist throughout the year provide a level of confidence on which the Board relies for assurance.

This statement is made in accordance with the resolution of the Board of Directors dated 30th May 2005.

STATEMENT of corporate governance

INTRODUCTION

The Company is fully committed to good corporate governance and the following statement describes the practices adopted by it in compliance with the Principles and Best Practices of Corporate Governance pursuant to Part 1 and 2 of the Malaysian Code on Corporate Governance. In preparing this report, the Board has considered the manner in which it has applied the Principles of the Code and the extent to which it has complied with the Best Practices of the Code.

BOARD OF DIRECTORS

The responsibility of the Board includes setting the strategies and succession plans for the Group and overseeing the conduct of the Group's business to ensure that the business is properly managed, taking into consideration the following core values of the Dataprep Group:

- (i) Enhance/Increase enterprise values of the Dataprep Group,
- (ii) Leverage on core competencies of the Dataprep Group,
- (iii) Management of project risks,
- (iv) Enhance the Dataprep Group reputation and brand.

The composition of the Board, which is in compliance with the Listing Requirements of BMSB, includes 1 Non-Independent Non-Executive Director, 1 Non-Independent Executive Director, 3 Independent Non-Executive Directors and 1 Chief Executive Officer. The Directors are made up of qualified and experienced professionals in the fields of accountancy, computer science, economics and engineering. A brief description of the background of each director is contained in the Directors' Profile section. This composition and combination of different skills ensures an effective Board decision-making process and enables the Board to efficiently lead and control the Company.

The Directors participate actively in the overall management and stewardship of the Company. There were five Board meetings held in Financial Year 2005 where all Directors were provided with a complete set of Board papers prior to the said meetings. The Board papers include a comprehensive write-up on the latest status of the Company's finance, operations and administrative matters, and any significant changes in the key business strategies of operating units. Annual budgets, business plans and strategies were presented to and approved by the Board at these meetings.

The Directors have direct access to the advice and services of the Company Secretaries, and they may seek external professional advice if required by them.

All Directors will retire at regular intervals by rotation at least every three years and they shall be eligible for re-election.

To-date, the Board has not found it necessary to identify a senior independent non-executive Director to whom concerns may be conveyed, mainly because the Board operates in an open environment where opinions and information are freely exchanged. In these circumstances, any concerns need not be focused on a single director as all members of the Board fulfill this role collectively.

The Directors consider that, in preparing the financial statements of the Company and of the Group for the financial year ended 31 March 2005, the Company and the Group have used appropriate accounting policies and applied them consistently, reasonably and prudently. The Directors also consider that all applicable approved accounting standards have been followed in the preparation of the financial statements.

The directors are responsible to ensure that the Company and its subsidiaries keep accounting records which disclose with reasonable accuracy the financial position of the Company and of the Group and which enable them to ensure that the financial statements comply with the provisions of the Companies Act, 1965. In addition, the Directors are responsible to take such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

STATEMENT of corporate governance (Cont'd)

SHAREHOLDERS

The Board recognizes the importance of effective communication with shareholders and the investing community. Shareholders and the investing community are kept well informed of developments and performances of the Company through disclosures to BMSB and the press (where appropriate) as well as the Annual Report.

Adequate time is given during Annual and Extraordinary General Meetings to allow the shareholders to seek clarifications or ask questions on pertinent and relevant matters.

In addition to the above, the Company is always willing to meet up with institutional investors when the needs arises, to elaborate or further clarify information already disclosed to the other shareholders. Price sensitive and any information that may be regarded as undisclosed material information about the Group is not disclosed until the prescribed announcement to the BMSB has been made.

ACCOUNTABILITY AND AUDIT

The Directors are responsible for the preparation of the annual audited accounts. The Board took due care and reasonable steps, which include taking cognizance of the Audit Committee's recommendation, to ensure that the accounts and the other financial reports of the Company and of the Group are prepared in accordance with applicable approved accounting standards and the provisions of the Companies Act, 1965.

Quarterly results are only released to the BMSB after scrutiny by the Audit Committee and approved by the Board of Directors. At the end of each financial year, a comprehensive Annual Report is published and sent to all the shareholders at least 21 days before the date of the Annual General Meeting. This report is prepared in accordance with the latest BMSB guidelines and is available to the public.

The Audit Committee plays an active role in helping the Board discharge its governance responsibilities. The Committee works within the purview of the terms of reference, which have been drafted in accordance with the Bursa Malaysia Listing Requirements. The role of the Committee in relation to the external auditors is also embodied under its terms of reference. A separate report by the Audit Committee is contained on pages 32 to 36 of this Annual Report.

The Internal Audit Unit reports directly to the Audit Committee. Their role is to carry out regular visits to the operating units to ensure compliance with the Group's policies, procedures and internal control systems. They have also adopted a risk based approach when carrying out their audits. The findings are all properly documented and presented to the Audit Committee, with copies to the parties concerned, so that timely corrective measures can be taken.

The Internal Audit Unit has also assumed a full participating role as advocated by the Professional Practice Framework in assisting management in the facilitation and enabling of risk management processes for the Group.

The Board acknowledges its overall responsibility for maintaining the system of internal controls to safeguard the shareholders' investment and the Company's assets. The Statement on Internal Control made in pursuance of paragraph 15.27 of the Bursa Malaysia Listing Requirements is separately set out on pages 24 and 25 in this Annual Report.

STATEMENT of corporate governance (Cont'd)

COMPLIANCE WITH BEST PRACTICES OF CORPORATE GOVERNANCE

The Group was substantially in compliance with the Best Practices of Corporate Governance throughout Financial Year 2005, with the exception of the following:-

- We have not appointed a senior independent non-executive director, to whom concerns can be conveyed. We do not believe there is such a necessity because all our Board members actively and freely participate during Board meetings.
- Currently only an informal briefing is provided to new directors on the group's operations. However, the Board is in the process of developing a formal structured in-house induction program for new directors appointed to the Board which will involve educating the directors as to the nature of the business, corporate strategy, current issues affecting the group, the group's expectations of the directors and the general responsibilities of a director and of the Board as a whole.

OTHER INFORMATION

• **Material Contracts with Related Parties**

There are no other material contracts subsisting at the end of the financial year or entered into since the end of the previous financial year by the Company and its subsidiaries which involves interests of directors and major shareholders except for those disclosed in note 30 to the financial statements.

• **Sanctions and/or Penalties Imposed**

There are no sanctions or material penalties imposed on the Company and its subsidiaries, directors or management by the relevant regulatory bodies during the financial year.

• **Share Buy-backs**

There was no share buy-back by the Company for the financial year.

• **Options**

On 17 December 2003 and 11 July 2004, options of 2,209,000 shares and 2,141,000 shares respectively in the Company were granted pursuant to its Employee Share Option Scheme (ESOS). The ESOS was approved by shareholders at an Extraordinary General Meeting dated 18 January 2002. As at 8 August 2005, a total of 80,200 were taken up by employees.

• **American Depository Receipt (ADR) or Global Depository Receipt (GDR) Programme**

The Company did not sponsor any ADR or GDR programme during the financial year.

• **Non-audit fees**

Apart from the audit fees, there is no other fee paid to the External Auditors.

• **Profit Estimate, Forecast, Projection or Unaudited Results**

The Company did not issue any profit estimate, forecast or projection for the financial year. There is no variance between the audited results for the financial year and the unaudited results previously announced by the Company.

• **Profit Guarantee**

The Company did not give any profit guarantee during the financial year.

• **Revaluation of Landed Properties**

The Company does not have a revaluation policy on landed properties.

STATEMENT of corporate governance (Cont'd)

OTHER INFORMATION (Cont'd)

• Utilisation of Proceeds Raised from Corporate Proposals

On 30 June 2004, the Company announced the following corporate proposal:-

- a) Proposed Private Placement of up to 6,400,000 new ordinary shares of RM1.00 each.

The following approvals have been obtained for the above proposal:-

- a) Securities Commission for the Private Placement;
- b) Bursa Malaysia Securities Bhd granted an approval in principal for the listing of and quotation for the additional 6,400,000 new ordinary shares of RM1.00 each.

The Private Placement exercise has yet to be completed and a further extension has been granted by the Securities Commission to complete the exercise.

• Warrants or Convertible Securities

Save for the conversion of convertible securities, the amount of which is disclosed in note 25 to the Financial Statements, there were no other exercises of convertible securities during the financial year ended 31 March 2005.

During the financial year, the Company did not issue any warrants or convertible securities.

• Recurrent Related Party Transaction of a Revenue or Trading Nature

At the 15th AGM of the Company held on 28 September 2004, the shareholders have granted a mandate for the Company and its subsidiaries to enter into recurrent related party transaction of a revenue or trading nature ("mandated Recurrent Transactions") with persons who are "Related Parties" as defined in Chapter 10 of the Bursa Malaysia Listing Requirements. The breakdown of aggregate value paid/payable for the Mandated Recurrent Transactions during the financial year ended 31 March 2005 are set out below:-

Transaction	RM
Provision of ICT related services to the Genting Group	189,000
Provision of consultancy services to Lingkaran Ehsan Sdn Bhd*	20,000
Provision of consultancy services to the Dataprep Group by subsidiary company	4,802,000

*The director ceased to have any interest in the company during the previous financial year.

Relationship with Related Parties	
Names of Related Party	Relationship
Genting Group	Datuk Lim Chee Wah is the brother to Tan Sri Lim Kok Thay, the Chairman, President and Chief Executive Officer of Genting.
Lingkaran Ehsan Sdn Bhd	A former subsidiary of VXL Holdings Sdn Bhd. The company ceased to be a subsidiary during the previous financial year.
VXL Holdings Sdn Bhd	A major shareholder of Dataprep Holdings Bhd.

STATEMENT of corporate governance (Cont'd)

REMUNERATION, QUALITY & NOMINATING COMMITTEE

The Remuneration, Quality & Nominating Committee ("RQN") was formed on 25 November 2002. Its principal roles are, inter-alia, as follows: -

- (i) To review and recommend to the Board for approval, the remuneration packages for Executive Directors
- (ii) To review and recommend to the Board for approval, the Group's framework for the Performance-Linked Compensation (PLC) scheme;
- (iii) To review and recommend to the Board for approval, the appointment of new Directors and to assess existing Directors on an on-going basis.
- (iv) To review and recommend to the Board for approval, the policy and framework for the employee share option scheme administered by the Option Committee.

The RQN comprises of Dato' Pian Bin Sukro (Chairman) (appointed 22 November 2004), Encik Muhammad Fauzi Bin Abd Ghani, Mr Michael Yee Kim Shing and Mr Chew Liong Kim. The RQN meets as and when necessary and can also make decisions by way of circular resolution. The RQN held one meeting during the financial year ended 31 March 2005. The meeting was attended by En Muhammad Fauzi Bin Abd Ghani, Mr Michael Yee Kim Shing and Mr Chew Liong Kim.

All the Directors have successfully completed the Mandatory Accreditation Programme as required under the listing Requirements of Bursa Malaysia. The Directors are also attending training courses and seminars under the Continuing Education Programme.

BOARD ATTENDANCE

In Financial Year 2005, the composition of the Board, together with the attendance of the respective Directors at Board meetings are as follows:-

Name of Directors	Attendance
Encik Mirzan Bin Mahathir	3/5
Datuk Lim Chee Wah	3/5
Dato' Pian Bin Sukro (appointed on 27 August 2004)	3/3
Encik Muhammad Fauzi Bin Abd Ghani	5/5
Mr Michael Yee Kim Shing	5/5
Mr Chew Liong Kim	5/5

DIRECTORS' REMUNERATION

The RQN, as stated above, is entrusted with the role of reviewing and recommending a suitable policy and framework in respect of the remuneration packages for Executive Directors of the Company. There are only two Executive Directors, namely Mr. Chew Liong Kim and Datuk Lim Chee Wah. Mr. Chew Liong Kim was appointed as the Director and Chief Executive Officer (CEO) of the Company on 26 February 2004. He is also the Executive Chairman of HRM Business Consulting Sdn Bhd, a 51% subsidiary of the Dataprep Holdings Bhd.

In accordance with an arrangement pursuant to a letter of appointment of Datuk Lim Chee Wah, no remuneration would be accorded to him for his services provided to the Group except for reimbursable claims in respect of business expenses.

STATEMENT of corporate governance (Cont'd)

DIRECTORS' REMUNERATION (Cont'd)

The fees payable to Non-Executive Directors are approved by the shareholders at the Annual General Meeting based on the recommendation of the Board. The fees payable to each of the Non-Executive Directors is determined by the Board as a whole. The Board maintains that the current remuneration for each category of Director commensurate with that adopted by companies of similar standing, and is sufficient to attract and retain directors of high caliber.

The aggregate remuneration of the Directors during the year are categorized into appropriate components as follows:-

	Emoluments	Allowance	Fee	Bonuses	Benefits-in-Kind	Total (RM)
Executive Directors	473,000	–	–	–	–	473,000
Non-Executive Directors	–	27,000	115,000	–	–	142,000

Range of remuneration	Number of Directors	
	Executive Director	Non-Executive Director
Nil	1	–
Below RM50,000	–	3
RM50,001 - RM100,000	–	1
RM100,001 - RM500,000	1	–

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors is required to ensure that financial statements for each financial year are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Company and the Group as at the financial year end and of the results and cash flows of the Company and the Group for the financial year.

AUDIT committee report

For the Financial Year Ended 31 March 2005

I. COMPOSITION

There are three (4) Audit Committee members, of whom three (3) are independent, non-executive directors.

The Members of the Audit Committee are as follows:

Chairman	:	Mr. Michael Yee Kim Shing* (Independent, Non-executive Director)
Members	:	En. Muhammad Fauzi bin Abd Ghani* (Independent, Non-executive Director) Dato' Pian Bin Sukro (Independent, Non-executive Director) Mr. Chew Liong Kim (Executive Director / Chief Executive Officer)

* member of MIA

The Secretaries to the Audit Committee are Koh Ai Hoon and Sim Geok Ling.

2. TERMS OF REFERENCE

The Audit Committee's Terms of Reference are as follows:

2.1 Membership

The Audit Committee shall be appointed by the Board of Directors from amongst its numbers, which fulfils the following requirements:

- a. The Committee must be composed of no fewer than three (3) members;
- b. The majority of the members of the committee must be Independent Directors as prescribed in the Listing Requirement of the BMSB;
- c. At least one person of the Committee must be a member of the Malaysia Institute of Accountants; or who must have at least 3 years working experience and:-
 - (i) have passed the examinations specified in Part I of the First Schedule of the Accountants Act, 1967; or
 - (ii) is a member of one of the Associations specified in Part II of the First Schedule of the Accountants Act, 1967;
- d. No alternate Directors shall be appointed as a member of the Committee;
- e. The members of the Committee shall elect a Chairman from among themselves who shall be an Independent Director;
- f. If a member of the Committee resigns or for any reason ceases to be a member with the result that the number of members is reduced below three (3), the Board shall, within three months appoint such number of new members as may be required to make up the minimum of three (3) members; and
- g. All members of the Committee, including the Chairman, will hold office only so long as they serve as Directors of Dataprep Holdings Berhad (the Company). The Board of Directors shall review the terms of office and performance of the Committee and each of its members at least once every three (3) years.

2.2 Functions and Duties

- 2.2.1 To review and recommend for the Board's approval, the Internal Audit Charter which defines the independence, purpose, authority, scope and responsibility of the internal audit unit in the Company and the Group.
- 2.2.2 To review the following and report to the Board:-
 - a. With the External Auditors
 - (i) the audit plan and audit report and the extent of assistance rendered by employees of the auditees;

AUDIT committee report (Cont'd)

For the Financial Year Ended 31 March 2005

2. TERMS OF REFERENCE (Cont'd)

2.2 Functions and Duties (Cont'd)

2.2.2 To review the following and report to the Board:- (Cont'd)

- a. With the External Auditors (Cont'd)
 - (ii) their evaluation of the system of internal controls;
 - (iii) the audit fee and on matters concerning their suitability for nomination, appointment and re-appointment and the underlying reasons for resignation or dismissal as Auditors;
 - (iv) the management letter and management's response; and
 - (v) issues and reservations arising from audits.
 - b. With the Internal Audit Unit
 - (i) the adequacy and relevance of the scope, functions and resources of internal audit and the necessary authority to carry out its work;
 - (ii) the audit plan of work programme and results of internal audit processes including actions taken on recommendations;
 - (iii) the extent of co-operation and assistance rendered by employees of auditee;
 - (iv) the appraisal of the performance of the internal audit unit including that of the senior staff and any matters concerning their appointment and termination;
 - (v) the ISO 9001 quality audit plan of work programme and results of internal quality audit processes including recommendations on corrective and preventive actions; and
 - (vi) the risk management framework and the processes in place to monitor and manage risk including recommendations on corrective and preventive actions.
 - c. The quarterly results and year-end financial statement of accounts prior to the approval by the Board, focusing particularly on
 - (i) changes and implementation of major accounting policies and practices;
 - (ii) significant and unusual accounting issues;
 - (iii) going concern assumptions; and
 - (iv) compliance with the accounting standards, regulatory and other legal requirements.
 - d. The major findings of investigations and management responses.
 - e. The propriety of any related party transactions and conflict of interest situations that may arise within the Company or the Group including any transactions, procedures or course of conducts that raise questions of management integrity.
- 2.2.3 To report any breaches of the Listing Requirements which have not been satisfactorily resolved, to the BMSB.
- 2.2.4 To prepare the Audit Committee Report for inclusion in the Company's Annual Report covering:-
- a. The composition of the Committee including the name, designation and directorship of the members;
 - b. The terms of reference of the Committee;
 - c. The number of meetings held and details of attendance of each member;
 - d. A summary of the activities of the Committee in the discharge of its functions and duties; and
 - e. A summary of the activities of the Internal Audit Unit.

AUDIT committee report (Cont'd)

For the Financial Year Ended 31 March 2005

2. TERMS OF REFERENCE (Cont'd)

2.2 Functions and Duties (Cont'd)

2.2.5 To review the following for publication in the Company's Annual Report:-

- a. The disclosure statement of the Board on:-
 - (i) the Company's applications of the principles set out in Part I of the Malaysian Code on Corporate Governance; and
 - (ii) the extent of compliance with the best practices set out in Part II of the Malaysian Code on Corporate Governance, specifying reasons for any area of non-compliance and the alternative measures adopted in such areas.
- b. The statement on the Board's responsibility for the preparation of the annual audited financial statement of accounts;
- c. The disclosure statement on the state of the system of internal controls of the Company and of the Group; and
- d. Other disclosures forming the contents of annual report spelt out in Part A of the Appendix 9C of the Listing Requirements of the BMSB.

2.2.6 To verify the allocation of options as being in compliance with the criteria for allocation pursuant to a share scheme for employees.

The above functions and duties are in addition to such other functions as may be agreed to from time to time by the Committee and the Board.

2.3 Rights and Authority

In carrying out its duties and responsibilities, the Committee will have the following rights:

- a. Have explicit authority to investigate any matters within its terms of reference;
- b. Have adequate resources required to perform its duties;
- c. Have full and unrestricted access to information, records, properties and personnel of the Company and of the Group;
- d. Have direct communication channels with the internal and the external auditors; and
- e. Be able to obtain independent professional or other advice and to invite outsiders with relevant experience and expertise to attend the Committee's meetings when considered necessary.

2.4 Meetings

- a. The Committee shall hold a minimum of at least four (4) meetings in a financial year;
- b. The meeting shall be chaired by the Chairman or in his absence, another member who is an Independent Director nominated by the Committee. The quorum for the meeting shall consist of at least two (2) members, the majority of whom shall be Independent Directors. The Chairman also has the discretion to call for additional meetings as warranted;
- c. The Company Secretary shall act as Secretary of the Committee and shall be responsible, with the concurrence of the Chairman, for drawing up and circulating the agenda and the notice of meetings together with the supporting explanatory documentation to members prior to each meeting;
- d. The Secretary of the Committee shall be entrusted to record all proceeding and minutes of all meetings of the Committee;
- e. The External Auditors have the right to appear and be heard at any meeting of the Committee and shall appear before the Committee when required to do so;
- f. The Internal Auditors shall be in attendance at all meetings to present and discuss the audit reports and other related matters and the recommendations relating thereto and to follow up on relevant decisions made;

AUDIT committee report (Cont'd)

For the Financial Year Ended 31 March 2005

2. TERMS OF REFERENCE (Cont'd)

2.4 Meetings (Cont'd)

- g. Upon the request of any member of the committee, non-member directors, the internal or the external directors, the chairman shall convene a meeting to consider the matters brought to its attention;
- h. The committee may invite any non-member director or employee of the Company and of the Group, who the committee thinks fit and proper to attend its meeting to assist in its deliberations and resolution of matters raised;
- i. The Committee to convene meetings with external auditors without the presence of the executive directors, whenever deemed necessary; and
- j. In addition to the availability of the detailed minutes of the meetings to all Board members, the Committee at each Board meeting will report a summary of significant matters and resolutions.

2.5 Internal Audit Unit

- a. The Head of the Internal Audit Unit shall have unrestricted access to Committee members and report to the Committee whose scope of responsibility includes overseeing the development and the establishment of the Internal Audit Unit.
- b. In respect of routine administrative matters, the Head of the Internal Audit Unit shall report to the Chief Financial Officer.

3. ATTENDANCE AT MEETINGS

The Committee met 4 times during the financial year ended 31 March 2005. The attendance record of the Committee members is as follows:

Name of Committee Member	Number of Meetings Held	Number of Meetings Attended
Mr. Michael Yee Kim Shing	4	4
En. Muhammad Fauzi bin Abd Ghani	4	3
Dato' Pian Bin Sukro (appointed on 19.11.2004)	2	2
Mr. Chew Liong Kim (appointed on 21.2.2005)	1	1
Datuk Lim Chee Wah (resigned on 21.2.2005)	3	1

4. ACTIVITIES OF THE COMMITTEE

The summary of the activities of the Audit Committee in the discharge of its duties and responsibilities for the financial year ended 31 March 2005 includes the following:

- a. Reviewed the adequacy and relevance of the scope, function, resources, risk based audit plan and results of the internal audit processes, with the Internal Audit Unit;
- b. Reviewed the internal audit reports (including management's responses) which covers the review of internal control systems, accounting and information systems, corporate governance practices and risk management processes including reports on ad-hoc assignments requested by management;
- c. Appraised the performance of the internal audit unit including that of the head of internal audit and any matters concerning their appointment and termination;
- d. Reviewed with the External Auditors their audit plans (inclusive of system evaluation, audit fees and management letter) prior to the commencement of the annual audit;

AUDIT committee report (Cont'd)

For the Financial Year Ended 31 March 2005

4. ACTIVITIES OF THE COMMITTEE (Cont'd)

- e. Reviewed the year-end audited financial statements, the audit reports, issues and reservations arising from the audit and the management letter together with management's responses, with the External Auditors;
- f. Reviewed the quarterly financial statements and year-end audited financial statements and the quarterly reports for announcement to the BMSB;
- g. Reviewed the disclosure of the related party transactions entered into by the Company and the Group and any conflict of interest situation and questionable transactions which may have an impact on management's integrity;
- h. Reviewed the recurrent related party transactions of the Group in accordance with the guidelines and procedures established by the Group and ensured that the review procedures are operating as intended;
- i. Updated and advised the Board with the latest changes and pronouncements issued by the accountancy, statutory and regulatory bodies;
- j. Reported to and updated the Board on significant issues and matters discussed during the Committee's meetings and where appropriate, made the necessary recommendations to the Board. Minutes of all Committee meetings were made available to all Board members;
- k. Prepared the Audit Committee Report for inclusion in the Company's Annual Report; and
- l. Reviewed with the disclosure statements on compliance of the Malaysian Code on Corporate Governance, Board's responsibility for preparing the annual audited accounts and the Statement of Internal Control ("SIC"), the negative assurance in respect of the review on the SIC provided by the External Auditors (Para 15.24 of the Listing Requirements of the BMSB) and other statements in accordance Appendix 9C of the Listing Requirements of the BMSB for publication in the Company's Annual Report.

5. INTERNAL AUDIT UNIT

The summary of activities of the Internal Audit Unit for the financial year ended 31 March 2005 is as follows:

- a. Prepared the annual Audit Plan for the Audit Committee's approval;
- b. Carried out risk based audits of strategic business units of the Group which covers reviews of the internal control system, accounting and management information systems and risk management including ad-hoc assignments requested by the management;
- c. Issued audit reports to the Audit Committee and management identifying weaknesses and providing recommendations for improvement;
- d. Assisted the Audit Committee in the review of the quarterly financial statements and year-end audited financial statements and quarterly reports for announcement to the BMSB;
- e. Assisted the Audit Committee in the review of the disclosure of the related party transactions and any conflict of interest situation and questionable transactions, and report thereon in the audit report;
- f. Assisted the Audit Committee in the review of the recurrent related party transactions of the Group in accordance with the guidelines and procedures established by the Group and ensured that the review procedures are operating as intended;
- g. Assumed a full participating role as advocated by the Professional Practice Framework in assisting management in the facilitation and enabling of risk management processes for the Group;
- h. Followed up on management corrective actions on audit issues raised by the unit and determined whether corrective actions taken had achieved the desired results;
- i. Attended all Audit Committee meetings to table and discuss the audit reports and follow up on matters raised; and
- j. Carried out ISO 9001 internal quality audits of the Group and issued audit reports to the Audit Committee and management that identify weaknesses and provide recommendations for improvement.

FINANCIAL statements

Directors' Report **38** Income Statements **44** Balance Sheets **45** Statements of Changes in Equity **47**
Cash Flow Statements **49** Notes to the Financial Statements **51** Statement by Directors **86**
Statutory Declaration **86** Report of the Auditors **87** Shareholdings Statistics/Perangkaan Pegangan Saham **88**
Warrant Statistics/Perangkaan Warrant **90** ICULS-3 Statistics/Perangkaan ICULS-3 **92**
ICULS-5 Statistics/Perangkaan ICULS-5 **94** Proxy Form

DIRECTORS' report

The Directors hereby submit their report to the members together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2005.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services to subsidiaries. The principal activities of the subsidiaries are set out in Note 13 to the financial statements. There were no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit after taxation	2,307	1,251
Minority interest	60	–
Net profit for the financial year	2,367	1,251

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the statement of changes in equity.

DIVIDEND

No dividend was paid or declared by the Company since the end of the previous financial year. The Directors do not recommend the payment of any dividend for the current financial year.

SIGNIFICANT EVENTS

Significant events are stated in Note 31 to the financial statements.

SHARE CAPITAL

During the financial year, the Company increased its issued and paid up share capital from RM64,007,140 to RM64,061,014 by way of issuance of 53,874 ordinary shares of RM1.00 each through the conversion of 80,815 units of Irredeemable Convertible Unsecured Loan Stocks ("ICULS") of RM1.00 each. The premium arising from the ICULS conversion of RM26,938 has been reflected in the financial statements as gain on conversion of RM5,022 in the income statement and RM21,916 credited to the Share Premium account.

The new ordinary shares rank pari passu in all respects with the existing ordinary shares of RM1.00 each.

DIRECTORS' report (Cont'd)

EMPLOYEES SHARE OPTION SCHEME ("ESOS")

The ESOS was implemented on 15 November 2002 for the benefit of eligible employees and full-time Executive Directors of the Group.

The ESOS Committee appointed by the Board of Directors, may from time to time offer options to eligible employees and full-time Executive Directors of the Group to subscribe for new ordinary shares of RM1.00 each in the Company.

The salient features of the ESOS are as follows:

- (1) the maximum number of shares to be offered and accepted under the ESOS shall not exceed ten per cent (10%) of the issued and paid-up share capital of the Company at any point in time during the duration of the ESOS.
- (2) the ESOS will be available to eligible employees including full-time Executive Directors of the Company and its subsidiaries, which are not dormant.
- (3) the ESOS shall be in force for a period of five (5) years from its commencement on 15 November 2002.
- (4) the subscription price shall be the higher of the following:
 - (a) the weighted average market price of the ordinary shares for the five (5) market days preceding the date of offer of the ESOS with a maximum discount of ten (10) per cent; and
 - (b) the par value of the ordinary shares.
- (5) a grantee of options pursuant to the ESOS shall be allowed to exercise the options granted to him subject to the limit as detailed below:

Maximum percentage of the ESOS Options exercisable in each year commencing from the date of offer is as follows:

Year	Percentage
1	20%
2	20%
3	20%
4	20%
5	20%

The new ordinary shares to be issued under the ESOS, shall, upon allotment and issue, rank pari passu in all respects with the existing ordinary shares of the Company, except that they will not be entitled to participate in any rights, allotments and/or any other distributions that may be declared, on a date which is before the allotment of such shares.

A total of 2,340,000 share options were offered by the Company to eligible employees and the full-time Executive Directors of the Company on 3 December 2003 and only 2,209,000 of these options were accepted at an exercise price of RM1.59 per ordinary share. On 28 June 2004, a total of 2,567,000 share options were offered to eligible employees of the Company of which 2,141,000 were accepted. The exercise price of these share options was RM1.00 per ordinary share.

DIRECTORS' report (Cont'd)

EMPLOYEES SHARE OPTION SCHEME ("ESOS") (Cont'd)

On 28 September 2004, pursuant to a resolution adopted by the shareholders at the Annual General Meeting of the Company, the Company was authorised to grant Chew Liong Kim an additional 428,000 share options as the Chief Executive Officer of which 400,000 options were offered on 29 September 2004, at an offer price of RM1.00 per ordinary share.

Total amount of unissued share capital relating to the ESOS is RM3,537,800 as at the date of this report. No share options were exercised during the financial year.

Exemption has been granted by the Companies Commission of Malaysia for the non-disclosure of eligible employees and the full-time Executive Directors who have been granted options below 125,000 units. The name of the eligible employees and the full-time Executive Directors, as of 31 March 2005, who have been granted options of more than 125,000 units are disclosed as follows:

Name	Number of Options
Datuk Lim Chee Wah (Executive Director)	500,000
Chew Liong Kim (Executive Director)	444,000
Tan Hock Chye	135,000
Ahmad Rizan bin Ibrahim	137,600
	1,216,600

WARRANTS

The 15,151,515 detachable Warrants which expire on 1 October 2007 have been issued at an issue price of RM0.20 and remained unexercised as at 31 March 2005, as stated in Note 27 to the financial statements.

DIRECTORS

The Directors who have held office during the year since the date of the last report are as follows:

Mirzan bin Mahathir (Chairman)
Datuk Lim Chee Wah
Chew Liong Kim
Michael Yee Kim Shing
Muhammad Fauzi bin Abd. Ghani
Dato' Pian bin Sukro (appointed on 27 August 2004)

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures, of the Company or any other body corporate, except for options over shares granted by the Company to eligible employees including full-time Executive Directors of the Company pursuant to the Company's ESOS. The ESOS which is for the benefit of eligible employees and full-time Executive Directors of the Group was implemented on 15 November 2002 for a period of 5 years.

DIRECTORS' report (Cont'd)

DIRECTORS' BENEFITS (Cont'd)

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Note 8 to the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 30 to the financial statements in relation to significant related party disclosures.

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

According to the register of Directors' shareholdings, particulars of interests of Directors who held office at the end of the financial year in shares and options over shares in the Company and related corporations during the year were as follows:

	Number of Ordinary Shares of RM1.00 Each in the Company			
	At 1.4.2004	Acquired	Disposed	At 31.3.2005
Mirzan bin Mahathir				
- Direct	1,000	–	–	1,000
- Indirect	12,387,893	–	1,900,000	10,487,893
Datuk Lim Chee Wah				
- Indirect	29,060,440	–	–	29,060,440
Chew Liong Kim				
- Direct	28,000	–	–	28,000
- Indirect	–	166,000	–	166,000
Muhammad Fauzi bin Abd. Ghani				
- Indirect	137,200	–	–	137,200

	Number of Warrants of RM0.20 Each in the Company			
	At 1.4.2004	Acquired	Disposed	At 31.3.2005
Datuk Lim Chee Wah				
- Indirect	2,058,175	–	–	2,058,175

	Number of Options over Ordinary Shares of RM1.00 Each in the Company			
	At 1.4.2004	Granted	Disposed	At 31.3.2005
Datuk Lim Chee Wah				
- Direct	500,000	–	–	500,000
Chew Liong Kim				
- Direct	44,000	400,000	–	444,000

DIRECTORS' report (Cont'd)

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (Cont'd)

	Number of Ordinary Shares of RM1.00 Each in the Company			
	At 1.4.2004	Acquired	Disposed	At 31.3.2005
HRM Business Consulting Sdn. Bhd.				
Chew Liong Kim - Direct	81,600	-	-	81,600

Mirzan bin Mahathir, Datuk Lim Chee Wah and Chew Liong Kim by virtue of their interest in shares in the Company are also deemed interested in shares of all the Company's subsidiaries to the extent the Company has an interest.

The other Directors in office did not have any interest in shares, or debentures of the Company and its subsidiaries during the financial year.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps:

- to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there were no known bad debts and that adequate allowance had been made for doubtful debts; and
- to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- which would render it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

At the date of this report, there does not exist:

- any charge on the assets of the Group or Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- any contingent liability of the Group or Company which has arisen since the end of the financial year.

DIRECTORS' report (Cont'd)

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS (Cont'd)

In the opinion of the directors:

- (a) the results of the Group's and the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature except as disclosed in the income statements and Note 6 to the financial statements;
- (b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group or the Company for the financial year in which this report is made; and
- (c) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or the Company to meet their obligations when they fall due.

AUDITOR

The auditors, Messrs. Ernst & Young have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 30 May 2005.

MIRZAN BIN MAHATHIR
Chairman

CHEW LIONG KIM
Chief Executive Officer

Petaling Jaya
Selangor Darul Ehsan

INCOME statements

For the Financial Year Ended 31 March 2005

	Note	GROUP		COMPANY	
		2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Revenue	5	71,282	85,552	2,402	5,676
Cost of sales		(57,374)	(81,703)	-	-
Gross profit		13,908	3,849	2,402	5,676
Other operating income		3,988	3,806	3,063	334
Selling and distribution costs		(1,724)	(5,791)	-	-
Administrative expenses		(3,403)	(3,480)	(2,284)	(2,604)
Other operating expenses		(9,307)	(35,899)	(1,217)	(6,792)
Profit/(Loss) from operations	6	3,462	(37,515)	1,964	(3,386)
Finance costs (net)	9	(1,414)	(659)	(713)	(234)
Profit/(Loss) before taxation		2,048	(38,174)	1,251	(3,620)
Taxation	10	259	(384)	-	-
Profit/(Loss) after taxation		2,307	(38,558)	1,251	(3,620)
Minority interest		60	(719)	-	-
Net profit/(Loss) for the year		2,367	(39,277)	1,251	(3,620)
Basic earnings/(Loss) per share (sen)	11	3.70	(62.15)		

The notes on pages 51 to 85 form part of these financial statements.

BALANCE sheets

As at 31 March 2005

	Note	GROUP		COMPANY	
		2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
NON-CURRENT ASSETS					
Property, plant and equipment	12	4,395	4,332	1,717	672
Subsidiaries	13	-	-	39,932	39,932
Goodwill on consolidation	14	3,062	3,232	-	-
Computer software and development expenditure	15	-	-	-	-
Amounts due from subsidiaries	24	-	-	45,103	55,871
Deferred tax assets (net)	16	3,700	3,815	-	-
		11,157	11,379	86,752	96,475
CURRENT ASSETS					
Inventories	17	1,832	1,773	-	-
Receivables	18	21,924	40,103	176	27
Cash and bank balances	20	20,370	15,508	6,157	3,480
		44,126	57,384	6,333	3,507
CURRENT LIABILITIES					
Payables	21	25,410	43,268	7,772	10,781
Taxation		3	493	-	-
Borrowings	22	12,243	4,085	768	-
		37,656	47,846	8,540	10,781
NET CURRENT ASSETS/(LIABILITIES)		6,470	9,538	(2,207)	(7,274)
		17,627	20,917	84,545	89,201

BALANCE sheets (Cont'd)

As at 31 March 2005

	Note	GROUP		COMPANY	
		2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
CAPITAL AND RESERVES					
Share capital	26	64,061	64,007	64,061	64,007
Share premium		11,623	11,601	11,623	11,601
Merger deficit		(13,509)	(13,509)	-	-
Warrants	27	3,030	3,030	3,030	3,030
Capital reserve	28	51	51	-	-
Irredeemable convertible unsecured loan stocks equity component	25	44,738	44,814	44,738	44,814
Accumulated losses		(95,868)	(98,235)	(41,878)	(43,129)
Shareholders' equity		14,126	11,759	81,574	80,323
Minority interest		1,255	280	-	-
		15,381	12,039	81,574	80,323
NON-CURRENT LIABILITIES					
Advance from a director and shareholder	23	-	4,100	-	4,100
Amount due to subsidiaries	24	-	-	725	-
Irredeemable convertible unsecured loan stocks	25	2,246	4,778	2,246	4,778
		2,246	8,878	2,971	8,878
		17,627	20,917	84,545	89,201

The notes on pages 51 to 85 form part of these financial statements.

STATEMENTS of changes in equity

For the Financial Year Ended 31 March 2005

GROUP	Note	Issued and fully paid ordinary shares of RM1.00 each		Non-Distributable					ICULS equity component RM'000	Accumulated losses RM'000	Total RM'000
		Number of shares '000	Nominal value RM'000	Share premium RM'000	Merger deficit RM'000	Warrants RM'000	Capital reserve (Note 28) RM'000				
At 1 April 2004		64,007	64,007	11,601	(13,509)	3,030	51	44,814	(98,235)	11,759	
Net profit for the year		—	—	—	—	—	—	—	2,367	2,367	
Issue of new ordinary shares on conversion of ICULS at RM1.50 each	25	54	54	22	—	—	—	(76)	—	—	
At 31 March 2005		64,061	64,061	11,623	(13,509)	3,030	51	44,738	(95,868)	14,126	
At 1 April 2003		61,540	61,540	10,685	(13,509)	3,030	—	48,070	(58,858)	50,958	
Net loss for the year		—	—	—	—	—	—	—	(39,277)	(39,277)	
Issue of new ordinary shares on exercise of ESOS		80	80	47	—	—	—	—	—	127	
Issue of new ordinary shares on conversion of ICULS at RM1.50 each	25	2,387	2,387	869	—	—	—	(3,256)	—	—	
Capitalisation of distributable profits of a subsidiary*		—	—	—	—	—	51	—	(100)	(49)	
At 31 March 2004		64,007	64,007	11,601	(13,509)	3,030	51	44,814	(98,235)	11,759	

* This relates to a bonus issue by a subsidiary.

STATEMENTS of changes in equity (Cont'd)

For the Financial Year Ended 31 March 2005

COMPANY	Note	Issued and fully paid ordinary shares of RM1.00 each		Non-Distributable			Total RM'000	
		Number of shares '000	Nominal value RM'000	Share premium RM'000	ICULS equity component			Accumulated losses RM'000
					Warrants RM'000	RM'000		
At 1 April 2004		64,007	64,007	11,601	3,030	44,814	80,323	
Net profit for the year		–	–	–	–	–	1,251	
Issue of new ordinary shares on conversion of ICULS at RM1.50 each	25	54	54	22	–	(76)	–	
At 31 March 2005		64,061	64,061	11,623	3,030	44,738	81,574	
At 1 April 2003		61,540	61,540	10,685	3,030	48,070	83,816	
Net loss for the year		–	–	–	–	–	(3,620)	
Issue of new ordinary shares on exercise of ESOS		80	80	47	–	–	127	
Issue of new ordinary shares on conversion of ICULS at RM1.50 each	25	2,387	2,387	869	–	(3,256)	–	
At 31 March 2004		64,007	64,007	11,601	3,030	44,814	80,323	

The notes on pages 51 to 85 form part of these financial statements.

CASH flow statements

For the Financial Year Ended 31 March 2005

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
CASH FLOW FROM OPERATING ACTIVITIES				
Profit/(loss) before taxation	2,048	(38,174)	1,251	(3,620)
Adjustments for:				
Reversal of penalty interest for defaulted statutory contributions	-	(1,479)	-	-
Amortisation of computer software and development expenditure	-	2,796	-	-
Depreciation of property, plant and equipment	2,118	2,636	185	86
Amortisation of goodwill	170	168	-	-
Interest expense	1,764	993	865	581
Interest income	(350)	(334)	(152)	(347)
Gain on deconsolidation of a subsidiary	-	(3,071)	-	-
Gain on conversion of ICULS	(5)	(325)	(5)	(325)
Loss/(Gain) on disposal of property, plant and equipment	5	(6)	-	2
Property, plant and equipment written off	91	985	-	18
Allowance for doubtful debts	40	10,577	-	2,207
Allowance for doubtful debts written back	(3,753)	-	(3,000)	-
Unrealised foreign exchange loss	2	-	-	-
Obsolete inventories written off	-	305	-	-
Computer software and development expenditure written off	-	7,487	-	-
Operating profit/(loss) before working capital changes	2,130	(17,442)	(856)	(1,398)
Changes in working capital:				
Decrease in inventories	(59)	(2,465)	-	-
Decrease in receivables	24,223	5,214	2,851	198
Decrease in payables	(17,451)	(4,125)	(2,487)	(1,447)
Decrease/(increase) in amounts due from subsidiaries	-	-	11,551	(23,750)
Cash flow generated from/(used in) operations	8,843	(18,818)	11,059	(26,397)
Tax paid	(325)	(1,777)	-	-
Interest received	350	334	94	347
Interest paid	(2,791)	(1,120)	(839)	(707)
Net cash flow generated from/(used in) operating activities	6,077	(21,381)	10,314	(26,757)

CASH flow statements (Cont'd)

For the Financial Year Ended 31 March 2005

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
CASH FLOW FROM INVESTING ACTIVITIES				
Net cash outflow on deconsolidation of a subsidiary (Note 13)	-	(19)	-	-
Purchase of property, plant and equipment	(2,284)	(915)	(1,230)	(427)
Proceeds from disposal of property, plant and equipment	5	140	-	2
Additional investment in existing subsidiaries	-	-	-	(86)
Net cash flow used in investing activities	(2,279)	(794)	(1,230)	(511)
CASH FLOW FROM FINANCING ACTIVITIES				
(Decrease)/Increase in restricted deposits	(944)	(2,306)	200	3,261
Proceeds from issuance of shares capital	-	127	-	127
Proceeds from issuance of shares capital to minority interest	-	47	-	-
Drawdown of borrowings	23,908	4,059	-	-
Repayment of borrowings	(16,966)	-	-	-
(Repayment to) / Advance from a shareholder	(4,700)	9,000	(4,700)	9,000
Repayment of liability portion of ICULS	(1,626)	(1,682)	(1,707)	(1,715)
Net cash flow (used in)/generated from financing activities	(328)	9,245	(6,207)	10,673
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	3,470	(12,930)	2,877	(16,595)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	7,024	19,954	772	17,367
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR (Note 29)	10,494	7,024	3,649	772

The notes on pages 51 to 85 form part of these financial statements.

NOTES to the financial statements

31 March 2005

1. PRINCIPAL ACTIVITIES AND GENERAL INFORMATION

The principal activities of the Company are investment holding and provision of management services to subsidiaries. The principal activities of the subsidiaries are set out in Note 13 to the financial statements.

There were no significant changes in the nature of these activities during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Second Board of Bursa Malaysia Securities Berhad.

The number of employees (including Executive Directors) at the end of the financial year were 284 (2004: 313) for the Group and 21 (2004: 28) for the Company.

The address of the registered office and the principal place of business of the Company is as follows:

11th Floor, Menara Luxor
6B, Persiaran Tropicana
Tropicana Golf and Country Resort
47410 Petaling Jaya, Selangor Darul Ehsan

The financial statements of the Group and of the Company were approved by the Board of Directors for issuance on 30 May 2005.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to financial risks arising from its business activities, mainly credit, interest rate, liquidity and minimum currency exchange risks. The Group does not enter into derivative financial instruments for trading purposes.

(a) Credit risk

Credit risk arises when sales are made on deferred credit terms. The Group seeks to control credit risk by setting credit limits and ensuring that sales of products and services are made to customers with an appropriate credit history.

(b) Interest rate risk

The Group's exposure to interest rate risk arises predominantly from interest bearing assets and liabilities and it is managed through an appropriate mix of fixed or variable interest rates.

(c) Liquidity and cash flow risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group aims at maintaining flexibility in funding by keeping committed credit lines available.

(d) Currency exchange risk

The Group is exposed to minimum currency risk as the foreign currency transactions entered into by subsidiaries in currencies other than their functional currency are not significant.

NOTES to the financial statements (Cont'd)

31 March 2005

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless disclosed otherwise in the significant accounting policies. The financial statements comply with applicable Malaysian Accounting Standard Board ("MASB") approved accounting standards in Malaysia and the provisions of the Companies Act, 1965.

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries made up to the end of the financial year. Four subsidiaries were consolidated on the acquisition method and all the other subsidiaries were consolidated in prior years using the merger method of accounting in accordance with Malaysian Accounting Standard No. 2 "Accounting for Acquisition and Mergers" which was the accounting standard prevailing at that time.

With the introduction of MASB Standard 21 (Financial Reporting Standard - FRS 122) on Business Combinations, the Group has elected to apply the transitional provisions made under this Standard, wherein the Group will conform with the requirements of the Standard prospectively.

Under the acquisition method of accounting, the results of subsidiaries acquired or disposed of during the financial year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal as appropriate. At the date of acquisition, the fair values of the subsidiaries' net assets are determined and these values are reflected in the consolidated financial statements. The difference between the cost of acquisition and the fair value of the Group's share of the subsidiaries' identifiable net assets at the date of acquisition is reflected as goodwill on consolidation or negative goodwill, as applicable. Goodwill is amortised on a straight-line basis in the income statement over the useful life of twenty years. Negative goodwill is not amortised.

Under the merger method of accounting, the results of the subsidiaries are included in the consolidated income statement as if the merger had been effected throughout the current financial year and previous financial years. On consolidation, the difference between the carrying value of the investment and the nominal value of shares issued is transferred to a merger reserve or deficit, as applicable.

Intragroup transactions, balances and resulting unrealised gains are eliminated on consolidation and the consolidated financial statements reflect external transactions only.

Minority interest is measured at the minorities' share of the post acquisition fair values of identifiable assets and liabilities of the acquiree.

The gain or loss on disposal of a subsidiary is the difference between net disposal proceeds and the Group's share of its net assets together with any unamortised goodwill on consolidation.

(b) Subsidiaries

Subsidiaries are those enterprises in which the Group has a long term equity interest and where it has power to exercise control over the financial and operating policies. Investment in subsidiaries are stated at cost less impairment losses, if any.

The policy for recognition and measurement of impairment losses is in accordance with Note 4 (m).

NOTES to the financial statements (Cont'd)

31 March 2005

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Property, plant and equipment are depreciated on the straight-line basis to write off the cost of each asset to its residual value over its estimated useful life. The principal annual rates used are as follows:

Computer equipment and software	10% - 20%
Furniture, fittings and office equipment	10% - 20%
Motor vehicles	20%
Renovation	20%

Software in progress is not amortised until it is completed.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down to its recoverable amount. The policy for recognition and measurement of impairment losses is in accordance with Note 4(m).

(d) Computer software and development expenditure

Computer software and development expenditure are recognised as intangible assets if it is probable that future economic benefits attributable to such assets will flow to the enterprise and the costs of such assets can be measured reliably.

Computer software represents license fees paid to third parties and costs of internally developed software packages. Development expenditure mainly comprises direct costs incurred in the development of computer software packages for resale. Direct costs include staff costs of the software development team and an appropriate portion of relevant overheads. Costs incurred in the development of software which are not or have ceased to be commercially viable are written off in that year.

(e) Inventories

Inventories are stated at the lower of cost and net realisable value after making due allowance for any obsolescence and/or slow moving items. Cost is determined on the weighted average basis and comprises the purchase price plus the incidental cost of bringing the inventories to their intended location and condition. Costs incurred on projects expected to be completed within one year are reflected as work in progress. Net realisable value represents the estimated recoverable value less all estimated costs to completion and for selling and distribution.

(f) Contracts

Where the outcome of a contract can be reliably estimated, contract revenue and contract costs are recognised as revenue and expenses respectively by using the stage of completion method. The stage of completion is measured by reference to the proportion of work accepted by the customers to date to the estimated total contract revenue.

Where the outcome of a contract cannot be reliably estimated, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

NOTES to the financial statements (Cont'd)

31 March 2005

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(f) Contracts (Cont'd)

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When the total of costs incurred on contracts plus, recognised profits (less recognised losses), exceeds progress billings, the balance is classified as amount due from customers on contracts. When progress billings exceed costs incurred plus, recognised profits (less recognised losses), the balance is classified as amount due to customers on contracts.

(g) Receivables

Receivables are carried at anticipated realisable value. Allowance is made for doubtful debts based on a specific review of outstanding balances for possible losses from non-collection. Bad debts are written off during the year in which they are identified.

(h) Foreign currencies

Transactions in foreign currencies are translated into Ringgit Malaysia at exchange rates approximating those ruling at the transaction dates. Foreign currency assets and liabilities at the financial year end are converted at exchange rates approximating those ruling at that date. Non monetary items which are carried at historical cost are translated using the historical rate at the date of acquisition and non monetary items which are carried at the fair value are translated using the exchange rate that existed when the values were determined. All exchange differences are taken to the income statements.

The closing exchange rates used in translation of foreign currency were as follows:

	2005 RM	2004 RM
1 Pound (British Pound)	7.12	6.90
1 USD (US Dollar)	3.80	3.80
1 RMB (Renminbi)	0.46	0.46
1 BND (Brunei Dollar)	2.25	2.25

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at bank and deposits at call net of outstanding bank overdrafts and pledged deposits.

(j) Revenue recognition

Revenue on sales of computer systems, equipment and software are recognised upon delivery of products net of discounts, if any, signifying the transfer of risks and rewards.

Revenue on maintenance, technology and software services are recognised as and when the services are performed.

NOTES to the financial statements (Cont'd)

31 March 2005

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Revenue recognition (Cont'd)

Revenue on consultancy and system integration services and software development are recognised based on services performed and upon customer's acceptance of the services.

Revenue from contracts is accounted for by the stage of completion method as disclosed in note 4(f).

Revenue on application and content providers are recognised over the contractual period.

Revenue on management services rendered is recognised net of service taxes and discounts as and when the services are performed.

Interest income is recognised on an accruals basis based on the prevailing interest rate.

Dividend from subsidiaries are recognised when the right to receive payment is established.

(k) Operating leases

Leases on assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments under operating leases are charged to the income statement on a straight-line basis over the lease period.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised in the period in which termination takes place.

(l) Financial instruments

(i) Financial instruments recognised on the balance sheet

Financial instruments carried in the balance sheet include cash and bank balances, receivables, payables, borrowings and irredeemable convertible unsecured loan stocks. The particular recognition methods are disclosed in the individual policy statements for each item.

(ii) Irredeemable Convertible Unsecured Loan Stocks ("ICULS")

The fair values of the liability component and the equity conversion component of ICULS were determined upon the issue of the ICULS. The fair value for the liability component, included in the current and non-current liabilities was calculated by discounting the stream of future interest payments at the prevailing market interest rate for a similar liability which is the borrowings from financial institutions. The fair value of the equity conversion component was calculated by deducting the fair value of the liability component from the total amount of ICULS. The fair value of the equity conversion component is included as part of shareholders' equity.

Coupon payments represent contractual obligations to settle the outstanding liability component and the related interest. The contractual obligation is in relation to the financial liability that exists as long as the instrument is not converted.

Reduction of the liability component following the conversion of ICULS is recognised as a gain on conversion in the income statement.

NOTES to the financial statements (Cont'd)

31 March 2005

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(l) Financial instruments (Cont'd)

(iii) Interest-bearing borrowings

Interest-bearing bank loans and overdrafts are recorded at the amount of proceeds received, net of transaction costs.

Borrowing costs are recognised as expenses in the income statement when incurred.

(iv) Fair value estimation for disclosure purposes

In assessing the value of financial instruments, the Company and the Group make certain assumptions and apply the discounted cash flow method to discount future cash flows to determine the fair value of financial instruments. The fair values of financial liabilities are estimated by discounting future cash flows at current market interest rates available to the Group and the Company.

The book values for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair values of the financial assets and liabilities are reflected in the relevant notes to the financial statements.

(m) Impairment of assets

The carrying amount of the Group's assets other than inventories, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, impairment is measured by comparing the carrying value of the assets with their recoverable amount. Recoverable amount is the greater of the asset's net selling price and its value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate significant cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment loss is recognised as an expense in the income statement, unless the asset is carried at a revalued amount, in which case the impairment loss is charged to equity.

Impairment losses recognised in prior years are reversed when the impairment losses recognised for the assets no longer exist or have decreased.

(n) Provisions

Provisions are recognised when the Group or the Company has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

NOTES to the financial statements (Cont'd)

31 March 2005

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(o) Deferred Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Current year tax is the expected amount of income taxes payable in respect of the taxable profits for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred taxation is provided for, using the liability method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly to equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or negative goodwill.

(p) Employee benefits

(i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as expenses in the year in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contribution plans

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF"). Such contribution are recognised as expenses in the income statement as incurred.

(iii) Equity compensation benefits

The Dataprep Holdings Berhad ESOS allows the Group's eligible employees to acquire share of the Company. No compensation cost or obligation is recognised. When the options are exercised, equity is increased by the amount of the proceeds received.

NOTES to the financial statements (Cont'd)

31 March 2005

5. REVENUE

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Consulting & Integration including technology software Services	16,314	11,109	-	-
Outsourcing & Managed Services including E-business	54,968	74,443	15	-
Management fees	-	-	2,387	5,676
	71,282	85,552	2,402	5,676

6. PROFIT/(LOSS) FROM OPERATIONS

The following items have been charged/(credited):

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Exceptional charges:				
- voluntary separation scheme cost	-	1,997	-	469
- computer software and development expenditure written off (net) (Note 15)	-	7,487	-	-
- (write back)/allowance for doubtful debts due from:				
- a former director	(3,000)	2,207	(3,000)	2,207
- a foreign company formerly related to a director	-	7,603	-	-
- gain on deconsolidation of a subsidiary	-	(3,071)	-	-
Amortisation of:				
- goodwill	170	168	-	-
- computer software and development expenditure	-	2,796	-	-
Auditors' remuneration				
- statutory audit	60	60	9	14
- special audit	60	60	9	-
- under provision in prior year	-	16	-	14
Allowance for doubtful debts	40	767	-	-
Allowance for doubtful debts written back	(753)	-	-	-
Bad debts recovered	(188)	(363)	(50)	-
Foreign exchange loss/(gain)				
- realised	5	(14)	-	1
- unrealised	2	-	-	-

NOTES to the financial statements (Cont'd)

31 March 2005

6. PROFIT/(LOSS) FROM OPERATIONS (Cont'd)

The following items have been charged/(credited):

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Inventories:				
- write off of obsolete items	-	305	-	-
Non-executive directors' remuneration (Note 8)	142	150	142	150
Property, plant and equipment:				
- depreciation	2,118	2,636	185	86
- write off (net)	91	985	-	18
- loss/(gain) on disposal	5	(6)	-	2
Rental of:				
- premises	1,686	1,856	262	288
- equipment	36	24	2	4
Staff costs (Note 7)	18,147	25,688	2,284	2,716
Gain on conversion of liability component of ICULS (Note 25)	(5)	(325)	(5)	(325)

7. STAFF COSTS

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Wages and salaries	15,346	21,145	1,925	2,342
Social security cost	106	126	9	11
Short term staff compensated absences	216	-	17	-
Pension costs - defined contribution plan	1,810	2,335	229	252
Other staff related expenses	669	2,082	104	111
	18,147	25,688	2,284	2,716

Included in staff costs are executive directors' remuneration amounting to RM1,365,000 (2004: RM1,371,000) and RM473,000 (2004: RM40,000) of the Group and of the Company respectively as disclosed in Note 8.

NOTES to the financial statements (Cont'd)

31 March 2005

8. DIRECTORS' REMUNERATION

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Directors of the Company				
Executive:				
- salaries, commission and incentives	422	40	422	40
- pension costs - defined contribution plan	51	-	51	-
- ex-gratia payment to a former director	-	200	-	200
	473	240	473	240
Non-executive:				
- fees	115	150	115	150
- allowances	27	-	27	-
	142	150	142	150
	615	390	615	390
Directors of Subsidiaries				
Executive:				
- salaries, commission and incentives	810	1,175	-	-
- pension costs - defined contribution plan	82	156	-	-
- voluntary separation paid to a former director	-	202	-	-
	892	1,533	-	-
Total directors' remuneration	1,507	1,923	615	390

Summary of directors' remuneration is as follows:

Total executive directors' remuneration excluding payment for ex-gratia and voluntary separation scheme (Note 7)	1,365	1,371	473	40
Ex-gratia and Voluntary Separation Scheme to former executive directors	-	402	-	200
Total non-executive directors' remuneration (Note 6)	142	150	142	150
Total directors' remuneration	1,507	1,923	615	390

NOTES to the financial statements (Cont'd)

31 March 2005

8. DIRECTORS' REMUNERATION (Cont'd)

The number of directors of the Company whose total remuneration during the financial year within the following bands is analysed as below:

	Number of Directors	
	2005	2004
Executive directors:		
Nil	1	1
Below RM50,000	-	1
RM450,001 - RM500,000	1	-
Non-executive directors:		
Below RM50,000	3	3
RM50,001 to RM100,000	1	1

Executive directors of the Company have been granted the following number of options under the ESOS:

	GROUP AND COMPANY	
	2005 '000	2004 '000
At 1 April 2004/2003	544	500
Granted during the year	400	72
Exercised	-	(28)
At 31 March 2005/2004	944	544

The share options were granted on the same terms and conditions as those offered to other employees of the Group.

9. FINANCE COSTS, NET

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Interest expense:				
- ICULS interest on liability component	325	502	325	502
- term loan	598	-	-	-
- trust receipts	9	24	-	-
- bankers acceptances	256	334	-	-
- bank overdraft	36	54	-	-
- advance from a shareholder	540	79	540	79
	1,764	993	865	581
Interest income				
- deposits	(350)	(334)	(94)	(313)
- advance to a subsidiary company	-	-	(58)	(34)
	(350)	(334)	(152)	(347)
	1,414	659	713	234

NOTES to the financial statements (Cont'd)

31 March 2005

10. TAXATION

	GROUP	
	2005 RM'000	2004 RM'000
Income tax:		
Malaysian income tax	3	467
Overprovided in prior year	(377)	(714)
	(374)	(247)
Deferred tax (Note 16):		
Transfer from deferred tax assets (net)	415	460
(Over)/Under provision in prior years	(300)	171
	115	631
	(259)	384

The taxation charge for the Group is in respect of subsidiaries which have taxable income whilst there is no taxable income for the Company.

Malaysian income tax is calculated at the statutory tax rate of 28% (2004: 28%) of the estimated assessable profit for the year.

With effect from Year of Assessment 2004, the corporate tax rate for companies with paid-up capital of RM2.5 million and below at the beginning of the basis period for the Year of Assessment are as follows:

Chargeable Income	Rate
First RM500,000 (2004 : RM500,000)	20%
Amount exceeding RM500,000 (2004 : RM500,000)	28%

NOTES to the financial statements (Cont'd)

31 March 2005

10. TAXATION (Cont'd)

A reconciliation of the income tax expense applicable to profit/(loss) before taxation at the statutory rate to income tax expense at the effective rate of the Group and the Company is as follows:

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Profit/(Loss) before taxation	2,048	(38,174)	1,251	(3,620)
Taxation at statutory tax rate of 28% (2004: 28%)	573	(10,689)	350	(1,013)
Tax incentive obtained from a differential tax rate of 20%	37	(40)	-	-
Expenses not deductible for taxation purposes	284	3,906	57	858
Income not subject to taxation	(1,340)	-	(855)	-
Utilisation of previously unrecognised unabsorbed capital allowances and unutilised tax losses brought forward	(190)	(934)	-	-
Deferred tax asset not recognised during the year	1,054	8,684	448	155
Over provision of tax expense in respect of prior years	(377)	(714)	-	-
(Over)/Under provision of deferred tax in prior years	(300)	171	-	-
Tax (income)/expense for the financial year	(259)	384	-	-

	GROUP	
	2005 RM'000	2004 RM'000
Tax savings recognised during the year arising from:		
Utilisation of previously unrecognised tax losses	13	818
Utilisation of current year capital allowances	-	126
Utilisation of previously unrecognised unabsorbed capital allowances	177	116

11. BASIC EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

Basic earnings/(loss) per share of the Group is calculated by dividing the net profit/(loss) for the financial year by the weighted average number of shares in issue during the financial year.

	GROUP	
	2005 RM'000	2004 RM'000
Net profit/(loss) for the year	2,367	(39,277)
Weighted average number of ordinary shares in issue	64,039	63,195
Earnings/(Loss) per share (sen)	3.70	(62.15)

NOTES to the financial statements (Cont'd)

31 March 2005

11. BASIC EARNINGS/(LOSS) PER SHARE (Cont'd)

(b) Diluted earnings per share

Diluted earnings/(loss) per share of the Group is calculated by dividing the net profit/(loss) for the current and corresponding financial periods by the adjusted weighted average number of ordinary shares in issue during the financial periods. 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 shares.

Since the earnings/(loss) per share is anti-dilutive, no disclosure is required in the income statement.

12. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment and software * RM'000	Furniture, fittings and office equipment RM'000	Motor vehicles RM'000	Renovation RM'000	Total RM'000
GROUP					
Cost					
At 1 April 2004	7,346	4,335	42	743	12,466
Additions	1,916	81	257	30	2,284
Disposals	(6)	(39)	–	–	(45)
Write off	(299)	(553)	–	(33)	(885)
At 31 March 2005	8,957	3,824	299	740	13,820
Accumulated Depreciation					
At 1 April 2004	(4,629)	(3,282)	(25)	(198)	(8,134)
Depreciation charge for the year	(1,415)	(546)	(9)	(148)	(2,118)
Disposals	1	32	–	–	33
Write off	254	517	–	23	794
At 31 March 2005	(5,789)	(3,279)	(34)	(323)	(9,425)
Net Book Value					
At 31 March 2005	3,168	545	265	417	4,395
At 31 March 2004	2,717	1,053	17	545	4,332
Costs at 1 April 2003	8,637	6,344	243	713	15,937
Accumulated Depreciation as at 1 April 2003	4,552	3,964	218	31	8,765
Depreciation charge for previous financial year	1,560	916	8	152	2,636

NOTES to the financial statements (Cont'd)

31 March 2005

12. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	Computer equipment and software * RM'000	Furniture, fittings and office equipment RM'000	Motor vehicles RM'000	Renovation RM'000	Total RM'000
COMPANY					
Cost					
At 1 April 2004	454	120	–	222	796
Additions	917	26	257	30	1,230
At 31 March 2005	1,371	146	257	252	2,026
Accumulated Depreciation					
At 1 April 2004	(67)	(9)	–	(48)	(124)
Depreciation charge for the year	(112)	(26)	–	(47)	(185)
At 31 March 2005	(179)	(35)	–	(95)	(309)
Net Book Value					
At 31 March 2005	1,192	111	257	157	1,717
At 31 March 2004	387	111	–	174	672
Cost at 1 April 2003	150	35	–	214	399
Accumulated Depreciation as at 1 April 2003	38	1	–	7	46
Depreciation charge for previous financial year	31	8	–	47	86

* Includes the costs of software in progress amounting to RM151,000 (2004: RM Nil) and RM331,000 (2004: RM Nil) of the Group and the Company respectively.

Included in property, plant and equipment of the Group are fully depreciated assets, which are still in use costing approximately RM3,974,732 (2004: RM3,999,258).

Property, plant and equipment of a subsidiary at net book value amounting to RM315,000 are pledged as securities for the term loan, as disclosed in Note 22.

NOTES to the financial statements (Cont'd)

31 March 2005

13. SUBSIDIARIES

	COMPANY	
	2005 RM'000	2004 RM'000
Unquoted shares, at cost	59,530	59,530
Allowance for impairment losses	(19,598)	(19,598)
	39,932	39,932

Details of the subsidiaries are as follows:

Name	Country of incorporation	Company's effective interest		Principal Activities
		2005 %	2004 %	
Dataprep (Malaysia) Sendirian Berhad	Malaysia	100	100	Provision of support and maintenance services for computer equipment and systems.
Solsis (M) Sdn. Bhd	Malaysia	70	70	Marketing of computer systems, equipment and software.
Solsisnet Sdn. Bhd.	Malaysia	100	100	Development of software, consulting and training.
Instant Office Sdn. Bhd.	Malaysia	100	100	Provision of internet application service.
HRM Business Consulting Sdn. Bhd.	Malaysia	51	51	Provision of consultancy and integration services.
Dataprep Distribution Sdn. Bhd.	Malaysia	100	100	Under court winding up.
Tamadun Interaktif Sdn. Bhd.	Malaysia	60	60	Dormant.
DP International Ltd	British Virgin Islands	100	100	Dormant.
IO Holdings Ltd	British Virgin Islands	100	100	Dormant.

A subsidiary, Dataprep Distribution Sdn. Bhd. ("DDSB") was issued with a court order dated 25 February 2004 for winding-up under S.218(1)(e) of the Companies Act, 1965, and the Director General of Insolvency has been appointed the Official Receiver and Liquidator. The subsidiary has been deconsolidated from the financial statements of the Group with effect from that date. To date, the winding-up of DDSB has yet to be completed.

NOTES to the financial statements (Cont'd)

31 March 2005

13. SUBSIDIARIES (Cont'd)

The effect of deconsolidation on the financial statements of the Group as at 31 March 2004 was as follows:

	25.2.2004 RM'000
Cash and bank	19
Trade payables	(3,089)
Other payables	(1)
Group's share of net liabilities	(3,071)

The fair value of the liabilities relinquished from the deconsolidation was as follows:

Cash and bank	19
Trade payables	(3,089)
Other payables	(1)
Net liabilities deconsolidated	(3,071)
Gain on deconsolidation to the Group	3,071
Total proceeds	-
Cash and cash equivalent deconsolidated	(19)
Net cash outflow on deconsolidation	(19)

14. GOODWILL ON CONSOLIDATION

	GROUP	
	2005 RM'000	2004 RM'000
At 1 April 2004/2003	3,232	3,363
Additional investment in an existing subsidiary	-	37
Less : Goodwill amortisation	(170)	(168)
At 31 March	3,062	3,232

NOTES to the financial statements (Cont'd)

31 March 2005

15. COMPUTER SOFTWARE AND DEVELOPMENT EXPENDITURE

	GROUP	
	2005 RM'000	2004 RM'000
Cost		
At 1 April 2004/2003	3,892	14,530
Written off	-	(10,638)
At 31 March	3,892	3,892
Accumulated Amortisation		
At 1 April 2004/2003	3,892	4,247
Amortisation	-	2,796
Written off	-	(3,151)
At 31 March	3,892	3,892
Net Book Value	-	-

16. DEFERRED TAX ASSETS, NET

	GROUP	
	2005 RM'000	2004 RM'000
At 1 April 2004/2003	3,815	4,446
Transfer to income statement (Note 10)	(115)	(631)
At 31 March	3,700	3,815

	GROUP	
	2005 RM'000	2004 RM'000
Presented after appropriate offsetting as follows:		
Deferred tax assets	4,016	4,260
Deferred tax liabilities	(316)	(445)
	3,700	3,815

NOTES to the financial statements (Cont'd)

31 March 2005

16. DEFERRED TAX ASSETS, NET (Cont'd)

The components and movements of the deferred tax liabilities and assets during the financial year prior to the offsetting are as follows:

Deferred Tax Liabilities of the Group:

	Interest Prepayment RM'000	Accelerated Capital Allowances RM'000	Total RM'000
At 1 April 2004	–	445	445
Recognised in the income statement	258	(387)	(129)
At 31 March 2005	258	58	316
At 1 April 2003	–	634	634
Recognised in the income statement	–	(189)	(189)
At 31 March 2004	–	445	445

Deferred Tax Assets of the Group:

	Tax Losses and Unabsorbed Capital Allowances RM'000	Provision for Staff Compensated Absences RM'000	Other Payables RM'000	Total RM'000
At 1 April 2004	4,260	–	–	4,260
Recognised in the income statement	(508)	11	253	(244)
At 31 March 2005	3,752	11	253	4,016
At 1 April 2003	5,080	–	–	5,080
Recognised in the income statement	(820)	–	–	(820)
At 31 March 2004	4,260	–	–	4,260

NOTES to the financial statements (Cont'd)

31 March 2005

16. DEFERRED TAX ASSETS, NET (Cont'd)

Deferred tax assets have not been recognised in respect of the following items:

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Unutilised tax losses	28,546	56,547	10,535	8,446
Unabsorbed capital allowances	3,246	2,477	1,371	1,038
Other payables	207	–	17	–
	31,999	59,024	11,923	9,484

The unutilised tax losses and unabsorbed capital allowances are available indefinitely for offset against future taxable profits of the subsidiaries in which those items arose. Deferred tax assets have not been recognised in respect of these items as they have arisen in subsidiaries that have a history of losses and it is not probable for them to have future profits for offset as well as the fact that these losses may not be used to offset taxable profits of other subsidiaries in the Group.

17. INVENTORIES

	GROUP	
	2005 RM'000	2004 RM'000
At cost		
Computer equipment, spares and supplies	1,805	2,078
Work in progress	27	–
	1,832	2,078
Write offs		
Slow moving and obsolete items	–	(305)
	1,832	1,773

The cost of inventories recognised as an expense during the financial year of the Group amounted to RM1,405,271 (2004 : RM1,391,999).

NOTES to the financial statements (Cont'd)

31 March 2005

18. RECEIVABLES

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Trade receivables	25,110	40,895	-	-
Due from customers on contracts (Note 19)	1,055	6,106	-	-
	26,165	47,001	-	-
Allowance for doubtful debts	(8,101)	(8,979)	-	-
	18,064	38,022	-	-
Other receivables:				
Due from a minority shareholder of a subsidiary	5,076	5,076	5,076	5,076
Allowance for doubtful debts	(5,076)	(5,076)	(5,076)	(5,076)
Due from a company related to a former director*	-	3,857	-	3,857
Allowance for doubtful debts	-	(3,857)	-	(3,857)
	-	-	-	-
Prepayments	2,408	869	122	1
Deposits	723	845	18	18
Advances to employees	71	59	-	6
Club memberships	161	161	-	-
Tax recoverable	375	-	-	-
Sundries	122	147	36	2
	3,860	2,081	176	27
Total other receivables	3,860	2,081	176	27
	21,924	40,103	176	27

* The amount due from a company related to a former director was unsecured and interest free. The amount claimed was amicably settled at RM3,000,000 and paid by three equal monthly instalments of RM1,000,000 each during the financial year. Reimbursable legal cost amounting to RM30,000 has been awarded by the court and was paid together with the third and final instalment.

NOTES to the financial statements (Cont'd)

31 March 2005

18. RECEIVABLES (Cont'd)

The currency exposure profile of receivables was as follows:

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
- Ringgit Malaysia	21,917	40,103	176	27
- US Dollars	7	-	-	-
	21,924	40,103	176	27

The Group's policy requires trade receivables to be paid within 90 days (2004: 90 days). Other credit terms given to trade receivables are assessed and approved on a case-by-case basis. The Group has no significant exposure to any individual or group of customers.

19. DUE FROM/(TO) CUSTOMERS ON CONTRACTS

	GROUP	
	2005 RM'000	2004 RM'000
Contract costs incurred to date	83,942	57,394
Attributable profits	14,747	6,120
	98,689	63,514
Less: Progress billings	(102,014)	(61,622)
	(3,325)	1,892
Due from customers on contracts (Note 18)	1,055	6,106
Due to customers on contracts (Note 21)	(4,380)	(4,214)
	(3,325)	1,892
Advance received on contract, included in trade payables (Note 21)	57	3,096

NOTES to the financial statements (Cont'd)

31 March 2005

20. CASH AND BANK BALANCES

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Deposits with:				
- licensed banks (Note 29)	15,071	11,006	2,508	2,708
- other financial institution (Note 29)	3,200	–	3,200	–
Cash and bank balances (Note 29)	2,099	4,502	449	772
	20,370	15,508	6,157	3,480

The deposits of RM9,402,000 (2004: RM8,458,000) for the Group and RM2,508,000 (2004: RM2,708,000) for the Company are pledged as securities for credit facilities granted to the Group.

The weighted average effective interest rates of deposits as at the financial year end were as follows:

	GROUP		COMPANY	
	2005 %	2004 %	2005 %	2004 %
Licensed banks	2.24	2.39	2.79	2.78
Other financial institution	2.60	–	2.60	–

The average maturities of deposits as at the end of the financial year were as follows:

	GROUP		COMPANY	
	2005 Days	2004 Days	2005 Days	2004 Days
Licensed banks	128	57	15	23
Other financial institution	1	–	1	–

The deposits and cash and bank balances are denominated in Ringgit Malaysia.

The carrying amount of the deposits approximate their fair value due to the relatively short term maturity.

NOTES to the financial statements (Cont'd)

31 March 2005

21. PAYABLES

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Trade payables	10,322	19,671	-	-
Due to customers on contracts (Note 19)	4,380	4,214	-	-
Advance received on contract (Note 19)	57	3,096	-	-
	14,759	26,981	-	-
Other payables:				
Interest on ICULS	1,358	1,361	1,358	1,361
Corporate guarantees extended to former subsidiaries	774	815	774	815
Amount due to minority shareholders of a subsidiary, HRM Business Consulting Sdn. Bhd.	800	1,600	800	1,600
Liquidated ascertained damages of a project	-	1,283	-	-
Advance from a director and shareholder (Note 23)	4,300	4,900	4,300	4,900
Interest on advance from a director and shareholder	28	-	28	-
Accrued staff cost	765	1,578	46	150
Accrued short term accumulating compensated benefits	216	-	17	-
Accrued leaseline rentals	14	418	-	390
Accrued professional and legal fees	228	517	156	350
Penalty charges for defaulted statutory contributions	100	100	100	100
Secondment staff costs of companies in which a Director has an interest	-	1,102	-	1,102
Sundry payables	2,068	2,613	193	13
	10,651	16,287	7,772	10,781
	25,410	43,268	7,772	10,781

The currency exposure profile of payables was as follows:

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Ringgit Malaysia	25,109	43,268	7,772	10,781
US Dollars	301	-	-	-
	25,410	43,268	7,772	10,781

The credit terms of the Group and of the Company's trade payables and other payables range from 60 days to 90 days (2004 : 60 days to 90 days). The carrying value of the balance approximates its fair value.

NOTES to the financial statements (Cont'd)

31 March 2005

22. BORROWINGS

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Short term borrowings:				
Secured:				
Term loan	6,034	–	–	–
Unsecured:				
Bankers acceptances	4,967	3,351	–	–
Trust receipts	–	708	–	–
Bank overdrafts (Note 29)	474	26	–	–
Irredeemable convertible unsecured loan stocks ("ICULS") (Note 25)	768	–	768	–
	12,243	4,085	768	–
Long term borrowings:				
ICULS (Note 25)	2,246	4,778	2,246	4,778
	14,489	8,863	3,014	4,778
Maturity of borrowings:				
Within 1 year	12,243	4,085	768	–
More than one year and less than two years	–	1,223	–	1,223
More than two years	2,246	3,555	2,246	3,555
	14,489	8,863	3,014	4,778

The rates of interest during the financial year were as follows:

	2005 %	2004 %
Bank overdrafts	7.0 to 7.5	7.4
Bankers' acceptances	1.0 to 1.5	1.0 to 1.5
Trust Receipts	7.0	7.0
Term loan	6.5	–

During the financial year, a subsidiary was granted a term loan of RM23 million to finance the costs of certain long-term contracts undertaken by the subsidiary. The term loan is repayable in full within 15 months from 8 July 2004. The term loan is secured by a debenture incorporating a first fixed and floating charge over all present and future assets and undertakings of the subsidiary, assignment of contract proceeds as well as a corporate guarantee from the Company.

NOTES to the financial statements (Cont'd)

31 March 2005

23. ADVANCE FROM A DIRECTOR AND SHAREHOLDER

The advance from a director bears an interest of 7.5% per annum, is unsecured and is repayable as follows:

	GROUP AND COMPANY	
	2005	2004
	RM'000	RM'000
Due within 12 months (Note 21)	4,300	4,900
Due after 12 months	-	4,100
	4,300	9,000

24. AMOUNTS DUE FROM/(TO) SUBSIDIARIES

	COMPANY	
	2005	2004
	RM'000	RM'000
Amounts due from subsidiaries	49,279	60,047
Allowance for doubtful debts	(4,176)	(4,176)
	45,103	55,871
Amount due to subsidiary	(725)	-

The amounts due from/(to) subsidiaries are unsecured and no repayment is expected within the next 12 months. They are interest free except for an amount of RM1,000,000 (2004: RM1,000,000) due from a subsidiary which bears interest of 7.5% per annum (2004: 3.2% per annum).

It is not practicable to determine the fair values of the amounts due from/(to) subsidiaries as there are no fixed repayment terms and are interest free except for a subsidiary as disclosed above. However, the carrying amounts recorded are not anticipated to be significantly different from their fair values at the balance sheet date.

NOTES to the financial statements (Cont'd)

31 March 2005

25. IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS ("ICULS")

The ICULS is recognised in the balance sheet as follows:

	GROUP AND COMPANY	
	2005 RM'000	2004 RM'000
Face value of ICULS at 1 April 2004/2003	52,164	55,745
Conversion to shares during the year	(81)	(3,581)
Face value of ICULS at 31 March	52,083	52,164
Deemed repayment of ICULS liability component	(4,331)	(2,572)
Total equity and liability component	47,752	49,592
Equity conversion component	(44,738)	(44,814)
Liability component	3,014	4,778
Due within 12 months (Note 22)	768	–
Due after 12 months (Note 22)	2,246	4,778
	3,014	4,778
Issue of shares on conversion of ICULS		
- issued and fully paid ordinary shares of RM1.00 each (Note 26)	54	2,387
- share premium	22	869
- recognised as gain upon conversion (Note 6)	5	325
ICULS converted to shares of RM1.00 each during the year	81	3,581

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

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

NOTES to the financial statements (Cont'd)

31 March 2005

25. IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS ("ICULS") (Cont'd)

The movements of the ICULS since inception are as follows:

	Total RM'000	Equity RM'000	Liability RM'000
Fair value of ICULS issued on 6 August 2002			
- three year 4% ICULS	30,000	26,907	3,093
- five year 4% ICULS	34,062	28,622	5,440
	64,062	55,529	8,533
Conversion of ICULS	(11,898)	(10,465)	(1,433)
Repayment of liability component	(2,572)	-	(2,572)
Reclassification	-	(250)	250
At 1 April 2004	49,592	44,814	4,778
Conversion of ICULS	(81)	(76)	(5)
Repayment of liability component	(1,759)	-	(1,759)
At 31 March 2005	47,752	44,738	3,014

(b) The principal terms of the ICULS are as follows:

- (i) 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;
- (ii) 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;
- (iii) 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
- (iv) 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.

(c) The carrying value of the ICULS approximates its fair value.

NOTES to the financial statements (Cont'd)

31 March 2005

26. SHARE CAPITAL

	GROUP AND COMPANY			
	Number of Ordinary Shares of RM1 Each		Amount	
	2005 '000	2004 '000	2005 RM'000	2004 RM'000
Ordinary shares of RM1.00 each:				
Authorised:				
- As at beginning and end of financial year	500,000	500,000	500,000	500,000
Issued:				
- As at beginning and end of financial year	64,007	61,540	64,007	61,540
- Exercise of ESOS	-	80	-	80
- Conversion of ICULS (Note 25)	54	2,387	54	2,387
- At end of financial year	64,061	64,007	64,061	64,007

27. WARRANTS

The proceeds of RM3,030,000 resulted from the issuance of 15,151,515 detachable warrants at a price of RM0.20 per warrant. The warrants were listed on the Bursa Malaysia Securities Berhad on 2 October 2002. The exercise period commenced one market day after the issue of the warrants and ending five years on a market day immediately preceding the fifth anniversary of the date of issue. Warrants not exercised during the exercise period will thereafter lapse and cease to be valid. The exercise price of the warrants is RM1.50 payable in cash. The new shares issued upon exercise of the warrants shall rank pari passu in all respects with the existing shares.

28. CAPITAL RESERVE

Capital reserve represents the Company's share of equity in a subsidiary, HRM Business Consulting Sdn. Bhd., arising from a bonus issue out of the prior year's retained earnings of the said subsidiary.

29. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Deposits with licensed banks (Note 20)	15,071	11,006	2,508	2,708
Deposits with other financial institution (Note 20)	3,200	-	3,200	-
Cash and bank balances (Note 20)	2,099	4,502	449	772
	20,370	15,508	6,157	3,480
Less :				
Pledged deposits with licensed banks (Note 20)	(9,402)	(8,458)	(2,508)	(2,708)
Short term borrowings				
- overdraft (Note 22)	(474)	(26)	-	-
	10,494	7,024	3,649	772

NOTES to the financial statements (Cont'd)

31 March 2005

30. SIGNIFICANT RELATED PARTY DISCLOSURES

The significant outstanding balances as at 31 March 2005 due from/(owing to) the companies in which a director, Datuk Lim Chee Wah has or had interests are set out below:

	GROUP	
	2005 RM'000	2004 RM'000
Instant Office (Greater China) Limited #	-	7,603
Less: Allowance for doubtful debts	-	(7,603)
OR Partner Integrated Information System Asia Pacific Limited	236	236
Less: Allowance for doubtful debts	(236)	(236)
VXL Management Sdn Bhd	-	(706)
VXL Holdings Sdn Bhd	33	-
Kien Huat Development Sdn Bhd	9	(396)
e-Genting Sdn Bhd	108	-
Resort World Berhad	17	-
	167	(1,102)
Advances from Datuk Lim Chee Wah (Note 23)	4,300	9,000
Accrued interest on advances from a director	28	-

The director ceased to have any interest in the Company during the previous financial year.

The amounts due from/(to) the director related companies are unsecured, interest free and have no fixed terms of repayment.

Significant related party transactions during the year are as follows:

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Transaction with Director				
- Interest charged for advances	540	79	540	79
Transactions with companies in which a director, Datuk Lim Chee Wah has interests:				
(a) Secondment fees billed by/(discounts received from):				
- VXL Management Sdn Bhd	(71)	706	-	706
- Kien Huat Development Sdn Bhd	(40)	396	-	396
(b) Allowance for doubtful debts for amount receivable	-	7,603	-	-
	(111)	8,784	-	1,102

NOTES to the financial statements (Cont'd)

31 March 2005

30. SIGNIFICANT RELATED PARTY DISCLOSURES (Cont'd)

Significant related party transactions during the year are as follows: (Cont'd)

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
(c) Consultancy fees billed to Lingkaran Ehsan Sdn Bhd ^	(20)	–	–	–
(d) Maintenance fees billed to e-Genting Sdn Bhd	(189)	–	–	–

The directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on a negotiated basis.

^ The director ceased to have any interest in the Company during the financial year.

31. SIGNIFICANT EVENTS

(a) Private Placement

On 30 June 2004, the Board of Directors approved a proposed private placement involving the issuance of up to 6,400,000 new ordinary shares of RM1.00 each. These shares shall rank pari passu in all respects with the existing ordinary shares of RM1.00 each upon their allotment and registration in the Record of Depositors with Bursa Malaysia Depository Sdn. Bhd. (formerly known as Malaysian Central Depository Sdn. Bhd.) and shall not be entitled to participate in any dividends, rights, allotments or other distributions prior to the allotment date.

On 3 August 2004, the Securities Commission approved the Private Placement of up to 6,400,000 new ordinary shares of RM1.00 each. On 5 October 2004, Bursa Malaysia Securities Berhad granted approval in principle for the additional listing of and quotation for the additional 6,400,000 ordinary shares of RM1.00 each. To date no allotments have been made.

The Company has applied and the SC has approved the extension of the deadline for the Company to complete the Private Placement for another six months from 27 January 2005 to 27 July 2005.

(b) Voluntary Separation Scheme ("VSS")

The details of the Voluntary Separation Scheme ("VSS") for the comparative year are:

- (i) The VSS was implemented from 2 April 2003 to 16 April 2003 and this exercise was completed on 30 April 2003.
- (ii) The VSS was offered to all confirmed and unconfirmed employees of the Company and its subsidiary companies except for HRM Business Consulting Sdn. Bhd. The VSS was strictly on a voluntary basis and the number of employees before and after the VSS amounted to 441 and 365 respectively.
- (iii) The total compensation paid to employees in relation to the VSS amounted to RMI,997,000.

NOTES to the financial statements (Cont'd)

31 March 2005

32. CONTINGENT LIABILITIES (UNSECURED)

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Corporate Guarantee given to financial institutions:				
- for credit facilities of subsidiaries	-	-	11,475	2,405
- for performance guarantees given to third parties	5,931	4,350	5,931	7,798
Corporate guarantees given to suppliers of subsidiaries	-	-	548	381

33. SEGMENTAL ANALYSIS

The Group is providing the following services:

- (i) Consulting and integration including technology and software services
- (ii) Outsourcing and managed services including E-business
- (iii) Management services

No geographical segmental information is presented, as the Group's operations are located primarily in Malaysia. Intersegment sales comprise provision of maintenance and consultancy services to the system integration, application content provider and provision of management services on commercial terms basis.

The segmental analysis by services are as follows:

2005	Consulting & integration RM'000	Outsourcing & managed services RM'000	Management service RM'000	Elimination RM'000	Group RM'000
SALES					
External sales	16,314	54,968	-	-	71,282
Intersegment sales	8,692	4,362	2,387	(15,441)	-
Total sales	25,006	59,330	2,387	(15,441)	71,282

RESULTS

Segment result (external) - (loss)/profit	(1,896)	2,195	2,385	762	3,446
Unallocated income					16
Profit from operations					3,462
Interest Income					350
Interest Expense					(1,764)
Profit from ordinary activities before tax					2,048
Taxation					259
Profit from ordinary activities after tax					2,307
Minority Interest					60
Net profit for the financial year					2,367

NOTES to the financial statements (Cont'd)

31 March 2005

33. SEGMENTAL ANALYSIS (Cont'd)

2005	Consulting & integration RM'000	Outsourcing & managed services RM'000	Management service RM'000	Group RM'000	
OTHER INFORMATION					
Segment assets	3,625	37,137	10,821	51,583	
Unallocated assets				3,700	
				<u>55,283</u>	
Segment liabilities	1,258	27,842	7,785	36,885	
Unallocated liabilities				3,017	
				<u>39,902</u>	
Capital expenditure	–	1,359	925	2,284	
Depreciation and amortisation	840	1,103	345	2,288	
Property, plant and equipment written off	89	2	–	91	
Allowance for doubtful debts written-back	7	746	3,000	3,753	
Allowance for doubtful debts	–	40	–	40	
2004					
	Consulting & integration RM'000	Outsourcing & managed services RM'000	Management service RM'000	Elimination RM'000	Group RM'000
SALES					
External sales	11,109	74,443	–	–	85,552
Intersegment sales	2,179	6,218	5,676	(14,073)	–
Total sales	13,288	80,661	5,676	(14,073)	85,552
RESULTS					
Segment result (external) - loss	(19,653)	(10,033)	(9,793)	–	(39,479)
Gain on deconsolidation of a subsidiary					3,071
Unallocated corporate expenses					(1,107)
Loss from operations					(37,515)
Interest Income					334
Interest Expense					(993)
Loss from ordinary activities before tax					(38,174)
Taxation					(384)
Loss from ordinary activities after tax					(38,558)
Minority Interest					(719)
Net loss for the financial year					<u>(39,277)</u>

NOTES to the financial statements (Cont'd)

31 March 2005

33. SEGMENTAL ANALYSIS (Cont'd)

2004	Consulting & integration RM'000	Outsourcing & managed services RM'000	Management service RM'000	Group RM'000
OTHER INFORMATION				
Segment assets	5,844	52,676	6,428	64,948
Unallocated assets				3,815
				68,763
Segment liabilities	7,625	28,837	14,991	51,453
Unallocated liabilities				5,271
				56,724
Capital expenditure	89	397	429	915
Depreciation and amortisation	1,745	3,600	87	5,432
Computer software and development expenses written off	7,487	–	–	7,487
Allowance for doubtful debts	7,609	761	2,207	10,577

Segment assets consist primarily of property, plant and equipment, intangible assets, inventories, receivables and operating cash. Segment liabilities comprise operating liabilities and exclude items such as taxation and corporate borrowings.

Capital expenditure comprise additions to property, plant and equipment (Note 12), computer software and development expenditure (Note 15) including those resulting from acquisitions.

34. OPERATING LEASE COMMITMENTS

	GROUP		COMPANY	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Future minimum rental payable:				
Not later than 1 year	1,352	830	551	574
Later than 1 year and not later than 5 years	1,300	65	322	29
	2,652	895	873	603

NOTES to the financial statements (Cont'd)

31 March 2005

35. COMPARATIVES

The presentation and classification of items in the current year's financial statements have been consistent with the previous financial year except that certain comparatives have been reclassified to conform with the current financial year's presentation as follows:-

	As Restated RM'000	Adjustment RM'000	As Previously Stated RM'000
GROUP			
Inventories	1,773	(1,892)	3,665
Receivables	40,103	6,106	33,997
Payables	(43,268)	(4,214)	(39,054)

STATEMENT by directors

Pursuant to Section 169(15) of the Companies Act, 1965

We, Mirzan bin Mahathir and Chew Liong Kim, being two of the Directors of Dataprep Holdings Bhd., state that, in the opinion of the Directors, the accompanying financial statements set out on pages 44 to 85 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2005 and of the results and cash flows of the Group and of the Company for the financial year ended on that date in accordance with the applicable MASB approved accounting standards in Malaysia and the provisions of the Companies Act 1965.

Signed on behalf of the Board of Directors in accordance with their resolution dated 30 May 2005.

MIRZAN BIN MAHATHIR
Chairman

CHEW LIONG KIM
Chief Executive Officer

STATUTORY declaration

Pursuant to Section 169(16) of the Companies Act, 1965

I, Tan Hock Chye, the officer primarily responsible for the financial management of Dataprep Holdings Bhd., do solemnly and sincerely declare that the financial statements set out on pages 44 to 85 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

TAN HOCK CHYE

Subscribed and solemnly declared by the abovenamed,
at Petaling Jaya, Selangor Darul Ehsan on 30 May 2005.

Before me,

COMMISSIONER FOR OATHS

REPORT of the auditors

To the Members of Dataprep Holdings Bhd. (Incorporated in Malaysia)

We have audited the financial statements set out on pages 44 to 85. These financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report.

We conducted our audit in accordance with Approved Standards on Auditing in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements have been properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable MASB Approved Accounting Standards in Malaysia so as to give a true and fair view of:
 - (i) the financial position of the Group and of the Company as at 31 March 2005 and of their results and their cash flows for the year then ended; and
 - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements; and
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by its subsidiaries have been properly kept in accordance with the provisions of the Act.

We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

Our auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

ERNST & YOUNG
AF: 0039
Chartered Accountants

WONG KANG HWEE
No. 1116/01/06(J)
Partner

Kuala Lumpur, Malaysia
30 May 2005

SHAREHOLDINGS statistics / PERANGKAAAN pegangan saham

List of thirty (30) largest shareholders as at 20 July 2005.

Senarai tiga puluh (30) pemegang-pemegang saham yang terbesar pada 20 Julai 2005.

Nos	Names Nama	Shareholdings Jumlah Pegangan Saham	%
1	VXL Holdings Sdn Bhd	22,004,440	34.35
2	Sabit Sdn Bhd	7,255,233	11.33
3	AMSEC Nominees (Tempatan) Sdn Bhd (A/C for VXL Holdings Sdn Bhd)	3,342,000	5.22
4	Rumpun Damai Sdn Bhd	2,732,660	4.27
5	Public Nominees (Tempatan) Sdn Bhd (A/C for VXL Holdings Sdn Bhd)	2,421,000	3.78
6	Lau Chow Fow	1,900,000	2.97
7	Seberang Jati Sdn Bhd	951,900	1.49
8	PAB Nominee (Tempatan) Sdn Bhd (A/C for VXL Holdings Sdn Bhd)	678,000	1.06
9	Mayban Nominees (Tempatan) Sdn Bhd (A/C for Tan Kok Ping)	525,000	0.82
10	UOBM Nominees (Tempatan) Sdn Bhd (A/C for VXL Holdings Sdn Bhd)	510,000	0.80
11	Mirzan bin Mahathir	501,000	0.78
12	Khoo Teng Bin	459,776	0.72
13	Dataprep (Holdings) Limited	322,030	0.50
14	M & S Food Industries Sdn Bhd	306,400	0.48
15	Leong Yoke Kwen	300,000	0.47
16	Lee Yoke Wan	261,500	0.41
17	HDM Nominees (Tempatan) Sdn Bhd (A/C for Quah Ti Di)	221,500	0.35
18	HDM Nominees (Tempatan) Sdn Bhd (A/C for Teh Kee Hong)	220,000	0.34
19	Wong Ah Kau @ Wong Chiew Seng	201,200	0.31
20	Tan Chee Chin	166,000	0.26
21	HDM Nominees (Tempatan) Sdn Bhd (A/C for Chew Poh Guan)	160,000	0.25
22	Ke-Zan Nominees (Tempatan) Sdn Bhd (A/C for Muhammad Fauzi bin Abd Ghani)	137,200	0.21
23	Jalal bin Johari	136,600	0.21
24	HDM Nominees (Tempatan) Sdn Bhd (A/C for Lim Chai Beng)	115,000	0.18
25	Mohd Sofian bin Mohd Arshad	113,000	0.18
26	Ann Wam Tiang	112,600	0.18
27	Mayban Nominees (Tempatan) Sdn Bhd (A/C for Chung Chuan Shen)	109,500	0.17
28	ECM Libra Securities Nominees (Tempatan) Sdn Bhd (A/C for Ong Choo Hoon)	102,500	0.16
29	Lembaga Pemegang-Pemegang Amanah Yayasan Negeri Sembilan	100,000	0.16
30	Super Harvest Plantations Sdn Bhd	86,500	0.14

SHAREHOLDINGS statistics (Cont'd) / PERANGKAAAN pegangan saham (Samb)

Analysis by Size of Shareholdings as at 20 July 2005 / Analisis Saiz Pegangan Saham pada 20 Julai 2005

Size of Shareholdings Saiz Pemegang Saham	No. of Shareholders Jumlah Pemegang Saham	% of Shareholders % Pemegang Saham	No. of Shares Held Jumlah Saham Dipegang	% of Shareholdings % Pegangan
Less than / kurang dari 100	14	0.25	191	0.00
100 - 1,000	3,134	55.09	2,215,380	3.46
1,001 - 10,000	2,212	38.88	8,393,494	13.10
10,001 - 100,000	301	5.29	7,186,143	11.22
100,001 to less than / kurang dari 5%	26	0.46	9,950,366	15.53
5% and above / dan ke atas	2	0.03	36,315,440	56.69
Total / Jumlah	5,689	100.00	64,061,014	100.00

List of Directors' Shareholdings as at 20 July 2005 / Senarai Pegangan Saham Para Pengarah pada 20 Julai 2005

Nos	Names	Direct Shares	%	Indirect Shares	%
1	Mirzan bin Mahathir ⁽¹⁾	501,000	0.78	9,987,833	15.59
2	Muhammad Fauzi bin Abd Ghani ⁽²⁾	–	–	137,200	0.21
3	Datuk Lim Chee Wah ⁽³⁾	–	–	29,060,440	45.36
4	Michael Yee Kim Shing	–	–	–	–
5	Chew Liong Kim ⁽⁴⁾	65,000	0.1	166,000	0.26
6	Dato' Pian bin Sukro	–	–	–	–

Notes:

- (1) Deemed interest via Sabit Sdn Bhd and Rumpun Damai Sdn Bhd.
(2) Held through a nominee, Ke-Zan Nominees (Tempatan) Sdn Bhd.
(3) Deemed interest via VXL Holdings Sdn Bhd.
(4) Deemed interest via spouse.

List of Substantial Shareholders (5% and above) as at 20 July 2005 / Senarai Pemegang Saham Utama (5% dan ke atas) pada 20 Julai 2005

Nos	Names	Direct Shares	%	Indirect Shares	%
1	VXL Holdings Sdn Bhd	22,004,440	34.35	7,056,000 ⁽¹⁾	11.01
2	Sabit Sdn Bhd	7,255,233	11.33	–	–

Note:

- (1) Held via PAB Nominees (Tempatan) Sdn Bhd, AMSEC Nominees (Tempatan) Sdn Bhd, Mayban Nominees (Tempatan) Sdn Bhd, Public Nominees (Tempatan) Sdn Bhd, Southern Nominees (Tempatan) Sdn Bhd and UOBM Nominees (Tempatan) Sdn Bhd.

WARRANT statistics / PERANGKAPAN warrant

List of thirty (30) largest warrant holders as at 20 July 2005.
Senarai tiga puluh (30) pemegang-pemegang warrant yang terbesar pada 20 Julai 2005.

Nos	Names Nama	Warrant Holdings Jumlah Pegangan Warrant	%
1	VXL Holdings Sdn Bhd	2,058,175	13.58
2	Mayban Securities Nominees (Tempatan) Sdn Bhd (A/C for Tan Yoke Chun)	293,900	1.94
3	HDM Nominees (Tempatan) Sdn Bhd (A/C for Quah Ti Di)	222,500	1.47
4	Chung Pok Kwan	190,500	1.26
5	CIMSEC Nominees (Asing) Sdn Bhd (A/C for Tee Chin Teck)	180,000	1.19
6	HDM Nominees (Tempatan) Sdn Bhd (A/C for Chew Poh Guan)	160,000	1.06
7	Tan Saw Ling @ Tan Sau Ling	147,000	0.97
8	Liew Siew Yun	130,500	0.86
9	Lim Yong Hiang	122,000	0.81
10	HDM Nominees (Asing) Sdn Bhd (A/C for Low Chor Ngee)	120,000	0.79
11	Chew Kien Min	113,500	0.75
12	CIMSEC Nominees (Tempatan) Sdn Bhd (A/C for Lim Ewe Cheng)	112,200	0.74
13	Choa Seong Yee	104,800	0.69
14	Cheok Hui Wan	104,500	0.69
15	RHB Nominees (Tempatan) Sdn Bhd (A/C for Teo Tiew)	100,000	0.66
16	Lim Wuay Chern	100,000	0.66
17	Kuala Lumpur City Nominees (Tempatan) Sdn Bhd (A/C for Peng Yew Mun)	95,100	0.63
18	Chen Kwong Hann	90,000	0.59
19	Super Harvest Plantations Sdn Bhd	87,000	0.57
20	Ng Seng Wan	80,900	0.53
21	Woo Ther Chuan	77,000	0.51
22	Mayban Nominees (Tempatan) Sdn Bhd (A/C for Choa Seong Yee)	76,000	0.50
23	SJ SEC Nominees (Tempatan) Sdn Bhd (A/C for Tan Boon Seng)	72,200	0.48
24	Alliance Group Nominees (Tempatan) Sdn Bhd (A/C for Pang Teng Lee)	70,100	0.46
25	AmBank (M) Berhad (A/C for Chan Yoke Meng)	69,500	0.46
26	Lim Ah Ber	66,000	0.44
27	Teo Tiew	65,000	0.43
28	Sing Yuek Sdn Bhd	65,000	0.43
29	Yeoh Kee Pin	60,000	0.40
30	Lee Soon Cheong	60,000	0.40

WARRANT statistics (Cont'd) / PERANGKAAAN warrant (Samb)

Analysis by Size of Warrantholdings as at 20 July 2005 / Analisis Saiz Pegangan Warrant pada 20 Julai 2005

Size of Warrantholdings <i>Saiz Pemegang Warrant</i>	No. of Warrantholders <i>Jumlah Pemegang Warrant</i>	% of Warrantholders <i>% Pemegang Warrant</i>	No. of Warrant Held <i>Jumlah Warrant Dipegang</i>	% of Warrant Holdings <i>% Pegangan Warrant</i>
Less than / <i>kurang dari</i> 100	–	–	–	–
100 - 1,000	845	38.03	775,440	5.12
1,001 - 10,000	1,161	52.25	4,605,000	30.39
10,001 - 100,000	202	9.09	5,711,500	37.70
100,001 to less than / <i>kurang dari</i> 5%	13	0.59	2,001,400	13.21
5% and above / <i>dan ke atas</i>	1	0.04	2,058,175	13.58
Total / <i>Jumlah</i>	2,222	100.00	15,151,515	100.00

List of Directors' Warrantholdings as at 20 July 2005 / Senarai Pegangan Warrant Para Pengarah pada 20 Julai 2005

Nos	Names	Direct Warrantholdings	%	Indirect Warrantholdings	%
1	Mirzan bin Mahathir	–	–	–	–
2	Muhammad Fauzi bin Abd Ghani	–	–	–	–
3	Datuk Lim Chee Wah *	–	–	2,058,175	13.58
4	Michael Yee Kim Shing	–	–	–	–
5	Chew Liong Kim	–	–	–	–
6	Dato' Pian bin Sukro	–	–	–	–

Note:

* Deemed interest via VXL Holdings Sdn Bhd.

List of Substantial Warrantholders (5% and above) as at 20 July 2005 / Senarai Pemegang Warrant Utama (5% dan ke atas) pada 20 Julai 2005

Nos	Names	Direct Warrantholdings	%	Indirect Warrantholdings	%
1	VXL Holdings Sdn Bhd	2,058,175	13.58	–	–

ICULS-3 statistics / PERANGKAPAN ICULS-3

List of thirty (30) largest ICULS-3 holders as at 20 July 2005.

Senarai tiga puluh (30) pemegang-pemegang ICULS-3 yang terbesar pada 20 Julai 2005.

Nos	Names Nama	ICULS Holdings Jumlah Pegangan ICULS	%
1	Malaysian Trustees Berhad (A/C for AmBank Berhad)	5,639,197	31.18
2	VXL Holdings Sdn Bhd	5,409,969	29.91
3	Malaysian Trustees Berhad (A/C for Public Bank Berhad)	4,085,413	22.59
4	Malaysian Trustees Berhad (A/C for Affin Bank Berhad)	1,143,351	6.32
5	Malaysian Trustees Berhad (A/C for United Overseas Bank (Malaysia) Berhad)	860,516	4.76
6	PAB Nominee (Tempatan) Sdn Bhd (A/C for Affin Bank Berhad (Loan Recovery))	856,803	4.74
7	Leong Wai Oi	10,000	0.06
8	Wong May Pearl	10,000	0.06
9	Un Chuan Hock	9,000	0.05
10	TA Nominees (Tempatan) Sdn Bhd (A/C for Khor Ah Bah)	7,000	0.04
11	Teoh Yen Ping	5,000	0.03
12	Wan Chong Seng	4,000	0.02
13	Pong Gin Pon	3,500	0.02
14	Mayban Nominees (Tempatan) Sdn Bhd (A/C for Choo Cheang Hung)	3,000	0.02
15	Ng Ah Moi	3,000	0.02
16	Chong Kong Siong @ Chong Kong Chieh	3,000	0.02
17	Lim Sin Chuan	3,000	0.02
18	Tan Chew Kiang @ Chin Siew Kong	3,000	0.02
19	Soon Oi Seng	3,000	0.02
20	See Sook Ching	2,500	0.01
21	Gong Sing Hing	2,000	0.01
22	Chung King Meng	1,500	0.01
23	Cheah Chong Sing	1,000	0.01
24	Chen Seong Lee	1,000	0.01
25	Lim Ai Rin	1,000	0.01
26	Stephen Ng Khin Vui	1,000	0.01
27	Wong Choong Kai @ Wong Chee Kai	1,000	0.01
28	Chim Ake @ Lim Lian Huat	1,000	0.01
29	Hod bin Fariman @ Parman	1,000	0.01
30	Koh Sooi Kwang	1,000	0.01

ICULS-3 statistics (Cont'd) / PERANGKAPAN ICULS-3 (Samb)

Analysis by Size of ICULS Holdings - ICULS-3 as at 20 July 2005 / Analisis Saiz Pegangan ICULS - ICULS-3 pada 20 Julai 2005

Size of ICULS holdings <i>Saiz Pemegang ICULS</i>	No. of ICULS Holders <i>Jumlah Pemegang ICULS</i>	% of ICULS Holders <i>% Pemegang ICULS</i>	No. of ICULS Held <i>Jumlah ICULS Dipegang</i>	% of ICULS Holdings <i>% Pegangan ICULS</i>
Less than / <i>kurang dari 100</i>	3	4.65	25	0.00
100 - 1,000	19	44.19	17,861	0.10
1,001 - 10,000	16	37.21	72,500	0.40
10,001 - 100,000	—	—	—	—
100,001 to less than / <i>kurang dari 5%</i>	2	4.65	1,717,319	9.50
5% and above / <i>dan ke atas</i>	4	9.30	16,277,930	90.00
Total / <i>Jumlah</i>	43	100.00	18,085,635	100.00

List of Directors' ICULS Holdings - ICULS-3 as at 20 July 2005 / Senarai Pegangan ICULS - ICULS-3 Para Pengarah pada 20 Julai 2005

Nos	Names	Direct ICULS Holdings	%	Indirect ICULS Holdings	%
1	Mirzan bin Mahathir	—	—	—	—
2	Muhammad Fauzi bin Abd Ghani	—	—	—	—
3	Datuk Lim Chee Wah *	—	—	5,409,969	29.91
4	Michael Yee Kim Shing	—	—	—	—
5	Chew Liong Kim	—	—	—	—
6	Dato' Pian bin Sukro	—	—	—	—

Note:

* Deemed interest via VXL Holdings Sdn Bhd.

List of Substantial ICULS Holders (5% and above) - ICULS-3 as at 20 July 2005 / Senarai Pemegang ICULS Utama (5% dan ke atas) - ICULS-3 pada 20 Julai 2005

Nos	Names	Direct ICULS Holdings	%	Indirect ICULS Holdings	%
1	Malaysian Trustees Berhad (A/C for AmBank Berhad)	5,639,197	31.18	—	—
2	VXL Holdings Sdn Bhd	5,409,969	29.91	—	—
3	Malaysian Trustees Berhad (A/C for Public Bank Berhad)	4,085,413	22.59	—	—
4	Malaysian Trustees Berhad (A/C for Affin Bank Berhad)	1,143,351	6.32	—	—

ICULS-5 statistics / PERANGKAAAN ICULS-5

List of twenty seven (27) largest ICULS-5 holders as at 20 July 2005.

Senarai dua puluh tujuh (27) pemegang-pemegang ICULS-5 yang terbesar pada 20 Julai 2005.

Nos	Names Nama	ICUL Holdings Jumlah Pegangan ICULS	%
1	Malaysian Trustees Berhad (A/C for AmBank Berhad)	11,205,014	32.96
2	VXL Holdings Sdn Bhd	10,668,180	31.38
3	Malaysian Trustees Berhad (A/C for Public Bank Berhad)	8,117,667	23.88
4	Malaysian Trustees Berhad (A/C for Affin Bank Berhad)	2,271,825	6.68
5	Malaysian Trustees Berhad (A/C for Pengurusan Danaharta Nasional Berhad)	1,709,834	5.03
6	SJ SEC Nominees (Tempatan) Sdn Bhd (A/C for Cheng Eng Moi @ Ching Eng Moi)	3,100	0.01
7	Chan Ai Sim	2,400	0.01
8	Tan Kim Siw	2,000	0.01
9	Goh Kok Lam	1,300	0.00
10	Cheah Chong Sing	1,000	0.00
11	Chen Seong Lee	1,000	0.00
12	Yeow Cheaw Tau	1,000	0.00
13	Stephen Ng Khin Vui	1,000	0.00
14	Ang Tuan Heng	1,000	0.00
15	Chim Ake @ Lim Lian Huat	1,000	0.00
16	Hod bin Fariman @ Parman	1,000	0.00
17	Koh Sooi Kwang	1,000	0.00
18	Chiam Ewe Hoon	1,000	0.00
19	Choo Lee	1,000	0.00
20	Tan Hock Ghee	1,000	0.00
21	Tan Suan Yem	1,000	0.00
22	Liew Hon Kong	1,000	0.00
23	Tan Chew Kiang @ Chin Siew Kong Joseph	1,000	0.00
24	Lee Ing Cheong	1,000	0.00
25	Yap Kham Sang	1,000	0.00
26	M. Manthakumaran a/IV. Manicham	100	0.00
27	Lam Ah Lin @ Lam Siew Yoke	100	0.00

ICULS-5 statistics (Cont'd) / PERANGKAAAN ICULS-5 (Samb)

Analysis by Size of ICULS Holdings - ICULS-5 as at 20 July 2005 / Analisis Saiz Pegangan ICULS - ICULS-5 pada 20 Julai 2005

Size of ICULS holdings <i>Saiz Pemegang ICULS</i>	No. of ICULS Holders <i>Jumlah Pemegang ICULS</i>	% of ICULS Holders <i>% Pemegang ICULS</i>	No. of ICULS Held <i>Jumlah ICULS Dipegang</i>	% of ICULS Holdings <i>% Pegangan ICULS</i>
Less than / <i>kurang dari</i> 100	–	–	–	–
100 - 1,000	18	66.67	16,200	0.05
1,001 - 10,000	4	14.81	8,800	0.02
10,001 - 100,000	–	–	–	–
100,001 to less than / <i>kurang dari</i> 5%	–	–	–	–
5% and above / <i>dan ke atas</i>	5	18.52	33,972,520	99.93
Total / <i>Jumlah</i>	27	100.00	33,997,520	100.00

List of Directors' ICULS Holdings - ICULS-5 as at 20 July 2005 / *Senarai Pegangan ICULS - ICULS-5 Para Pengarah pada 20 Julai 2005*

Nos	Names	Direct ICULS Holdings	%	Indirect ICULS Holdings	%
1	Mirzan bin Mahathir	–	–	–	–
2	Muhammad Fauzi bin Abd Ghani	–	–	–	–
3	Datuk Lim Chee Wah *	–	–	10,668,180	31.38
4	Michael Yee Kim Shing	–	–	–	–
5	Chew Liong Kim	–	–	–	–
6	Dato' Pian bin Sukro	–	–	–	–

Note:

* Deemed interest via VXL Holdings Sdn Bhd.

List of Substantial ICULS Holders (5% and above) - ICULS-5 as at 20 July 2005 / *Senarai Pemegang ICULS Utama (5% dan ke atas) - ICULS-5 pada 20 Julai 2005*

Nos	Names	Direct ICULS Holdings	%	Indirect ICULS Holdings	%
1	Malaysian Trustees Berhad (A/C for AmBank Berhad)	11,205,014	32.96	–	–
2	VXL Holdings Sdn Bhd	10,668,180	31.38	–	–
3	Malaysian Trustees Berhad (A/C for Public Bank Berhad)	8,117,667	23.88	–	–
4	Malaysian Trustees Berhad (A/C for Affin Bank Berhad)	2,271,825	6.68	–	–
5	Malaysian Trustees Berhad (A/C for Pengurusan Danaharta Nasional Berhad)	1,709,834	5.03	–	–

DATAPREP HOLDINGS BHD

Incorporated in Malaysia (Company No.: 183059-H)

PROXY Form

NO. OF SHARES HELD

I/We _____
 Of _____
 Tel No. _____ being a member of Dataprep Holdings Bhd hereby
 appoint _____
 NRIC No: _____ of _____
 Occupation _____ or failing whom _____
 _____ NRIC No: _____
 of _____ Occupation _____

as my/our proxy/representative to vote for me/us and on my/our behalf at the Sixteenth Annual General Meeting of the Company to be held at Ballroom 1, Tropicana Golf & Country Resort Berhad, Jalan Kelab Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 30 August 2005 at 11:30 A.M. and any adjournment thereof, and to vote as indicated below:

Resolution	For	Against
1. To receive and adopt audited financial statements of the Company and of the Group for the year ended 31 March 2005 and the Reports of the Directors and Auditors thereon. (RESOLUTION 1)		
2. To approve the payment of Directors' fees of RM200,000 per annum. (RESOLUTION 2)		
3. To re-elect the following Directors: 3.1 Encik Mirzan bin Mahathir, retires by rotation pursuant to Article 98 of the Company's Article of Association. (RESOLUTION 3) 3.2 Mr. Michael Yee Kim Shing, retires pursuant to Article 98 of the Company's Article of Association. (RESOLUTION 4)		
4. To re-appoint Messrs Ernst & Young as Auditors of the Company for the ensuing year and to authorize the Directors to fix their remuneration. (RESOLUTION 5)		
5. Authority to issue shares pursuant to Section 132D of the Companies Act 1965. (RESOLUTION 6)		
6. Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature with Genting Group. (RESOLUTION 7)		
7. Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature with KHD and VXL Holdings. (RESOLUTION 8)		
8. Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature with HRMBC. (RESOLUTION 9)		
9. Proposed additional shareholders' mandate for recurrent related party transactions of a revenue or trading nature with HRMBC. (RESOLUTION 10)		
10. Proposed additional shareholders' mandate for recurrent related party transactions of a revenue or trading nature with KSSB. (RESOLUTION 11)		
11. Proposed additional shareholders' mandate for recurrent related party transactions of a revenue or trading nature with Genting Group. (RESOLUTION 12)		
12. Proposed additional shareholders' mandate for recurrent related party transactions of a revenue or trading nature with VXL Group. (RESOLUTION 13)		

(Please indicate with an (X) or (√) on how you wish to cast your vote)

Signed this _____ day of August 2005 Signature: _____

Notes:

1. A proxy need not be a member of the Company.
2. For this proxy/certificate of appointment to be valid, it must be lodged at the Registered Office of the Company at 11th Floor, Menara Luxor, 6B Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan, not less than 48 hours before the time appointed for holding the Meeting.
3. For corporate members, this certificate appointing the proxy/representative must be executed under the common seal of the corporate.

Affix
Stamp

DATAPREP HOLDINGS BERHAD
11th Floor, Menara Luxor, 6B Persiaran Tropicana
Tropicana Golf & Country Resort
47410 Petaling Jaya
Selangor Darul Ehsan
