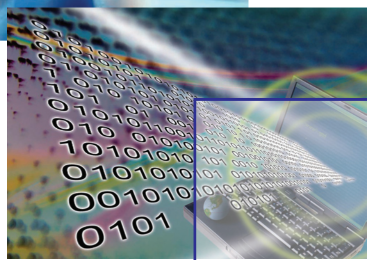
Annual Report 2007

COMPETE

UNLEASH



GROW

DATAPREP

Since 1971

Consulting>Integration>Outsourcing

DATAPREP HOLDINGS BHD

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

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

Suite 5.02, 5th Floor Wisma Academy
No. 4A Jalan 19/1, 46300 Petaling Jaya Selangor, Darul Ehsan, Malaysia
www.dataprepgroup.com Tel: 03 7843 1600 Fax: 03 79562324

Contents

Corporate Vision and Mission Statements

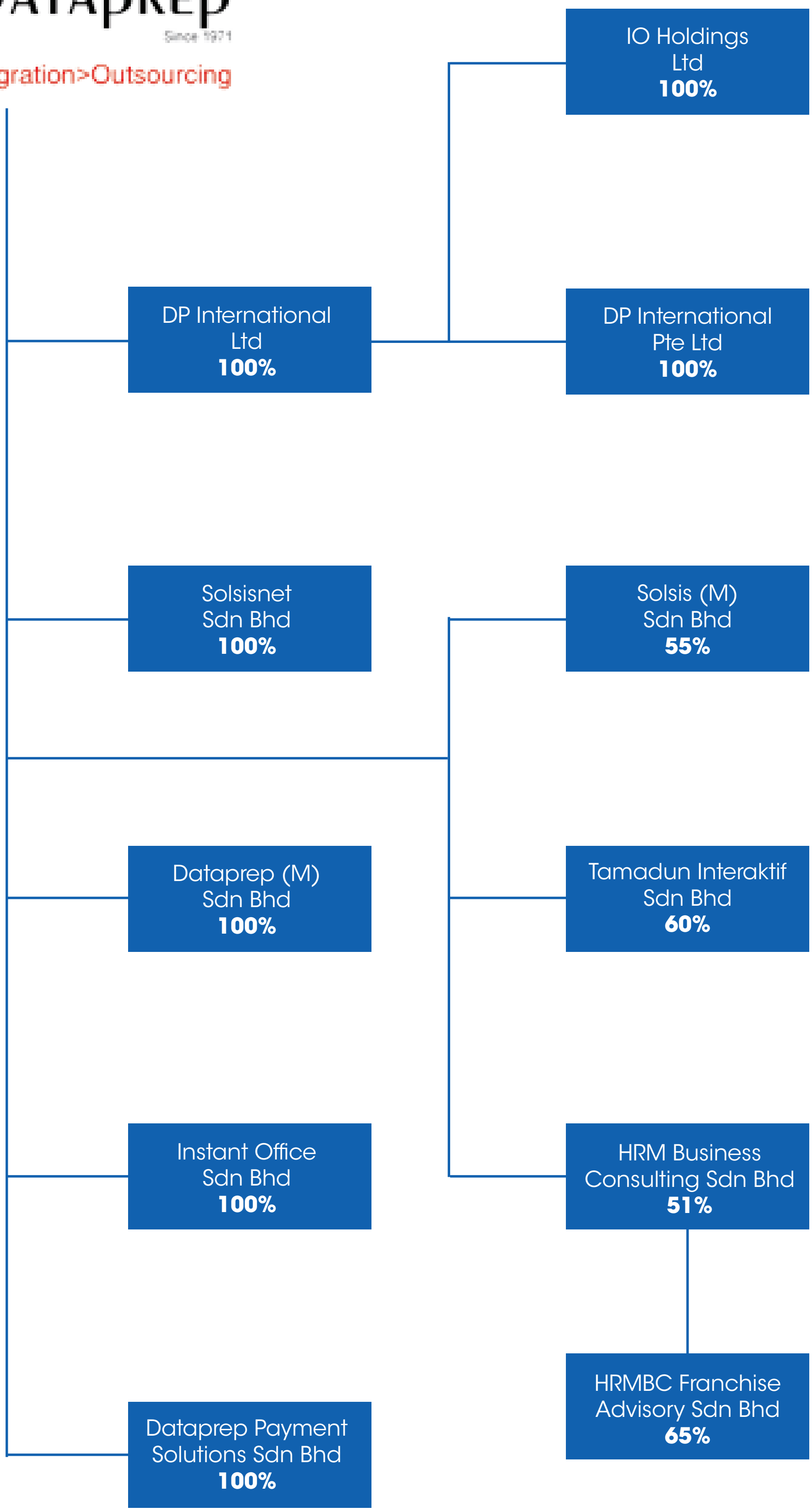
OUR VISION

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

OUR MISSION

to build relationships and develop innovative solutions and services which help clients create and realize value.

Corporate Structure



Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT THE EIGHTEENTH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD AT TOURNAMENT ROOM, KUALA LUMPUR GOLF & COUNTRY CLUB, NO 10, JALAN 1/70D, OFF JALAN BUKIT KIARA, 60000 KUALA LUMPUR ON THURSDAY, 27 SEPTEMBER 2007AT 11.00 AM 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 2007 and the Reports of the Directors and Auditors thereon. **(Ordinary Resolution 1)**

2. To re-elect the following Directors :

   2.1 Dato' Pian bin Sukro retires by rotation pursuant to Article 98 of the Company's Articles of Association and being eligible, offers himself for re-election. **(Ordinary Resolution 2)**

   2.2 Mr Chew Liong Kim 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. 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 4)**

AS SPECIAL BUSINESS

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

4. **Authority to issue shares pursuant to section 132d of the companies act, 1965**

   "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." **(Ordinary Resolution 5)**

5. **Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature**

   "THAT pursuant to paragraph 10.09 of the Listing Requirement of Bursa Malaysia Securities Berhad, approval be and is hereby given for the renewal of the Shareholders' Mandate for the Company and/or its subsidiary ("Dataprep Group") to enter into recurrent related party transaction of a revenue or trading nature, which are necessary for the day-to-day operations of the Dataprep Group to be entered into by the Dataprep Group provided such transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public, particulars of which are set out in Section 2.4 of the Circular to Shareholders of the Company dated 5th September 2007, AND THAT such approval conferred by the Shareholders' Mandate shall continue to be in force until:

   (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which such mandate is passed, at which time will lapse, unless by a resolution passed at such general meeting whereby the authority is renewed.

   (b) the expiration of the period within which the next AGM of the Company after the date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("Act) (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or

   (c) revoked or varied by resolution passed by the shareholders in a general meeting.

   Whichever is the earlier,

   AND FURTHER THAT the Directors of the Company and/or any of them be and are/is (as the case may be) hereby authorized to complete and do all such acts and things (including executing such documents under the common seal in accordance with the provisions of the Articles of Association of the Company, as may be required) to give effect to the Proposed Renewal of Shareholders' Mandate." **(Ordinary Resolution 6)**

6. **Proposed new mandate for additional recurrent related party transaction of a revenue or trading nature**

"THAT pursuant to paragraph 10.09 of the Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Shareholders' Mandate for the Company and/or its subsidiary ("Dataprep Group') to enter into additional recurrent related party transaction of a revenue or trading nature, which are necessary for the day-to-today operations of the Dataprep Group to be entered into by the Dataprep Group provided such transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public, particulars of which are set out in Section 2.4 of the Circular to Shareholders of the Company dated 5th September 2007, AND THAT such approval conferred by the Shareholders' Mandate shall continue to be in force until:

(a) the conclusion of the next Annual General Meeting ("AGM') of the Company following this AGM at which such mandate is passed, at which time it will lapse, unless by a resolution passed at such general meeting whereby the authority is renewed;

(b) the expiration of the period within which the next AGM of the Company after that dated is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or

(c) revoked or varied by resolution passed by the shareholders in a general meeting.

Whichever is the earlier,

AND FURTHER THAT the Directors of the Company and/or any of them be and are/is (as the case may be) hereby authorized to complete and do all such acts and things (including executing such documents under the common seal in accordance with the provisions of the Articles of Association of the Company, as may be required) to give effect to the Proposed New Shareholders' Mandate." **(Ordinary Resolution 7)**

7. **Proposed amendments to the articles of association of the company as set out in appendix ii of the circular to shareholders dated 5th September 2007.**

"THAT the amendments to the Articles of Association of the Company as set out in Appendix II of the Circular to Shareholders dated 5th September 2007 be adopted. **(Special Resolution 8)**

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

BY ORDER OF THE BOARD

KOH AI HOON (MAICSA: 7006997)
TAN HOCK CHYE (MIA 3865)
Secretaries

5th September 2007
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 Suite 5.02, 5th Floor, Wisma Academy, No.4A, Jalan 19/1, 46300 Petaling Jaya, Selangor, not less than 48 hours before the time appointed for holding the meeting and at any adjournment thereof.

Explanatory Notes to Item 4 (Ordinary Resolution 5) of the Agenda:
The proposed ordinary resolution 5 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 5 (Ordinary Resolution 6) and Item 6 (Ordinary Resolution 7):
The proposed ordinary resolution 6 and 7 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.

Explanatory Notes to Item 7 (Special Resolution 8):
The Proposed Amendments to the Articles of Association of the Company, if passed will give effect to the adoption of the Proposed Amendments to the Articles of Association as set out in the Circular to Shareholders dated 5th September 2007 which was circulated together with the Annual Report 2007.

Statement Accompanying Notice Of 18th 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 2007.

Date of Meeting	Total Board Members	% of Attendance
31 May 2006	6	100
28 August 2006	7	86
30 November 2006	7	86
23 February 2007	6	100
29 March 2007	6	67

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

Name of Directors	Attendance
Tan Sri Datuk Adzmi Bin Abdul Wahab *(appointed as Director on 29 August 2006 and Chairman on 21 December 2006)*	3/4
Encik Mirzan Bin Mahathir *(resigned on 21 December 2006)*	2/3
Datuk Lim Chee Wah	5/5
Dato' Pian bin Sukro	5/5
Encik Muhammad Fauzi Bin Abd. Ghani	3/5
Mr Michael Yee Kim Shing	5/5
Mr Chew Liong Kim	5/5

3. Details of Directors 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 Dato' Pian bin Sukro and Mr Chew Liong Kim.

   The details of Dato' Pian bin Sukro and Mr Chew Liong Kim are disclosed under the Directors' profiles which appear on pages 12 and 14 of this Annual Report.

Corporate Information

Board of Directors

Chairman	:	Tan Sri Datuk Adzmi Bin Abdul Wahab	***Independent Non-Executive Director***
Directors	:	Datuk Lim Chee Wah	***Executive Director / Chief Strategy Officer***
		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***
		Chew Liong Kim	***Executive Director / Chief Executive Officer***

Company Secretaries

Koh Ai Hoon
Tan Hock Chye

Audit Committee

Chairman
Michael Yee Kim Shing
Independent Non-Executive Director

Members
Dato' Pian bin Sukro
Independent Non-Executive Director

Muhammad Fauzi Bin Abd Ghani
Independent Non-Executive Director

Chew Liong Kim
Executive Director / Chief Executive Officer

Remuneration, Quality And 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
Executive Director / Chief Executive Officer

Employee Share Option Committee

Chairman
Chew Liong Kim

Members
Ahmad Rizan bin Ibrahim

Ng Keok Ang

Tan Hock Chye

Leadership

Executive Director /Chief Executive Officer
Chew Liong Kim

Executive Director / Chief Strategy Officer
Datuk Lim Chee Wah

Executive Vice President
Ng Keok Ang

Executive Vice President
Ahmad Rizan Bin Ibrahim

Senior Vice President
Awalan bin Abdul Aziz

Senior Vice President
Tan Hock Chye

Registered Office

Suite 5.02,5th Floor,
Wisma Academy,
No.4A, Jalan 19/1,
46300 Petaling Jaya,
Selangor.
Telephone : (603) 7843 1600
Facsimile : (603) 7956 2324

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
CIMB Bank Bhd

Auditors

Ernst & Young

Our Solutions & Services

CONSULTING & TECHNOLOGY INTEGRATION SERVICES

CTI craft and deploy technology enabled business solutions related to strategy development, business planning, market assessment and policy studies for organization to face contemporary and future challenges in client's industry with the view to creating a competitive edge over others

Management Consulting
- Strategy and Organisation Performance
- Franchise Consulting

Technology Integration
- Customer Relation Management
- Document & Record Management
- Custom Development
- Enterprise Application Implementation

E-judiciary
- Court Recording and Transcription (CRT)
- Case Management System (CMS)
- E-Filing

OUTSOURCING & MANAGED SERVICES

OMS delivers comprehensive ICT solutions that include equipment, software, network solutions to 24/7 operational, administration and help desk support services

IT Support & Training
- Hardware Maintenance
- Software Maintenance
- Deployment
- Training

IT Outsourcing
- Desktop Life Cycle Management
- Managed Network (VPN)
- Systems Management
- Enterprise IS Outsource

Infrastructure Services
- Servers and Storage Consolidation
- Network Integration
- Security and Business Continuity

PAYMENT SOLUTIONS

BPO's focus in the payment solutions requirements (multi-purpose EMV terminal, equipment rental, maintenance and support)

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

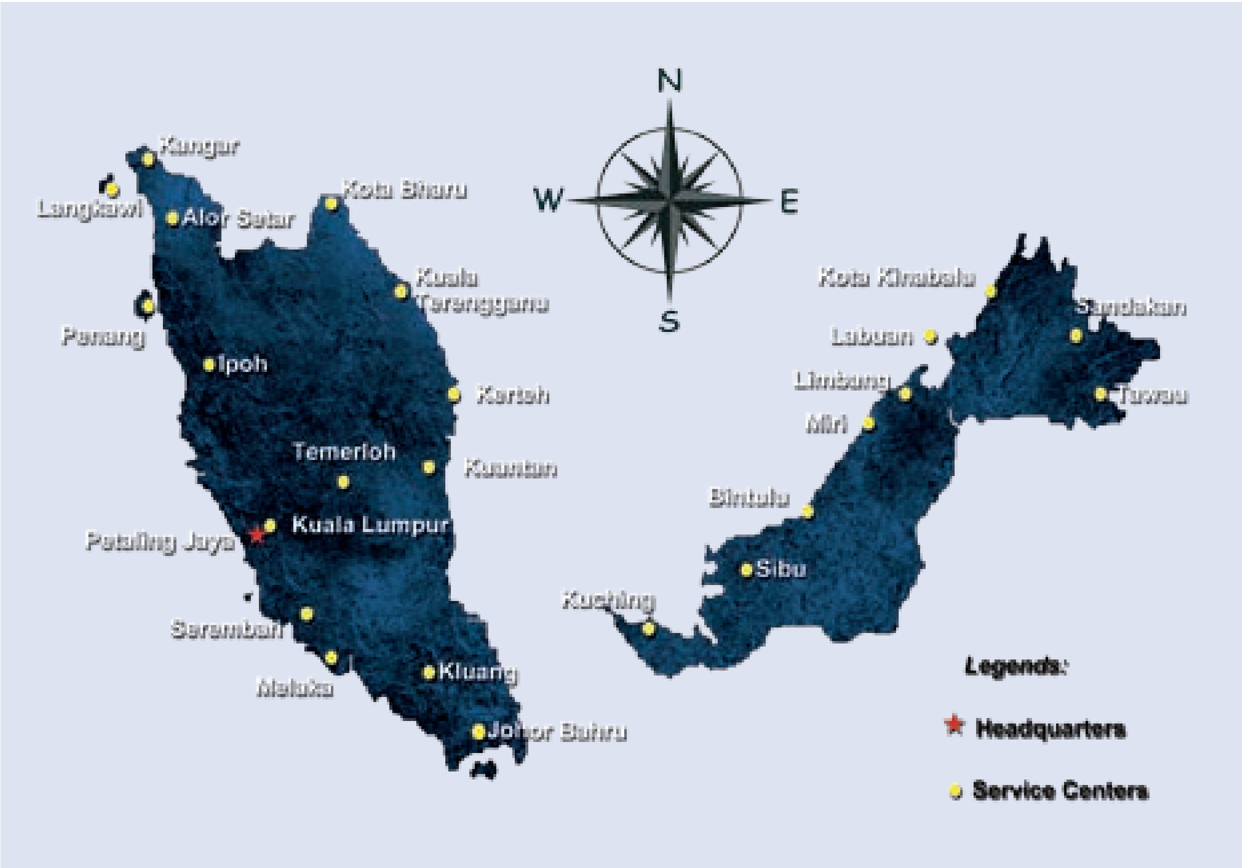
PRODUCT SALES

Sales and implementation of hardware and software products.

- PC Notebooks
- Server Storage
- Network Product
- Packaged Software

OUR SUPPORT INFRASTRUCTURE

Apart from Dataprep Group's 36 years of proven group-wide accumulated IT experience and professional staff with proven capabilities in implementing large scaled ICT projects, Dataprep Group is fully equiped 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 centre offers 24 hour service, 7 days a week. The 25 support Service Centres offer operational and maintenance services.



NATIONWIDE SERVICE NETWORK

Headquarter
- 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
- Sibu
- Limbang
- Bintulu
- Miri

Board of Directors

Tan Sri Datuk Adzmi Bin Abdul Wahab
Independent Non-Executive Chairman

Tan Sri Datuk Adzmi bin Abdul Wahab, a Malaysian, aged 64, was appointed to the Board on 29th August 2006. He is also chairman and director of a number of companies involved in property and construction, automotive, broadband and franchise businesses. He is also Chairman of Malaysia Egypt Business Council and Advisor to the Malaysian Franchise Association.

Tan Sri Adzmi was appointed as the longest serving Managing Director of Edaran Otomobil Nasional Berhad (EON) in November 1992 until May 2005. In 2003, he was conferred Malaysia CEO of the Year by AMEX and Business Times and Most PR Savvy CEO by IPRM.

Tan Sri Adzmi holds a Bachelor of Arts (Honours) degree in Economics and a Post Graduate Diploma in Public Administration from the University of Malaya, Malaysia and Master of Business Administration from University of Southern California.

Tan Sri Adzmi served the Malaysian Administrative and Diplomatic Service in various capacities from 1967 to 1982 in the following areas : Central Procurement and Contract Management in Ministry of Finance; Investment Promotion in Pahang Tenggara Development Authority, Public Enterprise Management in Implementation Coordination Unit (Prime Minister's Department), Regional Planning in Klang Valley Planning Secretariat (Prime Minister's Department).

He was Manager, Corporate Planning Division of HICOM Berhad involved in development of heavy industries projects from 1982 to 1985.

He served PROTON in 1985 to 1992 and his last position in PROTON was Director/Corporate General Manager, Administration and Finance Division, responsible for human resource development, financial management, procurement and vendor development, secretarial and legal and general administration.

He has wide experience of over 20 years serving as chairman and director of HICOM, PROTON and EON Group of Companies involved in automotive (car manufacturing, distribution and component), property development, telecommunication, general trading, life insurance and franchise businesses.

Tan Sri Adzmi also served as Chairman of the Malaysian Franchise Association (MFA) from 1994 to July 2005.

He has attended three meetings out of the total of four Board Meetings of which he was a Director, held during the financial year ended 31 March 2007.

He has direct shareholdings of 50,000 ordinary shares in the company.

He also sits on the Board of Magna Prima Berhad

He has no family relationship with any director and/or major shareholders, or any conflict of interest in the business arrangement involving the company.

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

Datuk Lim Chee Wah
Executive Director / Chief Strategy Officer

Datuk Lim Chee Wah, a Malaysian, aged 53, was appointed to the Board on 5 March 2002. He is the founder and President 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 the 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 public listed company.

He has attended five meetings out of the total of five Board Meetings held during the financial year ended 31 March 2007.

He has direct and indirect shareholdings of 500,000 and 129,887,438 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.

Dato' Pian Bin Sukro
Independent Non-Executive Director

Dato' Pian Bin Sukro, a Malaysian, aged 59, 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 the Chairman of the Energy Commission of Malaysia, a member of the Atomic Energy Licensing Board and also a member of the Malaysian Standards Accreditation Council.

He has no shareholdings in the Company.

He has attended five meetings out of the total of five Board Meetings of which he was a Director, held during the financial year ended 31 March 2007.

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 45, 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 Chemical Corp Berhad.

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

He does not hold directorship in other public companies. He is a Director of Microgreen Bio-Industrial Bhd.

He has attended three meetings out of the total of five Board Meetings held during the financial year ended 31 March 2007.

He has no shareholdings 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.

Mr Michael Yee Kim Shing
Independent Non-Executive Director

Mr Michael Yee Kim Shing, a Malaysian aged 69, 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.

His directorships in other public companies are 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 five meetings out of the total of five Board Meetings held during the financial year ended 31 March 2007.

He has no shareholdings in the Company.

He does not have any family relationship with any director and/or major shareholders, or 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.

Mr Chew Liong Kim
Executive Director/Chief Executive Officer

Mr Chew Liong Kim, a Malaysian aged 52, 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 and also a Cost and Management Accountant of the New Zealand Society of Accountants.

He was a senior partner of the Andersen Worldwide Societe Cooperative, Switzerland. He has held the positions of Asia Pacific Managing Partner of Andersen Business Consulting and Managing Director of Andersen Business Consulting Malaysia 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.

Mr Chew was the former Chairman of the Malaysian Bureau of Consultants.

He has more than two decades of management consulting experience covering privatization, strategy, technology and change management for Government, multi-national companies, listed and private enterprises.

He was one of the nine industry leaders recently honored by the Malaysian Information and Communications Technology (ICT) with the PIKOM Key Industry Leaders Recognition Award 2007.

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

He does not hold directorship in other public companies.

He has direct and indirect shareholdings of 465,000 and 286,000 ordinary shares respectively in the Company.

He has attended five meetings out of the total of five Board Meetings held during the financial year ended 31 March 2007.

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

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.

Mr Chew Liong Kim
Executive Director/Chief Executive Officer

The details of Chew Liong Kim are disclosed under the Directors' profile which appears on page 14 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 11 of this Annual Report.

Mr Ng Keok Ang
Executive Vice President

Ng Keok Ang, aged 51 and 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 Outsourcing and Managed Services Division for the Dataprep Group. He is also the Managing Director for Dataprep (Malaysia) Sdn Bhd. He has over 28 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.

Ahmad Rizan bin Ibrahim
Executive Vice President

Ahmad Rizan, aged 44 and 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. He is currently the Vice Chairman of Malaysian Bureau of Consultants. Prior to joining Arthur Andersen, he served as the Consulting Director for Oracle Systems Malaysia Sdn. Bhd.

Ahmad Rizan is the Head of Consulting and Technology Integration and also Head of Group Pre-Sales Division of the Dataprep Group. He is also the Managing Director of HRM Business Consulting Sdn Bhd and Executive Director of Solsis (M) Sdn Bhd. He has over 20 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.

Awalan bin Abdul Aziz
Senior Vice President

Awalan bin Abdul Aziz, aged 40 and a Malaysian, has a Masters of Business Administration from Cambridge Institute of Management, United Kingdom.

He is the Managing Director of Solsis (M) Sdn Bhd, and Head of the Group Sales Division of Dataprep Group. He has more than 16 years experience in marketing, strategic planning and international business.

Prior to joining the Dataprep Group, he was the General Manager of Perbadanan Nasional Berhad and the Secretary General/Chief Executive of the Malaysian Franchise Association. He is also a member of PIKOM's Government Relations Committee.

Mr Tan Hock Chye
Senior Vice President

Tan Hock Chye, aged 47 and 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 25 years of management and financial experience in the private sector involving in 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 Payment Solutions and also Head of Commercial Sector Division. He is also the Managing Director of Dataprep Payment Solutions Sdn Bhd. Prior to his current position, he had previously held other senior management positions in multinational and public companies. He is also Joint Company Secretary of Dataprep Holdings Berhad.

"On behalf of the Board of Directors, I am pleased to present the Group's 18th Annual Report together with the Audited Financial Statements for the year ended 31st March 2007"

Tan Sri Datuk Adzmi Bin Abdul Wahab
Chairman

OVERVIEW

I am pleased to report that we have made steady progress, that our foundations are stronger and that we are strengthening our financial position.

Financial year 2007 was a pivotal year for Dataprep. It was a year in which we focused our efforts on what we do best: providing end-to-end products, solutions and services for the ICT (Information and Communications Technology) industry. Within these core competencies, we are recognized for our long-standing expertise and more importantly, we are strategically positioned as one of the foremost ICT companies in Malaysia. This position paves way for the continued advancement of our Group and provides a solid foundation for sustainable earnings growth in the future.

Focusing on our core strengths yielded improved results in financial year 2007 including strong revenue growth and higher profitability from operations. With our business model now solidified, we expect to continue these trends and our development efforts have intensified with an increased emphasis to expand regionally mainly to ASEAN countries and the Middle East.

FINANCIAL REVIEW

This financial year is the first in which we have prepared our financial statements under the new Financial Reporting Standards (FRS) regime. Comparatives have been restated and full analyses and reconciliations to previously issued financial statements are stated in this Annual Report (pages 33 to 87).

Group revenue for the year ended 31st March 2007 was RM112.2 million, compared with prior year's revenue of RM74.7 million, an increase of 50%. Net profit for the twelve-month period was RM2.117 million, compared with a net loss of RM1.8m in the previous financial year, increase of 221%. Whilst operating margins remain thin, the increase in revenue resulted in higher net profits for the Group.

CORPORATE DEVELOPMENTS

During the year, we rolled out the initial phase of the "Malaysian-made" E-Judiciary system, comprising of the Case Management System, Court Recording and Transcription System and the Common IT Infrastructure. The project which began in September 2004 had cost more than RM27 million and covered 11 courts in the Klang Valley.

Dataprep was also one of nine members in the Information and Communication Technology (ICT) industry which was honored by PIKOM (The Association of the Computer and Multimedia Industry of Malaysia) for its efforts and contributions in development the ICT industry.

During the year Outsourcing and Managed Services (OMS) grew at 48% which is above the average IT industry growth rate of 15%. This was mainly attributed to several deals from our Commercial sectors. Backlog recorded double digit grown as compared to the previous year. With our 25 service centers nationwide and also impressive track record, we are optimistic of the growth rate from this division whilst remaining cautious of the possibility of lowering of margins due to intense competition.

As for our Consulting, Technology and Integration (CTI) business unit we will continue to continue leverage on the current competency in System Integration (SI), technical and financial due diligence, franchise development program, sales force automation, and supply chain solution. We are also working closely with Malaysian government to export our solution and competency abroad particularly to West Asia and China.

In last Annual Report, we reported our new venture in Payment Solutions involving in EDC (electronic draft capture) terminal sales and rental as well as a third party merchant acquirer for financial institutions. Whilst this is an additional new business for Dataprep and still in its infancy, Dataprep Payments Solutions Sdn. Bhd. (wholly-owned subsidiary of Dataprep) has managed to secure third party merchant acquiring contracts for two reputable banking groups in Malaysia.

CORPORATE EXERCISE

In our previous 2006 Annual Report, we reported that the Group announced on 8th May 2006 that it was an affected listed issuer pursuant to the Amended Practice Note 17/2005 (Amended PN 17) by virtue of its shareholders' equity amounting to less than 25% of its issued and paid-up capital. Following this, periodic announcements were made to inform the public on the regularization progress with the objective to remove Dataprep from the Amended PN 17/2005.

We are pleased to report that Dataprep will soon cease to be a PN 17 company. The Capital Reduction and Share Premium Reduction have been successful and the Rights Issue with free Warrants and Issuance of ICULS are in the last stages of completion. The Rights Issue shares together with the free Warrants will be quoted on the Second Board of Bursa Securities Malaysia Berhad by end of September 2007. To this end, and as part of the restructuring scheme, the Group would have met its objectives to raise RM26 million to achieve profitable growth and help finance the Group's working capital requirements and repay borrowings.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

During the financial year, the Group carried out it's CSR through various activities which include providing technical and industrial training to interns from local technical institutions and also engaging in eco-friendly management practices.

OUTLOOK

Moving forward, we are expecting continuous growth at a much faster pace for the Group. In line with this, we anticipate that there will be better materialization of impending projects which are expected to spin-off from our existing sales funnel. The Ninth Malaysian Plan taking a stronger foothold in the IT industry has encouraged us to believe that we are well positioned for growth in the next few years.

As the new incoming Chairman and on behalf of the Board of Directors, we extend sincere thanks to Encik Mirzan Mahathir, our past Chairman who resigned in December 2006. His immense contribution towards the progression and development of our organization and his wisdom, encouragement and support has been truly appreciated by all.

I would like express our appreciation and also thank our business associates and customers for the support and belief in our Group during this very challenging year.

Lastly, I would like to also thank our employees for their dedication, faith and trust in our ongoing quest to enhance opportunities for long-term growth for Dataprep Group.

I look forward to reporting better prospects and better results for the coming year.

Tan Sri Datuk Adzmi Bin Abdul Wahab
Chairman

5th September 2007

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 shareholders' investment and Group 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 shareholders' investment and Group assets. The Board continuously ensures 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 Whilst risk management is currently embedded in the Group's operations, the Board has taken the initiative to develop and implement a more structured risk management framework for the Group. The risk management functions are currently embedded into duties and operations of the Leadership Team with the Chief Executive Officer ("CEO") acting as the Chief Risk Officer. The risk processes adopted by the Group will enable the Board to effectively identify, evaluate and manage the significant risks encountered by the Group.

MANAGEMENT PROCESSES

A well-defined organisation and management structure and reporting line reinforce the internal control of the Group, which ensure its continued relevance and effectiveness. Some of the management disciplines include 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 automated 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 their performance. In addition, a comprehensive 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 stay on course.

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 issues pertaining to internal control, regulatory compliance and risk taking.

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

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 ensure the integrity of the internal control systems and effective risk management practice is in place throughout the year.

MONITORING AND REVIEW (cont'd)

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 Department carries out regular audit for review of the adequacy and integrity of the internal control system and the report of shortcomings together with recommendations as appropriate 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 on these subsidiaries.

Results of audits are reported to the Audit Committee.

The Group has an established internal audit function. To further strengthen the internal audit function, the Group had outsourced this function to an independent advisory firm specializing in internal audit services.

The rationale was to seek an independent view on the processes for the above key functions as well as an external evaluation on the Group's Enterprise Risk Management Framework.

SUMMARY

The systems of internal control described in this statement are considered appropriate to the business operations. Also, that the risks taken are at an acceptable level within the context of the business environment throughout the Group. It should be noted that such arrangements do not eliminate the possibility of collusion or deliberate circumvention of procedures by employees. Human error and/or other unforeseen circumstances can result in poor judgment. However, 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 31st May 2007

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 Bursa Malaysia Securities Berhad ("BMSB"), includes 2 Non-Independent Non-Executive Directors (which includes the Chief Executives Officer) and 4 Independent Non-Executive Directors. 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 2007 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 2007, the Company and the Group have used appropriate accounting policies and applied them consistently, reasonably and prudently. The financial statements comply with the provisions of the Companies Act, 1965 and the applicable Financial Reporting Standards in Malaysia.

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.

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 Bursa Malaysia Securities Berhad ("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 arise, 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 Financial Reporting Standards in Malaysia 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 on the Audit Committee is contained on pages 28 to 32 of this Annual Report.

The Internal Audit function 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 up to December 2006 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 20 to 21 in this Annual Report.

COMPLIANCE WITH BEST PRACTICES OF CORPORATE GOVERNANCE

The Group was substantially in compliance with the Best Practices of Corporate Governance throughout Financial Year 2007, 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. The briefing will consist of 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, Warrants or Convertible Securities**

  Employee Share Option Scheme

  There were no options pursuant to the Employee Share Option Scheme, exercised by the employees during the year.

- **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 a fee of RM376,000 paid to Ernst & Young Tax Consultants Sdn. Bhd. for tax agent services.

- **Profit Estimate, Forecast, Projection Or Unaudited Results**

  Not applicable

- **Profit guarantee**

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

- **Revaluation of landed properties**

  Not applicable.

- **Utilisation of Proceeds Raised From Corporate Proposals**

  There were no proceeds raised by the company from corporate exercise during the financial year.

Warrants or Convertible Securities

Save for the conversion of 4% 3 years Irredeemable Convertible Unsecured Loan Stocks 2002/2005, 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 2007.

- **Recurrent Related Party Transaction of a Revenue of Trading Nature**

  At the 17th AGM of the Company held on 26 September 2006, 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 2007 are set out below:-

Transaction*	**RM**
VXL Group	168,292
Konsortium Logistic Berhad	497,787

Relationship with Related Parties

Names of Related Party	**Relationship**
VXL Group	VXL Holdings Sdn Bhd and its subsidiary and associated companies. VXL Holdings Sdn Bhd is the holding company of Dataprep Holdings Bhd
Konsortium Logistic Berhad	Encik Mirzan bin Mahathir was the Chairman of Dataprep Holdings Bhd up to 21 December 2006. The company cease to be related upon his resignation as Chairman and Director.

REMUNERATION, QUALITY & NOMINATING COMMITTEE

The principal roles of the Remuneration, Quality & Nominating Committee ("RQN") are, inter-alia, as follows: -

(i) To review and recommend to the Board for approval, the remuneration packages for Executive Directors.

(ii) To review the remuneration packages for the Operation Leadership Team.

(iii) To review and recommend to the Board for approval, the policy and framework for the Performance - Linked Compensation (PLC) Scheme.

(iv) To review and recommend to the Board, the appointment of new directors and to assess the performance of Directors on an on-going basis.

The RQN comprises of Dato' Pian Bin Sukro,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 2007. The meeting was attended by Dato' Pian bin Sukro, Mr Michael Yee Kim Shing, Encik Muhammad Fauzi Bin Abd Ghani and Mr Chew Liong Kim

DIRECTORS' CONTINUAL PROFESSIONAL DEVELOPMENT

All directors have attended and successfully completed the Mandatory Accreditation Programme accredited by Bursa Securities. In addition, seminars and conference organized Bursa Securities, relevant regulatory bodies and professional bodies on areas pertinent to the Directors are communicated to the Board for their participation. The Board will also identify training needs amongst the Directors and enroll the directors for training programme, as and when required.

In addition, the Directors continuously receive briefings and updates on the Group's businesses and operations and new developments in the business environment.

During the year, seminar and courses attended by the Directors are on areas relating to accounting, financial management and investors' relation on the understanding of the business valuation.

BOARD ATTENDANCE

In Financial Year 2007, the composition of the Board, together with the attendance of the respective Directors at Board meetings are as follows:-

Name of Directors	Attendance
Tan Sri Datuk Adzmi Bin Abdul Wahab (appointed as Director on 29 August 2006 and Chairman on 21 December 2006)	3/4
Encik Mirzan Bin Mahathir (resigned on 21 December 2006)	2/3
Datuk Lim Chee Wah	5/5
Mr Chew Liong Kim	5/5
Mr Michael Yee Kim Shing	5/5
Encik Muhammad Fauzi Bin Abd. Ghani	3/5
Dato' Pian bin Sukro	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.

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 financial year 2007 are categorized into appropriate components as follows:-

	Emoluments	Allowance	Fee	Bonuses	Benefits-in-Kind	Total (RM)
Executive Directors	480,000	57,600	-	-	24,900	562,500
Non-Executive Directors	-	28,500	133,500	-	-	162,000

	Number of Directors	
Range of remuneration	**Executive Director**	**Non-Executive Director**
Nil	1	-
Below RM50,000	-	5
RM50,001 – RM100,000	-	-
RM100,001 – RM500,000	-	-
RM500,001 – RM1,000,000	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 Financial Reporting 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 31 March 2007 and of the results and cash flows of the Company and the Group for the financial year then ended.

Audit Committee Report

1. COMPOSITION

There are four (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 Tan Hock Chye.

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 Malaysian Stock Exchange Berhad;

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;

(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.

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;

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 who reported to the Audit Committee up to December 2006. Thereafter an independent consulting firm was appointed to undertake the internal audit role ie Messrs Centegy Advisory Governance Sdn Bhd. These parties 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 Executive Officer.

3. ATTENDANCE AT MEETINGS

The Committee met 4 times during the financial year ended 31 March 2007. 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	4	3
Mr. Chew Liong Kim	4	4

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 2007 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;

b. Reviewed the internal audit reports (including management's responses) which covers the review of internal control systems, accounting and information systems and ISO 9001 Internal Quality Report 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 and audit fees) prior to the commencement of the annual audit and also to recommend to the Board of Directors for further recommendation to the shareholders for re-appointment;

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 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 function for the financial year ended 31 March 2007 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 adequate and 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.

k. Reviewed 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.

Financial Statements

Directors' Report

The Directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2007.

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 14 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/(loss) for the financial year	2,117	(4,002)
Attributable to:		
Equity holders of the Company	1,941	(4,002)
Minority interests	176	-
	2,117	(4,002)

There were no material transfers to or from reserves or provisions during the financial year.

In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than:

(a) the effects arising from the changes in accounting policies due to the adoption of the new and revised FRSs which has resulted in an increase in the Group's profit for the financial year by RM168,000 as disclosed in Note 2.5(ii) to the financial statements; and

(b) the effects arising from the changes in estimates where the residual values and estimated useful lives of certain plant and equipment were revised resulting in an increase in the Group's and the Company's profit for the financial year by RM340,000 and RM56,000 respectively as disclosed in Note 2.7 to the financial statements.

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 in respect of current financial year.

DIRECTORS

The names of the Directors of the Company in office since the date of the last report and at the date of this report are:

Tan Sri Datuk Adzmi bin Abdul Wahab (Chairman)
(Appointed on 29 August 2006 and appointed as Chairman with effect from 21 December 2006)
Mirzan bin Mahathir
(Resigned on 21 December 2006)
Datuk Lim Chee Wah
Chew Liong Kim
Michael Yee Kim Shing
Muhammad Fauzi bin Abd. Ghani
Dato' Pian bin Sukro

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the Directors might 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 under the Employee Share Options Scheme.

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 or the fixed salary of a full-time employee of the Company as shown in Note 8 to the financial statements) by reason of a contract made by the Company or a related corporation with any 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.

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, particulars of interests of Directors who held office at the end of the financial year in shares, warrants, options over shares, and Irredeemable Convertible Unsecured Loan Stocks ("ICULS") in the Company and related corporations during the financial year were as follows:

	Number of Ordinary Shares of RM1 each			
The Company	**At the date of appointment/ 1.4.2006**	**Acquired**	**Disposed**	**At 31.3.2007**
Tan Sri Datuk Adzmi bin Abdul Wahab				
- Indirect	-	50,000	-	50,000
Datuk Lim Chee Wah				
- Indirect	40,486,070	-	-	40,486,070
Chew Liong Kim				
- Direct	65,000	-	-	65,000
- Indirect	166,000	120,000	-	286,000
Muhammad Fauzi bin Abd. Ghani				
- Indirect	137,200	-	(137,200)	-
Holding company				
- VXL Holdings Sdn. Bhd.				
Datuk Lim Chee Wah				
- Indirect	1,000,000	-	-	1,000,000
Subsidiary				
- HRM Business Consulting Sdn. Bhd.				
Chew Liong Kim				
- Direct	56,600	-	-	56,600

	Number of Warrants of RM0.20 each			
The Company	**At 1.4.2006**	**Acquired**	**Disposed**	**At 31.3.2007**
Datuk Lim Chee Wah				
- Indirect	2,058,175	-	-	2,058,175

DIRECTORS' INTERESTS (CONT'D.)

The Company	Number of Options over Ordinary Shares of RM1 each At 1.4.2006	Granted	Exercised	At 31.3.2007
Datuk Lim Chee Wah	500,000	-	-	500,000
Chew Liong Kim	444,000	-	-	444,000

The Company	Number of Irredeemable Convertible Unsecured Loan Stocks ("ICULS") of RM1 each At 1.4.2006	Acquired	Converted	At 31.3.2007
Datuk Lim Chee Wah				
- Indirect	33,972,520	-	-	33,972,520

Datuk Lim Chee Wah by virtue of his interest in shares in the Company is 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, warrants, options over shares or ICULS of the Company and its subsidiaries during the financial year.

EMPLOYEE SHARE OPTIONS SCHEME ("ESOS")

The ESOS was implemented on 4 December 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 and other terms of the ESOS are as follows:

(i) 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.

(ii) the ESOS will be available to eligible employees including full-time Executive Directors of the Company and its subsidiaries, which are not dormant.

(iii) the ESOS shall be in force for a period of five (5) years from its commencement on 15 December 2002.

(iv) 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.

(v) a grantee of options pursuant to the ESOS shall be allowed to exercise the options granted to him subject to the 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%

EMPLOYEES SHARE OPTION SCHEME ("ESOS") (CONT'D.)

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 at an exercise price of RM1.00 per ordinary share.

The movements in the ESOS options of unissued new ordinary shares of RM1.00 each and those that lapsed during the financial year were as follows:

	Number of ordinary shares under option
At 1 April 2006	2,981,800
Less: Lapsed due to resignations	(405,200)
At 31 March 2007	2,576,600
Represented by:	
Total options at an exercise price of RM1.59	1,146,600
Total options at an exercise price of RM1.00	1,430,000
At 31 March 2007	2,576,600

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 names of the eligible employees and full-time Executive Directors, as of 31 March 2007, who have been granted options of more than 125,000 units are as follows:

Name	**Number of ordinary shares under ESOS**
Datuk Lim Chee Wah	500,000
Chew Liong Kim	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 27 June 2007 have been issued at an issue price of RM0.20 and remained unexercised as at 31 March 2007, as stated in Note 23 to the financial statements.

STATUTORY INFORMATION

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

  (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

  (ii) 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.

STATUTORY INFORMATION (CONT'D.)

(b) At the date of this report, the Directors are not aware of any circumstances which would render:

(i) the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and

(ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

(c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the Directors are not aware of any circumstances 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.

(e) As at the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(f) In the opinion of the Directors:

(i) 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; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

SIGNIFICANT AND SUBSEQUENT EVENTS

In addition to the significant events disclosed elsewhere in this report, other significant and subsequent events are stated in Note 31 to the financial statements.

AUDITORS

The auditors, 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 31 May 2007.

Tan Sri Datuk Adzmi bin Abdul Wahab
Chairman

Chew Liong Kim
Chief Executive Officer

Income Statements

For The Financial Year Ended 31 March 2007

	Note	Group 2007 RM'000	Group 2006 RM'000 (restated)	Company 2007 RM'000 (restated)	Company 2006 RM'000 (restated)
Revenue		112,152	74,657	2,901	2,071
Cost of sales	3	(92,511)	(60,276)	-	-
Gross profit		19,641	14,381	2,901	2,071
Other income		594	438	201	136
Selling and distribution costs		(3,261)	(2,138)	-	-
Administrative expenses		(7,348)	(3,993)	(2,565)	(2,285)
Other expenses	4	(6,854)	(7,159)	(3,951)	(4,525)
Operating profit/(loss)		2,772	1,529	(3,414)	(4,603)
Finance costs	5	(1,355)	(1,141)	(588)	(590)
Profit/(loss) before tax		1,417	388	(4,002)	(5,193)
Taxation	6	700	(1,878)	-	-
Profit/(loss) for the financial year	9	2,117	(1,490)	(4,002)	(5,193)
Attributable to:					
Equity holders of the Company		1,941	(1,813)	(4,002)	(5,193)
Minority interests		176	323	-	-
		2,117	(1,490)	(4,002)	(5,193)
Earnings/(loss) per share attributable to equity holders of the Company (sen):					
Basic, for profit/(loss) for the financial year	10	2.55	(2.52)		

The accompanying notes form an integral part of the financial statements.

Balance Sheets

As At 31 March 2007

	Note	Group 2007 RM'000	Group 2006 RM'000 (restated)	Company 2007 RM'000	Company 2006 RM'000 (restated)
ASSETS					
Non-current assets					
Property, plant and equipment	11	3,885	3,101	444	605
Goodwill on consolidation	12	2,856	2,856	-	-
Intangible assets	13	1,366	1,704	1,060	1,272
Investment in subsidiaries	14	-	-	34,565	36,425
Amounts due from subsidiaries	15	-	-	44,808	44,709
Deferred tax assets	16	3,175	2,477	-	-
		11,282	10,138	80,877	83,011
Current assets					
Inventories	17	2,125	1,819	-	-
Trade receivables	18	51,750	26,444	-	-
Other receivables	19	8,106	2,740	583	106
Tax recoverable		207	6	-	-
Cash and bank balances	21	14,268	16,669	617	684
		76,456	47,678	1,200	790
TOTAL ASSETS		87,738	57,816	82,077	83,801
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	22	76,118	76,118	76,118	76,118
Share premium		15,738	15,738	15,738	15,738
Merger deficit		(13,509)	(13,509)	-	-
Warrants	23	3,030	3,030	3,030	3,030
Capital reserve	24	51	51	-	-
Irredeemable convertible unsecured loan stocks - equity component	25	28,566	28,566	28,566	28,566
Accumulated losses		(95,731)	(97,681)	(51,073)	(47,071)
		14,263	12,313	72,379	76,381
Minority interests		2,122	1,810	-	-
Total equity		16,385	14,123	72,379	76,381
Non-current liabilities					
Borrowings	26	1,089	438	-	438
		1,089	438	-	438
Current liabilities					
Trade payables	28	38,923	18,024	-	-
Other payables	29	13,151	10,278	9,260	5,755
Borrowings	26	18,190	14,953	438	1,227
		70,264	43,255	9,698	6,982
Total liabilities		71,353	43,693	9,698	7,420
TOTAL EQUITY AND LIABILITIES		87,738	57,816	82,077	83,801

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Changes in Equity

For The Financial Year Ended 31 March 2007

		<—— Attributable to the Equity Holders of the Company							——>		
			<—— Non-Distributable				——>				
Group	Note	Share capital (Note 22) RM'000	Share premium RM'000	Merger deficit RM'000	Warrants (Note 23) RM'000	Capital reserve (Note 24) RM'000	ICULS - equity component (Note 25) RM'000	Accumulated losses RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
At 1 April 2005		64,061	11,623	(13,509)	3,030	51	44,738	(95,868)	14,126	1,255	15,381
Disposal of shares in a subsidiary to a minority shareholder		-	-	-	-	-	-	-	-	232	232
Loss for the financial year		-	-	-	-	-	-	(1,813)	(1,813)	323	(1,490)
Issue of new ordinary shares on conversion of ICULS at RM1.50 each	25	12,057	4,115	-	-	-	(16,172)	-	-	-	-
At 31 March 2006		76,118	15,738	(13,509)	3,030	51	28,566	(97,681)	12,313	1,810	14,123
At 1 April 2006		76,118	15,738	(13,509)	3,030	51	28,566	(97,681)	12,313	1,810	14,123
Disposal of shares in a subsidiary to a minority shareholder	14(a)	-	-	-	-	-	-	-	-	110	110
Dilution arising from additional shares issued by a subsidiary	14(b)(ii)	-	-	-	-	-	-	9	9	26	35
Profit for the financial year		-	-	-	-	-	-	1,941	1,941	176	2,117
At 31 March 2007		76,118	15,738	(13,509)	3,030	51	28,566	(95,731)	14,263	2,122	16,385

Consolidated Statement of Changes in Equity

For The Financial Year Ended 31 March 2007

	Note	<——Attributable to the Equity Holders of the Company					——>
			<——Non-Distributable		——>		
		Share capital (Note 22) RM'000	Share premium RM'000	Warrants (Note 23) RM'000	ICULS - equity component (Note 25) RM'000	Accumulated losses RM'000	Total Equity RM'000
Company							
At 1 April 2005		64,061	11,623	3,030	44,738	(41,878)	81,574
Issue of new ordinary shares on conversion of ICULS at RM1.50 each	25	12,057	4,115	-	(16,172)	-	-
Loss for the financial year		-	-	-	-	(5,193)	(5,193)
At 31 March 2006		76,118	15,738	3,030	28,566	(47,071)	76,381
At 1 April 2006		76,118	15,738	3,030	28,566	(47,071)	76,381
Loss for the financial year		-	-	-	-	(4,002)	(4,002)
At 31 March 2007		76,118	15,738	3,030	28,566	(51,073)	72,379

The accompanying notes form an integral part of the financial statements.

Cash Flow Statements

For The Financial Year Ended 31 March 2007

	Group 2007 RM'000	Group 2006 RM'000	Company 2007 RM'000	Company 2006 RM'000
Cash Flows from Operating Activities				
Profit/(loss) before taxation	1,417	388	(4,002)	(5,193)
Adjustments for:				
Depreciation of property, plant and equipment	828	1,564	107	170
Amortisation of intangible assets	448	214	322	225
Amortisation of goodwill	-	168	-	-
Loss/(gain) on disposal of shares in a subsidiary	41	(34)	1,791	3,446
Gain on disposal of property, plant and equipment	-	(1)	-	-
Property, plant and equipment written off	103	29	76	-
Provision for doubtful debts	280	72	-	-
Provision for doubtful debts written back	(86)	(29)	-	-
Bad debts written off	18	-	-	-
Net unrealised foreign exchangeloss/(gain)	6	(2)	-	-
Obsolete inventories written off	-	324	-	-
Provision for corporate guarantees extended to a former subsidiary written back	-	(774)	-	(774)
Interest expense	1,355	1,141	588	590
Interest income	(291)	(354)	(107)	(133)
Operating profit/(loss) before working capital changes	4,119	2,706	(1,225)	(1,669)
Increase in inventories	(306)	(311)	-	-
(Increase)/decrease in receivables	(28,612)	(6,997)	(477)	70
Increase/(decrease) in payables	23,336	3,369	3,075	(886)
Increase in net amounts due from subsidiaries	-	-	(99)	(256)
Cash (used in)/generated from operations	(1,463)	(1,233)	1,274	(2,741)
Tax paid	(199)	(325)	-	-
Interest received	288	339	107	58
Interest paid	(1,217)	(1,036)	(158)	(504)
Net cash (used in)/generated from operating activities	(2,591)	(2,255)	1,223	(3,187)

Cash Flow Statements

For The Financial Year Ended 31 March 2007

	Group 2007 RM'000	Group 2006 RM'000	Company 2007 RM'000	Company 2006 RM'000
Cash Flows from Investing Activities				
Purchase of property, plant and equipment	(1,006)	(1,604)	(22)	(136)
Purchase of intangible assets	(110)	(613)	(110)	(419)
Proceeds from disposal of property, plant and equipment	-	1	-	-
Additional investment in existing subsidiary	-	-	-	(250)
Proceeds from disposal of shares in a subsidiary	69	273	69	273
Net cash used in investing activities	(1,047)	(1,943)	(63)	(532)
Cash Flows from Financing Activities				
Drawdown of borrowings	28,339	29,992	-	-
Repayment of borrowings	(23,914)	(29,942)	-	-
Repayment of hire purchase and lease financing	(159)	-	-	-
Proceeds of issuance of ordinary shares by a subsidiary to minority shareholders	35	-	-	-
Repayment of liability portion of ICULS	(1,227)	(1,754)	(1,227)	(1,754)
Net cash generated from/(used in) financing activities	3,074	(1,704)	(1,227)	(1,754)
Net decrease in cash and cash equivalents	(564)	(5,902)	(67)	(5,473)
Cash and cash equivalents at beginning of year	13,994	19,896	684	6,157
Cash and cash equivalents at end of year (Note 21)	13,430	13,994	617	684

The accompanying notes form an integral part of the financial statements.

1. PRINCIPAL ACTIVITIES AND GENERAL INFORMATION

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

Suite 5.02, 5th Floor
Wisma Academy
No. 4A, Jalan 19/1
46300 Petaling Jaya
Selangor Darul Ehsan

The immediate holding company of the Company is VXL Holdings Sdn. Bhd., a company incorporated in Malaysia.

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 14 to the financial statements.

There have been no significant changes in the nature of the principal activities during the financial year.

The financial statements of the Group and of the Company were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 31 May 2007.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements comply with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards ("FRS") in Malaysia.

At the beginning of the current financial year, the Group and the Company had adopted new and revised FRSs which are mandatory for financial periods beginning on or after 1 January 2006 as described fully in Note 2.3.

The financial statements of the Group and of the Company have also been prepared on the historical basis and are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

2.2 Summary of Significant Accounting Policies

(a) Subsidiaries and Basis of Consolidation

(i) Subsidiaries

Subsidiaries are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

(ii) 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 period. 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 Acquisitions and Mergers" which was the accounting standard prevailing at that time.

2.2 Summary of Significant Accounting Policies (Cont'd.)

(a) Subsidiaries and Basis of Consolidation (Cont'd.)

(ii) Basis of consolidation (Cont'd.)

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.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

Acquisitions of subsidiaries are accounted for using the purchase method. The purchase method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the acquisition.

Any excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill.

Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in profit or loss.

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.

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group. It is measured at the minorities' share of the fair value of the subsidiaries' identifiable assets and liabilities at the acquisition date and the minorities' share of changes in the subsidiaries' equity since then.

(b) Intangible Assets

(i) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Intangible assets relate to computer software and development expenditure. Computer software represents license fees paid to third parties and costs of internally developed software packages. Development expenditure mainly comprises direct costs which includes staff costs of the software development team and an appropriate portion of relevant overheads incurred in the development of computer software packages for resale.

2.2 Summary of Significant Accounting Policies (Cont'd.)

(b) Intangible Assets (Cont'd.)

(ii) Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised on a straight-line basis over the estimated economic useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each balance sheet date.

Costs incurred in the development of software which are not or have ceased to be commercially viable are written off.

(c) Property, Plant and Equipment, and Depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Computer equipment	14%
Furniture, fittings, office and Electronic Data Capture ("EDC") equipment	10% -20%
Motor vehicles	14%
Renovation	20%

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference, if any, between the net disposal proceeds, and the net carrying amount is recognised in profit or loss.

(d) 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 cost.

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.

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

2.2 Summary of Significant Accounting Policies (Cont'd.)

(d) Contracts (Cont'd.)

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.

(e) Impairment of Non-financial Assets

The carrying amounts of assets, other than contract assets, inventories and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

For goodwill, intangible assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date or more frequently when indicators of impairment are identified.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. In assessing value in use, the 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. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

(f) Inventories

Inventories are stated at the lower of cost and net realisable value after making due provision for any obsolescence and/or slow moving items.

Cost is determined using 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 is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.2 Summary of Significant Accounting Policies (Cont'd.)

(g) Financial Instruments

Financial instruments are recognised in the balance sheet when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangements. Interest, dividends and gains and losses relating to a financial instrument classified as a liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are recognised directly in equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liabilities simultaneously.

(i) Cash and cash equivalents

For the purposes of cash flow statements, cash and cash equivalents include cash on hand and at bank and deposits at call net of outstanding bank overdrafts.

(ii) Trade and other receivables

Trade and other receivables are carried at anticipated realisable values. Bad debts are written off when identified. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the balance sheet date.

(iii) Trade and other payables

Trade and other payables are stated at the fair value of the consideration to be paid in the future for goods and services received.

(iv) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

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

The fair values of the liability component and the equity conversion component of ICULS were determined upon the issuance 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 borrowing 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.

(vi) Equity instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2.2 Summary of Significant Accounting Policies (Cont'd.)

(h) Leases

(i) Classification

A lease is recognised as a finance lease if it transfers substantially to the Group all risks and rewards incidental to ownership.

All leases that do not transfer substantially all the risks and rewards are classified as operating leases.

Assets acquired under hire purchase arrangements are recognised and measured in a similar manner as finance leases.

(ii) Finance leases -the Group as lessee

Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less accumulated depreciation and impairment losses. The corresponding liability is included in the balance sheet as borrowings. In calculating the present value of the minimum leases payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Company's incremental borrowing rate is used. Any initial direct costs are also added to the carrying amount of such assets.

Lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised in the profit or loss over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

The depreciation policy for leased assets is in accordance with that for depreciable property, plant and equipment as described in Note 2.2(c).

(iii) Operating leases -the Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

(i) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(j) Income Tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current 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.

2.2 Summary of Significant Accounting Policies (Cont'd.)

(j) Income Tax (Cont'd.)

Deferred taxation is provided for, using the liability method. 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 tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised as income or expense and included in profit or loss for the period, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also recognised directly in 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.

(k) Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and 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, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

(l) 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 contributions 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 shares 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.

2.2 Summary of Significant Accounting Policies (Cont'd.)

(m) Foreign Currencies

(i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency.

(ii) Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations.

Exchange differences arising on monetary items that form part of the Group's net investment in foreign operation, where that monetary item is denominated in either the functional currency of the reporting entity or the foreign operation, are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Group's net investment in foreign operation, where that monetary item is denominated in a currency other than the functional currency of either the reporting entity or the foreign operation, are recognised in profit or loss for the period. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation, regardless of the currency of the monetary item, are recognised in profit or loss in the Company's financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(iii) Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency (RM) of the consolidated financial statements are translated into RM as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate prevailing at the balance sheet date;
- Income and expenses for each income statement are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and
- All resulting exchange differences are taken to the foreign currency translation reserve within equity.

2.2 Summary of Significant Accounting Policies (Cont'd.)

(m) Foreign Currencies (Cont'd.)

(iii) Foreign operations (Cont'd.)

Goodwill and fair value adjustments arising on the acquisition of foreign operations on or after 1 January 2006 are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the balance sheet date. Goodwill and fair value adjustments which arose on the acquisition of foreign subsidiaries before 1 January 2006 are deemed to be assets and liabilities of the parent company and are recorded in RM at the rates prevailing at the date of acquisition.

(n) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Revenue from sales of computer systems, equipment and software are recognised upon delivery of products net of discounts, if any, and upon the transfer of risks and rewards.

(ii) Revenue from maintenance, technology and software services are recognised as and when the services are performed.

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

(iv) Revenue from contracts is accounted for by the stage of completion method as disclosed in Note 2.2(d).

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

(vi) Revenue on rental of EDC equipment is recognised on an accrual basis.

(vii) Management fees are recognised when services are performed.

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

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

2.3 Changes in Accounting Policies and Effects Arising from Adoption of New and Revised FRSs

The MASB has issued a number of new and revised FRS and Interpretations that are effective for financial periods beginning on or after 1 January 2006.

Except for the changes in accounting policies and their effects as discussed below, the new and revised FRS and Interpretations do not have any other significant impact on the financial statements of the Group and the Company.

2.3 Changes in Accounting Policies and Effects Arising from Adoption of New and Revised FRSs (Cont'd.)

(a) FRS 2: Share-based Payment

This FRS requires an entity to recognise share based payment transactions in its financial statements, including transactions with employees or other parties to be settled in cash, other assets or equity instruments of the entity.

The Company operates an equity-settled, share-based compensation plan for the employees of the Group, the Dataprep Holdings Berhad Employee Share Options Scheme ("ESOS"). Prior to 1 April 2006, no compensation expense relating to share options is recognised in profit or loss over the vesting periods of the grant with a corresponding increase in equity. The total amount to be recognised as compensation expense is determined by reference to the fair value of the share options at the date of the grant and the number of share options to be vested by vesting date. At every balance sheet date, the Group revised its estimates of the number of share options that are expected to vest by vesting date. Any revision of this estimate is included in profit or loss and a corresponding adjustment to equity over the remaining vesting period.

The transitional provisions of FRS 2 require this FRS to be applied to share options that were granted after 31 December 2004 and had not yet vested on 1 January 2006. As the existing share options were granted prior to 31 December 2004, the Group applies this change in accounting policy prospectively in accordance with the transitional provisions of FRS 2. Accordingly, the change in accounting policy has no effect on the current and prior periods' financial statements but would have an effect on the financial statements of future periods when new share options are granted under the ESOS.

(b) FRS 3: Business Combination, FRS 136: Impairment of Assets and FRS 138: Intangible Assets

The new FRS 3 has resulted in consequential amendments to two other accounting standards, FRS 136 and FRS 138. In accordance with the transitional provisions, FRS3 has been applied for business combinations for which the agreement date is on or after1 January 2006.

(i) Goodwill

Prior to 1 April 2006, goodwill was amortised on a straight-line basis over its estimated useful life of 20 years. The adoption of FRS 3 and the revised FRS 136 has resulted in the Group ceasing annual goodwill amortisation. Goodwill is now carried at cost less accumulated impairment losses and is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired.

In accordance with the transitional provisions of FRS 3, the Group has applied the revised accounting policy for goodwill prospectively from 1 April 2006. The transitional provisions of FRS 3 also required the Group to eliminate the carrying amount of the accumulated amortisation at 1 April 2006 amounting to RM506,000 against the carrying amount of goodwill. The net carrying amount of goodwill as at 1 April 2006 of RM2,856,000 ceased to be amortised thereafter.

Because the revised accounting policy has been applied prospectively, the change has had no impact on amounts reported for financial year 2006 or prior periods. The effects on the consolidated balance sheet as at 31 March 2007 and consolidated income statement for the year ended 31 March 2007 are set out in Note 2.5. This change has no impact on the Company's financial statements.

(ii) Other intangible assets

Prior to 1 April 2006, all computer software were classified within property, plant and equipment and were stated at cost less accumulated depreciation and impairment losses. Upon the adoption of FRS 138, the computer software are now reclassified as intangibles and their useful lives are now assessed at the individual asset level as having either a finite or infinite life as disclosed in Note 2.5.

2.3 Changes in Accounting Policies and Effects Arising from Adoption of New and Revised FRSs (Cont'd.)

(b) FRS 3: Business Combination, FRS 136: Impairment of Assets and FRS 138: Intangible Assets (Cont'd.)

(ii) Other intangible assets (Cont'd.)

The reclassification of computer software as intangibles has been accounted for retrospectively and as disclosed in Note 2.6, certain comparatives have been restated. There were no effects on the income statements for the financial year ended 31 March 2006.

(c) FRS 101: Presentation of Financial Statements

Prior to 1 April 2006, minority interests at the balance sheet date were presented in the consolidated balance sheet separately from liabilities and equity. Upon the adoption of the revised FRS 101, minority interests are now presented within total equity. In the consolidated income statement, minority interests are presented as an allocation of the total profit or loss for the year. A similar requirement is also applicable to the statement of changes in equity. The revised FRS 101 also requires disclosure, on the face of the statement of changes in equity, total recognised income and expenses for the financial year, showing separately the amounts attributable to equity holders of the Company and to minority interests.

These changes in presentation have been applied retrospectively and as disclosed in Note 2.6, certain comparatives have been restated. The effects on the consolidated balance sheet as at 31 March 2007 are set out in Note 2.5. These changes in presentation have no impact on the Company's financial statements.

2.4 Standards and Interpretations Issued but Not Yet Effective

At the date of authorisation of these financial statements, the following FRS, amendments to FRS and Interpretations were issued but not yet effective and have not been applied by the Group and the Company:

FRS, Amendments to FRS and Interpretations	**Effective for financial periods beginning on or after**
FRS 117: Leases	1 October 2006
FRS 124: Related Party Disclosures	1 October 2006
FRS 139: Financial Instruments: Recognition and Measurement	Deferred indefinitely
FRS 6: Exploration for and Evaluation of Mineral Resources	1 January 2007
Amendment to FRS 119_{2004}: Employee Benefits - Actuarial Gains and Losses, Group Plans and Disclosures	1 January 2007
Amendment to FRS 121: The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation	1 July 2007
IC Interpretation 1: Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 July 2007
IC Interpretation 2: Members' Shares in Co-operative Entities and Similar Instruments	1 July 2007
IC Interpretation 5: Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 July 2007
IC Interpretation 6: Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment	1 July 2007
IC Interpretation 7: Applying the Restatement Approach under FRS 129_{2004} - Financial Reporting in Hyperinflationary Economies	1 July 2007
IC Interpretation 8: Scope of FRS 2	1 July 2007

2.4 Standards and Interpretations Issued but Not Yet Effective (Cont'd.)

The above FRS, amendments to FRS and Interpretations are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application except for the following:

Amendment to FRS 121: The Effects of Changes in Foreign Exchange Rates -Net Investment in a Foreign Operation

This amendment requires that where an entity has a monetary item that forms part of its net investment in a foreign operation, the exchange differences arising from such monetary items should always be recognised in equity in the consolidated financial statements and should not be dependent on the currency of the monetary item.

Prior to this amendment, exchange differences arising on a monetary item that forms part of the Group's net investment in a foreign operation are recognised in equity in the consolidated financial statements only when that monetary item is denominated either in the functional currency of the reporting entity or the foreign operation.

The Group will apply this amendment from financial periods beginning 1 April 2008. As it is not possible to reasonably estimate the exchange rates applicable to such monetary items for future periods, the Group is therefore unable to determine if the initial adoption of this amendment will have a material impact on the consolidated financial statements for the financial year ending 31 March 2008.

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

2.5 Summary of Effects of Adopting New and Revised FRSs on the Current Year's Financial Statement

The following tables provide estimates of the extent to which each of the line items in the balance sheets and income statements for the financial year ended 31 March 2007 is higher or lower than it would have been had the previous policies been applied in the current financial year.

(i) Effects on balance sheets as at 31 March 2007

	Increase/(decrease)			
Description of Change	**FRS 101 Note 2.3(c) RM'000**	**FRS 138 Note 2.3(b)(i) RM'000**	**FRS 138 Note 2.3(b)(ii) RM'000**	**Total RM'000**
Group				
Property, plant and equipment	-	-	(1,366)	(1,366)
Goodwill on consolidation	-	168	-	168
Intangible assets	-	-	1,366	1,366
Accumulated losses	-	(168)	-	(168)
Total equity	2,122	-	-	2,122
Company				
Property, plant and equipment	-	-	(1,060)	(1,060)
Intangible assets	-	-	1,060	1,060

2.5 Summary of Effects of Adopting New and Revised FRSs on the Current Year's Financial Statement (Cont'd.)

(ii) Effects on income statement for the financial year ended 31 March 2007

Description of Change	Increase/(decrease) FRS 138 Note 2.3(b)(i) RM'000
Group	
Other expenses	(168)
Operating profit	168
Profit before tax	168
Profit for the financial year	168
Earnings per share:	
Basic, for profit for the financial year	- *

* -negligible

2.6 Restatement of Comparatives

(i) The following comparative amounts have been restated as a result of adopting the new and revised FRSs:

Description of Change	Previously stated RM'000	Increase/(decrease) FRS 138 Note 2.3(b)(ii) RM'000	Restated RM'000
At 31 March 2006			
Group			
Property, plant and equipment	4,805	(1,704)	3,101
Intangible assets	-	1,704	1,704
Company			
Property, plant and equipment	1,877	(1,272)	605
Intangible assets	-	1,272	1,272

2.6 Restatement of Comparatives (Cont'd.)

(ii) The following comparative amounts have been restated to conform to current financial year's presentation:

	Previously stated RM'000	Increase/ (decrease) RM'000	Restated RM'000
At 31 March 2006			
Group			
Other receivables	3,353	(613)	2,740
Tax recoverable	-	6	6
Current tax payable	(607)	607	-
For the financial year ended 31 March 2006			
Group			
Other income	84	354	438
Finance costs	(787)	(354)	(1,141)
Company			
Other income	3	133	136
Finance costs	(457)	(133)	(590)

2.7 Changes in Estimates

The revised FRS 116: Property, Plant and Equipment requires the review of the residual value and remaining useful life of an item of property, plant and equipment at least at each financial year end. The Group revised the residual value of a motor vehicle and estimated useful lives of computer equipment and motor vehicle from five to seven years with effect from 1 April 2006. The revisions were accounted prospectively as a change in accounting estimates and as a result, the depreciation charges of the Group and of the Company for the current financial year have been reduced by RM340,000 and RM56,000 respectively.

2.8 Significant Accounting Estimates and Judgements

Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash generating units ("CGU") to which goodwill are allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill as at 31 March 2007 were RM2,856,000 (2006: RM2,856,000). Further details are disclosed in Note 12.

2.8 Significant Accounting Estimates and Judgements (Cont'd.)

(ii) Depreciation of computer equipment

The cost of computer equipment is depreciated on a straight-line basis over the assets' useful lives. Management estimates the useful lives of these computer equipment to be at 7 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(iii) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The total carrying value of recognised tax losses and capital allowances of the Group was RM12,737,000 (2006: RM7,943,000) and the unrecognised tax losses and capital allowances of the Group was RM50,414,000 (2006: RM56,855,000).

3. REVENUE

	Group		Company	
	2007	**2006**	**2007**	**2006**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Consulting and integration services	15,124	14,204	-	-
Outsourcing and managed services	96,065	60,453	-	18
Business process outsourcing services	963	-	-	-
Management services	-	-	2,901	2,053
	112,152	74,657	2,901	2,071

4. OTHER INCOME

	Group		Company	
	2007	**2006**	**2007**	**2006**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Interest income on:				
- deposits	291	354	32	58
- advance to a subsidiary	-	-	75	75
Incentive from suppliers	87	21	-	-
Miscellaneous	216	63	94	3
	594	438	201	136

5. FINANCE COSTS

	Group		Company	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
Interest expense on:				
- ICULS interest on liability component	133	263	133	263
- term loan	439	663	-	-
- trust receipts	41	-	-	-
- bankers' acceptances	328	221	-	-
- bank overdraft	196	213	-	-
- hire purchase and finance lease liabilities	35	-	-	-
- advance from a shareholder	-	108	-	108
- advance from a fellow subsidiary	455	219	455	219
	1,627	1,687	588	590
Less: Term loan interest capitalised in costs of contracts (Note 20)	(272)	(546)	-	-
	1,355	1,141	588	590

6. PROFIT/(LOSS) BEFORE TAX

The following amounts have been included in arriving at profit/(loss) before tax:

	Group		Company	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
Employee benefits expense (Note 7)	22,098	18,560	2,565	2,285
Loss/(gain) on disposal of shares in a subsidiary (Note 14(a))	41	(34)	1,791	3,446
Amortisation of:				
- goodwill, included in other expenses	-	168	-	-
- other intangible assets included in other expenses	448	214	322	225
Auditors' remuneration				
- statutory audit	65	61	9	9
- special audit	61	63	9	9
Provision for doubtful debts	280	72	-	-
Provision for doubtful debts written back	(86)	(29)	-	-
Bad debts written off	18	-	-	-
Bad debts reco	-	(20)	-	-
Net foreign exchange (gains)/ losses				
- realised	(127)	(2)	4	-
- unrealised	6	(2)	-	-
Non-executive directors' remuneration (Note 8)	162	130	162	130
Obsolete inventories written off	-	324	-	-

6. PROFIT/(LOSS) BEFORE TAX (Cont'd.)

	Group		Company	
	2007	**2006**	**2007**	**2006**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Property, plant and equipment:				
- depreciation, included in other expenses	828	1,564	107	170
- write off	103	29	76	-
- gain on disposal	-	(1)	-	-
Rental of:				
- premises	1,421	1,481	236	280
- equipment	63	19	-	-
Provision for corporate guarantee extended to a former subsidiary written back	-	(774)	-	(774)

7. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2007	**2006**	**2007**	**2006**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Wages and salaries	18,831	15,979	2,175	1,942
Social security contribution	194	158	12	11
Contributions to defined contribution plan	2,148	1,836	264	235
Other staff related expenses	925	587	114	97
	22,098	18,560	2,565	2,285

Included in employee benefits expense of the Group and of the Company are Executive Directors' remuneration (excluding benefits-in-kind) amounting to RM1,831,000 (2006: RM1,569,000) and RM538,000 (2006: RM538,000) respectively as further disclosed in Note 8.

8. DIRECTORS' REMUNERATION

	Group		Company	
	2007	**2006**	**2007**	**2006**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Executive Directors' remuneration (Note 7):				
- Salaries, commission and incentives	1,633	1,400	480	480
- Contributions to a defined contribution plan	196	168	58	58
- Social security contributions	2	1	-	-
	1,831	1,569	538	538
Non-Executive Directors' remuneration (Note 6):				
- Fees	133	111	133	111
- Allowances	29	19	29	19
	162	130	162	130
Total Directors' remuneration	1,993	1,699	700	668
Estimated money value of benefits-in-kind	90	47	25	29
Total Directors' remuneration including benefits-in-kind	2,083	1,746	725	697

8. DIRECTORS' REMUNERATION (CONT'D.)

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

	Number of Directors	
	2007	2006
	RM'000	RM'000
Executive Directors:		
Nil *	1	1
RM550,001 to RM600,000	1	1
Non-executive directors:		
Below RM50,000	5	4

* In accordance with an arrangement with 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.

9. TAXATION

	Group	
	2007	2006
	RM'000	RM'000
Malaysian income tax:		
Current income tax	5	607
(Over)/under provision in prior years	(7)	48
	(2)	655
Deferred tax (Note 16):		
Relating to origination and reversal of temporary differences	(916)	58
Relating to changes in tax rates	203	-
Underprovision in prior years	15	1,165
	(698)	1,223
Total income tax expense	(700)	1,878

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 current income tax is calculated at the statutory tax rate of 27% (2006: 28%) of the estimated assessable profit for the financial year. Malaysia's statutory tax rate will be reduced to 26% from the current financial year's tax rate of 27%, effective year of assessment 2008. The computation of deferred tax as at 31 March 2007 has reflected these changes.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. During the current financial year, the income tax rate applicable to a subsidiary in Singapore was 20%.

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:

	Year of Assessment	
	2007	2006
Chargeable Income	Rate	Rate
First RM500,000 (2005: RM500,000)	20%	20%
Amount exceeding RM500,000 (2005: RM500,000)	27%	28%

9. TAXATION (CONT'D.)

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

	Group		Company	
	2007 RM'000	**2006 RM'000**	**2007 RM'000**	**2006 RM'000**
Profit/(loss) before taxation	1,417	388	(4,002)	(5,193)
Taxation at Malaysian statutory tax rate of 27% (2006: 28%)	383	109	(1,081)	(1,454)
Income subject to tax rate at 20% (2006: 20%)	-	37	-	-
Different tax rate in Singapore	6	-	-	-
Effect on changes in tax rates on opening balance of deferred tax	150	-	-	-
Deferred tax recognised at differing tax rate	53	-	-	-
Expenses not deductible for tax purposes	572	427	910	1,103
Income not subject to taxation	(56)	-	-	-
Utilisation of previously unrecognised unabsorbed capital allowances and unutilised tax losses	(1,353)	(892)	-	-
Deferred tax asset not recognised in respect of current year's tax losses, unabsorbed capital allowances and other deductible timing differences	986	984	171	351
Deferred tax asset recognised on previously unrecognised tax losses	(1,449)	-	-	-
(Over)/under provision of tax expense in respect of prior years	(7)	48	-	-
Underprovision of deferred tax in prior years	15	1,165	-	-
Income tax expense for the financial year	(700)	1,878	-	-

	Group	
	2007 RM'000	**2006 RM'000**
Tax savings recognised during the finance year arising from:		
Utilisation of previously unrecognised tax losses	1,353	295

10. EARNINGS/(LOSS) PER SHARE

(a) Basic

Basic earnings/(loss) per share amounts are calculated by dividing the profit/(loss) for the financial year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2007 RM'000	2006 RM'000
Profit/(loss) attributable to ordinary equity holders of the Company	1,941	(1,813)
Weighted average number of ordinary shares in issue	76,118	71,923
Basic earnings/(loss) per share for the financial year (sen)	2.55	(2.52)

(b) Diluted

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

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

11. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment RM'000	Furniture, fittings, office and EDC equipment RM'000	Motor vehicles RM'000	Renovation RM'000	Total RM'000
Group					
At 31 March 2007					
Cost					
At 1 April 2006	7,781	3,225	299	844	12,149
Additions	1,259	333	-	123	1,715
Write-off	-	-	-	(359)	(359)
At 31 March 2007	9,040	3,558	299	608	13,505
Accumulated depreciation					
At 1 April 2006	6,148	2,350	94	456	9,048
Depreciation charge for the financial year	428	216	13	171	828
Write-off	-	-	-	(256)	(256)
At 31 March 2007	6,576	2,566	107	371	9,620
Net Book Value					
At 31 March 2007	2,464	992	192	237	3,885

11. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

	Computer equipment RM'000	Furniture, fittings, office and EDC equipment RM'000	Motor vehicles RM'000	Renovation RM'000	Total RM'000
Group (Cont'd.)					
At 31 March 2006					
Cost					
At 1 April 2005	6,039	3,824	299	740	10,902
Reclassification	1,333	(1,333)	-	-	-
Additions	413	734	-	200	1,347
Write-off	-	-	-	(96)	(96)
Disposals	(4)	-	-	-	(4)
At 31 March 2006	7,781	3,225	299	844	12,149
Accumulated Depreciation					
At 1 April 2005	3,919	3,279	34	323	7,555
Depreciation charge for the financial year	1,137	167	60	200	1,564
Reclassification	1,096	(1,096)	-	-	-
Write-off	-	-	-	(67)	(67)
Disposals	(4)	-	-	-	(4)
At 31 March 2006	6,148	2,350	94	456	9,048
Net Book Value					
At 31 March 2006	1,633	875	205	388	3,101
Company					
At 31 March 2007					
Cost					
At 1 April 2006	334	146	257	252	989
Additions	5	14	-	3	22
Write-off	-	-	-	(254)	(254)
At 31 March 2007	339	160	257	1	757
Accumulated Depreciation					
At 1 April 2006	123	86	29	146	384
Depreciation charge for the financial year	34	30	13	30	107
Write-off	-	-	-	(178)	(178)
At 31 March 2007	157	116	42	(2)	313
Net Book Value					
At 31 March 2007	182	44	215	3	444

11. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

	Computer equipment RM'000	Furniture, fittings, office and EDC equipment RM'000	Motor vehicles RM'000	Renovation RM'000	Total RM'000
Company (Cont'd.)					
At 31 March 2006					
Cost					
At 1 April 2005	198	146	257	252	853
Additions	136	-	-	-	136
At 31 March 2006	334	146	257	252	989
Accumulated Depreciation					
At 1 April 2005	84	35	-	95	214
Depreciation charge for the financial year	39	51	29	51	170
At 31 March 2006	123	86	29	146	384
Net Book Value					
At 31 March 2006	211	60	228	106	605

Included within property, plant and equipment of the Group are the cost of fully depreciated assets, which are still in use amounting to RM6,244,000 (2006: RM7,310,000).

During the financial year, the Group acquired property, plant and equipment at aggregate costs of RM1,715,000 (2006: RM1,347,000) of which RM709,000 (2006: Nil) were acquired by means of hire purchase arrangements. Net carrying amount of property, plant and equipment held under hire purchase arrangements are as follows:

	Group 2007 RM'000	Group 2006 RM'000
Furniture, fittings, office and EDC equipment	737	-

Details of terms and conditions of the hire purchase arrangements are disclosed in Note 27.

Property, plant and equipment of a subsidiary at net book value amounting to RM223,000 (2006: RM162,000) are pledged as securities for the term loan, as disclosed in Note 26.

12. GOODWILL ON CONSOLIDATION

	Group 2007 RM'000	Group 2006 RM'000
At 1 April 2006/2005	2,856	3,062
Reduction in cost of a subsidiary	-	(38)
Less: Amortisation of goodwill	-	(168)
At 31 March	2,856	2,856

13. INTANGIBLE ASSETS

	Group		Company	
	2007	**2006**	**2007**	**2006**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Cost				
At 1 April 2006/2005	3,788	7,067	1,592	1,173
Addition	110	613	110	419
Write-off	(1)	(3,892)	-	-
At 31 March	3,897	3,788	1,702	1,592
Accumulated Amortisation				
At 1 April 2006/2005	2,084	5,762	320	95
Charge for the financial year	448	214	322	225
Write-off	(1)	(3,892)	-	-
At 31 March	2,531	2,084	642	320
Net Book Value				
At 31 March	1,366	1,704	1,060	1,272

Included within intangible assets of the Group and of the Company were software-in-progress amounting to RM Nil (2006: RM502,000) and RM Nil (2006: RM331,000) respectively. Software-in-progress are not depreciated as these assets are not available for use.

14. INVESTMENT IN SUBSIDIARIES

	Company	
	2007	**2006**
	RM'000	**RM'000**
Unquoted shares, at cost	56,023	59,530
Additional investment in an existing subsidiary	-	250
Disposal of shares in a subsidiary	(1,860)	(3,719)
Reduction in cost of a subsidiary	-	(38)
Less: Accumulated impairment losses	(19,598)	(19,598)
	34,565	36,425

14. INVESTMENT IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows:

Name	Country of incorporation	Company's effective interest 2007 %	2006 %	Principal Activities
Dataprep (Malaysia) Sendirian Berhad*	Malaysia	100	100	Provision of IT outsourcing and managed services.
Solsis (M) Sdn. Bhd.*	Malaysia	55	60	Provision of computer hardware, network services, applications and contact centre.
Solsisnet Sdn. Bhd.*	Malaysia	100	100	Provision of networking equipment, services 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.
Dataprep Payment Solutions Sdn. Bhd.*	Malaysia	100	100	Provision of information technology services and secured payment solutions.
Tamadun Interaktif Sdn. Bhd.*	Malaysia	60	60	Dormant.
DP International Ltd.	British Virgin Islands	100	100	Provision of consultancy and integration services.
IO Holdings Ltd.	British Virgin Islands	100	100	Dormant.
DP International Pte. Ltd.	Singapore	100	-	Provision of information technology services and solutions.
HRMBC Franchise Advisory Sdn. Bhd.*#	Malaysia	33	-	Provision of franchise consultancy services.

* Audited by Ernst & Young, Malaysia

\# Although the Group holds less than 51% of the voting power in HRMBC Franchise Advisory Sdn. Bhd., the Group has the power to govern the financial and operating policies of HRMBC Franchise Advisory Sdn. Bhd. so as to obtain benefits from its activities.

14. INVESTMENT IN SUBSIDIARIES (CONT'D.)

(a) Disposal of shares in a subsidiary

On 20 July 2006, the Company entered into a share sale agreement to dispose of 846,000 ordinary shares of RM1 each, representing a 5% equity interest in its subsidiary, Solsis (M) Sdn. Bhd. for a cash consideration of RM68,688.

The disposal had resulted in a loss of RM41,038 and RM1,791,367 to the Group and Company respectively as disclosed in Note 6.

(b) Acquisition of subsidiaries

(i) Acquisition of DP International Pte. Ltd. ("DPIPL")

On 27 July 2006, DP International Ltd., a wholly owned subsidiary of the Company, acquired a 100% equity interest in DPIPL, a company incorporated in Singapore on 5 June 2006, for a cash consideration of SGD1. The principal activity of DPIPL is the provision of information technology services and solutions.

The effects of the acquisition of the subsidiary on the financial results of the Group from the date of acquisition to 31 March 2007 were as follows:

	RM'000
Revenue	184
Operating costs	(265)
Loss for the financial period	(81)

The effects of the acquisition of the subsidiary on the financial position of the Group as at 31 March 2007 were as follows:

	RM'000
Receivables	17
Cash and bank balances	170
Payables	(268)
Group's share of net assets	(81)

The fair value of the assets and liabilities assumed at the date of acquisition of the subsidiary was RM2 and the net cash outflow on acquisition was RM2.

(ii) Acquisition of HRMBC Franchise Advisory Sdn. Bhd. ("HRMBCFA")

On 5 September 2006, HRM Business Consulting Sdn. Bhd., a 51% owned subsidiary of the Company, acquired 2 ordinary shares of RM1 each representinga 100% equity interest in HRMBCFA for a cash consideration of RM2. The principal activity of HRMBCFA is the provision of franchise consulting services.

The fair value of the assets and liabilities assumed at the date of acquisition of the subsidiary was RM2 and net cash outflow on acquisition was RM2.

On 26 January 2007, HRMBCFA increased its paid up share capital from RM2 to RM100,000. HRM Business Consulting Sdn. Bhd. had, on the same day, subscribed for 64,998 ordinary shares of RM1 each, representing a 65% equity interest in HRMBCFA for a cash consideration of RM64,998.

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

14. INVESTMENT IN SUBSIDIARIES (CONT'D.)

(b) Acquisition of subsidiaries (Cont'd.)

(ii) Acquisition of HRMBC Franchise Advisory Sdn. Bhd. ("HRMBCFA") (Cont'd.)

The effects of the acquisition of the subsidiary on the financial results of the Group from the date of acquisition to 31 March 2007 were as follows:

	RM'000
Revenue	9
Operating costs	(115)
Loss for the year	(106)

The effects of the acquisition of the subsidiary on the financial position of the Group as at 31 March 2007 were as follows:

	RM'000
Cash and bank balances	17
Payables	(25)
Group's share of net assets	(8)

(c) Winding up of a subsidiary

A subsidiary, Dataprep Distribution Sdn. Bhd. ("DDSB") was issued with a court order dated 25 February 2004 for winding-up under Section 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.

15. AMOUNTS DUE FROM SUBSIDIARIES

	Company	
	2007 RM'000	**2006 RM'000**
Amounts due from subsidiaries:		
- Trade	6,292	3,391
- Non-trade	42,692	45,494
	48,984	48,885
Provision for doubtful debts	(4,176)	(4,176)
	44,808	44,709

The amounts due from 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 (2006: RM1,000,000) due from a subsidiary which bears interest of 7.5% (2006: 7.5%) per annum.

16. DEFERRED TAX

	Group	
	2007 RM'000	**2006 RM'000**
At 1 April 2006/2005	2,477	3,700
Recognised in income statement (Note 9)	698	(1,223)
At 31 March	3,175	2,477

16. DEFERRED TAX (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 1April 2006	-	-	-
Recognised in the income statement	-	426	426
At 31 March 2007	-	426	426
At 1 April 2005	258	58	316
Recognised in the income statement	(258)	(58)	(316)
At 31 March 2006	-	-	-

Deferred Tax Assets of the Group:

	Unused Tax Losses and Unabsorbed Capital Allowances RM'000	Provisions RM'000	Total RM'000
At 1 April 2006	2,224	253	2,477
Recognised in the income statement	1,215	(91)	1,124
At 31 March 2007	3,439	162	3,601
At 1 April 2005	3,752	264	4,016
Recognised in the income statement	(1,528)	(11)	(1,539)
At 31 March 2006	2,224	253	2,477

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

	Group		Company	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
Unutilised tax losses	46,244	53,427	11,027	10,569
Unabsorbed capital allowances	4,170	3,428	2,751	2,362
Other deductible timing differences	3,095	3,379	2,950	3,165
	53,509	60,234	16,728	16,096

The availability of the unutilised tax losses and unabsorbed capital allowances for offsetting against future taxable profits of the subsidiaries are mainly subject to no substantial changes in shareholdings of the subsidiaries concerned under Section 44(5A) & (5B) of the Income Tax Act, 1967. 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 in the near term.

Deferred tax assets have not been recognised in respect of unutilised tax losses and unabsorbed capital allowances arising in the Company as it expects to achieve significant profits sufficient to offset these items in the longer-term.

17. INVENTORIES

	Group	
	2007 RM'000	2006 RM'000
At cost		
Computer equipment, spares and supplies	1,571	1,150
EDC equipment and thermal roll paper	196	165
Work in progress	358	504
	2,125	1,819

The cost of inventories recognised as an expense during the financial year of the Group amounted to RM2,411,000 (2006: RM1,553,000).

18. TRADE RECEIVABLES

	Group	
	2007 RM'000	2006 RM'000
Trade receivables	50,718	26,362
Due from customers on contracts (Note 20)	1,409	265
	52,127	26,627
Provision for doubtful debts	(377)	(183)
	51,750	26,444

The Group's policy requires trade receivables to be collected within 90 days (2006: 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. OTHER RECEIVABLES

	Group		Company	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
Prepayments	5,865	1,449	466	48
Prepaid interest	678	386	-	-
Deposits	611	610	8	26
Advances to employees	26	29	2	1
Club memberships	161	161	-	-
Interest income receivable	18	15	-	-
Sundry receivables	747	90	107	31
	8,106	2,740	583	106

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.

20. DUE FROM/(TO) CUSTOMERS ON CONTRACTS

	Group	
	2007 RM'000	2006 RM'000
Contract costs incurred to date	53,387	92,501
Attributable profits	7,737	21,884
	61,124	114,385
Less: Progress billings	(64,738)	(119,118)
	(3,614)	(4,733)
Due from customers on contracts (Note 18)	1,409	265
Due to customers on contracts (Note 28)	(5,023)	(4,998)
	(3,614)	(4,733)

The costs incurred to-date on contracts include interest expenses for the financial year of RM272,000 (2006: 546,000).

21. CASH AND BANK BALANCES

	Group		Company	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
Deposits with licensed banks	12,223	13,313	564	563
Cash and bank balances	2,045	3,356	53	121
	14,268	16,669	617	684

The deposits of RM7,823,000 (2006: RM7,606,000) for the Group and RM564,000 (2006: RM563,000) for the Company are pledged as securities for credit facilities granted to the Group as disclosed in Note 26.

For the purpose of the cash flow statements, cash and cash equivalents comprise the following as at balance sheet date.

	Group		Company	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
Deposits with licensed banks	12,223	13,313	564	563
Cash and bank balances	2,045	3,356	53	121
	14,268	16,669	617	684
Less: Short term borrowings				
- bank overdraft (Note 26)	(838)	(2,675)	-	-
	13,430	13,994	617	684

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

	Group		Company	
	2007 %	2006 %	2007 %	2006 %
Licensed banks	2.71	2.42	2.80	3.10

21. CASH AND BANK BALANCES (CONT'D.)

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

	Group		Company	
	2007 Days	2006 Days	2007 Days	2006 Days
Licensed banks	185	147	27	27

22. SHARE CAPITAL

	Group and Company			
	Number of Ordinary Shares of RM1 Each		Amount	
	2006 '000	2005 '000	2006 RM'000	2005 RM'000
Authorised:				
- At beginning and end of financial period	500,000	500,000	500,000	500,000
Issued:				
- At beginning of financial period	76,118	64,061	76,118	64,061
- Conversion of ICULS (Note 25)	-	12,057	-	12,057
- At end of financial period	76,118	76,118	76,118	76,118

23. 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 issued on 28 June 2002 and listed on the Bursa Malaysia Securities on 28 October 2002. The exercise period commenced one market day after the issuance 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. The warrants remained unexercised as at 31 March 2007.

24. 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.

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

The ICULS is recognised in the balance sheet as follows:

	Group and Company 2007 RM'000	2006 RM'000
Face value of ICULS at 1 April 2006/2005	35,911	52,083
Conversion to shares during the financial year	-	(16,172)
Face value of ICULS at 31 March	35,911	35,911
Deemed repayment of ICULS liability component	(6,907)	(5,680)
Total equity and liability component	29,004	30,231
Equity conversion component	(28,566)	(28,566)
Liability component (Note 26)	438	1,665
Due within 12 months (Note 26)	438	1,227
Due after 12 months (Note 26)	-	438
	438	1,665
Issue of shares on conversion of ICULS		
- issued and fully paid ordinary shares of RM1.00 each (Note 22)	-	12,057
- share premium	-	4,115
ICULS converted to shares of RM1.00 each during the financial year	-	16,172

(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 4.00% three (3) year ICULS in the Company at 100% nominal amount of RM1 each; and

(ii) 34,062,520 nominal amount of 4.00% five (5) year ICULS in the Company at 100% nominal amount of RM1 each.

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 4.00% ICULS	30,000	26,907	3,093
- five year 4.00% ICULS	34,062	28,622	5,440
	64,062	55,529	8,533
Conversion of ICULS	(28,151)	(26,713)	(1,438)
Repayment of liability component	(5,680)	-	(5,680)
Reclassification	-	(250)	250
At 1 April 2006	30,231	28,566	1,665
Repayment of liability component	(1,227)	-	(1,227)
At 31 March 2007	29,004	28,566	438

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

(i) The ICULS bear interest of 4.00% 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 each;

25. IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS ("ICULS") (CONT'D.)

(b) The principal terms of the ICULS are as follows: (Cont'd.)

(iii) The ICULS will be mandatorily converted into new ordinary shares of the Company at the conversion price of RM1.50 ICULS for one ordinary share of RM1 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.

(d) On 5 August 2005, the Company increased its issued and paid up share capital from RM64,061,014 to RM76,118,087 by way of issuance of 12,057,073 ordinary shares of RM1 each through the mandatory conversion of 18,085,635 units of 4.00% three (3) year ICULS of RM1.00 each. The premium arising from the ICULS conversion of RM4,115,107 has been credited to the share premium account.

(e) The balance of ICULS as at 31 March 2007 of RM29,004,000 relates to the five year 4.00% ICULS of RM1 each.

26. BORROWINGS

	Group		Company	
	2007 RM'000	**2006 RM'000**	**2007 RM'000**	**2006 RM'000**
Short term borrowings:				
Secured:				
Bank overdrafts (Note 21)	838	503	-	-
Bankers' acceptances	6,695	2,680	-	-
Trust receipts	-	2,371	-	-
Term loan	8,781	6,000	-	-
Unsecured:				
Bank overdrafts (Note 21)	-	2,172	-	-
ICULS (Note 25)	438	1,227	438	1,227
Hire purchase and finance lease liabilities (Note 27)	1,438	-	-	-
	18,190	14,953	438	1,227
Long term borrowings:				
Unsecured:				
ICULS (Note 25)	-	438	-	438
Hire purchase and finance lease liabilities (Note 27)	1,089	-	-	-
	1,089	438	-	438
	19,279	15,391	438	1,665

26. BORROWINGS (CONT'D.)

	Group		Company	
	2007 RM'000	**2006 RM'000**	**2007 RM'000**	**2006 RM'000**
Total borrowings				
Term loan	8,781	6,000	-	-
Bankers' acceptances	6,695	2,680	-	-
Trust receipts	-	2,371	-	-
Bank overdrafts (Note 21)	838	2,675	-	-
ICULS (Note 25)	438	1,665	438	1,665
Hire purchase and finance lease liabilities (Note 27)	2,527	-	-	-
	19,279	15,391	438	1,665
Maturity of borrowings: (excluding hire purchase liabilities):				
Within one year	16,752	14,953	438	1,227
More than one year and less than two years	-	438	-	438
	16,752	15,391	438	1,665

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

	2007 %	**2006 %**
Bank overdrafts	7.8 to 8.0	7.3 to 8.0
Bankers' acceptances	3.7 to 5.1	2.9 to 3.9
Trust receipts	7.7 to 7.9	7.5 to 7.8
Term loans	6.3 to 6.5	6.3 to 6.5

The secured bank overdrafts of the Group are secured by the deposits pledged with the banks as disclosed in Note 21.

During the financial year, a subsidiary was granted a term loan of RM9.2 million to finance the costs of its term contracts undertaken, of which RM417,000 was repaid during the financial year. In the previous financial year, this subsidiary was granted a term loan of RM14.0 million to finance the costs of certain long-term contracts undertaken. The term loan was fully settled during the financial year.

The term loans are secured by debentures incorporating a first fixed and floating charge over all present and future assets and undertakings of the subsidiary, assignment of contract proceeds and corporate guarantees from the Company.

27. HIRE PURCHASE AND FINANCE LEASE LIABILITIES

	Group	
	2007 RM'000	2006 RM'000
Future minimum lease payments:		
Not later than 1 year	1,543	
Later than 1 year and not later than 2 years	1,054	-
Later than 2 year and not later than 5 years	70	-
Total future minimum lease payments	2,667	-
Less: Future finance charges	(140)	-
Present value of hire purchase liabilities (Note 26)	2,527	-
Analysis of present value of hire purchase liabilities:		
Not later than 1 year	1,438	-
Later than 1 year and not later than 2 years	1,020	-
Later than 2 year and not later than 5 years	69	-
	2,527	-
Less: Amount due within 12 months (Note 26)	(1,438)	-
Amount due after 12 months (Note 26)	1,089	-

The hire purchase liabilities bore interest at the balance sheet date ranging from 4.8% to 6.2% (2006: Nil) per annum.

28. TRADE PAYABLES

	Group	
	2007 RM'000	2006 RM'000
Trade payables	33,900	13,026
Due to customers on contract (Note 20)	5,023	4,998
	38,923	18,024

The credit terms of the Group's trade payables range from 60 days to 90 days (2006: 60 days to 90 days).

29. OTHER PAYABLES

	Group		Company	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
Interest on ICULS	887	887	887	887
Advance from a fellow subsidiary (Note 30)	7,300	4,300	7,300	4,300
Accrued interest on advance from a fellow subsidiary (Note 30)	611	181	611	181
Accrued staff cost	98	648	3	-
Accrued short term accumulating compensated benefits	236	230	37	24
Accrued professional and legal fees	209	98	59	-
Service tax payable	88	250	-	-
Deferred income	1,433	1,962	-	-
Sundry payables and accruals	2,289	1,722	363	363
	13,151	10,278	9,260	5,755

The credit terms of the Group and of the Company's other payables range from 60 days to 90 days (2006: 60 days to 90 days).

30. SIGNIFICANT RELATED PARTY DISCLOSURES

The significant outstanding amounts as at 31 March 2007 due from/(to) companies in which a director, Datuk Lim Chee Wah has or had interests are set out below:

	Group	
	2007 RM'000	2006 RM'000
e-Genting Sdn. Bhd.	47	200
VXL Holdings Sdn. Bhd., holding company	41	-
VXL Management Sdn. Bhd. *		
- Advance (Note 29)	(7,300)	(4,300)
- Interest on advance (Note 29)	(611)	(181)
VXL Management Services Pte. Ltd. *	32	-
VXL Capital Ltd. *	92	24
Kien Huat Development Sdn. Bhd.	3	-
Genting Sanyen (M) Sdn. Bhd.	7	-
Resorts World Berhad	15	12
	(7,674)	(4,245)

* These companies are fellow subsidiaries of the Company.

The amounts due from/(to) Director related companies are unsecured, interest free and have no fixed terms of repayment except for the advance from VXL Management Sdn. Bhd.,a fellow subsidiary, which bears an interest of 7.5% (2006: 7.5%) per annum and is repayable within 12 months.

The Group and the Company had the following transactions with related parties during the financial year:

	Group		Company	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
Transaction with a director, Datuk Lim Chee Wah:				
- Interest charged on advance	-	108	-	-
Transactions with companies in which a director, Datuk Lim Chee Wah has interests:				
(a) Advance received from VXL Management Sdn. Bhd.	3,000	-	3,000	-
(b) Interest charged by VXL Management Sdn. Bhd.	455	219	455	219
(c) Interest charged by Kien Huat Development Sdn. Bhd.	70	-	-	-
(d) Handling fees charged by Kien Huat Development Sdn. Bhd.	272	-	-	-
(e) Reimbursement ofexpenses by VXL				
- VXL Holdings Sdn. Bhd., holding company	(65)	(78)	(65)	(78)
- VXL Capital Ltd.	(92)	-	(92)	-
(f) Consultancy fees billed to Koleksi Sejati Sdn. Bhd.	-	(100)	-	-
(g) Managed service fees billed to:				
- e-Genting Sdn. Bhd.	-	(32)	-	-
- Resorts World Bhd.	-	(14)	-	
	-	(46)	-	-

30. SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D.)

	Group 2007 RM'000	Group 2006 RM'000	Company 2007 RM'000	Company 2006 RM'000
Transactions with companies in which a director, Datuk Lim Chee Wah has interests: (Cont'd.)				
(h) Outsourcing fee and reimbursement billed to:				
- VXL Capital Ltd.	-	(24)	-	(24)
(i) Product sales to:				
- Genting Sanyen Industrial Paper Sdn. Bhd.	(102)	-	-	-
- Kien Huat Development Sdn. Bhd.	(50)	-	-	-
- e-Genting Sdn. Bhd.	(97)	(293)	-	-

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.

31. SIGNIFICANT AND SUBSEQUENT EVENTS

(a) Affected listed issuer pursuant to amended Practice Note No. 17/2005 ("Amended PN 17")

On 8 May 2006, the Company was designated as an affected listed issuer pursuant to the Amended PN 17 due to the Company's shareholders' equity on consolidated basis being less than twenty five percent (25%) of its issued and paid-up share capital of RM76,118,000 and its shareholders' equity is also less than the minimum issued and paid-up share capital of RM40.0 million for companies listed on the Second Board of Bursa Malaysia Securities.

With the proposed corporate restructuring scheme as mentioned in Note 31(b) below, the Company will be able to regularise its conditions and cease to be an affected listed issuer pursuant to Amended PN 17.

(b) Proposed corporate restructuring scheme

On 8 May 2006, the Company proposed a corporate restructuring scheme to regularise its financial conditions following its designation as an affected listed issuer pursuant to Amended PN 17. The proposed scheme ("Modified Proposed Corporate Restructuring Scheme") was subsequently modified on 18 July 2006 and on 28 February 2007. Details are as follows:

(i) Reduction of the issued and paid-up share capital of the Company pursuant to Section 64(1) of the Companies Act 1965 involving the cancellation of RM0.75 of the par value of each existing ordinary share of RM1.00 each of the Company in issue to reduce the accumulated losses in the Company ("Proposed Par Value Reduction") and relevant Amendments to the Memorandum and Articles of Association of the Company ("Proposed Amendments to the Memorandum and Articles of Association");

(ii) Reduction of the share premium account of the Company of up to RM15,667,287 pursuant to Section 64(1) and 60(2) of the Companies Act, 1965 to reduce the accumulated losses in the Company ("Proposed Share Premium Reduction");

(iii) Issuance of renounceable rights of up to 206,482,904 new ordinary shares of RM0.25 each ("Rights Shares") on the basis of nine (9) Rights Shares for every eight (8) existing ordinary shares of RM0.25 each held after the Proposed Par Value Reduction with up to 51,620,726 free detachable warrants ("Warrants") which will be issued on the basis of one (1) free warrant for every four (4) Rights Shares ("Proposed Rights Issue of Share with Warrants"); and

31. SIGNIFICANT AND SUBSEQUENT EVENTS (CONTD.)

On 22 December 2006, the following prices had been fixed by the Board of Directors of the Company pursuant to the Modified Proposed Corporate Restructuring Scheme:

(b) Proposed corporate restructuring scheme (Contd.)

(iv) Issuance of up to RM10,000,000 nominal value of 5% three (3)-year irredeemable convertible unsecured loan stock ("ICULS"), pursuant to the proposed ICULS. RM4,480,186 nominal value of ICULS will be issued to VXL Management Sdn. Bhd. to set-off against the outstanding amount as at 31 March 2006. The balance of up to RM5,519,814 nominal value of the ICULS will be issued to parties to be identified viaa private placement and the gross proceeds of up to RM5,519,814 shall be utilised to finance the working capital requirement of the Group ("Proposed Issuance of ICULS").

(i) the issue price for the Rights Shares is fixed at par (the new par value for each ordinary share of the Company after the completion of the Proposed Par Value Reduction) or RM0.25 per Rights Share, payable in cash upon application. The issue price of RM0.25 per Rights Share was arrived at after taking into consideration the weighted average market price of the Company's Shares for the five (5) market days ended 21 December 2006 (being the market date immediately preceding the price fixing date) ("WAMP") of approximately RM0.41 per Share. Based on the WAMP, the theoretical ex-rights price ("TERP") is approximately RM0.33 which represents a discount of approximately RM0.08 or 24.3% from the TERP;

(ii) the exercise price for the detachable Warrants in the Company to be issued pursuant to the Proposed Rights Issue of Shares with Warrants shall be fixed at RM0.25 per new ordinary share of RM0.25 each in the Company; and

(iii) the conversion price of the ICULS to be issued pursuant to the Proposed Issuance of ICULS shall be fixed at RM0.33 nominal value of ICULS (being the TERP) for every one (1) new ordinary share of RM0.25 each in the Company.

The Proposed Par Value Reduction, Proposed Share Premium Reduction, Proposed Rights Issue with Warrants are inter-conditional upon one another. However, the Proposed Issuance of ICULS is conditional on the Proposed Par Value Reduction, Proposed Share Premium Reduction, Proposed Rights Issue of Shares with Warrants. In addition, the Proposed Issuance of ICULS to VXL Management Sdn. Bhd. is conditional on the Proposed Issuance of ICULS.

The Modified Proposed Corporate Restructuring Scheme was approved by the SC vide letters dated 30 November 2006 and 27 February 2007.

The Proposed Issuance of ICULS has also been approved under the Foreign Investment Committee's Guideline on the Acquisition of Interest, Mergers and Take-Overs by Local and Foreign Interests.

Bank Negara Malaysia vide its letter dated 18 January 2007 approved the issuance of the Warrants to be issued pursuant to the Proposed Rights Issue of Shares with Warrants to non-resident shareholders of the Company.

On 29 March 2007, the Modified Proposed Corporate Restructuring Scheme was approved by the shareholders at the Extraordinary General Meeting convened on the same date.

On 3 April 2007, the application was made to the High Court of Malaya to sanction the reduction in par value of shares and share premium account. The hearing date for the confirmation of the said reduction has been fixed for 21 June 2007.

The Proposed Rights Issue of Shares with Warrants and ICULS are still pending approval from Bursa Securities for the listing of and quotation of the Rights Shares, Warrants and ICULS.

(c) Acquisitions and disposal of shares in subsidiaries

Acquisitions and disposal of shares in subsidiaries have been further elaborated in Note 14 to the financial statements.

32. OPERATING LEASE COMMITMENTS

	Group		Company	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
Future minimum rental payable:				
Not later than 1 year	730	1,191	15	322
Later than 1 year and not later than 5 years	536	548	-	-
	1,266	1,739	15	322

33. CONTINGENT LIABILITIES (UNSECURED)

	Group		Company	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
Corporate Guarantee given to financial institutions:				
- for credit facilities of subsidiaries	135	1,331	135	13,033
- for performance guarantees given to third parties	5,288	4,826	5,288	4,826
Corporate guarantees given to suppliers of subsidiaries	-	-	2,513	2,352

34. FINANCIAL INSTRUMENTS

(a) Financial risk management objectives and policies

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate risks (both fair value and cash flow), foreign currency risk, liquidity risk and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below. It is, and has been throughout the year under review, the Group's policy that no trading in derivative financial instruments shall be undertaken.

(b) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest-bearing financial assets, the Group's income is substantially independent of changes in market interest rates. The Group's interest-bearing financial assets are mainly short term in nature and have been mostly placed in fixed deposits or occasionally, in short term commercial papers.

The Group's interest rate risk arises primarily from interest-bearing borrowings. Borrowings at floating rates expose the Group to cash flow interest rate risk. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk. The Group manages its interest rate exposure by maintaining a mix of fixed and floating rate borrowings.

(c) Foreign currency risk

The Group is exposed to transactional currency risk primarily through purchases that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily United States Dollars (USD). Foreign exchange exposures in transactional currencies other than functional of the operating entities are kept to an acceptable level.

34. FINANCIAL INSTRUMENTS (CONT'D.)

(c) Foreign currency risk (Cont'd.)

The net unhedged financial assets and financial liabilities of the Group companies that are not denominated in their functional currencies are as follows:

Functional Currency of Group Companies	Net Financial Liabilities Held in Non-Functional Currencies United States Dollars RM'000
At 31 March 2007	
Ringgit Malaysia	371
At 31 March 2006	
Ringgit Malaysia	666

(d) Liquidity risk

The Group manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

(e) Credit risk

The Group's credit risk is primarily attributable to trade receivables. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivables balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets.

The Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial assets.

(f) Fair values

The carrying amounts of financial assets and liabilities of the Group and of the Company at the balance sheet date approximated their fair values.

35. SEGMENTAL INFORMATION

The primary segment reporting format is determined to be business segments as the Group's risk and rates of return are affected predominantly by differences in the products and services produced. Secondary information by geographical location is not presented as the Group's operations are located primarily in Malaysia.

The operating businesses are organised and managed separately according to the nature of the products and services provided with each segment representing a strategic business unit that offers different products and serves in different markets.

35. SEGMENTAL INFORMATION (CONT'D.)

The Group is providing the following services:

(i) Consulting, technology and integration services
(ii) Outsourcing and managed services
(iii) Business process outsourcing services
(iv) Management services

Business Segments

The following table provides an analysis at the Group's revenue, results, assets, liabilities and other information by business segment.

31 March 2007	Consulting, technology & integration services RM'000	Outsourcing & managed services RM'000	Business process outsourcing services RM'000	Management services RM'000	Elimination RM'000	Group RM'000
Revenue						
External sales	15,124	96,065	963	-	-	112,152
Intersegment sales	739	8,659	-	2,901	(12,299)	-
Total revenue	15,863	104,724	963	2,901	(12,299)	112,152
RESULTS						
Segment profit/(loss)	(40)	8,624	(957)	(5,147)	1,089	3,569
Interest income						291
Unallocated expenses						(1,088)
Profit from operations						2,772
Interest expense						(1,355)
Profit before tax						1,417
Taxation						700
Profit after tax						2,117
OTHER INFORMATION						
Segment assets	16,386	60,636	127	7,484		84,633
Unallocated assets						3,105
Total assets						87,738
Segment liabilities	16,206	45,429	18	9,261		70,914
Unallocated liabilities						439
Total liabilities						71,353
Capital expenditure	167	1,207	319	132	-	1,825
Depreciation and amortisation	174	587	206	309	-	1,276
Property, plant and equipment written off	-	27	-	76	-	103
Provision for doubtful debts written-back	(86)	-	-	-	-	(86)
Provision for doubtful debts	-	280	-	-	-	280

35. SEGMENTAL INFORMATION (CONT'D.)

31 March 2006	Consulting, technology & integration services RM'000	Outsourcing & managed services RM'000	Business process outsourcing services RM'000	Management services RM'000	Elimination RM'000	Group RM'000
Revenue						
External sales	14,204	60,453	-	-	-	74,657
Intersegment sales	4,630	143	-	2,053	(6,826)	-
Total revenue	18,834	60,596	-	2,053	(6,826)	74,657
RESULTS						
Segment profit/(loss)	841	5,196	-	(6,235)	1,413	1,215
Interest income						354
Unallocated expenses						(40)
Profit from operations						1,529
Interest expense						(1,141)
Profit before tax						388
Taxation						(1,878)
Loss after tax						(1,490)

	Consulting, technology & integration services RM'000	Outsourcing & managed services RM'000	Management services RM'000	Elimination RM'000	Group RM'000
OTHER INFORMATION					
Segment assets	15,366	33,325	7,255	-	55,946
Unallocated assets					1,870
Total assets					57,816
Segment liabilities	13,629	22,636	5,764	-	41,423
Unallocated liabilities					2,270
Total liabilities					43,693
Capital expenditure	74	497	1,372	17	1,960
Depreciation and amortisation	162	1,228	586	(30)	1,946
Property, plant and equipment written off	29	-	-	-	29
Provision for doubtful debts written-back	-	(29)	-	-	(29)
Provision for doubtful debts	48	24	-	-	72

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 ICULS.

Capital expenditure comprise additions to property, plant and equipment (Note 11), intangible assets (Note 13) including those resulting from acquisitions.

Statement By Directors

PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, Tan Sri Datuk Adzmi bin Abdul Wahab and Chew Liong Kim, being two of the Directors of Dataprep Holdings Bhd., do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 39 to 85 are drawn up in accordance with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2007 and of the results and cash flows of the Group and of the Company for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 31 May 2007.

Tan Sri Datuk Adzmi bin Abdul Wahab
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 accompanying financial statements set out on pages 39 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,
Tan Hock Chye at Petaling Jaya, Selangor Darul Ehsan
on 31 May 2007.

Before me,

Commissioner for Oaths

Report Of The Auditors

TO THE MEMBERS OFDATAPREP HOLDINGS BHD.(Incorporated in Malaysia)

We have audited the financial statements set out on pages 39 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 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 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 Financial Reporting 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 2007 and of the results and the cash flows of the Group and of the Company 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 of which we have acted as auditors 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.

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

Ernst & Young
AF: 0039
Chartered Accountants

Pushpanathan a/l S.A. Kanagarayar
No.1056/03/09(J/PH)
Partner

Kuala Lumpur, Malaysia
31 May 2007

Shareholdings Statistics

List of Thirty (30) Largest Shareholdings as at 31 July 2007

No.	Names	Holdings No.	%
1	VXL Holdings Sdn Bhd	40,486,070	53.19
2	Seberang Jati Sdn Bhd	8,206,900	10.78
3	Rumput Damai Sdn Bhd	2,732,660	3.59
4	Lau Chow Fow	1,900,000	2.50
5	M & Food Industries Sdn.Bhd.	1,208,000	1.59
6	Mayban Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chung Chuan Shen	820,000	1.08
7	Tan Yoke Chun	569,200	0.75
8	Mayban Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Kok Ping	525,000	0.69
9	Mirzan Bin Mahathir	501,000	0.66
10	TA Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chung Chuan Shen	500,000	0.66
11	Cimsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Loh Sun Wai (Mutiara Branch)	479,700	0.63
12	Khoo Teng Bin	459,776	0.60
13	HDM Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Quah Ti Di (M03)	329,800	0.43
14	Cimsec Nominees (Asing) Sdn Bhd Excempt An For CIMB-GK Securities Pte Ltd (Retails Clients)	329,100	0.43
15	Dataprep (Holdings) Limited	322,030	0.42
16	Leong Yoke Kwen	300,000	0.39
17	Tan Chee Chin	286,000	0.38
18	Lee Yoke Wan	261,500	0.34
19	HDM Nominees (Tempatan) Sdn Bhd UOB Kay Hian Pte Ltd For Teh Kee Hong	220,000	0.29
20	Tan Chon Seng	200,000	0.26
21	Tan Saw Ling @ Tan Sau Ling	192,000	0.25
22	Lim Ah Ber	173,000	0.23
23	Chin Choy Yin	165,500	0.22
24	Chew Boon Kee	160,900	0.21
25	HSBC Nominees (Asing) Sdn Bhd Exempt An For Credit Suisse (HK BR-TST-Asing)	160,000	0.21
26	Lee Meng Hon	156,800	0.21
27	Lee Yun Fong	151,600	0.20
28	Mayban Securities Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Che Noran Binti Mohd Jelas (REM 872)	127,500	0.17
29	Lau Nguong Thong @ Lau Ngung Toh	125,600	0.17
30	Ho Siong San	123,400	0.16

Shareholdings Statistics

Analysis by Size of Shareholdings as at 31 July 2007

Category	No. of Holders	%	No. of Shares	%
Less than 100	27	0.65	826	0.00
100 - 1,000	2,406	57.63	1,663,384	2.18
1,001 - 10,000	1,471	35.23	5,470,532	7.19
10,001 - 100,000	238	5.70	6,474,809	8.51
100,001 to less than 5% of issued shares	31	0.74	13,815,566	18.15
5% and above of issued shares	2	0.05	48,692,970	63.97
TOTAL	**4,175**	**100.00**	**76,118,087**	**100.00**

List of Directors' Shareholdings as at 31 July 2007

NOS.	NAMES	DIRECT SHAREHOLDINGS	%	INDIRECT SHAREHOLDINGS	%
1	Tan Sri Datuk Adzmi Bin Abdul Wahab [1]	50,000	0.07	-	-
2	Dato' Pian Bin Sukro	-	-	-	-
3	Datuk Lim Chee Wah [2]	-	-	40,486,070	53.19
4	Michael Yee Kim Shing	-	-	-	
5	Muhammad Fauzi Bin Abd Ghani	-	-	-	-
6	Chew Liong Kim [3]	65,000	0.09	286,000	0.38

Notes:

(1) Shares held through Citigroup Nominees (Tempatan) Sdn Bhd
(2) Deemed interest via VXL Holdings Sdn Bhd
(3) Deemed interest via spouse

List of Substantial Shareholders (5% and above) as at 31 July 2007

Nos.	Names of Substantial Shareholders	No. of Shares	%
1	VXL Holdings Sdn Bhd	40,486,070	53.19
2	Seberang Jati Sdn Bhd	8,206,900	10.78

ICULS-5 Statistics

List of Twenty Two (22) Largest ICULS-5 Holdings as at 31 July 2007

No.	Names	Holdings No.	%
1	VXL Holdings Sdn Bhd	33,972,520	99.93
2	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Mak Kin Wah	4,400	0.01
3	Chan Ai Sim	2,400	0.01
4	Tan Kim Siw	2,000	0.01
5	Chen Seong Lee	1,000	0.00
6	Yeoh Chew Tau	1,000	0.00
7	Stephen Ng Khin Vui	1,000	0.00
8	Ang Tuan Heng	1,000	0.00
9	Hod Bin Fariman @ Parman	1,000	0.00
10	Koh Sooi Kwang	1,000	0.00
11	Chiam Ewe Hoon	1,000	0.00
12	Choo Lee	1,000	0.00
13	Tan Hock Ghee	1,000	0.00
14	Cheah Chong Sing	1,000	0.00
15	Chim Ake @ Lim Lian Huat	1,000	0.00
16	Tan Suan Yem	1,000	0.00
17	Liew Hon Kong	1,000	0.00
18	Tan Chew Kiang @ Chin Siew Kong Joseph	1,000	0.00
19	Lee Ing Cheong	1,000	0.00
20	Yap Kham Sang	1,000	0.00
21	M Nanthakumaran A/L V Manickam	100	0.00
22	Lam Ah Lin @ Lam Siew Yoke	100	0.00

ICULS-5 Statistics

Analysis by Size of ICULS-5 Holdings as at 31 July 2007

Category	No. of Holders	%	No. of Shares	%
Less than 100	-	-	-	-
100 - 1,000	18	81.82	16,200	0.05
1,001 - 10,000	3	13.64	8,800	0.02
10,001 - 100,000	-	-	-	-
100,001 to less than 5% of issued shares	-	-	-	-
5% and above of issued shares	1	4.54	33,972,520	99.93
TOTAL	**22**	**100.00**	**33,997,520**	**100.00**

List of Directors' ICULS-5 holdings as at 31 July 2007

NOS.	NAMES	DIRECT SHAREHOLDINGS	%	INDIRECT SHAREHOLDINGS	%
1	Tan Sri Datuk Adzmi Bin Abdul Wahab	-	-	-	-
2	Muhammad Fauzi Bin Abd Ghani	-	-	-	-
3	Datuk Lim Chee Wah (1)	-	-	33,972,520	99.93
4	Michael Yee Kim Shing	-	-	-	-
5	Chew Liong Kim	-	-	-	-
6	Dato' Pian Bin Sukro	-	-	-	-

Notes:

(1) Deemed interest via VXL Holdings Sdn Bhd

List of Substantial ICULS-5 Holders (5% and above) as at 31 July 2007

Nos.	Names of Substantial Shareholders	No. of Shares	%
1	VXL Holdings Sdn Bhd	33,972,520	99.93

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DATAPREP
Since 1971
Consulting>Integration>Outsourcing

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 Eighteenth Annual General Meeting of the Company to be held at Tournament Room, Kuala Lumpur Golf & Country Club, No. 10 Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur on Thursday, 27 September 2007 at 11.00am and any adjournment thereof, and to vote as indicated below:

	Resolution	For	Against
1	To receive and adopt audited financial statements of the Company for the year ended 31 March 2007 and the Reports of the Directors and Auditors thereon. (ORDINARY RESOLUTION 1)		
2	To re-elect the following Directors : 2.1 Dato' Pian bin Sukro, retires by rotation pursuant to Article 98 of the Company's Articles of Association. (ORDINARY RESOLUTION 2)		
	2.2 Mr Chew Liong Kim retires pursuant to Article 98 of the Company's Articles of Association. (ORDINARY RESOLUTION 3)		
3	To re-appoint Messrs Ernst & Young as Auditors of the Company for the ensuing year and to authorize the Directors to fix their remuneration. (ORDINARY RESOLUTION 4)		
4	Authority to issue shares pursuant to Section 132D of the Companies Act, 1965. (ORDINARY RESOLUTION 5)		
5	Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature (ORDINARY RESOLUTION 6)		
6	Proposed additional shareholders' mandate for recurrent related party transactions of a revenue or trading nature (ORDINARY RESOLUTION 7)		
7	Proposed amendments to the Articles of Association of the Company (SPECIAL RESOLUTION 8)		
8	To consider any other business of which due notice shall have been given.		

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

Signed this ____________ day of September 2007 Signature: ____________________

Note:

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 atSuite 5.02, 5th Floor Wisma Academy, No. 4A Jalan 19/1, 46300 Petaling Jaya, 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.

STAMP

DATAPREP HOLDINGS BERHAD
Suite 5.02, 5th Floor
Wisma Academy
No 4A Jalan 19/1
46300 Petaling Jaya
Selangor Darul Ehsan