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Consulting>Integration>Outsourcing

DATAPREP HOLDINGS BHD

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

Unleash, Compete, Grow



Annual Report **2009**

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our vision

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

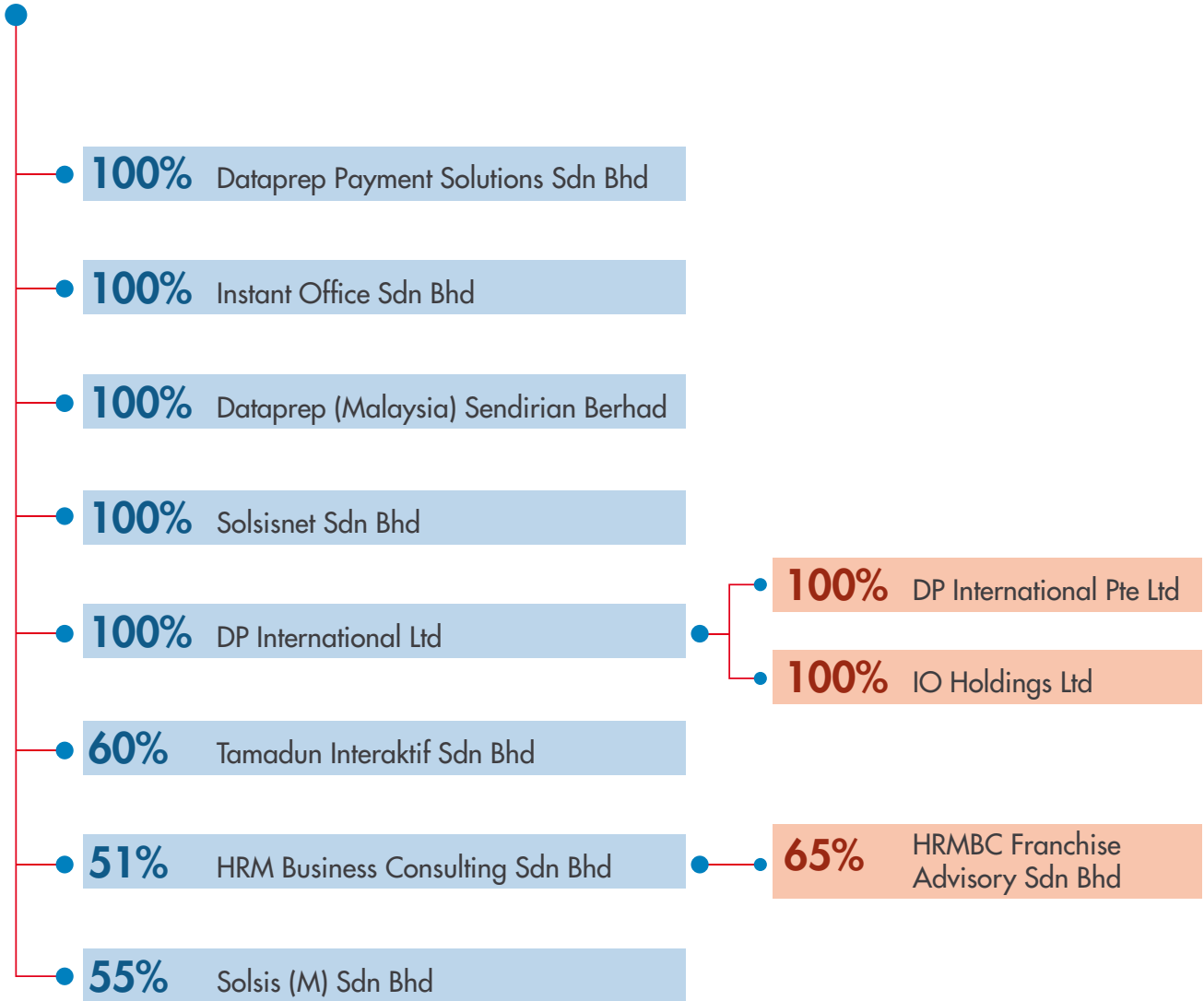
our mission

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

Corporate Structure



Consulting>Integration>Outsourcing



Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT THE TWENTIETH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD AT GREENS III, TROPICANA GOLF & COUNTRY RESORT BERHAD, JALAN KELAB TROPICANA, TROPICANA GOLF & COUNTRY RESORT, 47410 PETALING JAYA, SELANGOR DARUL EHSAN ON MONDAY, 24 AUGUST 2009 AT 2.30 P.M. 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 financial year ended 31 March 2009 and the Reports of the Directors and Auditors thereon. (Ordinary Resolution 1)
2. To re-elect the following Directors :
 - 2.1 Tan Sri Datuk Adzmi bin Abdul Wahab 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 Datuk Lim Chee Wah 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 consider and if thought fit, pass the following resolution pursuant to Section 129(6) of the Companies Act, 1965:
 - 3.1 That Mr Michael Yee Kim Shing who retires pursuant to Section 129 of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company to hold office until the conclusion of the next Annual General Meeting of the company (Ordinary Resolution 4)
4. To re-appoint Messrs Ernst & Young as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. (Ordinary Resolution 5)

AS SPECIAL BUSINESS

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

5. **AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965** (Ordinary Resolution 6)

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

Notice Of Annual General Meeting (cont'd)

6. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE** (Ordinary Resolution 7)

"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 transactions 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 31 July 2009, 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."

7. **PROPOSED AMENDMENT TO ARTICLE 141 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY** (Special Resolution 1)

"THAT the Articles of Association of the Company be hereby amended by deleting the existing Article 141 in its entirety and substituting the following new Article 141 as follows:-

Existing Article 141:-

The Directors shall from time to time in accordance with Section 169 of the Act cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in the Section. The interval between the close of a financial year of the Company and the issue of annual audited accounts, the directors' and auditors' report relating to it shall not exceed four (4) months.

New Article 141:-

The Directors shall from time to time in accordance with Section 169 of the Act cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in the Section. The interval between the close of a financial year of the Company and the issue of annual audited

Notice Of Annual General Meeting (cont'd)

accounts, the directors' and auditors' report relating to it, either in printed form or in CD-ROM form or in such other form of electronic media, shall not exceed four (4) months. In the event that these documents are sent in CD-ROM form or such other form of electronic media and a member requires a printed form of such documents, the Company shall send such documents to the Member within four (4) market days from the date of receipt of the member's request.

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

BY ORDER OF THE BOARD

TAN HOCK CHYE (MIA 3865)
PAULINE NG PECK KUN (MAICSA 7029550)
 COMPANY SECRETARIES

Date: 31 July 2009
 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 registered office of the Company 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 5 (Ordinary Resolution 6) of the Agenda:

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

Explanatory Notes to Item 6 (Ordinary Resolution 7)

The proposed ordinary resolution 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 1)

The proposed amendment to the Articles of Association of the Company, if passed will give effect to the adoption of the Proposed Amendment to the Articles of Association to allow the issuance of the annual audited accounts, the directors' and auditors' report relating to it, either in printed form or in CD-ROM form or other electronic media.

Statement Accompanying Notice Of Twentieth Annual General Meeting

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

- Four (4) Board Meetings were held during the financial year ended 31 March 2009.

Date of Meeting	Total Board Members Attended	% of Attendance
29 May 2008	6 / 8	75
28 August 2008	7 / 7	100
28 November 2008	7 / 7	100
26 February 2009	4 / 7	58

- The details of the directors' attendance at Board Meetings, directors who are standing for re-election and re-appointment at this Annual General Meeting, can be found on pages 11, 12 and 15 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
Non-Independent Non-Executive Director

Michael Yee Kim Shing
Independent Non-Executive Director

Dato' Pian bin Sukro
Independent Non-Executive Director

Leong How Seong
Non-Independent Non-Executive Director

Muhammad Fauzi bin Abd Ghani
Independent Non-Executive Director

Cheam Tat Inn
Executive Director / Chief Executive Officer

COMPANY SECRETARIES

Tan Hock Chye
Pauline Ng Peck Kun

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

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

LEADERSHIP

Executive Director / Chief Executive Officer :
Cheam Tat Inn

Executive Vice Presidents :
Ahmad Rizan bin Ibrahim
Ng Keok Ang

Senior Vice President :
Tan Hock Chye

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 Berhad

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

AUDITORS

Ernst & Young

WEBSITE

www.dp.com.my

Our Solutions & Services

INFORMATION AND COMMUNICATIONS TECHNOLOGY (“ICT”) SOLUTIONS AND SERVICES

Infrastructure Solutions And Services (“ISS”)

ISS delivers a comprehensive range of ICT solutions that include equipment, networking solutions and services enabling a 24/7 and business critical operation.

IT Support and Training

- Hardware Maintenance
- Software Maintenance
- Deployment
- Training

IT Managed Services

- Managed Network (VPN)
- Systems Management
- Enterprise IS Outsource

Infrastructure Solutions

- Servers & Storage Consolidation
- Network Integration
- IT Security and Business Continuity

Application Integration Services (“AIS”)

AIS crafts and deploys 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.

Application Integration Services

- Customer Relationship Management
- Enterprise Content Management
- Business Process Management
- Enterprise Asset Management

E-Judiciary

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

Product Sales

Sales and implementation of hardware and software products

- PC, Notebooks
- Server, Storage
- Network Product
- Packages Software
- Product Life Cycle Management

BUSINESS PROCESS OUTSOURCING (“BPO”)

Payment Solutions And Services (“PSS”)

PSS focus is in payment devices which includes the supply and maintenance of POS (point of sale) and EDC (electronic draft capture) terminals that supports credit/debit cards, as well as other multi-purpose cards.

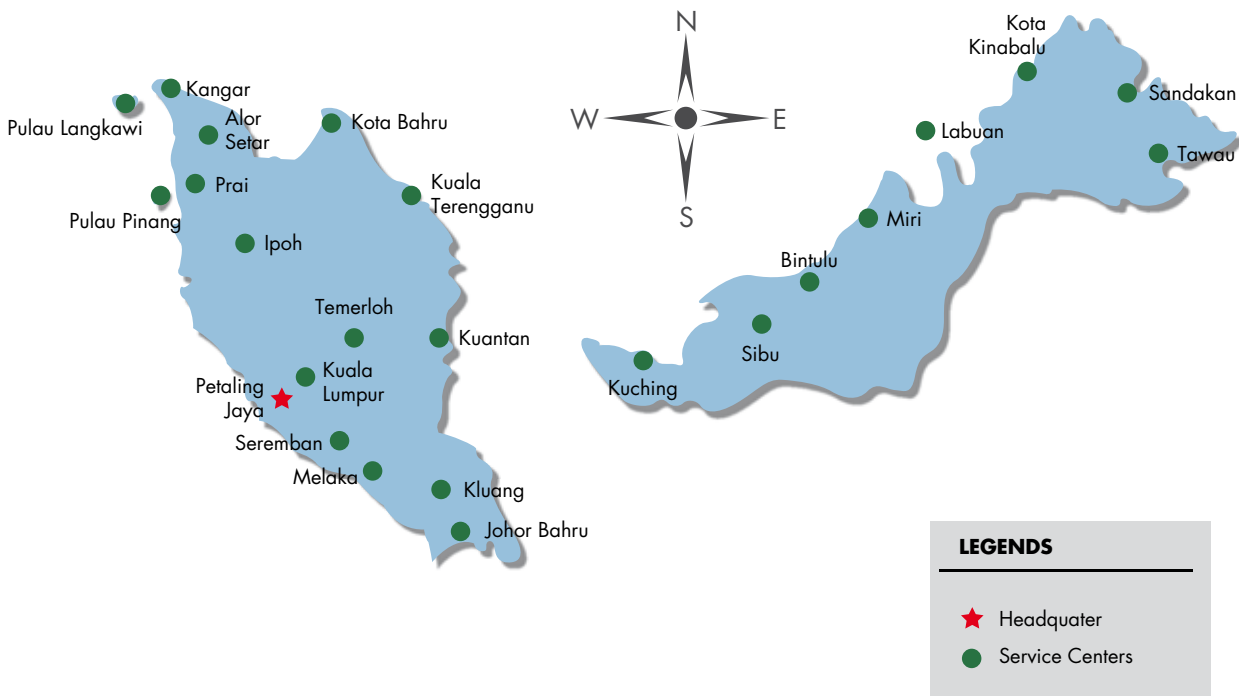
Payment Solutions

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

Our Solutions & Services (cont'd)

SUPPORT INFRASTRUCTURE

Apart from Dataprep Group's 37 years of proven group-wide accumulated IT experience and professional staff with proven capabilities in implementing large scaled ICT projects, Dataprep Group is fully equipped to provide the necessary support and back-up tools for its clients. With 24 service centres located nationwide to provide a support network, Dataprep Group's call centre offers 24 hour service, 7 days a week. The 24 support Service Centres offer operational and maintenance services.



Headquarter

- Petaling Jaya (2)

Northern Region

- Kangar
- Ipoh
- Prai
- Pulau Pinang
- Alor Setar
- Pulau Langkawi

Southern Region

- Johor Bahru
- Kluang
- Melaka
- Seremban

Eastern Region

- Kuantan
- Temerloh
- Kota Bharu
- Kuala Terengganu

Sabah

- Kota Kinabalu
- Sandakan
- Labuan
- Tawau

Sarawak

- Kuching
- Sibul
- 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 66, 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 the 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 held during the financial year ended 31 March 2009.

He has direct shareholdings of 206,900 ordinary shares in the company.

He also sits on the Board of Magna Prima Berhad and Lebar Daun 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.

Board Of Directors (cont'd)



Datuk Lim Chee Wah

Non-Independent Non-Executive Director

Datuk Lim Chee Wah, a Malaysian, aged 55, 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.

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

He has attended three meetings out of the total of four Board Meetings held during the financial year ended 31 March 2009.

He has direct and indirect shareholdings of 1,062,500 and 203,385,046 ordinary shares in the Company.

He is the brother in law to Mr Leong How Seong, who is a Non-Independent Non-Executive Director of Dataprep Holdings Bhd.

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

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

Board Of Directors (cont'd)



Dato' Pian bin Sukro

Independent Non-Executive Director

Dato' Pian bin Sukro, a Malaysian, aged 60, was appointed to the Board on 27 August 2004.

He was formerly 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. 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 the 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 three meetings out of the total of four Board Meetings held during the financial year ended 31 March 2009.

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.

Board Of Directors (cont'd)



Encik Muhammad Fauzi bin Abd Ghani

Independent Non-Executive Director

Encik Muhammad Fauzi bin Abd. Ghani, a Malaysian, aged 47, 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 22 years. He was the Chief Financial Officer of Titan Chemical Corp Berhad for the period 2004 to 2008. He is currently the Senior Executive Director (Special Projects) of Felda Holdings Berhad.

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

He is also a Director of Microgreen Bio-Industrial Bhd.

He has attended all four Board Meetings held during the financial year ended 31 March 2009.

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.

Board Of Directors (cont'd)



Mr Michael Yee Kim Shing

*Independent Non-Executive
Director*

Mr Michael Yee Kim Shing, a Malaysian aged 71, 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 and Pacific & Orient Insurance Berhad.

He has attended all four Board Meetings held during the financial year ended 31 March 2009.

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.

Board Of Directors (cont'd)



Mr Leong How Seong

Non-Independent Non-Executive Director

Mr Leong How Seong, a Malaysian, aged 61, was appointed to the Board on 26 February 2008. He graduated with a Bachelor of Pharmacy (London) from Chelsea College London and also obtained a certificate in Hotel Management from Cornell School of Hotel Administration.

He was appointed Director of Operations in 1974 for the Hotel Division, Genting Berhad and also Joint Managing Director for Genting Highland Tour & Promotion Sdn Bhd. In 1983 he was appointed Director and Chief Executive Officer of Resorts World Bhd. He held this position until 1988. He was also a Chief Executive Officer for the period 2003 to 2005 with Ho Wah Genting Poipet Sdn Bhd (Cambodia). In total he has more than 34 years of experience in the hospitality, property management and retail.

He does not hold directorship in other public companies.

He has attended two meetings out of the total of four Board Meetings held during the financial year ended 31 March 2009.

He does not have any shareholdings in Dataprep Holdings Bhd

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

He is the brother-in-law to Datuk Lim Chee Wah, who is the Non-Independent Non-Executive Director and substantial shareholder of Dataprep Holdings Bhd.

Board Of Directors (cont'd)



Mr Cheam Tat Inn

*Executive Director/Chief
Executive Officer*

Mr Cheam Tat Inn, a Malaysian, aged 47, was appointed to the Board on 2 May 2008 as Executive Director/Chief Operating Officer. He was later redesignated Executive Director/Chief Executive Officer on 1 July 2008. He holds a Masters of Business Administration (MBA) from Henley Management College, UK.

He has more than two decades of experience in sales, marketing and general management experience in information technology and telecommunications industries. He has held key leadership positions with industry leading multinational companies like Sun Microsystems, Nortel Networks, Compaq Computers and IBM.

He was the Managing Director for Sun Microsystems Malaysia ("Sun") from 2003 for a period of more than 3 years where he was responsible for Sun regaining a substantial portion of its market share.

Prior to joining Sun, he was the Managing Director for Nortel Networks Malaysia. He was responsible for turning around the company and making Nortel one of the top players in the Telco industry in Malaysia.

Before joining Nortel Networks, he was the Asia Pacific President of Arcadian Wireless Inc, a silicon valley startup that provides fixed wireless last mile solution for emerging markets and rural environments.

He was the Managing Director of Compaq Computer Corporation Malaysia in 1999 right after the merger of three major companies, namely Tandem, Digital and Compaq. He successfully managed Compaq through the post-merger integration.

Mr Cheam started his career with IBM, Malaysia where he has held positions in engineering, sales, marketing and general management.

He does not hold directorship in other public companies.

He has attended all four Board Meetings held during the financial year ended 31 March 2009.

He does not have any 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 arrangement involving the company.

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

Management Profile



Mr Cheam Tat Inn

*Executive Director/Chief
Executive Officer*

The details of **Mr Cheam Tat Inn** are disclosed on page 17 of this Annual Report.



Ahmad Rizan bin Ibrahim

Executive Vice President

Ahmad Rizan Ibrahim, a Malaysian, aged 46. He holds two Bachelor of Science degrees in Computer Science and Management Science, and a Master of Computer Science and MBA from Oregon State University, Corvalli, Oregon.

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

He is currently the Head of Management Advisory Services and Special Projects. 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.

Management Profile (cont'd)



Ng Keok Ang

Executive Vice President

Ng Keok Ang, a Malaysian, aged 53. He holds a Diploma in Electronics and Telecommunication from Singapore Polytechnic and a Diploma in Management from Malaysian Institute of Management.

He is currently the Head of Managed Services and Service Delivery. He has over 30 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.



Tan Hock Chye

Senior Vice President

Tan Hock Chye, a Malaysian, aged 49. He is a Chartered Accountant of the Malaysian Institute of Accountants and 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 extensive 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.

He is currently the Head of Business Support Services. Prior to his current position, he had previously held other senior management positions in multinational and public companies.

Chairman's Statement

“On behalf of the Board of Directors, I am pleased to present the Group's Annual Report together with the Audited Financial Year Statements for the year ended 31st March 2009”

Tan Sri Datuk Adzmi bin Abdul Wahab
Chairman



Overview

Financial year 2009 has been a challenging year for Dataprep Holdings Berhad in view of the prevailing global economic crisis and slowdown in the domestic economy.

The Group's strategy remains focused on its vision, mission whilst looking into ways to sustain its competitive edge amidst cut-backs in both public and private spending. During the year, the Group implemented several cost cutting measures to minimize costs and exercise prudent cash management with the objective of conserving cash to mitigate the impact of global economic crisis and the challenges ahead.

The Group has made a provision for an impairment loss of goodwill and a provision of doubtful debts totaling RM4.3 million and as a result the Group suffered a net loss of RM5.8 million.

Chairman's Statement (cont'd)

Nevertheless, the Board believes that with the strong leadership of our fellow Board members together with the management team, the Group is on a stronger footing to meet its future challenges.

Financial Review

The Group recorded a revenue of RM54.2 million for the year ended 31st March 2009, a decrease of 27% as compared with a revenue of RM74.3 million in the previous financial year. Net loss for the financial year was RM5.8 million, against a loss of RM3.3 million in the previous financial year.

As highlighted earlier, the loss was mainly attributed to an impairment loss on goodwill of RM2.7 million and a provision for doubtful debts of RM1.6 million.

At the Company's level, provisions amounting to RM37.0 million were also made in respect of an impairment loss on investment in a subsidiary and allowance for doubtful debts on inter-company balances.

Operations Review

During the year, the Group's main business is derived from its Outsourced Managed Services Division which contributed approximately 90% of the total revenue of the Group.

Whilst most business segments contracted during the year, revenue has risen by 50% for the Payment Solutions Division resulting from an increased in merchants acquisition.

The Group also continued to work closely with major principals to expand our solutions offering. We expect these initiatives to contribute favourably to our future revenue growth.

Corporate Social Responsibility ("CSR")

During the financial year, the Group carried out its CSR through various activities. These include offering technical and industrial training to interns from local technical institutions and universities.

The Group is committed to the betterment of employees. On human capital, development strategy focuses on building individual accountability, management leadership, capabilities and competence. The Dataprep Academy was set up to meet the human capital needs of our business and organizational demands. Core areas of training include business leadership, people skills, business management, financial management, service quality, safety at work and technical skills.

The Group also encourages its staff to constantly engage in self learning for their own betterment and endeavors to broaden its scope of CSR initiatives over time.

Prospects

Against the backdrop of a global economic crisis, Malaysia's first quarter gross domestic product this year contracted by 6.2 percent from a growth of 0.1 percent in the fourth quarter last year, due to significant deterioration in external demand following the deepening recession in advanced economies (Bernama news : 11 June 2009).

The Government continues to introduce measures to stimulate growth and encourage investment. The allocation of 2 stimulus packages amounting to RM67 billion, out of which RM10 billion is allocated to Khazanah Nasional Berhad ("Khazanah") as investment funds, which would focus on investment in the telecommunications and other sectors.

The Ministry of Science, Technology and Innovation has set up a task force comprising government and industry sectors to gather and analyse input from the ICT industry on what best to do during this economic slowdown.

Chairman's Statement (cont'd)

The removal of 30% bumiputra equity requirement for 27 sectors, which includes the Information and Communications Technology (ICT) industry would form a part of government's move to liberalise the industry with the aim of creating a conducive business environment to attract greater inflow of investments by foreign and local investors, bring in more professionals and technology and to encourage competitiveness amongst others.

We will look at strategic investments whilst continuing to focus on growing our core services that is, the Outsourced and Managed Services, Consulting, Technology and Integration Services, and Business Process Outsourcing confining to Payment Solutions.

Intensive marketing and selling efforts are channeled to our nine core solutions comprising of Sale Force Automation, Enterprise Content Management System, Service Management, Enterprise Service and Storage Consolidation, Security Solution, IP Virtual Private Network, Data Centre, Network Integration and IT Help Desk, as we seek to be a market leader in each of the solutions.

The Group will leverage on the regional presence and expertise of its major shareholders and business partners to build customer reach and top line growth.

We will strive to realize our vision to be leading regional IT Service Company by providing business and technology solutions and services to clients.

Acknowledgements

On behalf of the board, I would like to extend our heartfelt thanks to our principals, business associates, government agencies, customers, suppliers and valued shareholders for their support throughout the year. We would also wish to thank the management and staff of Dataprep group for their continued loyalty and commitment in discharging their duties.

To my fellow Board members, I wish to record my sincere appreciation for their invaluable wisdom, advice and guidance.

Tan Sri Datuk Adzmi bin Abdul Wahab
Chairman

31 July 2009

Statement On Internal Control

INTRODUCTION

The Board of Directors is committed to maintaining a sound system of internal controls to safeguard shareholders' investments and the Group's assets. The Board is pleased to provide the following 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 the need to review its adequacy and integrity on a regular basis. The system of internal controls cover, inter alia, risk management and financial, organizational, operational and compliance controls. The Board also recognizes that the system of internal control is designed to manage rather than eliminate the risk 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 recognizes that risk management is an integral part of the Group's system of internal control and business operations. The risk management functions are currently embedded into duties and operations of the Managing Directors Council ("MDC") with the Chief Executive Officer ("CEO") acting as the Chief Risk Officer. The risk processes adopted by the Group will help the Board in identifying, analyzing, measuring and reporting on the significant risks that may affect the achievement of its business objectives.

MANAGEMENT PROCESSES

The Board has always regarded that a well-defined organization and management structure and reporting line will reinforce the internal control of the Group. There is a formal organizational structure with delineated lines of authority, responsibility and accountability within the Group. The Board has put in place suitably qualified and experienced Management personnel to head the Group's diverse operating units into delivering results.

In most operating units, periodic meetings are held to ensure that progress, exceptions and variations are fully discussed and appropriate actions are taken. This ensures that business objectives are met. Adequate reports/meeting minutes are generated for reviews on various business/operating units of the Group. 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 Group performs a comprehensive annual budgeting and forecasting exercise at the beginning of the financial year. Comprehensive management accounts and reports are prepared on a monthly basis for review by the senior management for effective monitoring and decision making. The Group also operates a comprehensive automated information system that provides for transactions to be captured, compiled and reported. Management also uses the data and analysis provided by this automated information system relevant to their performance.

There are policies and procedures for recruitment, performance appraisal and promotion to ensure that suitably qualified and competent personnel are hired and retained. Group Human Resource Unit assumes the responsibility of developing employees with the relevant and appropriate skills.

The Board has also set up a clear Group vision, mission and strategic direction which is communicated to employees at all level. The intranet is used as an effective means of communication and knowledge sharing at all levels.

Statement On Internal Control (cont'd)

MONITORING AND REVIEW

The CEO has been delegated by the Board to execute the day-to-day functions. He is aided by a team of corporate officers to carry out his duties. He is tasked to ensure that the integrity of the internal control systems and effective risk management is in place through out the year for each of the business operations.

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 in-house 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 9001/2000 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.

CONCLUSION

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 judgement. 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 27 May 2009 and has been duly reviewed by the external auditors, pursuant to paragraph 15.24 of the Bursa Malaysia Listing Requirements.

Statement Of Corporate Governance

INTRODUCTION

The Company is fully committed to good corporate governance and the following statement describes the practices adopted by it in compliance with the Principles and Best Practices of Corporate Governance pursuant to Part 1 and 2 of the Malaysian Code on Corporate Governance ("Code") to protect and enhance all aspects of the shareholders' value. 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, performance, resources with set budgets, targets, succession plans for the Group, overseeing the conduct of the Group's business to ensure that the business is properly managed and reviewing the adequacy and integrity of the internal control systems for the Group.

The current Board has seven (7) Directors comprising of the following:-

1. One (1) Executive Director/Chief Executive Officer;
2. Two (2) Non-Independent Non-Executive Directors; and
3. Four (4) Independent Non-Executive Directors.

The Directors contributes greatly to the Company through their business acumen, wide range of knowledge and skills from their vast experience. They are made up of qualified and experienced professionals in the fields of accountancy, finance, computer science, economics, engineering, management and hospitality. 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 Company has thus complied with Paragraph 15.02 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") which requires that at least 2 directors or 1/3 of the Board of Directors, whichever is the higher, to be independent.

The Directors participate actively in the overall management and stewardship of the Company. There were 4 Board meetings held in Financial Year 2009 where all Directors were provided with 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. In furtherance of its duties, the Board may seek external professional advice if required by them.

All Directors will retire at regular intervals by rotation at least once every three years and they shall be eligible for re-election. Pursuant with Section 129 of the Companies Act, 1965, a director who is over 70 years of age are required to retire annually at the general meeting of the Company, and be eligible for re-appointment by shareholders of the Company with not less than a three-fourth majority. Director seeking re-appointment under this Section 129 at the forthcoming annual general meeting is shown in the Notice of Meeting in this annual report.

To-date, the Board is of the view that it is unnecessary for the appointment of a senior independent non-executive Director to whom concerns may be conveyed as 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 2009, 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.

Statement Of Corporate Governance (cont'd)

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.

BOARD ATTENDANCE

In Financial Year 2009, the composition of the Board, together with the attendance of the respective Directors at Board meetings are as follows:-

Name of Directors	Attendance	Percentage
Tan Sri Datuk Adzmi bin Abdul Wahab	3 / 4	75
Datuk Lim Chee Wah	3 / 4	75
Dato' Pian bin Sukro	3 / 4	75
Encik Muhammad Fauzi bin Abd. Ghani	4 / 4	100
Mr Michael Yee Kim Shing	4 / 4	100
Mr Leong How Seong	2 / 4	50
Mr Cheam Tat Inn	4 / 4	100
Mr Chew Liong Kim (resigned on 30 June 2008)	1 / 1	100

DIRECTORS' CONTINUAL PROFESSIONAL DEVELOPMENT

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

The Directors are also updated by the Company Secretary on any changes to legal and governance practices of the Group and which affect themselves as Directors at every Audit Committee and Board meetings.

The training programmes attended by some of the Directors during the year, include the following:-

1. Blue Ocean Strategy
2. Merger and Acquisition workshop
3. Business Continuity Awareness

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 Securities 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 will not be disclosed until the prescribed announcement to Bursa Securities has been made.

Statement Of Corporate Governance (cont'd)

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 Bursa Securities after scrutinized 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 Bursa Securities 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 Listing Requirements of Bursa Securities. 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 31 to 36 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 during the financial year 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 Listing Requirements of Bursa Securities is separately set out on pages 23 to 24 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 2009, 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. The management will also organize for the new director to visit the office premises and operations centre.

REMUNERATION, QUALITY & NOMINATING COMMITTEE ("RQN")

The RQN comprises of Dato' Pian bin Sukro, Encik Muhammad Fauzi bin Abd Ghani and Mr Michael Yee Kim Shing.

The principal roles of the RQN are, inter-alia, as follows: -

- (i) To review and recommend to the Board for approval, the remuneration packages for Executive Director/Chief Executive Officer.
- (ii) To review the remuneration packages for the Managing Directors' Council.

Statement Of Corporate Governance (cont'd)

- (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.
- (v) To review and recommend to the Board, the appointment of new Executive Director/Chief Executive Officer.

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 2009. The meeting was attended by Dato' Pian bin Sukro, Mr Michael Yee Kim Shing and Encik Muhammad Fauzi bin Abd Ghani.

All the Directors will continue to attend and undergo other relevant training programmes to further enhance their skills and knowledge where relevant. The Board of Directors will on a continuous basis, evaluate and determine the training needs of the Directors in the discharge of their duties as Director.

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. For the Financial Year 2009, the RQN reviewed the remuneration package of Executive Director/Chief Executive Officer that is Mr. Cheam Tat Inn.

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. During the year, the RQN reviewed the directors' fees and allowances for non-executive directors.

The remuneration of the Executive Director is based on his performance and contribution to the Group. On the other hand, the remuneration of the Non-Executive Directors is based on their respective experience, qualification and level of responsibilities undertaken by them.

The aggregate remuneration of the Directors during the financial year 2009 are categorized into appropriate components as follows:-

	Emoluments	Allowance	Fee	Bonuses	Benefits-in-Kind	Total (RM)
Executive Directors	560,000	67,200	-	-	48,797	675,997
Non-Executive Directors	-	31,500	182,250	-	-	213,750

Range of remuneration

	Number of Directors	
	Executive Director	Non-Executive Director
Below RM50,000	-	5
RM50,001 – RM100,000	-	1
RM100,001 – RM500,000	1	-
RM500,001 – RM1,000,000	1	-

The above disclosure is in full compliance with the Listing Requirements of Bursa Securities. Although the said disclosure does not fully comply with the requirements of the Securities Commission, the Board of Directors is of the view that sufficient information is contained therein.

Statement Of Corporate Governance (cont'd)

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 2009 and of the results and cash flows of the Company and the Group for the financial year then ended.

ADDITIONAL COMPLIANCE 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 involve interests of directors and major shareholders.

- **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**

There were no warrants exercised during the financial 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, a non-audit fee of RM 38,850 is paid to Ernst & Young Tax Consultants Sdn. Bhd. as tax agent services rendered during the financial year.

- **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 corporate proposals during the financial year.

Statement Of Corporate Governance (cont'd)

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

At the 19th AGM of the Company held on 28 August 2008, 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 2009 are set out below:-

Transaction	RM
Genting Group	200,983
HRM Business Consulting Sdn Bhd	354,000
	554,983

Relationship with Related Parties

Names of Related Party	Relationship
Genting Group (Genting Berhad and its subsidiary and associated companies)	Datuk Lim Chee Wah is the brother to Tan Sri Lim Kok Thay, the Chairman, President and Chief Executive Officer of the Genting Group.
HRM Business Consulting Sdn. Bhd. ("HRMBC") (51% owned by Dataprep)	Chew Liong Kim is a major shareholder and director of HRMBC. He was the Executive Director and Chief Executive Officer of Dataprep up to the date of his resignation on 30 June 2008.

Audit Committee Report

for the financial year ended 31 March 2009

1. COMPOSITION

There are three (3) Audit Committee members, all of whom 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)

* member of Malaysia Institute of Accountants

The Secretaries to the Audit Committee are Mr Tan Hock Chye and Ms Pauline Ng Peck Kun. (Ms Lee Seet Mei resigned as Company Secretary w.e.f. 14 January 2009).

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 after taking into consideration the recommendation of the Remuneration, Quality and Nominating ("RQN") Committee:

- 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 Non-Executive Directors as prescribed in the Listing Requirement of the Bursa Malaysia Securities Berhad ("BMSB");
- c. All members of the Committee should be Non-Executive Directors;
- d. All members of the Committee should be financially literate and 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; or
 - (iii) fulfils such other requirements as prescribed or approved by the Exchange.
- e. No alternate Directors shall be appointed as a member of the Committee;
- f. The members of the Committee shall elect a Chairman from among themselves who shall be an Independent Director;
- g. 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
- h. 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.

Audit Committee Report

for the financial year ended 31 March 2009 (cont'd)

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 ("IAU")
 - (i) the adequacy and relevance of the scope, functions, competency 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 cognizance of resignation of internal audit's staff and provide the resigning staff an opportunity to submit his/her reasons for resigning.
 - (vi) compliance with internal auditing standards and the Group's policy relating to conformity with laws and regulatory requirements.
 - (vii) adequacy of training of the IAU's staff.
 - (viii) coordination and cooperation between the internal and external auditors.
 - 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;
 - (iv) compliance with the accounting standards, regulatory and other legal requirements; and
 - (v) whether auditors report contain qualification which must be properly discussed and acted upon to remove cause of auditors concerns.
 - 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.

Audit Committee Report

for the financial year ended 31 March 2009 (cont'd)

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. The details of relevant training attended by each member;
- e. A summary of the activities of the Committee in the discharge of its functions and duties; and
- f. A summary of the activities of the IAU.

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. The statement relating to the IAU of the Group, i.e. whether the internal audit function is performed in-house or is outsourced and the costs incurred for the IAU in respect of the financial year; and
- e. 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 as well as with key executives. In this respect, the Chairman of the Committee should engage on a continuous basis with senior management, such as the Chairman of the Board, the Chief Executive Officer, the Finance Director, the Head of IAU and the external auditors in order to be kept informed on matters affecting the Company and the Group; 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.

Audit Committee Report

for the financial year ended 31 March 2009 (cont'd)

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 without the presence of the executive directors at least twice a year;
- f. The Committee shall, in accordance with a procedure to be determined by the Board and at the cost of the Group be able to convene meetings with external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the group, whenever deemed necessary.
- g. 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;
- h. Upon the request of any member of the Committee, non-member directors, the internal or the external auditors, the Chairman shall convene a meeting to consider the matters brought to its attention;
- i. 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;
- 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 Group has an in-house Internal Audit Unit which is independent of the activities it audits and reports directly to the Committee. The IAU assists the Committee in the discharge of its duties and responsibilities. The Committee is aware of the fact that an independent and adequately resourced internal audit function is essential to assist in obtaining the assurance it requires regarding the effectiveness of the system of internal controls. The cost of maintaining this unit for the financial year 2009 is approximately RM296,000.
- b. The Head of IAU shall have unrestricted access to the Committee members and report to the Committee whose scope of responsibility includes overseeing the development and establishments of the IAU.
- c. In respect of routine administrative matters, the Head of the IAU shall report to the Chief Executive Officer.
- d. The IAU shall need to regularly review and / or appraise the effectiveness of the risk management, internal control and governance processes within the Company and the Group.

Audit Committee Report

for the financial year ended 31 March 2009 (cont'd)

3. ATTENDANCE AT MEETINGS

The Committee met 4 times during the financial year ended 31 March 2009. The attendance record of the Committee members are 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	4
Dato' Pian bin Sukro	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 2009 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 the Senior Management, Audit Committee and Board members;
- 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 with Appendix 9C of the Listing Requirements of the BMSB for publication in the Company's Annual Report.

Audit Committee Report

for the financial year ended 31 March 2009 (cont'd)

5. INTERNAL AUDIT UNIT

The summary of activities of the Internal Audit function for the financial year ended 31 March 2009 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 Senior Management, Audit Committee and Board members;
- 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 with Appendix 9C of the Listing Requirements of the BMSB for publication in the Company's Annual Report.

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Directors' Report

DIRECTORS' REPORT

The Directors are presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2009.

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 15 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
Loss for the financial year	(5,813)	(36,932)
Attributable to:		
Equity holders of the Company	(5,611)	(36,932)
Minority interests	(202)	-
	(5,813)	(36,932)

There were no material transfers to or from reserves or provisions during the financial year, other than as disclosed in the financial statements.

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 as disclosed in 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)
 Datuk Lim Chee Wah
 Michael Yee Kim Shing
 Muhammad Fauzi bin Abd. Ghani
 Dato' Pian bin Sukro
 Leong How Seong
 Cheam Tat Inn
 Chew Liong Kim (Resigned on 30 June 2008)

Directors' Report (cont'd)

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

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 9 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 32 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 and warrants in the Company and related corporations during the financial year were as follows:

The Company	Number of Ordinary Shares of RM0.25 Each			
	At 1.4.2008	Acquired	Disposed	At 31.3.2009
Tan Sri Datuk Adzmi bin Abdul Wahab				
- Direct	206,900	-	-	206,900
Datuk Lim Chee Wah				
- Direct	1,062,500	-	-	1,062,500
- Indirect	203,385,046	-	-	203,385,046

Holding Company - VXL Holdings Sdn. Bhd.	Number of Ordinary Shares of RM1 Each			
	At 1.4.2008	Acquired	Disposed	At 31.3.2009
Datuk Lim Chee Wah				
- Indirect	1,000,000	-	-	1,000,000

The Company	Number of Warrants of RM0.25 Each			
	At 1.4.2008	Acquired	Disposed	At 31.3.2009
Tan Sri Datuk Adzmi bin Abdul Wahab				
- Indirect	39,225	-	-	39,225
Datuk Lim Chee Wah				
- Direct	140,625	-	-	140,625
- Indirect	18,374,402	-	-	18,374,402

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 and warrants of the Company and its related corporations during the financial year.

Directors' Report (cont'd)

ISSUE OF SHARES

There were no new issue of shares in the Company during the financial year.

WARRANTS

Pursuant to the Corporate Restructuring Scheme in previous financial year as disclosed in Note 33 to the financial statements, 47,011,834 free detachable Warrants were issued with one warrant for every four Rights Shares issued. The Rights Shares issued were on a renounceable basis of nine rights shares for every eight existing ordinary shares of RM0.25 each held. The exercise price of the warrants had been fixed at RM0.25 per new ordinary share of RM0.25 each. Warrant holders have until 20 September 2009 to exercise the warrants.

As at 31 March 2009, 200 free detachable Warrants were exercised and the balance of 47,011,634 still remain unexercised.

OTHER 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 there were no known bad debts 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.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
- (i) it necessary to write off any 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.

Directors' Report (cont'd)

OTHER STATUTORY INFORMATION (Cont'd)

- (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.

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 27 May 2009.

Tan Sri Datuk Adzmi bin Abdul Wahab
Chairman

Cheam Tat Inn
Chief Executive Officer

Income Statements

For The Financial Year Ended 31 March 2009

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Revenue	3	54,164	74,270	5,116	4,736
Cost of sales		(38,738)	(56,037)	-	-
Gross profit		15,426	18,233	5,116	4,736
Other income	4	1,213	17,226	701	785
Selling and distribution costs		(2,266)	(2,676)	-	-
Administrative expenses		(8,535)	(7,013)	(3,631)	(2,904)
Other expenses	5	(11,052)	(27,789)	(38,837)	(26,674)
Operating loss		(5,214)	(2,019)	(36,651)	(24,057)
Finance costs	6	(242)	(1,183)	(136)	(507)
Loss before tax	7	(5,456)	(3,202)	(36,787)	(24,564)
Taxation	10	(357)	(94)	(145)	-
Loss for the financial year		(5,813)	(3,296)	(36,932)	(24,564)
Attributable to:					
Equity holders of the Company		(5,611)	(2,737)	(36,932)	(24,564)
Minority interests		(202)	(559)	-	-
		(5,813)	(3,296)	(36,932)	(24,564)
Loss per share attributable to equity holders of the Company (sen):					
Basic	11	(1.58)	(1.17)		
Diluted	11	(1.58)	(1.17)		

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

Balance Sheets

As At 31 March 2009

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	12	5,512	5,105	668	648
Goodwill on consolidation	13	104	2,856	-	-
Intangible assets	14	492	904	389	721
Investment in subsidiaries	15	-	-	6,114	9,852
Other investments	16	151	151	-	-
Amounts due from subsidiaries	17	-	-	30,736	64,454
Deferred tax assets	18	2,815	2,955	-	-
		9,074	11,971	37,907	75,675
Current assets					
Inventories	19	1,122	1,464	-	-
Trade receivables	20	17,138	31,842	-	-
Other receivables	21	4,129	3,709	131	107
Tax recoverable		274	371	-	126
Cash and bank balances	23	32,175	35,257	20,288	23,828
		54,838	72,643	20,419	24,061
TOTAL ASSETS		63,912	84,614	58,326	99,736
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	24	89,037	89,037	89,037	89,037
Share premium		5,488	5,488	5,488	5,488
Merger deficit		(13,509)	(13,509)	-	-
Warrants	25	-	-	-	-
Capital reserve	26	51	51	-	-
Foreign exchange reserve		11	4	-	-
Irredeemable convertible unsecured loan stocks - equity component	27	-	-	-	-
(Accumulated losses)/Retained profits		(28,621)	(23,010)	(36,783)	149
		52,457	58,061	57,742	94,674
Minority interests		1,361	1,563	-	-
Total equity		53,818	59,624	57,742	94,674

Balance Sheets

As At 31 March 2009 (cont'd)

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Non-current liabilities					
Borrowings	28	211	426	211	-
Current liabilities					
Trade payables	30	4,603	11,897	-	-
Other payables	31	5,124	8,735	335	5,062
Borrowings	28	156	3,932	36	-
Provision for taxation		-	-	2	-
		9,883	24,564	373	5,062
Total liabilities		10,094	24,990	584	5,062
TOTAL EQUITY AND LIABILITIES		63,912	84,614	58,326	99,736

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

Consolidated Statement Of Changes In Equity

For The Financial Year Ended 31 March 2009

Group	Attributable to the Equity Holders of the Company									
	Share capital (Note 24) RM'000	Share premium RM'000	Warrants (Note 25) RM'000	Capital reserve (Note 26) RM'000	ICULS - equity component (Note 27) RM'000	Other reserves* RM'000	Accumulated losses RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
At 1 April 2007	76,118	15,738	3,030	51	28,566	(13,509)	(95,731)	14,263	2,122	16,385
Foreign exchange translation differences	-	-	-	-	-	4	-	4	-	4
Expiry of unexercised warrants	-	-	(3,030)	-	-	-	3,030	-	-	-
Net income recognised directly in equity	-	-	(3,030)	-	-	4	3,030	4	-	4
Loss for the financial year	-	-	-	-	-	-	(2,737)	(2,737)	(559)	(3,296)
Total recognised income and expense for the year	-	-	(3,030)	-	-	4	293	(2,733)	(559)	(3,292)
Issue of new ordinary shares on conversion of ICULS at RM0.38 each	22,367	6,199	-	-	(28,566)	-	-	-	-	-
Par value reduction	(57,089)	-	-	-	-	-	57,089	-	-	-
Share premium reduction	-	(15,667)	-	-	-	-	15,667	-	-	-
Issue of new ordinary shares pursuant to the exercise of ESOS	629	115	-	-	-	-	-	744	-	744
Issue of new ordinary shares pursuant to the Rights issue of shares	47,012	-	-	-	-	-	-	47,012	-	47,012
Expenses incurred in connection with issue of shares	-	(897)	-	-	-	-	-	(897)	-	(897)
Dividend paid to minority shareholder of a subsidiary	-	-	-	-	-	-	(328)	(328)	-	(328)
At 31 March 2008	89,037	5,488	-	51	-	(13,505)	(23,010)	58,061	1,563	59,624
At 1 April 2008	89,037	5,488	-	51	-	(13,505)	(23,010)	58,061	1,563	59,624
Foreign exchange translation differences	-	-	-	-	-	7	-	7	-	7
Net income recognised directly in equity	-	-	-	-	-	7	-	7	-	-7
Loss for the financial year	-	-	-	-	-	-	(5,611)	(5,611)	(202)	(5,813)
Total recognised income and expense for the year	-	-	-	-	-	7	(5,611)	(5,604)	(202)	(5,806)
At 31 March 2009	89,037	5,488	-	51	-	(13,498)	(28,621)	52,457	1,361	53,818

* Includes merger deficit of RM13,509,000.

Company Statement Of Changes In Equity

For The Financial Year Ended 31 March 2009 (cont'd)

	Note	Share capital (Note 24) RM'000	Share premium RM'000	Warrants (Note 25) RM'000	Attributable to the Equity Holders of the Company		Total Equity RM'000
					Non-Distributable	ICULS - equity component (Note 27) RM'000	
At 1 April 2007		76,118	15,738	3,030		28,566	72,379
Expiry of unexercised warrants		-	-	(3,030)			
Net income recognised directly in equity		-	-	(3,030)			
Loss for the financial year		-	-	-			
Total recognised income and expense for the year		-	-	(3,030)			
Issue of new ordinary shares on conversion of ICULS at RM0.38 each	27	22,367	6,199	-	(28,566)		
Par value reduction		(57,089)	-	-			
Share premium reduction		-	(15,667)	-			
Issue of new ordinary shares pursuant to the exercise of ESOS		629	115	-			
Issue of new ordinary shares pursuant to the Rights issue of shares		47,012	-	-			
Expenses incurred in connection with issue of shares		-	(897)	-			
At 31 March 2008		89,037	5,488	-	-	149	94,674
At 1 April 2008		89,037	5,488	-	-	149	94,674
Loss for the financial year, representing total recognised income and expense for the year		-	-	-	-	(36,932)	(36,932)
At 31 March 2009		89,037	5,488	-	-	(36,783)	57,742

* Distributable

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

Cash Flow Statements

For The Financial Year Ended 31 March 2009

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Cash Flows from Operating Activities				
Loss before taxation	(5,456)	(3,202)	(36,787)	(24,564)
Adjustments for:				
Depreciation of property, plant and equipment	1,482	1,042	142	90
Amortisation of intangible assets	428	467	335	339
Impairment loss of investment in subsidiaries	-	-	3,738	24,713
Impairment loss on goodwill	2,752	-	-	-
Loss/(gain) on disposal of property, plant and equipment	51	(1)	49	-
Property, plant and equipment written off	5	11	-	-
Provision for doubtful debts	1,578	21,385	33,131	-
Provision for doubtful debts written back	(4)	(170)	-	-
Debts written off	2	-	-	-
Provision for obsolete stocks	147	262	-	-
Reversal of accrued costs no longer required (Note 4)	-	(15,610)	-	-
Interest expense	242	1,183	136	507
Interest income	(919)	(615)	(639)	(772)
Operating profit before working capital changes	308	4,752	105	313
Decrease in inventories	195	400	-	-
Decrease/(increase) in receivables	8,761	1,518	(24)	(423)
Decrease in payables	(6,505)	(15,290)	(4,247)	(4,117)
Decrease/(increase) in net amounts due from subsidiaries	-	-	586	(19,646)
Cash generated from/(used in) operations carried forward	2,759	(8,620)	(3,580)	(23,873)
Tax paid	(120)	(38)	(17)	(126)
Interest received	918	615	639	772
Interest paid	(687)	(1,199)	(618)	(586)
Net cash generated from/(used in) operating activities	2,870	(9,242)	(3,576)	(23,813)
Cash Flows from Investing Activities				
Purchase of property, plant and equipment	(1,844)	(2,274)	(60)	(294)
Purchase of intangible assets	(16)	(5)	(3)	-
Proceeds from disposal of property, plant and equipment	174	2	127	-
Net cash (used in)/generated from investing activities	(1,686)	(2,277)	64	(294)

Cash Flow Statements

For The Financial Year Ended 31 March 2009 (cont'd)

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Cash Flows from Financing Activities				
Dividend paid to minority shareholders	-	(328)	-	-
Drawdown of borrowings	553	11,815	-	-
Repayment of borrowings	(3,386)	(24,457)	-	-
Repayment of hire purchase and lease financing	(1,433)	(1,002)	(28)	-
Proceeds from issuance of ESOS	-	744	-	744
Proceeds from issuance of rights issue	-	47,012	-	47,012
Repayment of liability portion of ICULS	-	(438)	-	(438)
Net cash (used in)/generated from financing activities	(4,266)	33,346	(28)	47,318
Net (decrease)/increase in cash and cash equivalents	(3,082)	21,827	(3,540)	23,211
Cash and cash equivalents at beginning of year	35,257	13,430	23,828	617
Cash and cash equivalents at end of year (Note 23)	32,175	35,257	20,288	23,828

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

Notes To The Financial Statements - 31 March 2009

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 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 15.

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 27 May 2009.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

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

At the beginning of the current financial year, the Group and the Company had adopted new and amended FRSs which are mandatory for financial periods beginning on or after 1 April 2008 as described fully in Note 2.3.

The financial statements of the Group and of the Company for the financial years ended 31 March 2008 and 31 March 2009 have also been prepared on the historical cost basis except for certain subsidiaries that have been prepared on break-up basis for the financial year ended 31 March 2009.

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 accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

Notes To The Financial Statements - 31 March 2009 (cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Summary of Significant Accounting Policies (cont'd)

(a) Subsidiaries and Basis of Consolidation (cont'd)

(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 purchase 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.

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.

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.

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 received 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.

Notes To The Financial Statements - 31 March 2009 (cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Summary of Significant Accounting Policies (cont'd)

(b) Intangible Assets (cont'd)

(ii) Other intangible assets

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.

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.

Notes To The Financial Statements - 31 March 2009 (cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Summary of Significant Accounting Policies (cont'd)

(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.

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.

Notes To The Financial Statements - 31 March 2009 (cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Summary of Significant Accounting Policies (cont'd)

(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.

(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) Receivables

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) Payables

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.

Notes To The Financial Statements - 31 March 2009 (cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Summary of Significant Accounting Policies (cont'd)

(g) Financial Instruments (cont'd)

(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.

(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 lease 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).

Notes To The Financial Statements - 31 March 2009 (cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Summary of Significant Accounting Policies (cont'd)

(h) Leases (cont'd)

(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.

(i) 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.

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.

Notes To The Financial Statements - 31 March 2009 (cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Summary of Significant Accounting Policies (cont'd)

(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 Employee Share Options Scheme ("ESOS"), an equity-settled, share-based compensation plan, allows the Group's employees to acquire ordinary shares of the Company. The total fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in the share option reserve within equity over the vesting period and taking into account the probability that the options will vest. The fair value of share options is measured at grant date, taking into account, if any, the market vesting conditions upon which the options were granted but excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on vesting date.

At each balance sheet date, the Group revises its estimates of the number of options that are expected to become exercisable on 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 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.

(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.

Notes To The Financial Statements - 31 March 2009 (cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Summary of Significant Accounting Policies (cont'd)

(m) Foreign Currencies (cont'd)

(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. These 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 Company's net investment in foreign operation are recognised in profit or loss in the Company's separate 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.

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.

Notes To The Financial Statements - 31 March 2009 (cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Summary of Significant Accounting Policies (cont'd)

(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 Effects Arising from Adoption of New and Amended Financial Reporting Standards ("FRSs")

On 1 April 2008, the Company adopted the following amendments to FRS and Interpretations for financial periods beginning on or after 1 April 2008:

FRS 107: Cash Flow Statements

FRS 111: Construction Contracts

FRS 112: Income Taxes

FRS 118: Revenue

FRS 120: Accounting for Government Grants and Disclosure of Government Assistance

FRS 134: Interim Financial Reporting

FRS 137: Provisions, Contingent Liabilities and Contingent Assets

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

IC Interpretation 1: Changes in Existing Decommissioning, Restoration and Similar Liabilities

IC Interpretation 2: Members' Shares in Co-operative Entities and Similar Instruments

IC Interpretation 5: Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds

IC Interpretation 6: Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment

IC Interpretation 7: Applying the Restatement Approach under FRS 1292004 - Financial Reporting in Hyperinflationary Economies

IC Interpretation 8: Scope of FRS 2

Notes To The Financial Statements - 31 March 2009 (cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Effects Arising from Adoption of New and Amended Financial Reporting Standards ("FRSs") (cont'd)

The revised FRS, amendment to FRS and Interpretations do not have any significant impact on the financial statements of the Group and the Company.

At the date of authorisation of these financial statements, the following new 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 4: Insurance Contracts	1 January 2010
FRS 7: Financial Instruments: Disclosures	1 January 2010
FRS 8: Operating Segments	1 July 2009
FRS 139: Financial Instruments - Recognition and Measurement	1 January 2010
IC Interpretation 9: Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10: Interim Financial Reporting and Impairment	1 January 2010

The above new FRS and Interpretations are expected to have no significant impact on the financial statements of the Group upon their initial application except for the changes in disclosures arising from the adoption of FRS 7 and FRS 8.

The Group and the Company is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 139.

2.4 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 is 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 2009 was RM104,000 (2008: RM2,856,000).

(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.

Notes To The Financial Statements - 31 March 2009 (cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.4 Significant Accounting Estimates and Judgements (cont'd)

(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 RM12,984,000 (2008: RM14,156,000) and the unrecognised tax losses, capital allowances and other deductible temporary differences of the Group was RM52,662,000 (2008: RM50,619,000).

(iv) Allowance for doubtful debts

The Group makes an allowance for doubtful debts based on an assessment of the recoverability of receivables. Provisions are applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. In assessing the extent of irrecoverable debts, the management has given due consideration to all pertinent information relating to the ability of the debtors to settle the debts. Where the expectation is different from the original estimate, such difference will impact the carrying value of the receivables. As at 31 March 2009, RM22,977,000 (2008: RM21,403,000) was provided for as allowance for doubtful debts.

(v) Long term contracts

The Group recognises long term contracts revenue and expenses in the income statement by using the stage of completion method. The stage of completion is determined by the proportion that long term contracts costs incurred for work performed to date bear to the estimated total long term contracts costs.

Significant judgement is required in determining the stage of completion, the extent of the contracts costs incurred, the estimated total contracts revenue, accrued billings and costs, as well as the recoverability of the amount due from contract customers.

3. REVENUE

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Consulting and integration services	1,927	3,685	-	-
Outsourcing and managed services	49,637	68,863	-	-
Business process outsourcing services	2,600	1,722	-	-
Management services	-	-	5,116	4,736
	54,164	74,270	5,116	4,736

Notes To The Financial Statements - 31 March 2009 (cont'd)

4. OTHER INCOME

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Reversal of accrued costs no longer required (Note 5(b))	-	15,610	-	-
Interest income on:				
- deposits	919	615	576	359
- advance to a subsidiary	-	-	63	413
Incentive from suppliers	45	17	-	-
Debts recovered	-	637	29	-
Miscellaneous	249	347	33	13
	1,213	17,226	701	785

5. OTHER EXPENSES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Impairment loss of investment in subsidiaries	-	-	3,738	24,713
Provision for doubtful debts	1,578	21,385	33,131	-
Depreciation of property, plant and equipment	1,482	1,042	142	90
Amortisation of intangible assets	428	467	335	339
Impairment loss on goodwill	2,752	-	-	-
Miscellaneous	4,812	4,895	1,491	1,532
	11,052	27,789	38,837	26,674

(a) Impairment loss of investment in subsidiaries in the previous financial year

Pursuant to the Corporate Restructuring Scheme (Note 33) which was completed in the previous financial year, the par value of the ordinary shares and the share premium account were reduced which gave rise to a total credit of RM72,756,000. This credit was utilised to set-off the accumulated losses of the Company then prevailing and the balance of RM24,713,000 was adjusted for impairment loss of investment in subsidiaries.

(b) Provision for doubtful debts in the previous financial year

In the previous financial year, a subsidiary of the Company was awarded an overseas contract through a main local contractor for the supply of IT equipment for a total contract sum of RM122,500,000. In accordance with the Letter of Award by the contractor, an amount of RM18,375,000 was billed for mobilization fees by the subsidiary. At the same time, a provision for accrued costs of RM15,610,000 was recognised by the subsidiary. An advance of RM3,000,000 was also made to the contractor to help defray project set-up costs.

Due to unforeseen events beyond the control of the subsidiary, there are serious doubts as to the continuation of this overseas project. Accordingly, the Board has deemed it prudent to provide for doubtful debts of RM21,375,000 which form part of the above provision that comprising of the initial billings of RM18,375,000 (Note 20) and the RM3,000,000 (Note 21) advances extended to the project and also a reversal of the provision for accrued cost of RM15,610,000 (Note 4) that is no longer required.

Notes To The Financial Statements - 31 March 2009 (cont'd)

6. FINANCE COSTS

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Interest expense on:				
- ICULS (liability component)	-	35	-	35
- term loan	-	273	-	-
- trust receipts	-	7	-	-
- bankers' acceptances	72	252	-	-
- bank overdraft	-	58	-	-
- hire purchase and finance lease liabilities	43	86	9	-
- advance from a related company	127	472	127	472
	242	1,183	136	507

7. LOSS BEFORE TAX

In addition to the disclosures in Notes 4, 5 and 6, the following amounts have been included in arriving at loss before tax:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Employee benefits expense (Note 8)	20,626	19,789	3,630	2,903
Auditors' remuneration				
- statutory audit	97	97	18	18
Provision for doubtful debts written back	(4)	(170)	-	-
Debts written off	2	-	-	-
Debts recovered	-	-	(29)	-
Dividend received from a subsidiary	-	-	-	467
Net foreign exchange losses/(gains)				
- realised	10	(46)	-	4
Non-executive directors' remuneration (Note 9)	214	158	214	158
Provision for obsolete stocks	147	262	-	-
Property, plant and equipment written off	5	11	-	-
Loss/(gain) on disposal of property, plant and equipment	51	(1)	49	-
Rental of:				
- premises	1,233	1,279	242	174
- equipment	59	36	14	1

Notes To The Financial Statements - 31 March 2009 (cont'd)

8. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Wages and salaries	17,527	17,012	3,079	2,450
Social security contributions	195	186	25	19
Contributions to a defined contribution plan	2,048	1,963	352	288
Other staff related expenses	856	628	174	146
	20,626	19,789	3,630	2,903

Included in employee benefits expense of the Group and of the Company are Executive Directors' remuneration (excluding benefits-in-kind) amounting to RM1,478,000 (2008: RM1,684,000) and RM627,000 (2008: RM538,000) respectively as further disclosed in Note 9.

9. DIRECTORS' REMUNERATION

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Directors of the Company				
Executive Directors' remuneration (Note 8):				
- Salaries, commission and incentives	560	480	560	480
- Contributions to a defined contribution plan	67	58	67	58
	627	538	627	538
Directors of subsidiaries				
Executive Directors' remuneration (Note 8):				
- Salaries, commission and incentives	759	1,022	-	-
- Contributions to a defined contribution plan	91	123	-	-
- Social security contributions	1	1	-	-
	851	1,146	-	-
Directors of the Company				
Non-Executive Directors' remuneration (Note 7):				
- Fees	182	130	182	130
- Allowances	32	28	32	28
	214	158	214	158
Total Directors' remuneration	1,692	1,842	841	696
Estimated money value of benefits-in-kind	97	111	49	46
Total Directors' remuneration including benefits-in-kind	1,789	1,953	890	742

Notes To The Financial Statements - 31 March 2009 (cont'd)

9. 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	
	2009	2008
Executive Directors:		
RM150,001 to RM200,000	1*	-
RM500,001 to RM550,000	1	-
RM550,001 to RM600,000	-	1
Non-executive directors:		
RM1 to RM50,000	5	6
RM50,001 to RM100,000	1	-

* Director resigned on 30 June 2008

10. TAXATION

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Malaysian income tax:				
Current income tax	103	60	19	-
Under/(over) provision in prior years	114	(186)	126	-
	217	(126)	145	-
Deferred tax (Note 16):				
Relating to origination and reversal of temporary differences	(236)	170	-	-
Relating to changes in tax rates	-	121	-	-
Under/(over) provision in prior years	376	(71)	-	-
	140	220	-	-
Total income tax expense	357	94	145	-

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 17% (2008: 18%).

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2008: 26%) of the estimated assessable profit for the year. In the prior year, certain subsidiaries of the Company being Malaysian resident companies with paid-up capital of RM2.5 million or less qualified for the preferential tax rates under Paragraph 2A, Schedule 1 of the Income Tax Act, 1967 as follows:

On the first RM500,000 of chargeable income	: 20%
In excess of RM500,000 of chargeable income	: 26%

However, pursuant to Paragraph 2B, Schedule 1 of the Income Tax Act, 1967 that was introduced with effect from the year of assessment 2009, the subsidiaries of the Company no longer qualify for the above preferential tax rates.

Notes To The Financial Statements - 31 March 2009 (cont'd)

10. TAXATION (Cont'd)

A reconciliation of the income tax expense applicable to 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	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Loss before taxation	(5,456)	(3,202)	(36,787)	(24,564)
Taxation at Malaysian statutory tax rate of 25% (2008: 26%)	(1,364)	(833)	(9,197)	(6,387)
Different tax rate in Singapore	1	1	-	-
Effect on changes in tax rates on opening balance of deferred tax	-	121	-	-
Tax incentive obtained for a differential tax rate of 20%	-	31	-	-
Expenses not deductible for tax purposes	825	461	9,290	6,540
Income not subject to taxation	(96)	(197)	(103)	(197)
Utilisation of previously unrecognised unabsorbed capital allowances and unutilised tax losses	(10)	(194)	-	(54)
Deferred tax asset not recognised in respect of current year's tax losses, unabsorbed capital allowances and other deductible temporary differences	511	1,013	29	98
Deferred tax asset recognised on previously unrecognised tax losses	-	(52)	-	-
Under/(over) provision of tax expense in respect of prior years	114	(186)	126	-
Under/(over) provision of deferred tax in prior years	376	(71)	-	-
Income tax expense for the financial year	357	94	145	-

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Tax savings recognised during the financial year arising from:				
Utilisation of previously unrecognised unabsorbed capital allowances and unutilised tax losses	10	194	-	54
	10	194	-	54

Notes To The Financial Statements - 31 March 2009 (cont'd)

11. LOSS PER SHARE

(a) Basic

Basic loss per share amounts are calculated by dividing the 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	
	2009	2008
Loss attributable to ordinary equity holders of the Company (RM'000)	(5,611)	(2,737)
Weighted average number of ordinary shares in issue ('000)	356,148	234,000
Basic loss per share for the financial year (sen)	(1.58)	(1.17)

(b) Diluted

Diluted loss per share of the Group is calculated by dividing the (loss)/profit for the financial year 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 Warrants which represents the dilutive potential of the ordinary shares.

The effect on the basic loss per share for the current financial year arising from the assumed conversion of the Warrants is anti-dilutive. Accordingly, the diluted loss per share for the current year is presented as equal to basic loss per share.

12. 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 2009					
Cost					
At 1 April 2008	10,120	4,518	345	781	15,764
Additions	439	1,331	309	40	2,119
Disposal	(423)	(106)	(257)	-	(786)
Write-off	-	(9)	-	-	(9)
At 31 March 2009	10,136	5,734	397	821	17,088
Accumulated depreciation					
At 1 April 2008	7,207	2,849	122	481	10,659
Depreciation charge for the financial year	711	616	49	106	1,482
Disposal	(422)	(58)	(81)	-	(561)
Write-off	-	(4)	-	-	(4)
At 31 March 2009	7,496	3,403	90	587	11,576
Net Book Value					
At 31 March 2009	2,640	2,331	307	234	5,512

Notes To The Financial Statements - 31 March 2009 (cont'd)

12. 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					
At 31 March 2008					
Cost					
At 1 April 2007	9,040	3,558	299	608	13,505
Additions	1,082	960	46	186	2,274
Disposal	(2)	-	-	-	(2)
Write-off	-	-	-	(13)	(13)
At 31 March 2008	10,120	4,518	345	781	15,764
Accumulated Depreciation					
At 1 April 2007	6,576	2,566	107	371	9,620
Depreciation charge for the financial year	632	283	15	112	1,042
Disposal	(1)	-	-	-	(1)
Write-off	-	-	-	(2)	(2)
At 31 March 2008	7,207	2,849	122	481	10,659
Net Book Value					
At 31 March 2008	2,913	1,669	223	300	5,105
Company					
At 31 March 2009					
Cost					
At 1 April 2008	621	165	257	10	1,053
Additions	9	5	309	12	335
Transfer from a subsidiary	3	-	-	-	3
Disposal	(12)	-	(257)	-	(269)
At 31 March 2009	621	170	309	22	1,122
Accumulated Depreciation					
At 1 April 2008	200	126	78	1	405
Depreciation charge for the financial year	72	26	40	4	142
Disposal	(12)	-	(81)	-	(93)
At 31 March 2009	260	152	37	5	454
Net Book Value					
At 31 March 2009	361	18	272	17	668

Notes To The Financial Statements - 31 March 2009 (cont'd)

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

Company	Computer equipment RM'000	Furniture, fittings, office and EDC equipment RM'000	Motor vehicles RM'000	Renovation RM'000	Total RM'000
At 31 March 2008					
Cost					
At 1 April 2007	339	160	257	3	759
Additions	282	5	-	7	294
At 31 March 2008	621	165	257	10	1,053
Accumulated Depreciation					
At 1 April 2007	157	116	42	-	315
Depreciation charge for the financial year	43	33	13	1	90
Reclassification	-	(23)	23	-	-
At 31 March 2008	200	126	78	1	405
Net Book Value					
At 31 March 2008	421	39	179	9	648

Included within property, plant and equipment of the Group are the cost of fully depreciated assets, which are still in use amounting to RM7,771,000 (2008: RM7,202,000).

During the financial year, the Group and the Company acquired property, plant and equipment at aggregate cost of RM2,119,000 (2008: RM2,274,000) and RM335,000 (2008: RM294,000) respectively of which RM275,000 (2008: RM Nil) of the Group and of the Company was acquired by means of hire purchase arrangement. Net carrying amount of the property, plant and equipment held under hire purchase arrangements are as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
EDC equipment	406	584	-	-
Motor vehicles	272	-	272	-
	678	584	272	-

Details of terms and conditions of the hire purchase arrangements are disclosed in Note 29.

Notes To The Financial Statements - 31 March 2009 (cont'd)

13. GOODWILL ON CONSOLIDATION

	Group	
	2009	2008
	RM'000	RM'000
At 1 April 2008/2007	2,856	2,856
Less: Accumulated impairment losses	(2,752)	-
At 31 March	104	2,856

14. INTANGIBLE ASSETS

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Cost				
At 1 April 2008/2007	3,902	3,897	1,702	1,702
Addition	16	5	3	-
At 31 March	3,918	3,902	1,705	1,702
Accumulated Amortisation				
At 1 April 2008/2007	2,998	2,531	981	642
Charge for the financial year	428	467	335	339
At 31 March	3,426	2,998	1,316	981
Net Book Value				
At 31 March	492	904	389	721

15. INVESTMENT IN SUBSIDIARIES

	Company	
	2009	2008
	RM'000	RM'000
Unquoted shares, at cost	54,163	54,163
Less: Accumulated impairment losses	(48,049)	(44,311)
	6,114	9,852

Included in the accumulated impairment losses is an amount of RM24,713,000 being the adjustment by way of utilising part of the credit which resulted from the par value and the share premium reduction in the previous financial year as disclosed in Note 5(a).

Notes To The Financial Statements - 31 March 2009 (cont'd)

15. INVESTMENT IN SUBSIDIARIES (Cont'd)

Details of the subsidiaries are as follows:

Name	Country of incorporation	Company's effective interest		Principal Activities
		2009 %	2008 %	
Dataprep (Malaysia) Sendirian Berhad*	Malaysia	100	100	Provision of IT outsourcing and managed services.
Solsis (M) Sdn. Bhd.*	Malaysia	55	55	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.* ^ ("HRMBC")	Malaysia	51	51	Provision of consultancy and integration services.
Dataprep Distribution Sdn. Bhd. (in liquidation)	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	100	Provision of information technology services and solutions.
HRMBC Franchise Advisory Sdn. Bhd.* # ^	Malaysia	33	33	Dormant.

* Audited by Ernst & Young, Malaysia

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

^ Subsequent to the financial year, Dataprep Holdings Berhad issued an official letter to HRMBC and its subsidiary, HRMBCFA ("HRMBC Group") notifying that it will not continue to provide any further financial support. As such, the financial statements of HRMBC Group as at 31 March 2009 have been prepared on break-up basis.

Notes To The Financial Statements - 31 March 2009 (cont'd)

16. OTHER INVESTMENTS

	Group	
	2009 RM'000	2008 RM'000
Club memberships, at cost	210	210
Less: Accumulated impairment losses	(59)	(59)
	151	151

17. AMOUNTS DUE FROM SUBSIDIARIES

	Company	
	2009 RM'000	2008 RM'000
Amount due from subsidiaries	68,043	68,630
Less: Provision for doubtful debts	(37,307)	(4,176)
	30,736	64,454

The amounts due from the subsidiaries are unsecured and no repayment is expected within the next 12 months. They are interest free except for an amount of RM Nil (2008: RM18,445,000) due from subsidiaries which bears interest of Nil % (2008: 5.8%) per annum.

18. DEFERRED TAX ASSETS

	Group	
	2009 RM'000	2008 RM'000
At 1 April 2008/2007	2,955	3,175
Recognised in income statement (Note 10)	(140)	(220)
At 31 March	2,815	2,955
Presented after appropriate offsetting as follows:		
Deferred tax assets	3,311	3,674
Deferred tax liabilities	(496)	(719)
	2,815	2,955

Notes To The Financial Statements - 31 March 2009 (cont'd)

18. DEFERRED TAX ASSETS (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 Assets of the Group:

	Unused Tax Losses and Unabsorbed Capital Allowances RM'000	Provisions RM'000	Total RM'000
At 1 April 2008	3,539	135	3,674
Recognised in the income statement	(293)	(70)	(363)
At 31 March 2009	3,246	65	3,311
At 1 April 2007	3,439	162	3,601
Recognised in the income statement	100	(27)	73
At 31 March 2008	3,539	135	3,674

Deferred Tax Liabilities of the Group:

	Accelerated Capital Allowances RM'000	Total RM'000
At 1 April 2008	719	719
Recognised in the income statement	(223)	(223)
At 31 March 2009	496	496
At 1 April 2007	426	426
Recognised in the income statement	293	293
At 31 March 2008	719	719

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

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Unutilised tax losses	49,664	47,774	11,465	11,465
Unabsorbed capital allowances	2,941	2,575	1,966	1,858
Other deductible temporary differences	57	270	41	36
	52,662	50,619	13,472	13,359

Deferred tax assets have not been recognised in respect of these items as they have arisen in the 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 does not expect to achieve significant profits sufficient to offset these items in the longer-term.

Notes To The Financial Statements - 31 March 2009 (cont'd)

19. INVENTORIES

	Group	
	2009 RM'000	2008 RM'000
At cost		
Computer equipment, spares and supplies	2,116	2,114
EDC equipment and thermal roll paper	152	194
Work in progress	43	198
	2,311	2,506
Provision for obsolete stocks		
At 1 April 2008/2007	(1,042)	(1,484)
Addition	(147)	(262)
Write off	-	704
At 31 March	(1,189)	(1,042)
	1,122	1,464

The cost of inventories recognised as an expense during the financial year of the Group amounted to RM3,719,000 (2008: RM7,930,000)

20. TRADE RECEIVABLES

	Group	
	2009 RM'000	2008 RM'000
At cost		
Trade receivables	35,870	47,650
Due from customers on contracts (Note 22)	1,235	2,585
	37,105	50,235
Provision for doubtful debts		
At 1 April 2008/2007	(18,393)	(377)
Addition	(1,578)	(18,375)
Write back	4	170
Write off	-	189
At 31 March	(19,967)	(18,393)
	17,138	31,842

Notes To The Financial Statements - 31 March 2009 (cont'd)

20. TRADE RECEIVABLES (Cont'd)

The Group's policy requires trade receivables to be collected within 90 days (2008: 90 days). Other credit terms given to trade receivables are assessed and approved on a case-by-case basis.

The additional provision for doubtful debts of RM18,375,000 in the previous financial year was in respect of an overseas contract awarded to a subsidiary, details of which are disclosed in Note 5(b).

The Group has significant concentration of credit risk that may arise from RM22,945,000 (2008: RM22,846,000) exposures to 3 (2008: 2) debtors.

21. OTHER RECEIVABLES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Prepayments	2,761	2,241	102	78
Prepaid interest	22	59	-	-
Deposits	426	404	14	14
Advances to employees	34	35	-	-
Other advances	3,000	3,000	-	-
Interest income receivable	20	19	-	-
Sundry receivables	876	961	15	15
	7,139	6,719	131	107
Provision for doubtful debts	(3,010)	(3,010)	-	-
	4,129	3,709	131	107

Included in the provision for doubtful debts of RM3,010,000 (2008: RM3,010,000) is a provision of RM3,000,000 (2008: RM3,000,000) for an advance to a main local contractor in connection with an overseas contract awarded to a subsidiary, details of which are disclosed in Note 5(b).

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

22. DUE FROM/(TO) CUSTOMERS ON CONTRACTS

	Group	
	2009 RM'000	2008 RM'000
Contract costs incurred to date	76,801	63,622
Attributable profits	12,525	10,954
	89,326	74,576
Less: Progress billings	(88,741)	(76,556)
	585	(1,980)
Due from customers on contracts (Note 20)	1,235	2,585
Due to customers on contracts (Note 30)	(650)	(4,565)
	585	(1,980)
Contract costs recognised as expense	10,740	20,797

Notes To The Financial Statements - 31 March 2009 (cont'd)

23. CASH AND BANK BALANCES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Deposits with:				
- Licensed Commercial Banks	9,997	8,843	66	64
- Licensed Investment Bank	20,027	23,296	20,027	23,296
Cash and bank balances	2,151	3,118	195	468
	32,175	35,257	20,288	23,828

The deposits of RM6,797,000 (2008: RM7,543,000) for the Group and RM66,000 (2008: RM64,000) for the Company are pledged as security for credit facilities granted to the Group as disclosed in Note 28.

The range of the deposits interest rates as at the end of the financial year was as follows:

	Group		Company	
	2009 %	2008 %	2009 %	2008 %
- Licensed Commercial Banks	2.00 - 3.90	2.00 - 3.00	2.00	2.00
- Licensed Investment Bank	3.73	3.93	3.73	3.93

The range of the deposits maturities as at the end of the financial year was as follows:

	Group		Company	
	2009 Days	2008 Days	2009 Days	2008 Days
- Licensed Commercial Banks	17 - 602	6 - 967	17	6
- Licensed Investment Bank	16	22	16	22

24. SHARE CAPITAL

	Group and Company			
	Number of Ordinary Shares of RM0.25 each		Amount	
	2009 '000	2008 '000	2009 RM'000	2008 RM'000
Authorised:				
At beginning of financial year	2,000,000	500,000	500,000	500,000
Increase during the year	-	1,500,000	-	*
At end of financial year	2,000,000	2,000,000	500,000	500,000

Notes To The Financial Statements - 31 March 2009 (cont'd)

24. SHARE CAPITAL (Cont'd)

	Group and Company			
	Number of Ordinary Shares of RM0.25 each		Amount	
	2009 '000	2008 '000	2009 RM'000	2008 RM'000
Issued:				
At beginning of financial year	356,148	76,118	89,037	76,118
Par Value Reduction	-	-	-	(57,089)
Issue of new shares:				
- ICULS (i) & (Note 27)	-	89,467	-	22,367
- Rights issue (ii)	-	188,047	-	47,012
- ESOS (iii)	-	2,516	-	629
At end of financial year	356,148	356,148	89,037	89,037

* Note 24 (b)

- (a) There were no new issue of shares in the Company during the financial year.
- (b) Pursuant to a court order dated 21 June 2007, the par value of the Company's ordinary shares was reduced from RM1.00 per share to RM0.25 per share by the cancellation of RM0.75 of the par value of each share in accordance with the Corporate Restructuring Scheme which was completed in the previous financial year (Note 33). Consequently, the authorised share capital was increased from 500,000,000 ordinary shares to 2,000,000,000 ordinary shares of RM0.25 per share.
- (c) In the previous financial year, the issued and paid-up share capital of the Company was increased from 76,118,087 to 356,148,288 ordinary shares by way of:
- (i) the mandatory conversion of the expired 4%, five - year Irredeemable Convertible Unsecured Loan Stocks 2002/2007 ("4% ICULS-5") into ordinary shares of 89,467,157 of RM0.25 each at a conversion price of RM0.38 per ICULS.
 - (ii) the issuance of 188,047,339 right shares of RM0.25 each at an issue price of RM0.25 per share for cash together with 47,011,834 free detachable warrants, on a renounceable basis of nine rights shares for every eight existing ordinary shares of RM0.25 each held, with one warrant for every four rights shares issued.
 - (iii) the exercise of ESOS:
 - a) issuance of 513,000 new ordinary shares of RM0.25 each, for cash, at the exercise price of RM0.40 per ordinary share;
 - b) issuance of 627,866 new ordinary shares of RM0.25 each, for cash, at the exercise price of RM0.31 per ordinary share; and
 - c) issuance 1,374,839 new ordinary shares of RM0.25 each, for cash, at the exercise price of RM0.25 per ordinary share.

The new ordinary shares issued in the previous financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

Notes To The Financial Statements - 31 March 2009 (cont'd)

25. WARRANTS

(a) Warrants of RM0.20 each

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 unexercised and had expired and lapsed on 27 June 2007 and the reserve of RM3,030,000 arising therefrom was credited to the accumulated losses in the previous financial year.

(b) Warrants of RM0.25 each

Pursuant to the Corporate Restructuring Scheme in the previous financial year as disclosed in Note 33, 47,011,834 free detachable Warrants were issued with one warrant for every four Rights Shares issued. The Rights Shares issued were on a renounceable basis of nine rights shares for every eight existing ordinary shares of RM0.25 each held. The exercise price of the warrants had been fixed at RM0.25 per new ordinary share of RM0.25 each.

Warrant holders have until 20 September 2009 to exercise the warrants.

As at 31 March 2009, 200 (2008: 200) free detachable Warrants were exercised and the balance of 47,011,634 (2008: 47,011,634) still remain unexercised.

26. 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.

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

The ICULS is recognised in the balance sheet as follows:

	Group and Company	
	2009	2008
	RM'000	RM'000
Face value of ICULS at 1 April 2008/2007	-	35,911
Conversion to shares during the financial year	-	(28,566)
Face value of ICULS at 31 March	-	7,345
Deemed repayment of ICULS liability component	-	(7,345)
Total equity and liability component	-	-

(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 year ICULS in the Company at 100% nominal amount of RM1 each which was mandatorily converted to ordinary shares of RM1.00 each on 5 August 2005; and
- (ii) 34,062,520 nominal amount of 4.00% five year ICULS in the Company at 100% nominal amount of RM1 each.

Notes To The Financial Statements - 31 March 2009 (cont'd)

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

The movements of the ICULS since inception are as follows:

	Total RM'000	Equity RM'000	Liability RM'000
Fair value of ICULS issued on 6 August 2002			
- three year 4.00% 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	(56,717)	(55,279)	(1,438)
Repayment of liability component	(7,345)	-	(7,345)
Reclassification	-	(250)	250
At 1 April 2008/31 March 2009	-	-	-

(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. As a consequence to the Corporate Restructuring Scheme (Note 33), the conversion price was adjusted to RM0.38 per ICULS for one ordinary share of RM0.25 each;
- (iii) The ICULS will be mandatorily converted into new ordinary shares of the Company at the conversion price of RM0.38 per ICULS for one ordinary share of RM0.25 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) 4% five years ICULS of RM0.25 each expired on 6 August 2007 and was mandatorily converted into ordinary shares of 89,467,158 of RM0.25 each at a conversion price of RM0.38 per ICULS. The premium arising from the ICULS conversion of RM6,200,000 has been credited to the share premium account in the previous financial year.

Notes To The Financial Statements - 31 March 2009 (cont'd)

28. BORROWINGS

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Short term borrowings:				
Secured:				
Bankers' acceptances	-	2,833	-	-
Unsecured:				
Hire purchase and finance lease liabilities (Note 29)	156	1,099	36	-
	156	3,932	36	-
Long term borrowings:				
Unsecured:				
Hire purchase and finance lease liabilities (Note 29)	211	426	211	-
	367	4,358	247	-
Represented by:				
Total borrowings				
Bankers' acceptances	-	2,833	-	-
Hire purchase and finance lease liabilities (Note 29)	367	1,525	247	-
	367	4,358	247	-
Maturity of borrowings: (excluding hire purchase liabilities):				
Within one year	-	2,833	-	-

The range of interest rates as at the end of the financial year were as follows:

	2009 %	2008 %
Bankers' acceptances	-	4.7 to 5.0

The bankers' acceptances of subsidiaries were secured by the deposits pledged with the banks as disclosed in Note 23.

Notes To The Financial Statements - 31 March 2009 (cont'd)

29. HIRE PURCHASE AND FINANCE LEASE LIABILITIES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Future minimum lease payments:				
Not later than 1 year	168	1,152	45	-
Later than 1 year and not later than 2 years	45	435	45	-
Later than 2 year and not later than 5 years	136	-	136	-
Later than 5 years	53	-	53	-
Total future minimum lease payments	402	1,587	279	-
Less: Future finance charges	(35)	(62)	(32)	-
Present value of hire purchase liabilities (Note 28)	367	1,525	247	-
Analysis of present value of hire purchase liabilities:				
Not later than 1 year	156	1,099	36	-
Later than 1 year and not later than 2 years	37	426	37	-
Later than 2 year and not later than 5 years	122	-	122	-
Later than 5 years	52	-	52	-
Less: Amount due within 12 months (Note 28)	367	1,525	247	-
	(156)	(1,099)	(36)	-
Amount due after 12 months (Note 28)	211	426	211	-

The hire purchase liabilities bore interest at the balance sheet date ranging from 4.2% to 7.5% (2008: 4.8% to 7.5%) per annum.

30. TRADE PAYABLES

	Group	
	2009 RM'000	2008 RM'000
Trade payables	3,953	7,332
Due to customers on contract (Note 22)	650	4,565
	4,603	11,897

The credit terms of the Group's trade payables range from 60 days to 90 days (2008: 60 days to 90 days).

Notes To The Financial Statements - 31 March 2009 (cont'd)

31. OTHER PAYABLES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Advance from a related company (Note 32)	-	4,145	-	4,145
Accrued interest on advance from a related company (Note 32)	-	482	-	482
Accrued short term accumulating compensated benefits	246	222	41	36
Accrued professional and legal fees	137	154	24	29
Deferred income	2,196	1,215	-	-
Sundry payables and accruals	2,545	2,517	270	370
	5,124	8,735	335	5,062

The credit terms of the Group and of the Company's other payables range from 60 days to 90 days (2008: 60 days to 90 days).

32. SIGNIFICANT RELATED PARTY DISCLOSURES

The significant outstanding amounts as at 31 March 2009 due from/(to) companies in which a director, Datuk Lim Chee Wah has or had interests are set out below:

	Group	
	2009 RM'000	2008 RM'000
VXL Holdings Sdn. Bhd., holding company	15	15
VXL Management Sdn. Bhd.*		
- Advance (Note 31)	-	(4,145)
- Interest on advance (Note 31)	-	(482)
- Trading	-	25
VXL Management Services Ltd.	9	89
Kien Huat Development Sdn. Bhd.	-	11
Resorts World Berhad	-	3
	24	(4,484)

* The company is a subsidiary of VXL Holdings Sdn. Bhd.

The amounts due from/(to) Director related companies are unsecured, interest free and have no fixed terms of repayment except for the advance from a fellow subsidiary, VXL Management Sdn. Bhd. in the previous financial year, which bore interest of 7.5% (2008: 7.5%) per annum. The amount was fully repaid during the financial year.

Notes To The Financial Statements - 31 March 2009 (cont'd)

32. SIGNIFICANT RELATED PARTY DISCLOSURES (Cont'd)

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

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Transactions with companies in which a director, Datuk Lim Chee Wah has interests:				
(a) Interest charged by VXL Management Sdn. Bhd.	127	471	127	471
(b) Product sales to:				
- Genting Sanyen (M) Sdn. Bhd.	-	(7)	-	-
- Widuri Pelangi Sdn. Bhd.	(40)	-	-	-
- Orient Wonder International Ltd.	(12)	-	-	-
- e-Genting Sdn. Bhd.	(149)	(170)	-	-
- Genting Berhad	-	(17)	-	-
(c) Subscription fees charged to:				
- VXL Management Sdn. Bhd.	4	(6)	-	-
- Kien Huat Development Sdn. Bhd.	7	(11)	-	-

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.

Compensation of key management personnel

The remuneration of Company's Executive Directors and other members of key management (Directors of subsidiaries) during the financial year was as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Short term employee benefits	1,683	1,919	875	783
Post-employment benefits				
- Defined contribution plan	190	207	99	84
- Defined benefit plan	20	17	20	17
Share-based payment	-	10	-	5
	1,893	2,153	994	889

Notes To The Financial Statements - 31 March 2009 (cont'd)

32. SIGNIFICANT RELATED PARTY DISCLOSURES (Cont'd)

Executive Directors of the Group and the Company and other members of key management have been granted the following number of options under the ESOS:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
At 1 April 2008/2007	-	833	-	579
Adjusted	-	70	-	25
Exercised	-	(903)	-	(604)
At 31 March	-	-	-	-

The share options were granted on the same terms and conditions as those offered to other employees of the Group. The ESOS had expired on 14 December 2007.

33. CORPORATE RESTRUCTURING SCHEME ("The 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 Scheme was duly completed in the previous financial year. The details are as follows:

(i) Par Value Reduction and Share Premium Reduction (collectively referred to as "Capital Reduction")

Pursuant to The Scheme, the par value of the ordinary shares of the Company was reduced from RM1.00 per share to RM0.25 per share by the cancellation of RM0.75 of the par value of each share which gave rise to a credit of RM57,089,000. Concurrently, the share premium was reduced by RM15,667,000. The total credit arising from the Capital Reduction of RM72,756,000 was utilised to set-off the accumulated losses of the Company then prevailing and the balance of RM24,713,000 was adjusted for impairment loss of investments in subsidiaries in the previous financial year. The Memorandum and Articles of Association of the Company have been amended accordingly.

(ii) Rights Issue of Shares with free detachable Warrants

The rights Issue of Shares with free detachable Warrants on the basis of nine Rights Shares for every eight existing ordinary shares of RM0.25 each, with one Warrant for every Rights Shares issued, was completed on 25 September 2007, upon the listing of and quotation for the 188,047,339 Rights Shares and 47,011,834 Warrants on the Second Board of Bursa Malaysia Securities Berhad ("Bursa"). The rights issue of shares with warrants had raised gross proceeds of RM47,012,000 in the previous financial year.

The exercise price of the Warrants had been fixed at RM0.25 per new ordinary share of RM0.25 each. Warrant holders have until 20 September 2009 to exercise the Warrants.

Upon the implementation of The Scheme outlined above, the Company was able to regularise its financial conditions and ceased to be an affected listed issuer pursuant to the Amended PN17 of the Listing Requirements of Bursa Malaysia on 8 October 2007.

On 14 April 2008, the proposed issuance of up to RM10,000,000 nominal value of 5% three - year irredeemable convertible unsecured loan stocks ("ICULS") of which RM4,480,000 nominal value of ICULS was to be issued to VXL Management Sdn. Bhd. as part set off against the outstanding amount and the balance of RM5,520,000 nominal value of the ICULS to be issued to private placees was cancelled due to the depressed market conditions and the difficulty in securing placees. Consequently, the amount owing to VXL Management Sdn. Bhd. of RM4,627,000 was settled by way of cash.

Notes To The Financial Statements - 31 March 2009 (cont'd)

34. OPERATING LEASE COMMITMENTS

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Future minimum rental payable:				
Not later than 1 year	431	1,019	15	18
Later than 1 year and not later than 5 years	35	375	-	15
	466	1,394	15	33

35. CONTINGENT LIABILITIES (UNSECURED)

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Corporate Guarantee given to financial institutions:				
- for performance guarantees given to third parties	3,742	4,247	3,742	4,247

36. 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, liquidity, and credit risks. 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 currencies of the operating entities are kept to an acceptable level.

Notes To The Financial Statements - 31 March 2009 (cont'd)

36. FINANCIAL INSTRUMENTS (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 2009	
Ringgit Malaysia	9
At 31 March 2008	
Ringgit Malaysia	14

(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, other than as disclosed in Note 20 to the financial statements.

Notes To The Financial Statements - 31 March 2009 (cont'd)

36. FINANCIAL INSTRUMENTS (Cont'd)

(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 except for the following:

	Group		Company	
	Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
Financial Liabilities				
At 31 March 2009:				
Hire purchase payables (Note 29)	(367)	(402)	(247)	(279)
At 31 March 2008:				
Hire purchase payables (Note 29)	(1,525)	(1,587)	-	-

It is not practicable to estimate the fair values of amount due from subsidiary companies and related parties principally due to lack of fixed repayment terms entered into by the parties involved without incurring excessive costs. However, the Group and Company does not anticipate the carrying amount recorded at the balance sheet date to be significantly different from the values that would eventually be settled.

37. COMPARATIVES

The followings comparatives amounts had been reclassified to conform with current year presentation:

	As previously stated RM'000	Adjustment RM'000	As restated RM'000
Balance sheets (Group)			
Non current assets			
Other investments	-	151	151
Current assets			
Other receivables	3,860	(151)	3,709

In the current year, investments in club memberships have been reclassified as other investments.

Notes To The Financial Statements - 31 March 2009 (cont'd)

38. 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 services and serves different markets.

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 2009	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	1,927	49,637	2,600	-	-	54,164
Intersegment sales	-	1,885	1	5,116	(7,002)	-
Total revenue	1,927	51,522	2,601	5,116	(7,002)	54,164
RESULTS						
Segment loss	(1,365)	(1,313)	(234)	(3,158)	(19)	(6,089)
Interest income						919
Unallocated expenses						(44)
Loss from operations						(5,214)
Interest expense						(242)
Loss before tax						(5,456)
Taxation						(357)
Loss after tax						(5,813)

Notes To The Financial Statements - 31 March 2009 (cont'd)

38. SEGMENTAL INFORMATION (Cont'd)

31 March 2009 (Cont'd)	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
OTHER INFORMATION						
Segment assets	1,393	33,806	4,033	21,472		60,704
Unallocated assets						3,208
Total assets						63,912
Segment liabilities	73	7,650	1,759	583		10,065
Unallocated liabilities						29
Total liabilities						10,094
Capital expenditure	61	462	1,275	337	-	2,135
Depreciation and amortisation	68	758	651	433	-	1,910
Property, plant and equipment written off	-	-	5	-	-	5
Provision for doubtful debts	-	1,578	-	-	-	1,578
Provision for doubtful debts written back	-	(4)	-	-	-	(4)

31 March 2008

Revenue

External sales	3,685	68,863	1,722	-	-	74,270
Intersegment sales	-	2,836	2	4,736	(7,574)	-
Total revenue	3,685	71,699	1,724	4,736	(7,574)	74,270

RESULTS

Segment (loss)/profit	(1,312)	(821)	51	(71)	(448)	(2,601)
Interest income						615
Unallocated expenses						(33)
Loss from operations						(2,019)
Interest expense						(1,183)
Loss before tax						(3,202)
Taxation						(94)
Loss after tax						(3,296)

Notes To The Financial Statements - 31 March 2009 (cont'd)

38. SEGMENTAL INFORMATION (Cont'd)

31 March 2008 (Cont'd)	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
OTHER INFORMATION						
Segment assets	2,174	47,719	3,137	28,006		81,036
Unallocated assets						3,578
Total assets						84,614
Segment liabilities	388	18,015	1,504	5,062		24,969
Unallocated liabilities						21
Total liabilities						24,990
Capital expenditure	21	963	999	296	-	2,279
Depreciation and amortisation	138	753	309	309	-	1,509
Property, plant and equipment written off	-	-	11	-	-	11
Provision for doubtful debts written-back	-	(170)	-	-	-	(170)
Provision for doubtful debts	-	21,385	-	-	-	21,385

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 12), 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 Cheam Tat Inn, 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 42 to 89 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 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 2009 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 27 May 2009.

Tan Sri Datuk Adzmi bin Abdul Wahab
Chairman

Cheam Tat Inn
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 42 to 89 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.

Subscribed and solemnly declared by the abovenamed,
Tan Hock Chye at Petaling Jaya, Selangor Darul Ehsan
on 27 May 2009.

Tan Hock Chye

Before me,

Commissioner for Oaths

N. Madhavan Nair (No. B064)
70 Jalan SS2/60
47300 Petaling Jaya

Independent Auditors' Report

To The Members Of Dataprep Holdings Bhd. (Incorporated in Malaysia)

Report on the financial statements

We have audited the financial statements of Dataprep Holdings Berhad, which comprise the balance sheets as at 31 March 2009 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 42 to 89.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 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 2009 and of their financial performance and cash flows for the year then ended.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of the subsidiary of which we have not acted as auditors, which are indicated in Note 15 to the financial statements, being the financial statements that have been included in the consolidated financial statements.
- (c) 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.
- (d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

Independent Auditors' Report

To The Members Of Dataprep Holdings Bhd. (Incorporated in Malaysia) (cont'd)

Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young

AF: 0039

Chartered Accountants

Teoh Soo Hock

No. 2477/10/09(J)

Chartered Accountant

Kuala Lumpur, Malaysia

27 May 2009

Shareholdings Statistics

LIST OF THIRTY (30) LARGEST SHAREHOLDERS AS AT 30 JUNE 2009

No.	Name	Share Holdings	
		No.of Shares	%
1	VXL Holdings Sdn Bhd	203,385,046	57.10
2	Seberang Jati Sdn Bhd	17,439,662	4.90
3	Rumpun Damai Sdn Bhd	11,407,460	3.20
4	RHB Nominees (Asing) Sdn Bhd Parco Resources Corp	8,064,800	2.26
5	AMSEC Nominees (Asing) Sdn Bhd Vielle International Ltd	7,812,400	2.19
6	RHB Nominees (Asing) Sdn Bhd The Kermartin Group Inc	7,560,800	2.12
7	CIMSEC Nominees (Asing) Sdn Bhd Pledged Securities Account for Mauwi Incorporated	7,560,800	2.12
8	TA Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chung Chuan Shen	4,340,000	1.22
9	M & S Food Industries Sdn Bhd	3,167,600	0.89
10	Lau Chow Fow	1,900,000	0.53
11	Mayban Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chung Chuan Shen	1,843,100	0.52
12	Tan Chee Chin	1,441,258	0.40
13	CIMSEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Loh Sun Wai	1,247,862	0.35
14	Datuk Lim Chee Wah	1,062,500	0.30
15	AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Yew Hoo	650,000	0.18
16	Chong Fu Seong	623,000	0.17
17	Mayban Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Kok Ping	525,000	0.15
18	HDM Nominees (Tempatan) Sdn Bhd UOB Kay Hian Pte Ltd for Teh Kee Hong	507,500	0.14
19	Mirzan Bin Mahathir	501,000	0.14
20	Yong Ai Ting	500,000	0.14
21	Yap Yok Foo	435,000	0.12
22	Yan Poh Chye	400,000	0.11
23	Sentral Bina Jaya Sdn Bhd	400,000	0.11
24	Ho Siong San	385,600	0.11
25	Lee Yun Fong	376,800	0.11
26	Lee Kok Hien	350,000	0.10
27	HDM Nominees (Tempatan) Sdn Bhd Pledged securities account for Quah Ti Di	340,000	0.10
28	HSBC Nominees (Asing) Sdn Bhd Exempt An For Credit Suisse (HK BR-TST-Asing)	340,000	0.10
29	Dataprep (Holdings) Limited	322,030	0.09
30	AMSEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Yap Nam Huat	300,000	0.08
		285,189,218	80.07

Shareholdings Statistics (cont'd)

Class of shares : Ordinary shares of RM0.25 each
 Voting Rights : One vote per shareholder on a show of hands
 One vote per share on a poll

ANALYSIS BY SIZE OF SHAREHOLDINGS AS AT 30 JUNE 2009

Category	No. of Holders	%	No. of Shares	%
Less than 100	83	1.39	3,386	0.00
100-1,000	1,789	30.00	1,216,612	0.34
1,001-10,000	2,701	45.30	13,394,627	3.76
10,001-100,000	1,264	21.20	39,917,850	11.21
100,001 to less than 5% of issued share	125	2.09	98,244,498	27.59
5% and above of issued share	1	0.02	203,385,046	57.10
TOTAL	5,963	100.00	356,162,019	100.00

LIST OF DIRECTOR'S SHAREHOLDINGS AS AT 30 JUNE 2009

Nos	Names	Direct Shareholdings	%	Indirect Shareholdings	%
1	Tan Sri Datuk Adzmi Bin Abdul Wahab ⁽¹⁾	206,900	0.06	-	-
2	Dato' Pian Bin Sukro	-	-	-	-
3	Datuk Lim Chee Wah ⁽²⁾	1,062,500	0.30	203,385,046	57.10
4	Michael Yee Kim Shing	-	-	-	-
5	Muhammad Fauzi bin Abd Ghani	-	-	-	-
6	Leong How Seong	-	-	-	-
7	Cheam Tat Inn	-	-	-	-

Notes:

- Share held through Citigroup Nominees (Tempatan) Sdn Bhd
- Deemed interested via VXL Holdings Sdn Bhd

LIST OF SUBSTANTIAL SHAREHOLDERS (5% AND ABOVE) AS AT 30 JUNE 2009

Nos	Names of Substantial Shareholders	No. of Shares	%
1	VXL Holdings Sdn Bhd	203,385,046	57.10

Warrant Holdings Statistics

LIST OF THIRTY (30) LARGEST WARRANT HOLDERS AS AT 30 JUNE 2009

No.	Name	Warrant Holdings	
		No. of Warrants	%
1	VXL Holdings Sdn Bhd	18,374,402	39.10
2	Seberang Jati Sdn Bhd	2,308,190	4.91
3	Rumpun Damai Sdn Bhd	2,168,700	4.61
4	RHB Nominees (Asing) Sdn Bhd Parco Resources Corp	2,014,950	4.29
5	AMSEC Nominees (Asing) Sdn Bhd Vielle International Ltd	1,953,100	4.16
6	RHB Nominees (Asing) Sdn Bhd The Kermartin Group Inc	1,890,200	4.02
7	CIMSEC Nominees (Asing) Sdn Bhd Pledged Securities Account for Mauwi Incorporated	1,890,200	4.02
8	Mayban Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Lim Gim Leong	1,274,100	2.71
9	TA Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chung Chuan Shen	660,775	1.41
10	Mayban Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Mohd Faiz bin Abdullah	400,000	0.85
11	Mayban Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Lee Ai Lin	390,000	0.83
12	Koo Chee Kin	330,000	0.70
13	Gan Thiam Chai	300,000	0.64
14	Low See Hee	300,000	0.64
15	Goh Boon Siew	300,000	0.64
16	Keng Kian Meng	249,300	0.53
17	Ismail Kamil bin Haji Mohd Zabidi	235,000	0.50
18	HDM Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Quah Ti Di	200,000	0.43
19	Haw Chin Teck	200,000	0.43
20	Yee Seng Fatt	200,000	0.43
21	Chan Chai Bee	200,000	0.43
22	Chua Lee Guan	192,000	0.41
23	Chow Ying Louin	191,000	0.41
24	Mohamed Hasshim Bin Awang	173,000	0.37
25	Chang Yu Sang	144,000	0.31
26	Datuk Lim Chee Wah	140,625	0.30
27	CIMSEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Loh Sun Wai	134,916	0.29
28	Lee Soh Lay	122,000	0.26
29	Siah Kooi Cheng	120,000	0.26
30	Tan Kau Sai	100,000	0.21
		37,156,458	79.06

Warrant Holdings Statistics (cont'd)

Exercise Price of Each Warrant	:	RM0.25 per one (1) new ordinary share
Exercise Rights	:	Each Warrant entitles the registered holder during the exercise period to subscribe for one (1) new ordinary share of RM0.25 each
Voting Rights at meeting of Warrant Holders	:	One vote per warrant holder on a show of hands One vote per warrant on a poll

ANALYSIS BY SIZE OF WARRANT HOLDINGS AS AT 30 JUNE 2009

Category	No. of Holders	%	No. of Warrants	%
Less than 100	200	14.34	9,023	0.02
100-1,000	544	39.00	233,818	0.50
1,001-10,000	411	29.46	1,720,338	3.66
10,001-100,000	211	15.12	7,978,466	16.97
100,001 to less than 5% of issued share	28	2.01	18,682,056	39.75
5% and above of issued share	1	0.07	18,374,402	39.10
TOTAL	1,395	100.00	46,998,103	100.00

LIST OF DIRECTOR'S WARRANT HOLDINGS AS AT 30 JUNE 2009

Nos	Names	Direct Warrant Holdings	%	Indirect Warrant Holdings	%
1	Tan Sri Datuk Adzmi Bin Abdul Wahab ⁽¹⁾	39,225	0.08	-	-
2	Dato' Pian Bin Sukro	-	-	-	-
3	Datuk Lim Chee Wah ⁽²⁾	140,625	0.30	18,374,402	39.10
4	Michael Yee Kim Shing	-	-	-	-
5	Muhammad Fauzi bin Abd Ghani	-	-	-	-
6	Leong How Seong	-	-	-	-
7	Cheam Tat Inn	-	-	-	-

Notes:

- Share held through Citigroup Nominees (Tempatan) Sdn Bhd
- Deemed interested via VXL Holdings Sdn Bhd

INFORMATION ON SUBSTANTIAL WARRANT HOLDERS (EXCLUDING BARE TRUSTEES)

No	Name of Substantial Warrant Holder	No. of Warrants	%
1	VXL Holdings Sdn Bhd	18,374,402	39.10

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 Twentieth Annual General Meeting of the Company to be held at Greens III, Tropicana Golf & Country Resort Berhad, Jalan Kelab Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Monday, 24 August 2009 at 2.30 p.m. and any adjournment thereof, and to vote as indicated below:

	Resolution	For	Against
1	To receive and adopt the audited financial statements of the Company for the year ended 31 March 2009 and the Reports of the Directors and Auditors thereon. (RESOLUTION 1)		
2	To re-elect the following Directors : 2.1 Tan Sri Datuk Adzmi bin Abdul Wahab, retires by rotation pursuant to Article 98 of the Company's Articles of Association. (RESOLUTION 2) 2.2 Datuk Lim Chee Wah retires pursuant to Article 98 of the Company's Articles of Association. (RESOLUTION 3)		
3	To re-appoint Mr Michael Yee Kim Shing who retires pursuant to Section 129(6) of the Companies Act, 1965 (RESOLUTION 4)		
4	To re-appoint Messrs Ernst & Young as Auditors of the Company for the ensuing year and to authorize the Directors to fix their remuneration. (RESOLUTION 5)		
5	Authority to issue shares pursuant to Section 132D of the Companies Act, 1965. (RESOLUTION 6)		
6	Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature (RESOLUTION 7)		
7	Proposed Amendment to Article 141 of the Articles Of Association of the Company (SPECIAL RESOLUTION 1)		
8	To consider any other business of which due notice shall have been given.		

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

Signed this _____ day of _____ 2009 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 at Suite 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.

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.dp.com.my Tel: 03 7843 1600 Fax: 03 79562324

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional independent advisers immediately.

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, makes no representation as to its accuracy of completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



DATAPREP HOLDINGS BHD
(183059-H)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR DATAPREP HOLDINGS BHD
AND ITS SUBSIDIARIES TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS
OF A REVENUE OR TRADING NATURE**

Notice of the Twentieth Annual General Meeting of Dataprep Holdings Bhd, which will be held at Greens III, Tropicana Golf & Country Resort Berhad, Jalan Kelab Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Monday, 24 August 2009 at 2.30 p.m., together with the Form of Proxy, is set out in the Annual Report 2009 and is dispatched together with this Circular.

A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his behalf. The Form of Proxy should be completed and returned in accordance with the instructions therein as soon as possible and in any event must be lodged at the registered office of the Company not less than 48 hours before the time appointed for the meeting. The lodging of the Form of Proxy will not preclude you from attending and voting at the meeting should you subsequently wishes to do so.

DEFINITIONS

For the purposes of this Circular, except where the context otherwise requires, the following definitions shall apply throughout and for the purposes of this Circular only:

AGM	- Annual General Meeting
Bursa Securities	- Bursa Malaysia Securities Berhad
Board	- Board of Directors of Dataprep
Companies Act	- Companies Act, 1965 and any amendments thereto
Dataprep Group	- Dataprep and its subsidiary companies
Dataprep / Company	- Dataprep Holdings Bhd
DLCW	- Datuk Lim Chee Wah
ICT	- Information and Communications Technology
IT	- Information Technology
LHS	- Leong How Seong
Listing Requirements	- Listing Requirements of Bursa Securities and any amendments thereto
Proposed Shareholders' Mandate	- Proposed renewal mandate to be given by the shareholders of Dataprep for the RRPT as particularized in Section 2.4 Table 1 of this Circular
Recurrent Related Party Transactions / RRPT	- Recurrent transaction(s) of revenue or trading nature which are necessary for day-to-day operations of Dataprep Group
Related Party(ies)	- Director(s) and major shareholder(s) of Dataprep Group or person(s) connected with such Director(s) or major shareholder(s) of Dataprep Group who are interested in the Proposed Shareholders' Mandate
Related Transacting Parties	- The parties transacting / to be transacting with the Dataprep Group for which the Proposed Shareholders' Mandate is being sought, namely Genting Group, KHD and VXL Holdings
RM and sen	- Ringgit Malaysia and sen respectively
Share (s)	- Ordinary share(s) of RM0.25 each in Dataprep
SC	- Securities Commission
US	- United States of America
VXL Group	- VXL Holdings and its subsidiary and associated companies
VXL Holdings / VXL	- VXL Holdings Sdn Bhd

DEFINITIONS

Definitions of companies within the VXL Group

KHD	- Kien Huat Development Sdn Bhd
VXL Capital	- VXL Capital Partners Corp Ltd
VXL Construction	- VXL Construction Sdn Bhd
VXL Development	- VXL Development Sdn Bhd
VXL Holdings	- VXL Holdings Sdn Bhd

Definitions of companies within the Dataprep Group

Dataprep / Company	- Dataprep Holdings Bhd
DPI	- DP International Ltd
DPM	- Dataprep (Malaysia) Sendirian Berhad
DPS	- Dataprep Payment Solutions Sdn Bhd
HRMBC	- HRM Business Consulting Sdn Bhd
HRMBC Franchise	- HRMBC Franchise Advisory Sdn Bhd
IOH	- IO Holdings Ltd
IOSB	- Instant Office Sdn Bhd
Solsis	- Solsis (M) Sdn Bhd
Solsisnet	- Solsisnet Sdn Bhd
DPI Pte Ltd	- DP International Pte Ltd
TISB	- Tamadun Interaktif Sdn Bhd

Definitions of companies other than the Dataprep Group and VXL Group

e-Genting	- e-Genting Sdn Bhd
Genting	- Genting Berhad
Genting Group	- Genting Berhad, its subsidiaries & associate companies
CVI	- CVI Resorts Ltd

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Consulting>Integration>Outsourcing

DATAPREP HOLDINGS BHD

(183059-H)

(Incorporated in Malaysia)

Registered Office:
Suite 5.02, 5th floor,
Wisma Academy,
No.4A, Jalan 19/1,
46300 Petaling Jaya,
Selangor

31 July 2009

The Board of Directors

Tan Sri Datuk Adzmi bin Abdul Wahab (*Independent Non-Executive Director / Chairman*)

Datuk Lim Chee Wah (*Non-Independent Non-Executive Director*)

Dato' Pian bin Sukro (*Independent Non-Executive Director*)

Muhammad Fauzi bin Abd Ghani (*Independent Non-Executive Director*)

Michael Yee Kim Shing (*Independent Non-Executive Director*)

Leong How Seong (*Non-Independent Non-Executive Director*)

Cheam Tat Inn (*Executive Director / Chief Executive Officer*)

To : The shareholders of **DATAPREP HOLDINGS BHD**

Dear Sir / Madam,

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR DATAPREP HOLDINGS BHD AND ITS SUBSIDIARIES TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

1. INTRODUCTION

1.1 Proposed Shareholders' Mandate

At the Company's Annual General Meeting on 28 August 2008, the Board obtained shareholders' mandate to enter into the Recurrent Related Party Transactions of a revenue or trading nature which are necessary for day-to-day operations to Dataprep Group and are in the ordinary course of business. This approval shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming AGM which has been scheduled to be held on Monday, 24 August 2009, unless the mandate is renewed.

The Board had on 9 July 2009 announced the Company's proposal to seek shareholders' mandate for the renewal of the Recurrent Related Party Transactions of a revenue or trading nature which are necessary for day-to-day operations of Dataprep Group and are in the ordinary course of business in compliance with Chapter 10, paragraph 10.09 of the Listing Requirements.

Disclosure of the details of transactions pursuant to the Recurrent Related Party Transactions concluded for the financial year ended 31 March 2009 are incorporated in the Annual Report of the Company on the breakdown of the aggregate value of transactions, including the type of transactions made, the name of the related parties involved in each type of transaction and their relationship with Dataprep Group, as the case may be. The same disclosure shall be made in the Annual Report of the Company for the subsequent financial years during which the RRPT mandate is in force. The 2009 Annual Report of the Company is sent to you together with this Circular.

The purpose of this Circular is to provide you with the details of the Proposal, your Board's recommendation thereon and to seek your approval for the ordinary resolution pertaining to the Proposal to be tabled at the forthcoming Twentieth AGM of the Company. The Notice of the Twentieth AGM of the Company that contains the Special Business in respect of the Proposal has been incorporated in the 2009 Annual Report of the Company.

2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE

2.1 Paragraph 10.09 of the Listing Requirements

Paragraph 10.09 of the Listing Requirements states that with regard to related party transactions involving recurrent transactions of revenue or trading nature which are necessary for its day-to-day operations such as supply of materials, the listed issue may seek a shareholders' mandate in respect of such transactions subject to the following:

- (a) The 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;
- (b) The shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year;
- (c) This listed issuer's circular to shareholders for the shareholders' mandate should include the information as set out in the Listing Requirements; and
- (d) In a meeting to obtain shareholders' mandate, the interested directors, interested major shareholders or interested persons connected with a director or major shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution approving the transactions. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions.

2.2 Details of the Proposed Shareholders' Mandate

Dataprep is principally involved in investment holding and provision of management services to subsidiary companies namely DPM, Solsis, Solsisnet, TISB, IOSB, HRMBC and HRMBC Franchise. The principal activities of Dataprep and its subsidiaries are as follows:-

Dataprep's subsidiary	Effective equity interest %	Principal activities
DPM	100.0	Provision of support and maintenance services for computer equipment and systems
DPS	100.0	Provision of services in relation to secured payment solutions
Solsis	55.0	Marketing of computer systems, equipment and software
Solsisnet	100.0	Development of software, consulting and training
TISB	60.0	Ceased operations
IOSB	100.0	Internet application service provider
HRMBC	51.0	Consultancy
HRMBC Franchise*	33.0	Provision of franchise services
DPI	100.0	Investment Holdings
DPI Pte Ltd**	100.0	Provision of consultancy services
IOH**	100.0	Dormant

* 65% owned subsidiary of HRMBC

** Wholly owned subsidiary of DP International Ltd.

The Dataprep Group has entered and is anticipated to enter into recurrent transactions of a revenue or training nature which are necessary for day-to-day operations of Dataprep Group and are in the ordinary course of business of the Dataprep Group with the Related Transacting Parties.

Your Board proposes to seek approval from the shareholders for the future RRPT, details of both which are contained in the Proposed Shareholders' Mandate. Such transactions have been / will be made on normal commercial terms, which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders.

The Proposed Shareholders' Mandate, if approved, will take effect from the passing of the ordinary resolution proposed at the forthcoming AGM and will continue to be in force until:-

- i) The conclusion of the next AGM of Dataprep, following the forthcoming AGM at which the Proposed Shareholders' Mandate is passed, at which time it will lapse, unless the authority is renewed by a resolution passed at the meeting; or
- ii) Expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 143(1) of the Companies Act (but shall not extend to such extensions as may be allowed pursuant to Section 143(2) of the Companies Act); or
- iii) Revoked or varied by resolution passed by the shareholders in general meeting;

whichever is earlier.

2.3 Classes of Related Transacting Parties

The Proposed Shareholders' Mandate shall apply to transactions as set out in Section 2.4 hereafter with the following Related Transacting Parties:

Related Transacting Parties	Principal Activity	Date/Place of Incorporation	Period of relationship with Dataprep Group
Genting Group ⁽¹⁾	Investment holding and management company. Its subsidiaries are involved in the leisure & hospitality, gaming & entertainment business, plantation, property development & management, tour & travel related services, investments, manufacturing, trading in paper & paper related products and oil & gas exploration activities. Its associated companies are involved in cruise & cruise related activities and the generation & supply of electric power	30.07.1968 Malaysia	Since 2000
KHD ⁽²⁾	Contract works and investment holding	08.04.1991 Malaysia	Since September 1999
VXL Holdings ⁽³⁾	Investment Holding	27.09.1991 Malaysia	Since September 1999
CVI Resort Ltd ⁽⁴⁾	Leisure & Hospitality	22.01.2007 Cambodia	Since August 2008

Notes:-

1. DLCW is a director of VXL Holdings which is the holding company of Dataprep. DLCW is also a Director of Dataprep. DLCW is the brother to Tan Sri Dato Lim Kok Thay, the Chairman, President and Chief Executive Officer of Genting.
2. KHD is a wholly owned subsidiary of VXL Holdings. Dataprep is a 57.10% subsidiary of VXL Holdings.

3. DLCW is a director of VXL Holdings, which in turn wholly owns VXL Construction. DLCW is a director of Dataprep and KHD.
4. DLCW is a director of CVI and deemed interested by virtue of Section 6A (4) of the Companies Act. He is also a director and deemed Substantial Shareholder of Dataprep.
LHS is a director of CVI and he is also a director of Dataprep.

The interested directors and major shareholders of Dataprep in respect of the RRPT and their respective direct and indirect shareholdings in Dataprep as at 17 July 2009, are as follows:-

	Direct		Indirect	
	No. of shares	(%)	No. of shares	%
Interested Directors				
DLCW ⁽¹⁾	1,062,500	0.30	203,385,046	57.10
LHS ⁽²⁾	-	-	-	-
Interested Major Shareholders				
VXL Holdings	203,385,046	57.10	-	-

Notes:-

1. Deemed interested in VXL Holdings, by virtue of Section 6A(4) of the Companies Act. DLCW is also a director and a shareholder in Dataprep.
2. LHS is a director of CVI and also a director of Dataprep.

The abovementioned parties are deemed interested in the Proposed Shareholders' Mandate due to the following:-

- (a) DLCW is the brother to Tan Sri Dato Lim Kok Thay, the Chairman, President and Chief Executive Officer of Genting.
- (b) DLCW and VXL Holdings are major shareholders of KHD of which DLCW is also a director.
- (c) DLCW is a director of VXL Holdings and also a director of Dataprep.
- (d) DLCW is a director of CVI and deemed interested by virtue of Section 6A (4) of the Companies Act.
- (e) LHS is a director of CVI and also a director of Dataprep.

The interested directors and major shareholders of Dataprep's interest in the shareholdings of the Related Transacting Parties as at 17 July 2009 are as follows:-

	KHD		VXL Holdings		CVI		Dataprep	
	Direct %	Indirect %	Direct %	Indirect %	Direct %	Indirect %	Direct %	Indirect %
DLCW	-	100.0 ⁽¹⁾	-	100.0 ⁽²⁾	-	70.0 ⁽²⁾	0.30	57.10 ⁽¹⁾
VXL Holdings	100.0	-	-	-	-	-	57.10	-
LHS	-	-	-	-	-	-	-	-

Notes:-

1. Deemed interested via VXL Holdings by virtue of Section 6A (4) of the Companies Act.
2. Deemed interested by virtue of Section 6A (4) of the Companies Act.

2.4 Nature of RRPT

The RRPT which are subject of the Proposed Shareholders' Mandate are transactions by the Dataprep Group relating to provision of products and services by/to the Dataprep Group in the normal course of its business, to/from the Related Transacting Parties, as follows:-

Table 1: RRPT for renewal

Related Transacting Parties	Nature of Transaction	Party within Dataprep Group involved in transaction	Related Parties	Actual value transacted during the financial year ended 31 March 2009	*Estimated aggregate value from date of forthcoming AGM to next AGM
Genting Group	Provision of core switches for E-Genting Holdings Bhd	DPM	DLCW	^	RM50,000
	Provision of ICT related services by companies within the Dataprep Group to the Genting Group	Dataprep Group	DLCW	RM200,983	##
VXL Group	Provision of ICT related services by companies within the Dataprep Group to the VXL Group	Dataprep Group	DLCW and VXL Holdings	^	##
CVI	Provision of Consultancy Services from Dataprep Group to CVI	Dataprep Group	DLCW and LHS	^	##

* The estimate value may vary and may be subject to changes.

Notes:-

Estimate value of transactions cannot be determined as the transactions are on a project by project basis.

^ There is no transaction during the financial year ended 31 March 2009.

As stated in Section 2.7 of the Circular, transactions prices are determined using the cost plus method taking into consideration the market rates for similar services and products.

Where the contracts involve provision of service (e.g. maintenance service, modification and customization services, managed network services, outsource services, business consulting, implementation services and joint research and development) it is based on a mark-up to the cost of providing the service. The cost of providing the service primarily comprises the time cost of personnel involved in the project and apportionment of overheads.

Where the contracts involve sharing of revenue, it will be based on a mark-up to the cost of providing the service. Where the contracts involve sharing of cost, it will be based on the time cost of personnel involved in the project and apportionment of overheads.

2.5 Benefits

The services disclosed in Section 2.4 of this Circular are provided by the Dataprep Group in its ordinary course of business, and on the Group's normal commercial terms which are no more favourable to the Related Transacting Parties than those extended to unrelated third parties. As such, the transactions in the Proposed Shareholders' Mandate are beneficial to the Dataprep Group as it will ensure the continuing relationship between the Dataprep Group and the Related Transacting Parties which is vital in terms and business continuity and revenue contribution to the Dataprep Group. It also allows for a more effective provision of such services to the Related Transacting Parties which will ultimately lead to cost savings for the Dataprep Group.

2.6 Basis of Estimation

The abovementioned estimated payment received in respect of each transaction referred to above are on a per annum basis based on prevailing prices agreed with the Related Transacting Parties, which are reasonably market-competitive prices and are derived from the sums received during the past year, based on the normal level of transactions entered into by the Dataprep Group. The estimated amounts are further based on the assumptions that current levels of operation will continue and all external conditions remain constant.

2.7 Review Methods of Procedure for RRPT

There are procedures established by the Dataprep Group to ensure that RRPT are undertaken on an arm's length basis and on the Group's normal commercial terms which are no more favourable to the Related Parties than those extended to unrelated third parties and are not to the detriment of the minority shareholders, which represent Dataprep Group's usual business practices. This includes where appropriate preferential rates and discounts for long terms and/or repeat clients and customers. These are also given to long term and/or repeat clients and customers which are not Related Parties.

The Group will implement the following procedures to supplement existing internal procedures for general transactions to ensure that RRPT are undertaken on an arm's length basis and on normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public and not to the detriment of the minority shareholders.

- i) A list of Related Parties will be circulated to the Dataprep Group to notify that all RRPT are required to be undertaken on an arm's length basis and on normal commercial terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders. The cost plus method will be used to determine the transaction price. This method determines the arm's length price by adding an appropriate mark-up to the cost of providing the service. The appropriate mark-up is the percentage earned by the Dataprep Group on the related party transactions/sales. For transactions where other parties provide services to the Dataprep Group, the transaction price will be based on the prevailing market rates/prices of the services or product provider (including where appropriate, preferential rates and discounts accorded for bulk purchases – the same are also accorded to third-party bulk purchase), on the service or products provider's usual commercial terms, and otherwise in accordance with applicable industry norms;
- ii) All RRPT will be reviewed by the Board and senior management, consist of the Chief Executive Officer ("CEO"), the Head of Finance ("HOF") and the Divisional Heads prior to the execution of contracts. The senior management meets on a regular monthly basis or on an adhoc basis when the need arises in the Executive Committee ("EXCO") meetings. These meetings cover the spectrum of finance, operation, management, business development and human resources issues. The RRPT review is a permanent agenda at the EXCO meeting. The interested Directors will abstain from reviewing any RRPT being deliberated accordingly. If a member of the Board has an interest in the transaction to be reviewed by the Board as the case may be, he will abstain from any decision making by the Board in respect of that transaction;
- iii) A register will be maintained by the Company to record all RRPT which are entered into pursuant to the Proposed Shareholders' Mandate;

- iv) The annual internal audit plan shall incorporate a review of all RRPT entered into pursuant to the Proposed Shareholders' Mandate to ensure that the relevant approvals have been obtained and the review procedures in respect of such transactions are adhered to. In addition, the audit committee shall review the internal audit reports to ascertain that the guidelines and procedures established to monitor RRPT have been compiled with and the review shall be done at every quarter; and
- v) The audit committee has reviewed the procedures and shall continue to review the procedures as and when required. However, the responsibility will still remain with the Board.

2.8 Audit Committee's statements

The audit committee will review the RRPT of Dataprep Group and also review the established guidelines and procedures on quarterly basis to ascertain that they have been complied with. Further, if during these quarterly reviews by the audit committee, the audit committee is of the view that the guidelines and procedures as stated above are not sufficient to ensure that the RRPT will be on the Dataprep Group's normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public, not to the detriment of the minority shareholders and will not be prejudicial to shareholders interest in general, the Company will revert to shareholders for a fresh mandate based on new guidelines and procedures immediately, and in any case before the next transaction is entered into.

The audit committee has seen and reviewed the procedures for RRPT as disclosed in Section 2.7 above, as well as the quarterly reviews to be made by the audit committee in relation thereto, are sufficient to ensure that the RRPT will be made with the relevant classes of Related Party in accordance with the Dataprep Group's normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public, and hence, not prejudicial to the shareholders, not disadvantageous to the Dataprep Group and are not to the detriment of the minority shareholders.

3. RATIONALE

3.1 Proposed Shareholders' Mandate

The related party transaction subject of the Proposed Shareholder's Mandate are recurrent transactions of a revenue or trading nature, conducted in the ordinary course of business of the Dataprep Group and which are likely to occur with some degree of frequency and arise at any time and from time to time.

The Proposed Shareholders' Mandate is intended to allow the Group to pursue business opportunities that are time-sensitive in nature and will seek to eliminate the need to convene a general meeting to seek shareholders' prior approval for every occasion when the Group enters into such transactions which are in the ordinary course of business. This will substantially avoid expenses associated with the convening of general meetings on an ad hoc basis and present administrative inconvenience.

The Proposed Shareholders' Mandate is intended to facilitate transactions in the normal course of business of Dataprep Group which are transacted from time to time with the Related Transacting Parties, provided that they are carried out at arm's length basis on the Group's normal commercial terms and are not prejudicial to shareholders and on terms not more favourable to the Related Transacting Parties than those generally available to the public and are not to the detriment of the minority shareholders.

4. FINANCIAL EFFECTS OF THE PROPOSAL

The Proposal will not have any financial effect on the issued and paid up share capital, shareholders of substantial shareholders of the Company, earnings per share and net tangible asset per share of the Group.

5. CONDITION OF THE PROPOSAL

5.1 Proposed Shareholders' Mandate

The Proposed Shareholders' Mandate is subject to the approval of the shareholders of Dataprep at the forthcoming AGM.

6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

6.1 Proposed Shareholders' Mandate

The Directors of the Company who are interested in the Proposed Shareholders' Mandate, DLCW and LHS have abstained and will continue to abstain from Board deliberation and voting in respect of the relevant resolution in which they hold an interest as particularized in Section 2.4.

The direct and indirect interest of the Directors, Major Shareholder and Person Connected to the Directors and Major Shareholder of Dataprep who are interested in the Proposed Shareholders' Mandate are as particularized in Section 2.4. Accordingly, DLCW and LHS will abstain from voting in respect of their direct and/or indirect shareholdings at the forthcoming AGM in respect of the resolution in which they have an interest as particularized in Section 2.4.

The interested major shareholder, VXL Holdings, will abstain from voting in respect of its direct and/or indirect shareholdings at the forthcoming AGM in respect of the resolution in which it has an interest as particularized in Section 2.4.

DLCW, LHS and VXL Holdings have undertaken that they will ensure that persons connected with them as particularized in Section 2.4, will abstain from voting in respect of their direct and/or indirect shareholdings at the forthcoming AGM in respect of the resolution in which they have an interest. Where the persons connected with the director or major shareholder has any interest, direct or indirect in the Proposed Shareholders' Mandate, the director or major shareholder concerned will also abstain from voting in respect of his/her/its direct and/or indirect shareholdings. Save as disclosed earlier, none of the other Directors and/or major shareholders and/or persons connected with them (as defined in the Listing Requirements) have any interest, direct or indirect in the Proposed Shareholders' Mandate.

7. DIRECTORS' RECOMMENDATION

Based on the rationale for the Proposed Shareholders' Mandate and all financial and other factors, your Directors (save for DLCW & LHS) are of the opinion that the Proposed Shareholders' Mandate is in the best interest of the Company and in the long-term interests of the Dataprep Group and its shareholders. As such, your Directors (except for the Directors who have an interest in the Proposed Shareholders' Mandate, DLCW, and LHS who shall abstain from making any recommendations in respect of the resolution in which they are interested) recommend that you vote in favour of the resolution pertaining to the Proposed Shareholders' Mandate as set out in the Notice of AGM attached to Annual Report.

8. ANNUAL GENERAL MEETING

The AGM, the notice of which is enclosed in Annual Report, will be held at Greens III, Tropicana Golf & Country Resort Berhad, Jalan Kelab Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Monday, 24 August 2009 at 2.30 p.m., for the purpose of considering and, if thought fit, passing the resolution so as to give effect to the Proposed Shareholders' Mandate.

If you are unable to attend and vote in person at the AGM, you may complete and return the Form of Proxy enclosed in the Annual Report of the Company, in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of Dataprep not less than forty-eight (48) hours before the time fixed for the meeting. The lodging of the form of proxy does not preclude you from attending and voting in person should you subsequently decide to do so.

9. FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendix 1 for further information.

Yours faithfully
For and on behalf of the Board of Directors
Dataprep Holdings Bhd

Tan Sri Datuk Adzmi bin Abdul Wahab
Independent Non-Executive Director / Chairman

FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

This Circular has been seen and approved by your Board and they collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm that after making all reasonable enquiries and, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

2. MATERIAL LITIGATION

The Dataprep Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant and the Directors have no knowledge of any proceedings pending or threatened against the Company and/or its subsidiaries or of any fact likely to give rise to any proceedings which might materially effect the financial position or business of the Company and/or its subsidiaries.

3. MATERIAL CONTRACTS

Save as disclosed below, there are no contracts which are material (not being contracts entered into in the ordinary course of business) which have been entered into by Dataprep or its subsidiaries within the two years immediately preceding the date of this Circular:-

- (i) Underwriting agreement dated 20 June 2007 entered into between our Company, the Managing Underwriter and Joint Underwriter for the underwriting of 30,853,256 new ordinary shares of RM0.25 each in Dataprep for an underwriting commission of 2.5% of the issue price shares of RM0.25 each in Dataprep for and underwriting commission of 2.5% of the issue price of RM0.25 each on the ordinary shares being underwritten.
- (ii) Deed Poll dated 31 July 2007 executed by our Company constituting up to 51,620,726 warrants pursuant to the Rights Issue of Shares with Warrants in accordance with the terms and conditions set out therein.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at Suite 5.02, 5th Floor, Wisma Academy, No.4A, Jalan 19/1, 46300 Petaling Jaya, Selangor during normal office hours from Monday to Friday (except public holidays) from the date of this Circular up to and including the date of the forthcoming AGM:-

- (a) Memorandum and Articles of Dataprep;
- (b) The audited consolidated accounts of Dataprep for the past two (2) years ended 31 March 2009 and 31 March 2008;
- (c) The unaudited consolidated accounts of Dataprep for the 3 months period ended 31 March 2009;
- (d) The material contracts referred to in Section 3 above.

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE TWENTIETH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD AT GREENS III, TROPICANA GOLF & COUNTRY RESORT BERHAD, JALAN KELAB TROPICANA, TROPICANA GOLF & COUNTRY RESORT, 47410 PETALING JAYA, SELANGOR DARUL EHSAN ON MONDAY, 24 AUGUST 2009 AT 2.30 P.M. TO TRANSACT THE FOLLOWING BUSINESS:

AS ORDINARY BUSINESS

- To receive and adopt the audited financial statements of the Company and of the Group for the financial year ended 31 March 2009 and the Reports of the Directors and Auditors thereon. (Ordinary Resolution 1)
- To re-elect the following Directors :
 - Tan Sri Datuk Adzmi bin Abdul Wahab 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)
 - Datuk Lim Chee Wah 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)
- To consider and if thought fit, pass the following resolution pursuant to Section 129(6) of the Companies Act, 1965:
 - That Mr Michael Yee Kim Shing who retires pursuant to Section 129 of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company to hold office until the conclusion of the next Annual General Meeting of the company (Ordinary Resolution 4)
- To re-appoint Messrs Ernst & Young as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. (Ordinary Resolution 5)

AS SPECIAL BUSINESS

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

- AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965** (Ordinary Resolution 6)

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

- PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE** (Ordinary Resolution 7)

"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 transactions 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 31 July 2009, AND THAT such approval conferred by the Shareholders' Mandate shall continue to be in force until:

- 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.
- 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
- 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."

- PROPOSED AMENDMENT TO ARTICLE 141 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY** (Special Resolution 1)

"THAT the Articles of Association of the Company be hereby amended by deleting the existing Article 141 in its entirety and substituting the following new Article 141 as follows:-

Existing Article 141:-

The Directors shall from time to time in accordance with Section 169 of the Act cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in the Section. The interval between the close of a financial year of the Company and the issue of annual audited accounts, the directors' and auditors' report relating to it shall not exceed four (4) months.

New Article 141:-

The Directors shall from time to time in accordance with Section 169 of the Act cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in the Section. The interval between the close of a financial year of the Company and the issue of annual audited accounts, the directors' and auditors' report relating to it, either in printed form or in CD-ROM form or in such other form of electronic media, shall not exceed four (4) months. In the event that these documents are sent in CD-ROM form or such other form of electronic media and a member requires a printed form of such documents, the Company shall send such documents to the Member within four (4) market days from the date of receipt of the member's request.

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

BY ORDER OF THE BOARD

TAN HOCK CHYE (MIA 3865)
PAULINE NG PECK KUN (MAICSA 7029550)
COMPANY SECRETARIES

Date: 31 July 2009
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 registered office of the Company 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 5 (Ordinary Resolution 6) of the Agenda:

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

Explanatory Notes to Item 6 (Ordinary Resolution 7)

The proposed ordinary resolution 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 1)

The proposed amendment to the Articles of Association of the Company, if passed will give effect to the adoption of the Proposed Amendment to the Articles of Association to allow the issuance of the annual audited accounts, the directors' and auditors' report relating to it, either in printed form or in CD-ROM form or other electronic media.