DATAPREP
Since 1971

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

CREATING VALUES FOR THE FUTURE

ANNUAL REPORT 2011

Contents

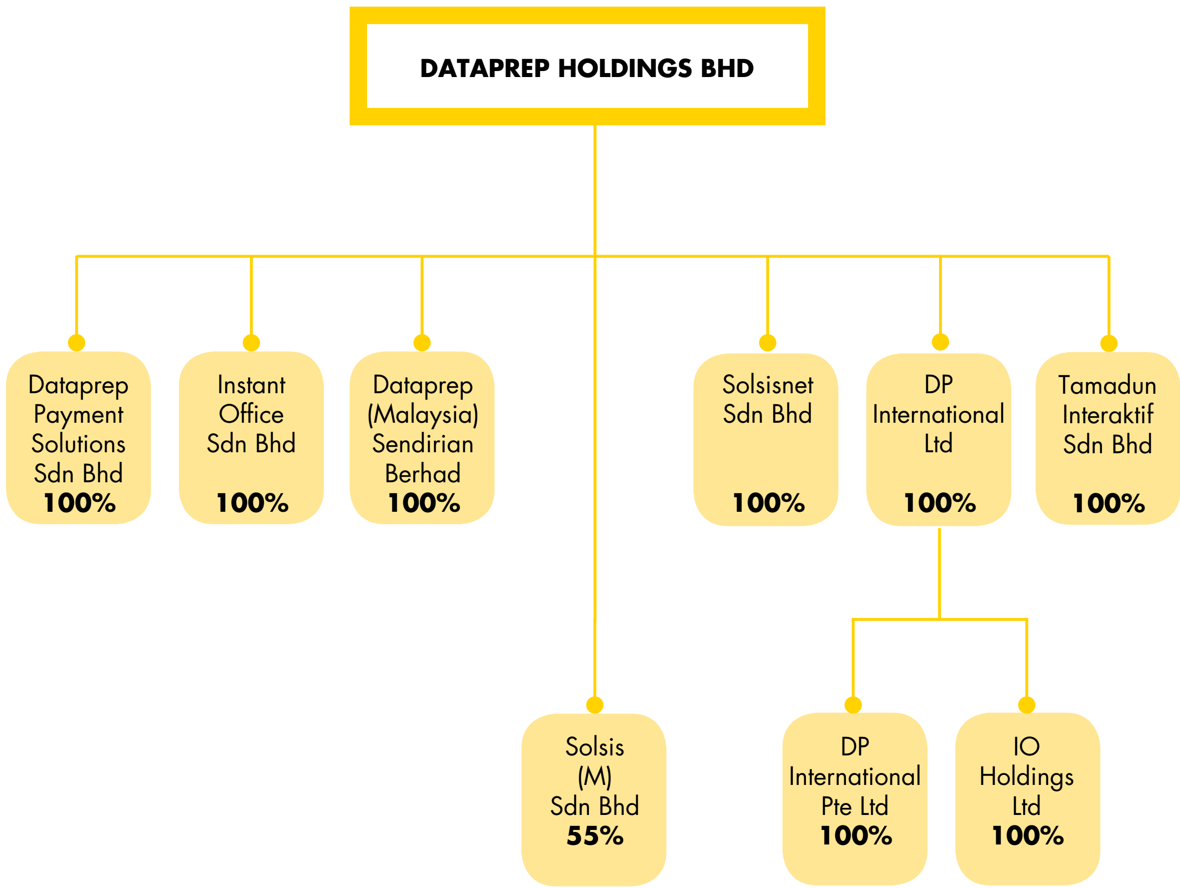
Our Vision

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.

Since 1971



Notes: 2 companies in the Group are placed under members' voluntary winding up:-

1) HRM Business Consulting Sdn Bhd
2) HRMBC Franchise Advisory Sdn Bhd

Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT THE TWENTY SECOND (22ND) 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 THURSDAY, 15 SEPTEMBER 2011 AT 10.00 A.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 2011 and the Reports of the Directors and Auditors thereon. (Ordinary Resolution 1)

2. To re-elect the following directors:-

   2.1 Datuk Lim Chee Wah who 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 Encik Ahmad Rizan bin Ibrahim who retires by rotation pursuant to Article 103 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 appoint the Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. (Ordinary Resolution 5)

   Notice of Nomination pursuant to Section 172 (11) of the Companies Act, 1965 (a copy of which is annexed and marked as "Annexure A" in the Annual Report 2011) has been received by the Company for the nomination of Messrs Folks DFK & Co for appointment as Auditors and of the intention to propose the following Ordinary Resolution: -

   "THAT Messrs Folks DFK & Co be and are hereby appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting, in place of the retiring auditors, Messrs Ernst & Young who have indicated not to seek re-appointment and that authority be and is hereby given for the Directors to determine their remuneration."

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."

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 Main Market Listing Requirements 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 19 August 2011, 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; or

(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 NEW MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE** (Ordinary Resolution 8)

"THAT pursuant to paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Shareholders' Mandate for the Company and/or its subsidiary ("Dataprep Group') to enter into additional recurrent related party 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 19 August 2011, AND THAT such approval conferred by the Shareholders' Mandate shall continue to be in force until:

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

(b) the expiration of the period within which the next AGM of the Company after that 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 New Shareholders' Mandate."

8. **PROPOSED AMENDMENT TO ARTICLE 135 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 135 in its entirety and substituting the following new Article 135 as follows:-

Existing Article 135:-

Any dividend may be paid by cheque sent through the post to the registered address of the member or person entitled thereto, and in case of joint holders to any one of such joint holders. Every such cheque shall be payable to the order of the person to whom it is sent, and payment of the cheque shall be discharge to the company of the dividend to which it relates.

New Article 135:-

Any dividend may be paid by cheque sent through the post to the registered address of the member or person entitled thereto or by direct transfer or such other mode of electronic means (subject to the provision of the Act, the Depositories Act and the Rules, the Listing Requirements and/or other regulatory authorities) to the bank account provided by the member whose name appears in the Record of Depositories. Every such cheque or payment by direct transfer shall be payable to the order of the person to whom it is sent, and payment of the cheque or payment by such electronic means shall be a good discharge to the company of the dividend to which it relates, notwithstanding of any discrepancy given by the member in the details of the bank account. Every such cheque or electronic transfer or remittance shall be at the risk of the person entitled to the money thereby represented.

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

BY ORDER OF THE BOARD

PAULINE NG PECK KUN (MAICSA 7029550)
VOO LIP SANG @ PHILIP (MIA 15143)
COMPANY SECRETARIES

Date: 19 August 2011

Petaling Jaya, Selangor Darul Ehsan

Notes:

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.

Notice Of Annual General Meeting
(cont'd)

Explanatory Notes to Item 5 (Ordinary Resolution 6)

The proposed ordinary resolution 6 if passed, will give a renewal mandate to 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 general mandate will provide flexibility to the Directors to undertake any possible fund raising activities, including but not limited to further placing of shares for purpose of funding current and/or future investment project(s), working capital and/or acquisitions. This would avoid any delay and cost involved in convening a general meeting to specifically approve such an issue of shares.

This renewed mandate, 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.

As at the date of this notice, no new shares in the company were issued pursuant to this mandate granted to the Directors at the last Annual General Meeting held on 17 September 2010 and which will lapse at the conclusion of this Annual General Meeting.

Explanatory Notes to Item 6 (Ordinary Resolution 7) and Item 7 (Ordinary Resolution 8)

The proposed ordinary resolutions 7 and 8, 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 8 (Special Resolution 1)

The proposed amendment to the Articles of Association of the Company, if passed will update the Article 135 of the Company's Articles of Association to facilitate the implementation of Electronic Dividend Payment ("eDividend") in line with the Bursa Malaysia Securities Main Market Listing Requirements pertaining to eDividend.

Statement Accompanying Notice Of Annual General Meeting

Pursuant to paragraph 8.27 (2) of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad

1. Four (4) Board Meetings were held during the financial year ended 31 March 2011.

Date of Meeting	Total Board Members Attended	% of Attendance
24 May 2010	5 / 5	100
13 August 2010	4 / 5	80
29 November 2010	5 / 5	100
24 February 2011	5 / 5	100

2. 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 12 to 16 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*
Muhammad Fauzi bin Abd Ghani	*Independent Non-Executive Director*
Michael Yee Kim Shing	*Independent Non-Executive Director*
Ahmad Rizan bin Ibrahim	*Executive Director / Chief Executive Officer*

COMPANY SECRETARIES

Voo Lip Sang @ Philip
Pauline Ng Peck Kun

AUDIT COMMITTEE

Chairman
Michael Yee Kim Shing
Independent Non-Executive Director

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

Muhammad Fauzi bin Abd Ghani
Independent Non-Executive Director

REMUNERATION, QUALITY AND NOMINATING COMMITTEE

Chairman
Muhammad Fauzi bin Abd Ghani
Independent Non-Executive Director

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

Michael Yee Kim Shing
Independent Non-Executive Director

SENIOR LEADERSHIP TEAM

Chief Executive Officer/ Head of Client & Market Engagement
Ahmad Rizan bin Ibrahim

Chief Operating Officer/ Head of Payment Solutions & Services and Business Support Services
Tan Hock Chye

Head of Technology & Solutions Integration
Poh Eng Soon

Head of Service Delivery
Ng Keok Ang

SHARE REGISTRAR

Symphony Share Registrars Sdn Bhd
Level 6, Symphony House,
Pusat Dagangan Dana 1,
Jalan PJU 1A/46,
47301 Petaling Jaya
Telephone : (603) 7841 8000
Facsimile : (603) 7841 8151

PRINCIPAL BANKERS

Malayan Banking Berhad
Public Bank Berhad
CIMB Bank Berhad
EON Bank Bhd

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

Dataprep's core solutions and services include:

- Enterprise Content Management System
- Enterprise Servers & Storage Consolidation and Virtualization
- Cloud Computing Enablement
- Data Centre
- Network Integration
- IT Security Solutions
- Product Lifecycle Management (PLCM)
- Customer Premise Equipment (CPE)
- Service Management
- IT Help Desk
- Multi-vendor Support
- IT Outsourcing Services
- IP Virtual Private Network (IPVPN)
- Payment Solutions & Services (PSS)
- Nationwide Service Network

Enterprise Content Management System

Providing solutions in the area of Enterprise Content Management (ECM) encompassing document management, web content management, records management, document imaging and workflow. Content management systems are deployed primarily for interactive use by a potentially large number of contributors.

Enterprise Servers & Storage Consolidation and Virtualization

Providing solutions to optimize the total number of physical or logical components of servers and storage in an IT environment, thereby simplifying IT infrastructure and improving manageability – ultimately reducing the total cost of ownership.

Cloud Computing Enablement

Providing consultation and development of Cloud Computing infrastructure and services. Cloud Computing can offer greater levels of automation, reduced operating costs, improved application performance and better utilization of computing resources. Cloud Services include consumer and business products, services and solutions that are delivered and consumed in real-time over the internet. It enhances business performance for a sound return of investments.

Data Centre

Providing solutions for customers seeking to design and build secure, resilient and redundant facilities to house mission-critical equipment. The solution covers connectivity services, data and network security, raised flooring, precision cooling, uninterruptible, power supply, structured cabling, protections against fire and water leakage, with electrical and mechanical systems engineered with multiple levels of redundancy, and 24x7 centralized environmental monitoring.

Network Integration

Providing solutions to design upgrade and expand the communication & Ethernet networks. The solution helps to consolidate and optimize IT resources, improving clients' business productivity by providing high availability, resilient and optimally performing network infrastructure.

IT Security Solutions

Providing solutions for customers seeking simple, cost effective, practical multi-layer or defence-in-depth approach to security. The solution provide an end-to-end security capability that meets clients' business and regulatory requirements while securing your IT and data assets, and minimizing your security risks.

Our Solutions & Services
(cont'd)

Product Lifecycle Management (PLCM)

Providing solutions for customers seeking turnkey solution to finance, providing, deploy, manage and maintain common IT equipments and infrastructure its lifecycle or agreed contact tenure. Maintenance coverage includes corrective, preventive and predictive maintenance.

Customer Premise Equipment (CPE)

Providing solutions for customers seeking cost effective, reliable and high performance routers for TM Internet and WAN links.

Service Management

Providing solutions to address a complete service lifecycle which will enable companies to manage staff and inventory more efficiently while providing higher level of services to customers. It provides a single, unified view of all service transactions and provides companies a wealth of decision support tools to continuously refine the quality of service process.

IT Help Desk

Providing a completely web-based, ITIL-compliant IT Help Desk solution which offers an integrated package with request management (trouble ticketing), asset tracking, purchasing, contact management, self-service portal, and knowledge base. The solution enables clients to have a full-fledged IT help desk and a productive help desk staff.

Multi-vendor Support

Organizations typically select and procure a combination of hardware and software platforms and applications. Our multi-vendor support address the needs of such organizations for a single service provider to support such a complex environment by providing a flexible, end-to-end service which is measured by service levels and available all over Malaysia.

IT Outsourcing Services

With our in-depth experience in managing IT infrastructure, we help our clients to focus on businesses by working behind the scenes to manage their IT infrastructure efficiently and seamlessly. By applying ITIL best practices and quality management system in our processes, service performance and quality are consistently maintained.

IP Virtual Private Network (IPVPN)

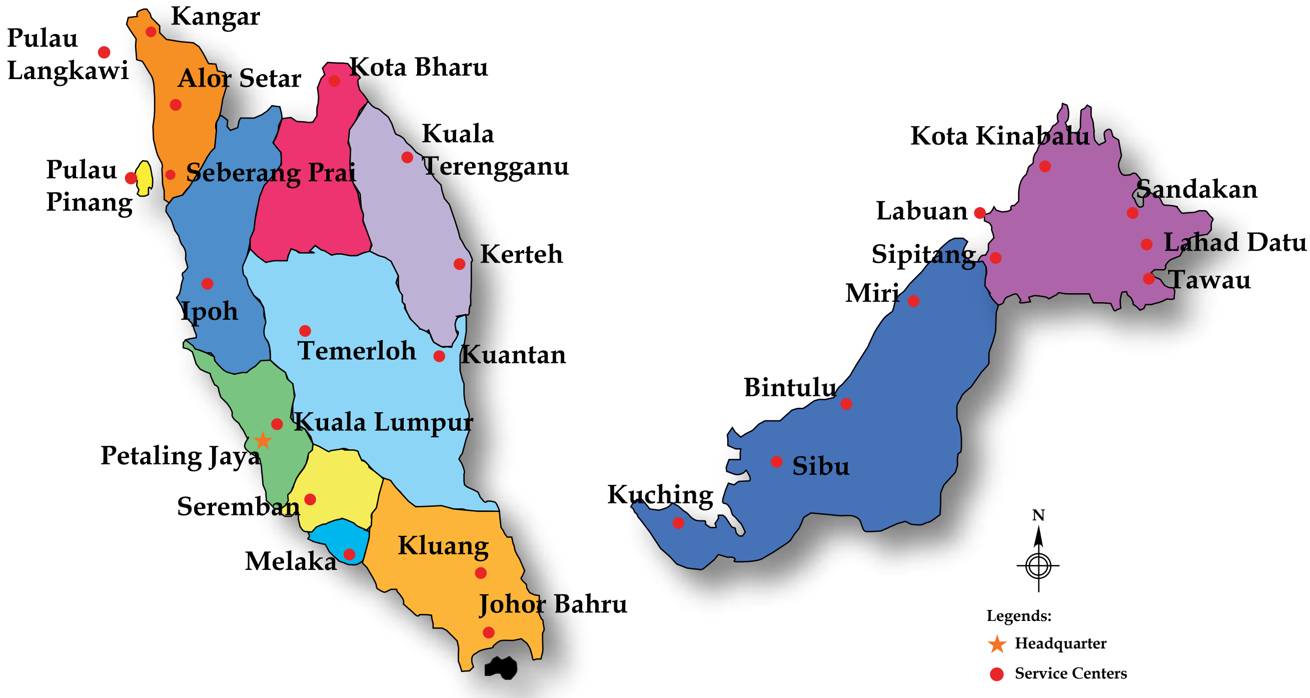
Organizations needing to connect their offices nationwide do not have to invest in their own expensive network infrastructure. Our IPVPN services allow our customer to have a virtual private network spanning the whole country that is both secure and resilient.

Payment Solutions & Services (PSS)

PSS focus is in the 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.

Nationwide Service Network

With twenty seven (27) service centres covering all states in Malaysia, each manned by experienced and skilled engineers, we are able to meet the most demanding service levels required by our customers.



HEADQUARTER

★ Petaling Jaya

SERVICE CENTERS

Northern Region
- Kangar
- Ipoh
- Pulau Pinang
- Alor Setar
- Pulau Langkawi
- Seberang Prai

Southern Region
- Johor Bahru
- Kluang
- Melaka
- Seremban

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

Sabah
- Kota Kinabalu
- Sandakan
- Labuan
- Tawau
- Sipitang
- Lahad Datu

Sarawak
- Kuching
- Sibu
- 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 68, was appointed to the Board on 29 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.

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.

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 is presently a member of the Audit Committee and the Remuneration, Quality & Nominating Committee.

He has attended all four Board Meetings held during the financial year ended 31 March 2011.

He has direct shareholdings of 203,125 ordinary shares in the company.

He also sits on the Board of Magna Prima Berhad, Lebar Daun Berhad and Grand-Flo Solution 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.

Datuk Lim Chee Wah

Non-Independent Non-Executive Director

Datuk Lim Chee Wah, a Malaysian, aged 57, 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 2011.

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

Except for certain recurrent related party transactions 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.

Board Of Directors
(cont'd)

Encik Muhammad Fauzi bin Abd Ghani

Independent Non-Executive Director

Encik Muhammad Fauzi bin Abd. Ghani, a Malaysian, aged 49, 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 Chief Information Officer of Felda Global Ventures Holdings Sdn. Bhd.

He is presently the Chairman of the Remuneration, Quality & Nominating Committee and also sits on the Audit Committee.

He has attended all four Board Meetings held during the financial year ended 31 March 2011.

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.

Mr Michael Yee Kim Shing

Independent Non-Executive Director

Mr Michael Yee Kim Shing, a Malaysian aged 72, 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 Accountants 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 2011.

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.

Board Of Directors
(cont'd)

Ahman Rizan bin Ibrahim

Executive Director / Chief Executive Officer

Ahmad Rizan Ibrahim, a Malaysian, aged 48 was appointed to the Board on 16 June 2011 as Executive Director / Chief Executive Officer. 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 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.

He is also the Managing Director of Solsisnet Sdn Bhd and Solsis (M) Sdn Bhd.

He does not hold any directorship in other public companies.

He has direct shareholdings of 17,831 ordinary shares in the Company. In addition, he holds 2,538,000 ordinary shares (15%) in Solsis (M) Sdn Bhd, a 55% owned subsidiary of 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.

Ahmad Rizan bin Ibrahim

Head of Client & Market Engagement

The details of Ahmad Rizan Ibrahim are disclosed on page 16 of this Annual Report.

Tan Hock Chye

Chief Operating Officer and Head of Business Support Services

Tan Hock Chye, a Malaysian, aged 51, is a Chartered Accountant of the Malaysian Institute of Accountants. He is also a Fellow Member of the Chartered Institute of Management Accountants, United Kingdom and has a Master of Business Administration (Honors) from Oklahoma City University, Oklahoma, USA.

He has a high level of financial and organization skills with over 28 years 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. Prior to his current position, he had previously held other senior management positions in multinational and public companies.

Poh Eng Soon

Head of Technology and Solutions Integration

Poh Eng Soon, a Malaysian, aged 48. He holds a Bachelor of Science Degree in Computer Science and Management from University Sains Malaysia.

He has more than 21 years of experience in IT and he specializes in services delivery, systems integration, selling outsourced solutions and managed services to SMEs and large corporations across multi industries including FSI, Healthcare, Education, Transport and Logistics, Telco, Manufacturing and Government sectors.

He has been managing P&L and heading in-country operations for the last 10 years. His career experience includes MNCs as well as locally incorporated companies. He has an excellent performance track record and has received numerous awards and recognition for those achievements.

He is currently responsible for a team of solution architects that designs and builds solutions to meet customer requirements.

Ng Keok Ang

Head of Service Delivery

Ng Keok Ang, a Malaysian, aged 55. He holds a Diploma in Electronics and Telecommunication from Singapore Polytechnic and a Diploma in Management from Malaysian Institute of Management.

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.

“

On behalf of the Board of Directors, I am pleased to present the Group's 22nd Annual Report together with the Audited Financial Statements for the year ended 31st March 2011

”

Tan Sri Datuk Adzmi bin Abdul Wahab
Chairman

Overview

The information and communications technology (ICT) industry experienced resurgence in spending due to the recovery in the global economy. Improved business confidence helped boost ICT spending across the different sectors of the economy notably in the Telecom and Finance sectors. The various government initiatives aimed at making Malaysia a regional services hub has favourable implications for the demand of ICT products and services. In addition, the various government initiatives such as computers for education programs and the rollout of the National Broadband Initiative provided the boost in demand for ICT products and services.

Given the positive outlook of the economy and the ICT industry, the Board is of the opinion that this will augurs well for the Group which is poised to take advantage of the various ICT initiatives for the ensuing year.

Financial Review

During the financial year, the Group has a credible performance with its revenue doubled as a result of the increased ICT spending. Revenue rose to RM89 million from RM45 million the year before.

However, the lower margins have impacted the Group's bottom line, resulting in a net loss of RM1.8 million as compared to RM5.7 million in the previous financial year.

The Group is of the view that the year under review is not only a test of its business dynamism but also a time to develop potentially high-growth and high-margin revenue streams so as to emerge as a stronger entity to face the ever challenging ICT environment.

Chairman's Statement
(cont'd)

On a more solid footing, the Group's balance sheet is positive with minimal borrowings; whilst our cash and bank balances stood at RM31 million as compared to RM32 million previously. This strong cash position will enable the Group to participate in any sizeable ICT projects that may arise in both the public and private sectors.

Operations Review

In forging ahead, the Group is putting more focus towards high growth segments such as Cloud Computing, Network and Security and the Economic Transformation Programmes. With these segments driving future growth, the Group is in the process of strengthening its Project Management Office and its Service Delivery organization to improve its ability to deploy these projects satisfactorily.

While pursuing growth opportunities, the Group is also focused on the need to be competitive. Cost cutting and productivity improvement measures will continue to be implemented.

Corporate Social Responsibility (CSR)

In the course of the financial year, the Group initiated several CSR activities, including the following:

- A Charity Run was held on 16 May 2010 to support development programs for underprivileged children, particularly those in orphanage homes.

- A Blood Donation Drive was held on 1 April 2011 to support the Ministry of Health's National Blood Centre's urgent need to maintain a safe and sufficient level of blood supply. Overall response was overwhelming with more than 70 donors.

Prospects

International Data Corporation ("IDC") forecasts that Malaysia will enjoy another year of growth due to the growing business confidence in a strengthening economy. In 2011, IDC expects the total ICT spending for Malaysia to grow by 9% from US$5.9b in 2010 to US$6.5b in 2011.

The growth in ICT spending in 2011 is expected to be driven by factors such as continued efforts by the government to raise the level of broadband penetration through the National Broadband Initiative and outsourcing initiatives by organizations looking to address increase IT complexity. The ICT industry will also play a pivotal role in the deployment of the government's Economic Transformation Programmes as it thrives to make Malaysia a high-income nation where knowledge and innovation become the pillars of success.

With this positive view and the Group's proven ability to deliver large and complex projects on time, the Board is of the notion that the Group is well positioned to garner more projects for the financial year ending 31 March 2012.

Acknowledgements

On behalf of the board, I wish to acknowledge our appreciation to our principals, business associates, government agencies, customers, suppliers and valued shareholders for their assistance and cooperation. We would also like to put on record our sincere thanks to the management and staff of the Group who have worked hand-in-hand to face the challenges during the year under review.

I wish to welcome En Ahmad Rizan Ibrahim as the new Executive Director / Chief Executive Officer. To my fellow Board members, I thank them for their unwavering support and lastly, our special thanks to our former Executive Director / Chief Executive Officer, Mr. Cheam Tat Inn, for his invaluable contributions during his time with the Group.

Tan Sri Datuk Adzmi Bin Abdul Wahab
Chairman

19 August 2011

Statement On Internal Control

INTRODUCTION

The Malaysian Code of Corporate Governance stipulates that the Board of Directors of public listed companies should maintain a sound system of internal controls in order to enhance the value of shareholders' investments and to safeguard the companies' assets. The Board of Directors 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 places importance on, and is committed to maintaining a sound system of internal control and effective risk management practices in the Group to ensure good corporate governance. The Board affirms its responsibility for reviewing the adequacy and integrity of the Group's internal control which covers, inter alia, risks management as well as financial, organizational, operational and compliance controls.

Due to limitations that are inherent in any systems of internal control, the system adopted by the Group is designed to manage rather than to eliminate the risk of failure to achieve business objectives. The system of internal control can only provide reasonable but not absolute assurance against any material misstatement or loss.

RISK MANAGEMENT

In dealing with its stewardship responsibilities, the Board recognizes that effective risk management is part of good business management practice. The Board acknowledges that the Groups' business activities involve some degree of risk and is committed to ensuring that the Group has an effective risk management framework which will allow the Group to identify, evaluate, manage, monitor and report risks that affect the accomplishment of the Group's profitability and the enhancement of shareholder value within defined risk parameters in a timely and effective manner.

MANAGEMENT PROCESSES

The Board is committed to maintain a strong control structure and environment for the proper conduct of the Group's business operations. The Board has the following control processes in place:-

- A formal organizational structure with delineated lines of authority, responsibility and accountability within the Group. A process of hierarchical reporting has been established which provides for a documented and auditable trail of accountability.

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

- A clear Group vision, mission and strategic direction is communicated to employees at all level. The intranet is used as an effective means of communication and knowledge sharing at all levels.

- In most of the Group's business operations, periodic meetings are held to ensure that progress, exceptions and variations are fully discussed and appropriate actions are taken. This ensures that business objectives are met. Adequate reports/ meeting minutes are generated for reviews on various business/operating units of the Group.

- The Board oversees the conduct of the Group's operations through various management reporting mechanisms. Through theses mechanisms, the Board is informed of all major issues pertaining to internal control, regulatory compliance and risk taking to ensure that it maintains full and effective supervision.

- 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, complied and reported. Management also uses the data and analysis provided by this automated information system relevant to their performance.

MONITORING AND REVIEW

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

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 9001/2008 certification accredited to one subsidiary, scheduled audits are conducted internally as well as by the SIRIM auditors on the subsidiary.

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 judgment. However, the systems of internal control that exist throughout the year provide a level of confidence on which the Board relies for assurance.

This statement is made in accordance with the minutes of the Board of Directors dated 30 May 2011 and has been duly reviewed by the external auditors, pursuant to paragraph 15.24 of the Bursa Malaysia Securities Berhad Main Market 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 to protect and enhance all aspects of the shareholders' value. This statement explains how the Company 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 five (5) members comprising of one (1) Non-Independent Non-Executive Director, three (3) Independent Non-Executive Directors and one (1) Executive Director / Chief Executive Officer ("CEO").

Mr Cheam Tat Inn, the Executive Director / Chief Executive Officer resigned from his position with effect from 15 June 2011 and Encik Ahmad Rizan Ibrahim was appointed as the Executive Director / Chief Executive Officer with effect from 16 June 2011.

The Company has thus complied with Paragraph 15.02 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities" or "BMSB") which requires that at least 2 directors or 1/3 of the Board of Directors, whichever is the higher, to be independent.

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 Directors participate actively in the overall management and stewardship of the Company. There were 4 Board meetings held in Financial Year 2011 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 debates issues openly and constructively and were committed to the collective decision making processes.

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. Disclosure on a 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 it is of the view that it is un-necessary 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 2011, the Company and the Group have used appropriate accounting policies and applied them consistently, reasonably and prudently. The financial statements comply with the provisions of the Companies Act, 1965 and the applicable Financial Reporting Standards in Malaysia.

The Directors are responsible to ensure that the Company and its subsidiaries keep accounting records which disclose with reasonable accuracy of 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 2011, 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	4 / 4	100
Datuk Lim Chee Wah	3 / 4	75
Encik Muhammad Fauzi bin Abd. Ghani	4 / 4	100
Mr Michael Yee Kim Shing	4 / 4	100
Mr Cheam Tat Inn (resigned w.e.f 15.6.2011)	4 / 4	100

DIRECTORS' CONTINUOUS PROFESSIONAL DEVELOPMENT

All directors have attended and successfully completed the Mandatory Accreditation Programme accredited by Bursa Securities. In additional, 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 programmes, as and when required. Director may also request to attend additional training to keep abreast on their individual requirements.

The Directors are also updated by the Company Secretaries 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 Best Practices
2. Business Strategies Development and Implementation
3. Desktop Virtualisation for Strategic Advantage
4. Business Continuity Management - Building Organization Resilience
5. 18th World Congress of Accountants 2010
6. Leading Organizational Transformation & Renewal
7. Cloud for Business Conference
8. Corporate Governance Guide: Towards Boardroom Excellence
9. Seminar on Financial Reporting Standards (FRS) 4, 7 and 139

SHAREHOLDERS

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

Adequate time is given during Annual and Extraordinary General Meetings to allow the shareholders to seek clarifications or ask questions on pertinent and relevant matters. Besides the Directors, the Senior Management and the external auditors of the Company are also present at this general meeting to assist in any related queries from the shareholders.

The Company's website www.dp.com.my also provides an avenue for keeping the general public updated on the activities of the Company. The website publish information on the Group's financial results, services and products, annual reports, press releases, events, media highlights and other relevant information.

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 the BMSB has been made.

ACCOUNTABILITY AND AUDIT

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

Quarterly results are only released to the BMSB after 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 BMSB guidelines and is posted to the public and also is available on the Company's website.

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 Main Market Listing Requirements. The role of the Committee in relation to the external auditors is also embodied under its terms of reference. A separate report on the Audit Committee is contained on pages 29 to 34 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 provides opinion on the adequacy and effectiveness of the risk management process, corporate governance practices and internal controls for the Group.

The Board acknowledges its overall responsibility for maintaining the system of internal controls to safeguard the shareholders' investment and the Company's assets. The Statement on Internal Control made in pursuance of paragraph 15.27 of the Main Market Listing Requirements is separately set out on pages 21 to 22 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 2011, 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 Encik Muhammad Fauzi Bin Abd Ghani, Tan Sri Datuk Adzmi bin Abdul Wahab and Mr Michael Yee Kim Shing.

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

(i) To review and recommend to the Board for approval, the remuneration packages for Executive Director/Chief Executive Officer.

(ii) To review the remuneration packages for the Managing Directors' Council.

(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 2011. The meeting was attended by Tan Sri Datuk Adzmi bin Abdul Wahab and Mr Michael Yee Kim Shing.

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.

The fees and/or any increase, payable to Non-Executive Directors are approved by the shareholders at the Annual General Meeting based on the recommendation of the Board. The fees payable to each of the Non-Executive Directors is determined by the Board as a whole. The Board maintains that the current remuneration for each category of Director commensurate with that adopted by companies of similar standing, and is sufficient to attract and retain directors of high caliber. The fees payable to Non-Executive Directors shall not exceed the maximum annual fees of RM400,000 as conferred by the shareholders in the Annual General Meeting held on 28 August 2008, unless a new mandate from shareholders is obtained. During the year, no revision on the directors' fees and allowances for non-executive directors were recommended due to the difficult year of economic condition.

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 2011 are categorized into appropriate components as follows:-

	Emoluments	Allowance	Fee	Bonuses	Benefits-in-Kind	Total (RM)
Executive Directors	480,000	57,600	-	-	26,357	563,957
Non-Executive Directors	-	23,250	138,750	-	-	162,000

Range of remuneration	Number of Directors	
	Executive Director	Non-Executive Director
Nil	-	-
Below RM50,000	-	4
RM50,001 – RM100,000	-	1
RM100,001 – RM500,000	-	-
RM500,001 – RM1,000,000	1	-

The above disclosure is in full compliance with the Main Market Listing Requirements. 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.

RISK MANAGEMENT COMMITTEE ("RMC")

The RMC was established during the financial year 2011 and the Enterprise Risk Management Framework ("ERM") has been formalized by the Board with the aim of providing a consistent approach to the risks and facilitating a reasonably accurate perception of acceptable risks by all employees. This risk management framework is the starting point in the enterprise risk management framework and has been prepared to ensure that risk management becomes a concern of everyone in the Group and that risk management practices are consistent across the whole of the corporation, involving employees at all levels within the different business units (i.e. departments, sections, branches and business centers) of the Group. The RMC comprise of mainly the Managing Directors Council members.

The Board entrusts the RMC with the overall responsibility for overseeing the risk management activities of the Group and approving appropriate risk management procedures and measurement methodologies across the organization. The primary roles of the RMC include the following:-

(a) To promote the Enterprise Risk Management and to ensure that the risk management process and culture are embedded throughout the Group.
(b) To provide half yearly reporting and update the Board on key risk management issues as well as any ad hoc reporting and evaluation on projects risk proposal assessments.
(c) To work with the Group Financial Controller and Group Internal Audit Department in the preparation of the Statement on Internal Control for inclusion in the company's Annual Report and to recommend the same for approvals of the Audit Committee and Board.

Risk Review Working Committee ("RRWC")

The RMC delegates to the RRWC, the responsibility for ensuring effective implementation and maintenance of the framework and that all staff adheres to its mandates. The RRWC comprise of the senior management team.

The principal role and function of the RRWC are summarized below as follows:

- Implementing the risk management philosophy/policy
- Developing and maintaining risk management procedures and measurement methodologies of the various departments
- Monitoring progress of risk mitigation plans
- Preparing quarterly reports to the RMC
- Creating risk awareness within the organization

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 2011 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**

  The Company did not issue any options, warrants or convertible securities during the financial year 2011.

- **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 29,100 will be payable to Ernst & Young Tax Consultants Sdn. Bhd as tax agent services rendered for the financial year.

  In addition, an amount of RM8,000 is paid to Ernst & Young being professional fees rendered in connection with the application of FRS for 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.

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

  At the 21st AGM of the Company held on 17th September 2010, 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 Main Market Listing Requirements. However, there was no transaction with the Mandated Party during the financial year ended 31 March 2011.

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	:	Tan Sri Datuk Adzmi bin Abdul Wahab (Independent, Non-Executive Director) En. Muhammad Fauzi bin Abd Ghani* (Independent, Non-Executive Director)

*(*member of MIA)*

The Secretaries to the Audit Committee are Mr Tan Hock Chye and Ms Pauline Ng Peck Kun.

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 Main Market Listing Requirements ("MMLR") 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 :-

    (i) must be a member of the Malaysian Institute of Accountants; or
    (ii) who must have at least 3 years working experience and: -
        (aa) have passed the examinations specified in Part I of the First Schedule of the Accountants Act, 1967; or
        (bb) is a member of one of the Associations specified in Part II of the First Schedule of the Accountants Act, 1967; or
        (cc) a degree/masters/doctorate in accounting or finance ; or
        (dd) a member of any professional accountancy organisation which has been admitted as a full member of the International Federation of Accountants; or
        (ee) at least 7 years' experience being a chief financial officer of a corporation or having the function of being primarily responsible for the management of the financial affairs of a corporation.

    (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 must elect a Chairman among themselves who is 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.

2.2 Functions and Duties

2.2.1 To review and recommend for the Board's approval, the Internal Audit Charter which defines the independence, purpose, authority, scope and responsibility of the internal audit unit in the Company and the Group.

2.2.2 To review the following and report to the Board:-

a. With the External Auditors

(i) the audit plan and audit report and the extent of assistance rendered by employees of the auditees;
(ii) their evaluation of the system of internal controls;
(iii) the audit fee and on matters concerning their suitability for nomination, appointment and re-appointment and the underlying reasons for resignation or dismissal as Auditors;
(iv) the management letter and management's response; and
(v) issues and reservations arising from audits.

b. With the Internal Audit Unit

(i) the adequacy and relevance of the scope, functions, 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 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 before 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 MMLR which have not been satisfactorily resolved, to the BMSB.

2.2.4 To prepare the Audit Committee Report for inclusion in the Company's Annual Report covering:-

a. The composition of the Committee including the name, designation and directorship of the members;
b. The terms of reference of the Committee;
c. The number of meetings held and details of attendance of each member;

d. 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 MMLR.

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.

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 2011 is approximately RM289,000.

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 Internal Audit Unit 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.

3. ATTENDANCE AT MEETINGS

The Committee met 4 times during the financial year ended 31 March 2011. The attendance record of the Committee members is as follows:

Name of Committee Member	Number of Meetings Attended
Mr. Michael Yee Kim Shing	4 / 4
En. Muhammad Fauzi bin Abd Ghani	4 / 4
Tan Sri Datuk Adzmi bin Abdul Wahab	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 2011 include 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. Reviewed the internal audit reports (including management's responses) which cover review of the adequacy and effectiveness of the risk management processes, corporate governance practices and internal controls for the Group;

d. Appraised the performance of the internal audit unit including that of the head of internal audit and any matters concerning their appointment and termination;

e. Reviewed the re-appointment of the External Auditors and to recommend to the Board of Directors for further recommendation to the shareholders for re-appointment to recommend to the Board;

f. Reviewed with the External Auditors their audit plans (inclusive of system evaluation and audit fees) prior to the commencement of the annual audit;

g. 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;

h. Reviewed the quarterly financial statements and year-end audited financial statements and the quarterly reports for announcement to the BMSB;

i. 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;

j. 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;

k. Updated and advised the Board with the latest changes and pronouncements issued by the accountancy, statutory and regulatory bodies;

l. 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;

m. Prepared the Audit Committee Report for inclusion in the Company's Annual Report;

n. Reviewed its Terms of Reference in compliance with the MMLR;

o. Reviewed the proposed establishment of the Enterprise Risk Management ("ERM") framework; and

p. 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 MMLR of the BMSB) and other statements in accordance with Appendix 9C of the MMLR of the BMSB for publication in the Company's Annual Report.

5. INTERNAL AUDIT UNIT

The summary of activities of the Internal Audit function for the financial year ended 31 March 2011 is as follows:

a. Prepared the annual Audit Planning Memorandum for the Audit Committee's approval;

b. Assumed a full participating role as advocated by the Professional Practice Framework in assisting management in the facilitation and provides opinion on the adequacy and effectiveness of the risk management process, corporate governance practices and internal controls for the Group. IAU also carried out risk based audits of strategic business units including ad-hoc assignments requested by the Senior Management, Audit Committee and Board members.

c. Carried out audit of the adequacy and effectiveness of corporate governance practices;

d. Issued audit reports to the Audit Committee and management identifying weaknesses and providing recommendations for improvement;

e. 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;

f. 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;

g. 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;

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 MMLR of the BMSB) and other statements in accordance Appendix 9C of the MMLR of the BMSB for publication in the Company's Annual Report.

Financial Statements

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 2011.

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 16 to the financial statements. There were no significant changes in the nature of the principal activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Loss net of tax	(1,818)	(1,517)
Attributable to:		
Owners of the Company	(2,273)	(1,517)
Non controlling interests	455	-
	(1,818)	(1,517)

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
Cheam Tat Inn
Leong How Seong (resigned on 31 May 2010)

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 10 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.

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

	Number of Ordinary Shares of RM0.25 Each			
The Company	**At 1.4.2010**	**Acquired**	**Disposed**	**At 31.3.2011**
Tan Sri Datuk Adzmi bin Abdul Wahab				
- Direct	203,125	-	-	203,125
Datuk Lim Chee Wah				
- Direct	1,062,500	-	-	1,062,500
- Indirect	203,385,046	-	-	203,385,046

	Number of Ordinary Shares of RM1 Each			
Holding Company - VXL Holdings Sdn. Bhd.	**At 1.4.2010**	**Acquired**	**Disposed**	**At 31.3.2011**
Datuk Lim Chee Wah				
- Indirect	1,000,000	-	-	1,000,000

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

OTHER STATUTORY INFORMATION

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

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

(ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

OTHER STATUTORY INFORMATION (Cont'd)

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

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

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

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

(d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

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

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

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

(f) In the opinion of the Directors:

   (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or the Company to meet their obligations when they fall due; and

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

SUBSEQUENT EVENTS

Details of subsequent events are disclosed in Note 38 to the financial statements.

AUDITORS

The auditors, Ernst & Young, do not wish to seek reappointment at the forthcoming Annual General Meeting.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 15 June 2011.

Tan Sri Datuk Adzmi bin Abdul Wahab
Chairman

Cheam Tat Inn
Chief Executive Officer

Statements Of Comprehensive Income

For The Financial Year Ended 31 March 2011

	Note	Group 2011 RM'000	Group 2010 RM'000	Company 2011 RM'000	Company 2010 RM'000
Continuing operations					
Revenue	4	89,432	44,595	5,290	5,218
Cost of sales		(76,859)	(34,420)	-	-
Gross profit		12,573	10,175	5,290	5,218
Other income	5	1,096	785	593	688
Selling and distribution costs		(1,828)	(1,373)	-	-
Administrative expenses		(7,019)	(7,346)	(4,011)	(4,049)
Other expenses	6	(6,455)	(7,863)	(3,381)	(2,808)
Operating loss		(1,633)	(5,622)	(1,509)	(951)
Finance costs	7	(120)	(61)	(8)	(10)
Loss before tax	8	(1,753)	(5,683)	(1,517)	(961)
Taxation	11	(65)	(23)	-	19
Loss for the financial year		(1,818)	(5,706)	(1,517)	(942)
Other comprehensive income					
Realisation of capital reserves upon liquidation of a subsidiary		51	-	-	-
Transfer from capital reserve to accumulated losses due to realisation upon liquidation		(51)	-	-	-
Foreign currency translation		(3)	3	-	-
Other comprehensive income for the year, net of tax		(3)	3	-	-
Total comprehensive loss for the year		(1,821)	(5,703)	(1,517)	(942)
Loss for the financial year attributable to:					
Owners of the Company		(2,273)	(5,686)	(1,517)	(942)
Non-controlling interest		455	(20)	-	-
		(1,818)	(5,706)	(1,517)	(942)
Total comprehensive loss attributable to:					
Owners of the Company		(2,276)	(5,683)	(1,517)	(942)
Non-controlling interest		455	(20)	-	-
		(1,821)	(5,703)	(1,517)	(942)
Loss per share attributable to owners of the Company (sen):					
Basic	12	(0.59)	(1.53)		
Diluted	12	(0.59)	(1.53)		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements Of Financial Position

As At 31 March 2011

	Note	Group 2011 RM'000	Group 2010 RM'000	Company 2011 RM'000	Company 2010 RM'000
ASSETS					
Non-current assets					
Plant and equipment	13	3,932	4,706	616	708
Goodwill on consolidation	14	104	104	-	-
Intangible assets	15	340	394	262	218
Investment in subsidiaries	16	-	-	6,114	6,114
Other investments	17	91	91	-	-
Amounts due from subsidiaries	18	-	-	35,264	34,019
Deferred tax assets	19	2,810	2,810	-	-
		7,277	8,105	42,256	41,059
Current assets					
Development costs	20	-	271	-	271
Inventories	21	1,159	1,095	-	-
Trade receivables	22	45,345	18,070	-	-
Other receivables	23	3,707	1,947	217	75
Tax recoverable		106	112	37	36
Cash and bank balances	25	30,642	32,381	20,166	22,696
		80,959	53,876	20,420	23,078
TOTAL ASSETS		88,236	61,981	62,676	64,137
EQUITY AND LIABILITIES					
Equity attributable to equity owners of the Company					
Share capital	26	95,772	95,772	95,772	95,772
Share premium		5,488	5,488	5,488	5,488
Merger deficit		(13,509)	(13,509)	-	-
Warrants	27	-	-	-	-
Capital reserve	28	-	51	-	-
Foreign exchange reserve		11	14	-	-
Accumulated losses		(36,529)	(34,307)	(39,242)	(37,725)
		51,233	53,509	62,018	63,535
Non-controlling interest		1,796	1,341	-	-
Total equity		53,029	54,850	62,018	63,535
Non-current liabilities					
Long term borrowings	29	134	173	134	173
Current liabilities					
Trade payables	30	29,462	3,334	-	-
Other payables	31	3,958	3,587	485	392
Short term borrowings	29	1,641	37	39	37
Provision for taxation		12	-	-	-
		35,073	6,958	524	429
Total liabilities		35,207	7,131	658	602
TOTAL EQUITY AND LIABILITIES		88,236	61,981	62,676	64,137

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated Statement Of Changes In Equity
For The Financial Year Ended 31 March 2011

	<------Attributable to the Equity Owners of the Company------>								
		<------Non-Distributable------>							
Group	**Share capital (Note 26) RM'000**	**Share premium RM'000**	**Capital reserve (Note 28) RM'000**	**Merger deficit RM'000**	**Other reserves RM'000**	**Accumulated losses RM'000**	**Total RM'000**	**Non-controlling interest RM'000**	**Total equity RM'000**
At 1 April 2009	89,037	5,488	51	(13,509)	11	(28,621)	52,457	1,361	53,818
Total comprehensive loss for the year	-	-	-	-	3	(5,686)	(5,683)	(20)	(5,703)
Issuance of new ordinary shares pursuant to the exercise of warrants	6,735	-	-	-	-	-	6,735	-	6,735
At 31 March 2010	95,772	5,488	51	(13,509)	14	(34,307)	53,509	1,341	54,850
At 1 April 2010	95,772	5,488	51	(13,509)	14	(34,307)	53,509	1,341	54,850
Total comprehensive loss for the year	-	-	(51)	-	(3)	(2,222)	(2,276)	455	(1,821)
At 31 March 2011	95,772	5,488	-	(13,509)	11	(36,529)	51,233	1,796	53,029

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Company Statement Of Changes In Equity

For The Financial Year Ended 31 March 2011

	Attributable to the Equity Owners of the Company			
	Non-Distributable			
	Share capital (Note 26) RM'000	Share premium RM'000	Accumulated losses RM'000	Total equity RM'000
Company				
At 1 April 2009	89,037	5,488	(36,783)	57,742
Total comprehensive loss for the year	-	-	(942)	(942)
Issuance of new ordinary shares pursuant to the exercise of warrants	6,735	-	-	6,735
At 31 March 2010	95,772	5,488	(37,725)	63,535
At 1 April 2010	95,772	5,488	(37,725)	63,535
Total comprehensive loss for the year	-	-	(1,517)	(1,517)
At 31 March 2011	95,772	5,488	(39,242)	62,018

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements Of Cash Flows

For The Financial Year Ended 31 March 2011

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Cash Flows from Operating Activities				
Loss before taxation	(1,753)	(5,683)	(1,517)	(961)
Adjustments for:				
Depreciation of property, plant and equipment	1,493	1,496	180	149
Amortisation of intangible assets	272	344	155	266
Gain on disposal of property, plant and equipment	(102)	(12)	(4)	-
Property, plant and equipment written off	18	113	-	4
Loss on disposal of other investment	-	15	-	-
Provision for doubtful debts	10	238	11	18
Provision for doubtful debts written back	(7)	-	-	(215)
Debts written off	2	711	-	13
Impairment of amount due from subsidiary	-	-	966	-
Stocks written off	-	2	-	-
Provision for obsolete stocks	48	146	-	-
Development costs written off	578	-	578	-
Interest expense	50	13	8	10
Interest income	(786)	(664)	(575)	(452)
Operating loss before working capital changes	(177)	(3,281)	(198)	(1,168)
Decrease/(increase) in development costs	(307)	439	(307)	(271)
Increase in inventories	(150)	(146)	-	-
(Increase)/decrease in receivables	(29,037)	(341)	(6)	43
Increase/(decrease) in payables	26,499	(2,825)	93	39
Increase in net amounts due from subsidiaries	-	-	(2,222)	(3,086)
Cash used in operations	(3,172)	(6,154)	(2,640)	(4,443)
Tax (paid)/refund	(47)	144	(1)	(19)
Interest received	780	667	439	452
Interest paid	(50)	(62)	(8)	(10)
Net cash used in operating activities	(2,489)	(5,405)	(2,210)	(4,020)
Cash Flows from Investing Activities				
Purchase of property, plant and equipment	(729)	(859)	(89)	(175)
Purchase of intangible assets	(218)	(246)	(199)	(95)
Proceeds from disposal of property, plant and equipment	132	93	5	-
Proceeds from disposal of other investment	-	45	-	-
Net cash used in investing activities	(815)	(967)	(283)	(270)

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Cash Flows from Financing Activities				
Drawdown of borrowings	1,602	-	-	-
Repayment of hire purchase and lease financing	(37)	(157)	(37)	(37)
Proceeds from issuance of ordinary shares	-	6,735	-	6,735
Net cash generated from/(used in) financing activities	1,565	6,578	(37)	6,698
Net (decrease)/increase in cash and cash equivalents	(1,739)	206	(2,530)	2,408
Cash and cash equivalents at beginning of year	32,381	32,175	22,696	20,288
Cash and cash equivalents at end of year (Note 25)	30,642	32,381	20,166	22,696

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. PRINCIPAL ACTIVITIES AND GENERAL INFORMATION

Dataprep Holdings Bhd ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market 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 16.

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 15 June 2011.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements of the Group and of the Company have been prepared in accordance 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 adopted new and amended FRSs which are mandatory for financial periods beginning on or after 1 April 2010 as described fully in Note 2.2.

The financial statements of the Group and of the Company have also been prepared on the historical cost basis.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM'000).

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 April 2010, the Group and the Company adopted the following new and amended FRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 April 2010.

FRS 7 *Financial Instruments: Disclosures*
FRS 8 *Operating Segments*
FRS 101 *Presentation of Financial Statements (Revised)*
FRS 123 *Borrowing Costs*
FRS 139 *Financial Instruments: Recognition and Measurement*
Amendments to FRS 1 *First-time Adoption of Financial Reporting Standards* and FRS 127 *Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
Amendments to FRS 2 *Share-based Payment – Vesting Conditions and Cancellations*
Amendments to FRS 132 *Financial Instruments: Presentation*
Amendments to FRS 139 *Financial Instruments: Recognition and Measurement*, FRS 7 *Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives*

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Changes in accounting policies (cont'd)

Improvements to FRS issued in 2009
IC Interpretation 9 *Reassessment of Embedded Derivatives*
IC Interpretation 10 *Interim Financial Reporting and Impairment*
IC Interpretation 11 FRS 2 – *Group and Treasury Share Transactions*
IC Interpretation 13 *Customer Loyalty Programmes*
IC Interpretation 14 FRS119 – *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*

FRS 4 *Insurance Contracts* and TR i-3 *Presentation of Financial Statements of Islamic Financial Institutions* will also be effective for annual periods beginning on or after 1 April 2010. These FRS are, however, not applicable to the Group or the Company.

Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group and the Company except for those discussed below:

<u>FRS 7: Financial Instruments: Disclosures</u>

Prior to 1 April 2010, information about financial instruments was disclosed in accordance with the requirements of FRS 132 Financial Instruments: Disclosure and Presentation. FRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk.

The Group and the Company have applied FRS 7 prospectively in accordance with the transitional provisions. Hence, the new disclosures have not been applied to the comparatives. The new disclosures are included throughout the Group's and the Company's financial statements for the year ended 31 March 2011.

<u>FRS 8: Operating Segments</u>

FRS 8, which replaces FRS 114 Segment Reporting, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The Standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group concluded that the reportable operating segments determined in accordance with FRS 8 are the same as the business segments previously identified under FRS 114. The Group has adopted FRS 8 retrospectively.

<u>FRS 101: Presentation of Financial Statements (Revised)</u>

The revised FRS 101 introduces changes in the presentation and disclosures of financial statements. The revised Standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented as a single line. The Standard also introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group and the Company have elected to present this statement as one single statement.

In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the classification of items in the financial statements.

The revised FRS 101 also requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital (see Note 36).

The revised FRS 101 was adopted retrospectively by the Group and the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Changes in accounting policies (cont'd)

FRS 139: Financial Instruments: Recognition and Measurement

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. The Group and the Company have adopted FRS 139 prospectively on 1 April 2010 in accordance with the transitional provisions. Comparatives are not restated

The Company had previously granted interest free advances with no fixed terms of repayment to its subsidiaries. These advances were recorded at costs in the Company's financial statements. Upon the adoption of FRS 139 prospectively in the current financial year, an advance to a subsidiary is recorded at a fair value that is lower than cost of which resulted in an allowance for impairment loss being recognised during the year amounted to RM966,000 (2010: RM Nil) as disclosed in Note 6 and Note 18.

2.3 Standards issued but not yet effective

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

		Effective for financial periods beginning on or after
FRS 1	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3	Business Combinations	1 July 2010
FRS 127	Consolidated and Separate Financial Statements	1 July 2010
IC Interpretation 12	Service Concession Arrangements	1 July 2010
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17	Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives	1 July 2010
Amendments to IC Interpretation 15	Agreements for the Construction of Real Estate	30 August 2010
IC Interpretation 4	Determining Whether an Arrangement Contains a Lease	1 January 2011
IC Interpretation 18	Transfers of Assets from Customers	1 January 2011
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 1	Additional Exemptions for First-time Adopters	1 January 2011
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions	1 January 2011
Amendments to FRS 7	Improving Disclosures about Financial Instruments	1 January 2011
Improvements to FRS issued in 2010		
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirements	1 July 2011
FRS 124	Related Party Disclosure	1 January 2012
IC Interpretation 15	Agreements for the Construction of Real Estate	1 January 2012

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Standards issued but not yet effective (cont'd)

Except for the changes in accounting policies arising from the adoption of the revised FRS 3 and the amendments to FRS 127, as well as the new disclosures required under the Amendments to FRS 7, the directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of the revised FRS 3 and the amendments to FRS 127 are described below.

Revised FRS 3 *Business Combination and Amendments to FRS 127 Consolidated and Separate Financial Statements*

The revised standards are effective for annual periods beginning on or after 1 July 2010. The revised FRS 3 introduces a number of changes in the accounting for business combinations occurring after 1 July 2010. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The Amendments to FRS 127 require that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments have been made to FRS 107 Statement of Cash Flows, FRS 112 Income Taxes, FRS 121 The Effects of Changes in Foreign Exchange Rates, FRS 128 Investments in Associates and FRS 131 Interests in Joint Ventures. The changes from revised FRS 3 and Amendments to FRS 127 will affect future acquisitions or loss of control and transactions with non-controlling interest. The standards may be early adopted. However, the Group does not intend to early adopt.

2.4 Basis of consolidation

The consolidation financial statements comprise the financial statements of the Company and its subsidiaries as at the financial year end. The financial statements of the subsidiaries used in the preparation of the consolidation financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transaction and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transaction are eliminated in full.

Acquisitions of subsidiaries are accounted for by applying the purchase method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Adjustments to those fair values relating to previously held interests are treated as revaluation and recognised in other comprehensive income. The cost of a business combination 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 business combination. Any excess of the cost of business combination over the Group's share in the fair value of the acquired subsidiary's identifiable assets, liabilities is recorded as goodwill on the statement of financial position. The accounting policy for goodwill is set out in Note 2.6(a). Any excess of the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised as income in profit or loss on the date of acquisition.

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 such control ceases.

Under the merger method of accounting, the results of the subsidiaries are included in the Group statement of comprehensive income 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.5 Subsidiaries

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

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

2.6 Intangible Assets

(a) 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.

(b) 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 financial year end.

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

2.7 Plant and Equipment, and Depreciation

All items of 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 profit or loss during the financial period in which they are incurred.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.7 Plant and Equipment, and Depreciation (cont'd)

Depreciation of 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	20%
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 plant and equipment.

An item of 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

2.8 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 are likely to 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.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

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.

2.9 Impairment of Non-financial Assets

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

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 reporting date or more frequently when indicators of impairment are identified.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.9 Impairment of Non-financial Assets (cont'd)

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.

2.10 Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition.

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

All financial assets of the Group are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration is recognised in profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.11 Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in the economic conditions.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2.12 Inventories

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

Cost is determined using the weighted average basis and comprises the purchase price plus the incidental cost of bringing the inventories to their intended location and condition. Costs incurred on projects expected to be completed within one year are reflected as work in progress.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale

2.13 Cash and cash equivalents

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

2.14 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of FRS 139, are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.14 Financial liabilities (cont'd)

The Group's financial liabilities include trade and other payables and borrowings. All financial liabilities of the Group are classified as other financial liabilities.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.15 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

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

2.16 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2.17 Provision

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If 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. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.18 Leases

(a) 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.

(b) 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 statement of financial position 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 2.7.

(c) 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

2.19 Income Tax

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.19 Income Tax (cont'd)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.20 Employee benefits

(a) 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.

(b) 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.

2.21 Foreign currencies

(a) 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.

(b) 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 reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing on the reporting 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.

(c) 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 presented are translated at the closing rate prevailing at reporting date;

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.21 Foreign currencies (cont'd)

(c) Foreign operations (cont'd)

- Income and expenses 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 reporting 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.

2.22 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. Revenue is measured at the fair value of consideration received or receivable.

(a) Sale of goods

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.

(b) Rendering of services

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

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

(c) Contracts

(i) Revenue from contracts is accounted for by the stage of completion method as disclosed in Note 2.8.

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

(d) Rental income

Revenue on rental of Electronic Data Capture ("EDC") equipment is recognised on an accrual basis.

(e) Management fees

Management fees are recognised when services are performed.

(f) Interest income

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

(g) Dividend income

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.23 Development costs

Development costs comprise employee costs which include project cost that are directly attributable to the development activities that can be allocated on a reasonable basis to such activities incurred during the period of development.

Where the financial outcome of the development activity can be reliably estimated, project development revenue and expenses are recognised in the income statement by using the percentage of completion method. The stage of completion is determined by the proportion of costs incurred for works performed todate bear to the estimated total development costs.

Where the outcome of the development activity cannot be reliably estimated, project development revenue is recognised only to the extent of development costs incurred that is probable will be recoverable.

Any expected loss on development project is recognised as an expense immediately.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting 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.

(a) Impairment assessment

The Group determines whether goodwill, cost of investment in subsidiaries and inter-company advances are impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash generating units ("CGU") to which the assets are allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill, cost of investment in subsidiaries and inter-company advances are as disclosed in Notes 14, 16 and 18.

(b) Useful lives of plant and 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.

(c) 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 RM11,420,000 (2010: RM13,184,000) and the unrecognised tax losses, capital allowances and other deductible temporary differences of the Group was RM56,505,000 (2010: RM55,387,000).

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

(d) 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 2011, RM23,114,000 (2010: RM23,205,000) for the Group and RM37,121,000 (2010: RM37,110,000) for the Company were provided for as allowance for doubtful debts.

(e) 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.

4. REVENUE

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Infrastructure solutions	61,821	13,663	-	-
Managed services	25,003	28,333	-	-
Payment solutions and services	2,608	2,599	-	-
Management services	-	-	5,290	5,218
	89,432	44,595	5,290	5,218

5. OTHER INCOME

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Interest income on deposits	786	664	575	452
Incentive from suppliers	47	10	-	-
Provision for doubtful debts written back	7	-	-	215
Miscellaneous	256	111	18	21
	1,096	785	593	688

6. OTHER EXPENSES

	Group 2011 RM'000	Group 2010 RM'000	Company 2011 RM'000	Company 2010 RM'000
Impairment of amount due from a subsidiary	-	-	966	-
Provision for doubtful debts	10	238	11	18
Depreciation of property, plant and equipment	1,493	1,496	180	149
Development costs written off	578	-	578	-
Amortisation of intangible assets	272	344	155	266
Rental of:				
- premises	916	1,015	204	237
- equipment	114	103	80	70
Telecommunication	464	480	63	70
Miscellaneous	2,608	4,187	1,144	1,998
	6,455	7,863	3,381	2,808

7. FINANCE COSTS

	Group 2011 RM'000	Group 2010 RM'000	Company 2011 RM'000	Company 2010 RM'000
Interest expense / charges on:				
- bankers' acceptances	41	-	-	-
- letters of credits	6	3	-	-
- bank guarantees	64	45	-	-
- hire purchase and finance lease liabilities	9	13	8	10
	120	61	8	10

8. LOSS BEFORE TAX

In addition to the disclosures in Notes 5, 6 and 7, the following amounts have been included in arriving at loss before tax:

	Group 2011 RM'000	Group 2010 RM'000	Company 2011 RM'000	Company 2010 RM'000
Employee benefits expense (Note 9)	21,271	19,876	4,010	4,050
Auditors' remuneration				
- statutory audit	91	81	17	17
Debts written off	2	711	-	13
Net foreign exchange gains				
- realised	(2)	(17)	-	-
Non-executive directors'remuneration (Note 10)	162	200	162	200
Stocks written off	-	2	-	-
Provision for obsolete stocks	48	146	-	-
Plant and equipment written off	18	113	-	4
Gain on disposal of plant and equipment	(102)	(12)	(4)	-
Leaseline rental	149	121	39	35
Loss on disposal of other investment	-	15	-	-

9. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Wages and salaries	18,313	16,941	3,469	3,543
Social security contributions	202	192	25	27
Contributions to a defined contribution plan	2,072	1,955	391	400
Other staff related expenses	684	788	125	80
	21,271	19,876	4,010	4,050

Included in employee benefits expense of the Group and of the Company are Executive Directors' remuneration (excluding benefits-in-kind) amounting to RM1,371,000 (2010: RM1,372,000) and RM538,000 (2010: RM538,000) respectively as further disclosed in Note 10.

10. DIRECTORS' REMUNERATION

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Directors of the Company				
Executive Directors' remuneration (Note 9):				
- Salaries, commission and incentives	480	480	480	480
- Contributions to a defined contribution plan	58	58	58	58
	538	538	538	538
Directors of subsidiaries				
Executive Directors' remuneration (Note 9):				
- Salaries, commission and incentives	753	744	-	-
- Contributions to a defined contribution plan	79	89	-	-
- Social security contributions	1	1	-	-
	833	834	-	-
Directors of the Company				
Non-Executive Directors' remuneration (Note 9):				
- Fees	139	172	139	172
- Allowances	23	28	23	28
	162	200	162	200
Total Directors' remuneration	1,533	1,572	700	738
Estimated money value of benefits-in-kind	65	62	25	27
Total Directors' remuneration including benefits-in-kind	1,598	1,634	725	765

10. 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	
	2011	2010
Executive Directors:		
RM550,001 to RM600,000	1	1
Non-executive Directors:		
RM1 to RM50,000	3	5
RM50,001 to RM100,000	1	1

11. TAXATION

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Malaysian income tax:				
Current income tax	52	38	-	-
Under/(over) provision in prior years	13	(20)	-	(19)
	65	18	-	(19)
Deferred tax (Note 19):				
Relating to origination and reversal of temporary differences	-	(32)	-	-
(Over)/underprovision in prior years	-	37	-	-
	-	5	-	-
Total income tax expense/(reversal)	65	23	-	(19)

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. During the financial year, the income tax rate applicable to a subsidiary in Singapore was 17% (2010: 17%).

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2010: 25%) of the estimated assessable profit for the year.

11. 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	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Loss before taxation	(1,753)	(5,683)	(1,517)	(961)
Taxation at Malaysian statutory tax rate of 25% (2010: 25%)	(438)	(1,421)	(379)	(240)
Different tax rate in Singapore	-	1	-	-
Expenses not deductible for tax purposes	210	160	355	46
Income not subject to taxation	-	(5)	-	(5)
Utilisation of previously unrecognised unabsorbed capital allowances and unutilised tax losses	(1,054)	(519)	-	-
Deferred tax assets not recognised in respect of current year's tax losses, unabsorbed capital allowances and other deductible temporary differences	1,334	1,790	24	199
Under/(over) provision of income tax expense in respect of prior years	13	(20)	-	(19)
(Over)/underprovision of deferred tax in prior years	-	37	-	-
Income tax expense/(reversal) for the financial year	65	23	-	(19)
Tax savings recognised during the financial year arising from:				
Utilisation of previously unrecognised unabsorbed capital allowances and unutilised tax losses	736	519	-	-
	736	519	-	-

12. LOSS PER SHARE

(a) Basic

Basic loss per share are calculated by dividing the loss for the financial year attributable to ordinary equity owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2011	2010
Loss attributable to ordinary equity owners of the Company (RM'000)	(2,273)	(5,686)
Weighted average number of ordinary shares in issue ('000)	383,087	371,324
Basic loss per share for the financial year (sen)	(0.59)	(1.53)

12. LOSS PER SHARE (Cont'd)

(b) Diluted

Diluted loss per share of the Group in the previous financial year was calculated by dividing the loss for that year attributable to equity owners of the Company by the adjusted weighted average number of ordinary shares in issue during that year. The adjusted weighted average number of ordinary shares in issue was arrived at assuming full conversion of the Warrants which represented the dilutive potential of the ordinary shares.

There was no dilution effect on loss per share for the current financial year as the unexercised Warrants have expired and lapsed on 18 September 2009. Accordingly, the diluted loss per share for the current year is presented as equal to basic loss per share.

13. 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 2011					
Cost					
At 1 April 2010	8,104	4,955	397	410	13,866
Additions	405	324	-	-	729
Transfer	-	38	-	-	38
Disposal	(60)	(123)	-	-	(183)
Write-off	(37)	-	-	-	(37)
At 31 March 2011	8,412	5,194	397	410	14,413
Accumulated Depreciation					
At 1 April 2010	5,785	2,992	143	240	9,160
Depreciation charge for the financial year	665	726	71	31	1,493
Disposal	(49)	(104)	-	-	(153)
Write-off	(19)	-	-	-	(19)
At 31 March 2011	6,382	3,614	214	271	10,481
Net Book Value					
At 31 March 2011	2,030	1,580	183	139	3,932

13. 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 2010					
Cost					
At 1 April 2009	10,136	5,734	397	821	17,088
Additions	399	332	-	128	859
Transfer	-	25	-	-	25
Disposal	(1,082)	(186)	-	(22)	(1,290)
Write-off	(1,349)	(950)	-	(517)	(2,816)
At 31 March 2010	8,104	4,955	397	410	13,866
Accumulated Depreciation					
At 1 April 2009	7,496	3,403	90	587	11,576
Depreciation charge for the financial year	718	637	53	88	1,496
Disposal	(1,081)	(116)	-	(12)	(1,209)
Write-off	(1,348)	(932)	-	(423)	(2,703)
At 31 March 2010	5,785	2,992	143	240	9,160
Net Book Value					
At 31 March 2010	2,319	1,963	254	170	4,706
Company					
At 31 March 2011					
Cost					
At 1 April 2010	604	49	309	150	1,112
Additions	88	1	-	-	89
Disposal	(3)	-	-	-	(3)
At 31 March 2011	689	50	309	150	1,198
Accumulated Depreciation					
At 1 April 2010	261	39	81	23	404
Depreciation charge for the financial year	84	4	30	62	180
Disposal	(2)	-	-	-	(2)
At 31 March 2011	343	43	111	85	582
Net Book Value					
At 31 March 2011	346	7	198	65	616

13. PLANT AND EQUIPMENT (Cont'd)

	Computer equipment RM'000	Furniture, fittings, office and EDC equipment RM'000	Motor vehicles RM'000	Renovation RM'000	Total RM'000
Company					
At 31 March 2010					
Cost					
At 1 April 2009	621	170	309	22	1,122
Additions	45	2	-	128	175
Transfer	15	3	-	-	18
Disposal	(68)	-	-	-	(68)
Write-off	(9)	(126)	-	-	(135)
At 31 March 2010	604	49	309	150	1,112
Accumulated Depreciation					
At 1 April 2009	260	152	37	5	454
Depreciation charge for the financial year	78	9	44	18	149
Disposal	(68)	-	-	-	(68)
Write-off	(9)	(122)	-	-	(131)
At 31 March 2010	261	39	81	23	404
Net Book Value					
At 31 March 2010	343	10	228	127	708

Included within plant and equipment of the Group are the cost of fully depreciated assets, which are still in use amounting to RM6,100,000 (2010: RM4,318,000).

During the financial year, the Group and the Company acquired plant and equipment at an aggregate cost of RM729,000 (2010: RM859,000) and RM89,000 (2010: RM175,000) respectively of which RM Nil (2010: 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	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
EDC equipment	-	155	-	-
Motor vehicles	166	228	166	228
	166	383	166	228

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

14. GOODWILL ON CONSOLIDATION

	Group 2011 RM'000	Group 2010 RM'000
At 1 April 2010/2009	104	104
Less: Accumulated impairment losses	-	-
At 31 March	104	104

15. INTANGIBLE ASSETS

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Cost				
At 1 April 2010/2009	2,976	3,918	1,780	1,705
Addition	218	246	199	95
Write-off	-	(1,188)	-	(20)
At 31 March	3,194	2,976	1,979	1,780
Accumulated Amortisation				
At 1 April 2010/2009	2,582	3,426	1,562	1,316
Charge for the financial year	272	344	155	266
Write-off	-	(1,188)	-	(20)
At 31 March	2,854	2,582	1,717	1,562
Net Book Value				
At 31 March	340	394	262	218

16. INVESTMENT IN SUBSIDIARIES

	Company 2011 RM'000	Company 2010 RM'000
Unquoted shares, at cost	54,163	54,163
Less: Accumulated impairment losses	(48,049)	(48,049)
	6,114	6,114

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 years.

16. INVESTMENT IN SUBSIDIARIES (Cont'd)

Details of the subsidiaries are as follows:

Name	Country of incorporation	Company's effective interest 2011 %	Company's effective interest 2010 %	Principal Activities
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	Dormant.
HRM Business Consulting Sdn. Bhd. ("HRMBC")	Malaysia	51	51	Liquidated under members' voluntary winding up in February 2011.
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	100	60	Dormant.
DP International Ltd.	British Virgin Islands	100	100	Dormant.
IO Holdings Ltd.	British Virgin Islands	100	100	Dormant.
DP International Pte. Ltd. @	Singapore	100	100	Dormant.
HRMBC Franchise Advisory Sdn. Bhd.	Malaysia	33	33	Liquidated under members' voluntary winding up in February 2011.

* Audited by Ernst & Young, Malaysia

@ Audited by a firm other than Ernst & Young, Malaysia.

17. OTHER INVESTMENTS

	Group 2011 RM'000	Group 2010 RM'000
Club memberships, at cost	140	210
Less: Disposal	-	(70)
	140	140
Accumulated impairment losses:		
At 1 April 2010/ 2009	(49)	(59)
Less: Disposal during the year	-	10
At 31 March	(49)	(49)
	91	91

18. AMOUNTS DUE FROM SUBSIDIARIES

	Company 2011 RM'000	Company 2010 RM'000
Amount due from subsidiaries	72,385	71,129
Less: Provision for doubtful debts	(37,121)	(37,110)
	35,264	34,019

The amounts due from the subsidiaries are unsecured, interest free, have no fixed terms of repayment and are recorded at costs. Part of the advances amounting to RM 33,043,000 were converted into equity for new ordinary shares of RM 1.00 each as full settlement subsequent to financial year end as disclosed in Note 38.

Upon the adoption of FRS 139 prospectively in the current financial year, an advance to a subsidiary amounting to RM2,218,000 (2010: RM8,327,000) is recorded at a fair value that is lower than cost which resulted in an allowance for impairment loss being recognised during the year amounted to RM966,000 (2010: RM Nil). The fair value is measured with an interest rate at 7.5% (2010: Nil %) per annum and maturity period of 5 (2010: Nil) years

19. DEFERRED TAX ASSETS

	Group 2011 RM'000	Group 2010 RM'000
At 1 April 2010/2009	2,810	2,815
Recognised in income statement (Note 11)	-	(5)
At 31 March	2,810	2,810
Presented after appropriate offsetting as follows:		
Deferred tax assets	3,244	3,304
Deferred tax liabilities	(434)	(494)
	2,810	2,810

19. 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 2010	3,296	8	3,304
Recognised in the income statement	(441)	381	(60)
At 31 March 2011	2,855	389	3,244
At 1 April 2009	3,246	65	3,311
Recognised in the income statement	50	(57)	(7)
At 31 March 2010	3,296	8	3,304

Deferred Tax Liabilities of the Group:

	Accelerated Capital Allowances RM'000	Total RM'000
At 1 April 2010	494	494
Recognised in the income statement	(60)	(60)
At 31 March 2011	434	434
At 1 April 2009	496	496
Recognised in the income statement	(2)	(2)
At 31 March 2010	494	494

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

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Unutilised tax losses	50,258	50,480	11,485	11,465
Unabsorbed capital allowances	6,247	4,907	2,742	2,667
	56,505	55,387	14,227	14,132

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.

20. DEVELOPMENT COSTS

In the previous financial year, the Company and the Group capitalised costs of project development work related to a specific project that would likely generate future revenue. For the current financial year, the development costs had been written off.

21. INVENTORIES

	Group	
	2011 RM'000	**2010 RM'000**
At cost		
Computer equipment, spares and supplies	1,550	1,584
EDC equipment and thermal roll paper	1	109
Work in progress	280	85
	1,831	1,778
Provision for obsolete stocks		
At 1 April	(683)	(1,189)
Addition	(48)	(146)
Disposal/write off	59	652
At 31 March	(672)	(683)
	1,159	1,095

The cost of inventories recognised as an expense during the financial year of the Group amounted to RM33,337,000 (2010: RM4,115,000).

22. TRADE RECEIVABLES

	Group	
	2011 RM'000	**2010 RM'000**
At cost		
Trade receivables	64,667	37,427
Due from customers on contracts (Note 24)	792	848
	65,459	38,275
Provision for doubtful debts		
At 1 April	(20,205)	(19,967)
Addition	(10)	(238)
Write back	7	-
Write off	94	-
At 31 March	(20,114)	(20,205)
	45,345	18,070

22. TRADE RECEIVABLES (Cont'd)

Trade receivables are non-interest bearing and are generally on 90 days (2010: 90 days) terms. They are recognised at their original invoice amounts which represents their fair values on initial recognition.

Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	Group	
	2011 RM'000	**2010 RM'000**
Neither past due nor impaired	29,998	4,524
1 to 30 days past due not impaired	3,898	6,812
31 to 60 days past due not impaired	2,191	1,350
61 to 90 days past due not impaired	2,376	591
91 to 120 days past due not impaired	6,090	3,945
	14,555	12,698
Impaired	20,114	20,205
	64,667	37,427

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Group.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Receivables that are past due but not impaired

The Group has trade receivables amounting to RM14,555,000 (2010: RM12,698,000) that are past due at the financial year end but not impaired. These balances relate mainly to customers who have never defaulted on payments but are slowpaymasters and are closely monitored.

Such receivables are unsecured in nature.

Receivables that are impaired

The Group's trade receivables that are individually impaired and the movement of the allowance accounts used to record the impairment is as follows:

	Group	
	2011 RM'000	**2010 RM'000**
Trade receivables - nominal amount	20,114	20,205
Less: Allowance for impairment	(20,114)	(20,205)
	-	-

22. TRADE RECEIVABLES (Cont'd)

Movement in allowance accounts:

	Group	
	2011 RM'000	2010 RM'000
At 1 January	20,205	19,967
Addition during the year	10	238
Write back	(7)	-
Written off	(94)	-
At 31 March	20,114	20,205

Trade receivables that are individually impaired at the financial year end relate to debtors that are in serious financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

23. OTHER RECEIVABLES

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Prepayments	3,081	1,447	67	48
Prepaid interest	187	71	-	-
Deposits	330	330	9	9
Advances to employees	46	36	5	3
Other advances	3,000	3,000	-	-
Interest income receivable	23	17	136	-
Sundry receivables	40	46	-	15
	6,707	4,947	217	75
Provision for doubtful debts	(3,000)	(3,000)	-	-
	3,707	1,947	217	75

At the reporting date, the Group has provided an allowance of RM3,000,000 (2010: RM3,000,000) for impairment of advances granted to a main local contractor in connection with an overseas contract awarded to a subsidiary in the previous financial years.

24. DUE FROM/(TO) CUSTOMERS ON CONTRACTS

	Group	
	2011 RM'000	2010 RM'000
Contract costs incurred to date	47,912	16,825
Attributable profits	4,477	2,645
	52,389	19,470
Less: Progress billings	(53,160)	(19,291)
	(771)	179
Due from customers on contracts (Note 22)	792	848
Due to customers on contracts (Note 30)	(1,563)	(669)
	(771)	179
Contract costs recognised as expense	45,398	9,702

25. CASH AND BANK BALANCES

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Deposits with:				
- Licensed Commercial Banks	27,204	30,428	20,039	22,423
Cash and bank balances	3,438	1,953	127	273
	30,642	32,381	20,166	22,696

The deposits of RM27,065,000 (2010: RM6,945,000) for the Group and RM20,000,000 (2010: RM39,000) for the Company are pledged as security for credit facilities granted to the Group.

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

	Group		Company	
	2011 %	2010 %	2011 %	2010 %
- Licensed Commercial Banks	2.65 - 3.00	2.24 - 3.90	2.70	2.28

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

	Group		Company	
	2011 Days	2010 Days	2011 Days	2010 Days
- Licensed Commercial Banks	20 - 237	16 - 274	20	16

26. SHARE CAPITAL

	Group and Company			
	Number of Ordinary Shares of RM0.25 each		Amount	
	2011 '000	2010 '000	2011 RM'000	2010 RM'000
Authorised:				
At beginning of financial year/end of financial year	2,000,000	2,000,000	500,000	500,000
Issued:				
At beginning of financial year	383,087	356,148	95,772	89,037
Issue of new shares:				
- Conversion of warrants	-	26,939	-	6,735
At end of financial year	383,087	383,087	95,772	95,772

In the previous financial year, the Company increased its issued and paid-up share capital from RM89,037,122 to RM95,771,798 by way of the issuance of 26,938,704 new ordinary shares of RM0.25 each for cash upon the conversion of 26,938,704 free detachable warrants at the exercise price of RM0.25 each.

27. WARRANTS

Warrants of RM0.25 each

In the previous financial year, out of the 47,011,634 free detachable Warrants brought forward, 26,938,704 Warrants were exercised and the balance of 20,072,930 Warrants have expired on 18 September 2009.

28. CAPITAL RESERVE

Capital reserve represents the Company's share of equity in a subsidiary, HRM Business Consulting Sdn. Bhd., arising from a bonus issue out of the prior year's retained earnings of the said subsidiary. The capital reserve had been realised upon liquidation of the subsidiary during the financial year.

29. BORROWINGS

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Non-current				
Secured:				
Obligations under finance lease	134	173	134	173
Current				
Secured:				
Obligations under finance lease	39	37	39	37
Banker acceptances	1,602	-	-	-
	1,641	37	39	37
Total borrowings	1,775	210	173	210

29. BORROWINGS (Cont'd)

The remaining maturities of the borrowings as at 31 March 2011 are as follows:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
On demand or within one year	1,641	37	39	37
More than 1 year and less than 2 years	40	39	40	39
More than 2 year and less than 5 years	94	127	94	127
5 years or more	-	7	-	7
	1,775	210	173	210

Obligations under finance lease

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Future minimum lease payments:				
Not later than 1 year	45	45	45	45
Later than 1 year and not later than 2 years	45	45	45	45
Later than 2 years and not later than 5 years	99	136	99	136
Later than 5 years	-	6	-	6
Total future minimum lease payments	189	232	189	232
Less: Future finance charges	(16)	(22)	(16)	(22)
Present value of hire purchase liabilities	173	210	173	210

The hire purchase liabilities bore interest at the reporting date of 4.2% (2010: 4.2% to 7.5%) per annum.

30. TRADE PAYABLES

	Group	
	2011 RM'000	2010 RM'000
Trade payables	27,899	2,665
Due to customers on contract (Note 24)	1,563	669
	29,462	3,334

The credit terms of the Group's trade payables range from 60 days to 90 days (2010: 60 days to 90 days).

31. OTHER PAYABLES

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Accrued professional and legal fees	103	114	22	24
Deferred income	977	949	-	-
Deposits from customers	1,128	993	-	-
Sundry payables and accruals	1,750	1,531	463	368
	3,958	3,587	485	392

32. RELATED PARTY DISCLOSURES

The outstanding amounts as at reporting date due from companies in which a director and substantial shareholder, Datuk Lim Chee Wah has interests are set out below:

	Group	
	2011 RM'000	2010 RM'000
VXL Holdings Sdn. Bhd., holding company	-	15

In the previous financial years, the said amount was unsecured, interest free and had no fixed terms of repayment.

Compensation of key management personnel

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

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Short term employee benefits	1,493	1,565	740	786
Post-employment benefits				
- Defined contribution plan	168	178	89	89
	1,661	1,743	829	875

33. OPERATING LEASE COMMITMENTS

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Future minimum rental payable:				
Not later than 1 year	798	832	3	17
Later than 1 year and not later than 5 years	255	1,013	-	3
	1,053	1,845	3	20

34. CONTINGENT LIABILITIES

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Corporate Guarantee given to financial institutions:				
- for performance guarantees given to third parties	5,789	4,027	5,789	4,027

35. FAIR VALUE OF FINANCIAL INSTRUMENTS

A. Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reflective of fair value

	Group		Company	
	Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
Financial Liabilities				
At 31 March 2011:				
Hire purchase payables (Note 29)	(173)	(181)	(173)	(181)
At 31 March 2010:				
Hire purchase payables (Note 29)	(210)	(232)	(210)	(232)

B. Determination of fair value

Financial instruments that are not carried at fair value and whose carrying amounts are reflective of fair value

The following are classes of financial instruments whose carrying amounts are reflective of fair value due to the relatively short term nature on the reporting date:

	Note
Trade receivables	22
Other receivables	23
Borrowings - Banker acceptances	29
Trade payables	30
Other payables	31

The carrying amounts of current financial assets and liabilities are reflective of fair values due to their short-term nature.

The carrying amounts of the current portion of borrowings are reflective of fair values due to the insignificant impact of discounting.

36. 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 current and previous year, the Group's policy that no trading in derivative financial instruments shall be undertaken.

(a) Interest rate risk

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.

(b) 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 Dollar (USD). Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

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 Dollar RM'000
At 31 March 2011	
Ringgit Malaysia	20,093
At 31 March 2010	
Ringgit Malaysia	56

(c) 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.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(d) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and bank balances), the Group minimise credit risk by dealing exclusively with high credit rating counter parties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. 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, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. The Group does not offer credit terms without the approval of the Chief Financial Officer.

Exposure to credit risk

Information regarding credit enhancements for trade and other receivables is disclosed in Notes 22 and 23.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring customer industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting date are as follows:

	2011 RM'000	2010 RM'000
By industry sectors:		
Government agencies and linked corporation	37,054	9,232
Private corporation	7,499	7,990
	44,553	17,222

As at the financial year end, approximately 72% (2010: 70%) of trade receivables are from 7 (2010: 11) major customers who are government agency and government linked corporations.

37. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to maintain an optimal capital structure in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in accordance to changes in economic condition. To maintain or adjust its capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital using debt to equity ratio, which is total debt divided by total equity. The Group includes within total debt, borrowings, trade and other payables. Capital includes equity attributable to the owners of the parent.

The debt to equity ratio as at 31 March 2011 and 31 March 2010 are as follows:

	Group	
	2011	2010
Total debts (RM'000)	35,195	7,131
Equity attributable to the owners of the parent, representing total capital (RM'000)	51,233	53,509
Debts to equity ratio	69%	13%

38. SUBSEQUENT EVENTS

On 25 May 2011, the Board of Directors had passed a resolution for authority to convert the amounts due from three wholly-owned subsidiaries totalling RM33,043,000 as full settlement for new ordinary shares of RM1.00 each as follows:

	2011 RM'000
Dataprep (M) Sdn Bhd	12,639
Solsisnet Sdn Bhd	17,576
Dataprep Payment Solutions Sdn Bhd	2,828
	33,043

The new shares issued shall rank pari passu in all respect with the existing ordinary shares of the said wholly-owned subsidiaries.

39. 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) Infrastructure solutions
(ii) Managed services
(iii) Payment solutions & 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 2011

	Infrastructure solutions RM'000	**Managed services RM'000**	**Payment solutions & services RM'000**	**Elimination RM'000**	**Group RM'000**
Revenue					
External sales	61,821	25,003	2,608	-	89,432
Intersegment sales	23,688	1,060	-	(24,748)	-
Total revenue	85,509	26,063	2,608	(24,748)	89,432

39. SEGMENTAL INFORMATION (Cont'd)

31 March 2011 (Cont'd)

	Infrastructure solutions RM'000	Managed services RM'000	Payment solutions & services RM'000	Elimination RM'000	Group RM'000
RESULTS					
Segment profit/(loss)	3,501	(3,858)	58	4,324	4,025
Interest income					786
Unallocated expenses					(6,514)
Loss from operations					(1,703)
Interest expense					(50)
Loss before tax					(1,753)
Taxation					(65)
Loss after tax					(1,818)
OTHER INFORMATION					
Segment assets	55,224	5,718	2,889		63,831
Unallocated assets					24,405
Total assets					88,236
Segment liabilities	29,144	3,751	1,622		34,517
Unallocated liabilities					690
Total liabilities					35,207
Capital expenditure	291	362	294		947
Depreciation and amortisation	407	628	730		1,765
Property, plant and equipment written off	18	-	-		18
Provision for doubtful debts	10	-	-		10

31 March 2010

	Infrastructure solutions RM'000	Managed services RM'000	Payment solutions & services RM'000	Elimination RM'000	Group RM'000
Revenue					
External sales	13,663	28,333	2,599	-	44,595
Intersegment sales	25,676	266	-	(25,942)	-
Total revenue	39,339	28,599	2,599	(25,942)	44,595

39. SEGMENTAL INFORMATION (Cont'd)

31 March 2010 (Cont'd)

	Infrastructure solutions RM'000	Managed services RM'000	Payment solutions & services RM'000	Elimination RM'000	Group RM'000
RESULTS					
Segment (loss)/profit	(6,975)	(5,067)	332	12,231	521
Interest income					664
Unallocated expenses					(6,855)
Loss from operations					(5,670)
Interest expense					(13)
Loss before tax					(5,683)
Taxation					(23)
Loss after tax					(5,706)
OTHER INFORMATION					
Segment assets	31,719	23,903	3,119		58,741
Unallocated assets					3,240
Total assets					61,981
Segment liabilities	5,082	1,425	603		7,110
Unallocated liabilities					21
Total liabilities					7,131
Capital expenditure	524	311	270		1,105
Depreciation and amortisation	786	684	370		1,840
Property, plant and equipment written off	71	38	4		113
Provision for doubtful debts	215	23	-		238

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

Capital expenditure comprise additions to property, plant and equipment (Note 13), intangible assets (Note 15) including those resulting from acquisitions.

During the financial year, the Group has reorganised the information and communications technology solutions and services division into infrastructure solutions and managed services divisions, while the business process outsourcing services division has been renamed to payment solutions and services division. Previous year's comparative amounts had been reclassified to conform with current financial year's presentation.

40. SUPPLEMENTARY INFORMATION - BREAKDOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED

The breakdown of the retained profits of the Group and of the Company as at 31 March 2011 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group RM	**Company RM**
Total accumulated losses		
- Realised accumulated losses	(126,930)	(39,242)
- Unrealised retained earnings	1,798	-
	(125,132)	(39,242)
Less: Consolidation adjustments	88,603	-
Accumulated losses as per financial statements	(36,529)	(39,242)

Statement By Directors

Pursuant To Section169(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 39 to 83 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 2011 and of their financial performance and cash flows for the financial year then ended.

The information set out in Note 40 to the financial statements have been prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 15 June 2011

Tan Sri Datuk Adzmi bin Abdul Wahab
Chairman

Cheam Tat Inn
Chief Executive Officer

Statutory Declaration

Pursuant To Section169(16) Of The Companies Act, 1965

I, Tan Hock Chye, the Officer primarily responsible for the financial management of Dataprep Holdings Bhd., do solemnly and sincerely declare that the accompanying financial statements set out on pages 39 to 83 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 15 June 2011

Tan Hock Chye

Before me,

Commissioner for Oaths

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 Bhd, which comprise the statements of financial position as at 31 March 2011 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flow 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 39 to 83.

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 2011 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 16 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.

Other matters

The supplementary information set out in Note 40 on page 84 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

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. 2477/10/11(J)
Chartered Accountant

Kuala Lumpur, Malaysia
15 June 2011

Shareholdings Statistics
As At 29 July 2011

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

Size of Shareholdings	No. of Holders	%	No. of Shares	%
Less than 100	101	1.76	4,134	0.00
100 - 1,000	1,617	28.24	1,092,653	0.29
1,001 - 10,000	2,338	40.83	11,907,209	3.11
10,001 - 100,000	1,487	25.97	51,222,499	13.37
100,001 to less than 5% of issued shares	182	3.18	115,475,651	30.14
5% and above of issued shares	1	0.02	203,385,046	53.09
Total	5,726	100.00	383,087,192	100.00

DIRECTORS' SHAREHOLDINGS

No.	Name of Directors	No. of Shares Direct Interest	%	No. of Shares Indirect Interest	%
1	Tan Sri Datuk Adzmi Bin Abdul Wahab	203,125	0.05	-	-
2	Datuk Lim Chee Wah	1,062,500	0.28	203,385,046	53.09
3	Michael Yee Kim Shing	-	-	-	-
4	Muhammad Fauzi Bin Abd Ghani	-	-	-	-
5	Cheam Tat Inn *(resigned w.e.f 15.6.2011)*	-	-	-	-
6	Ahmad Rizan Bin Ibrahim *(appointed w.e.f. 16.6.2011)*	17,831	0.00	-	-

SUBSTANTIAL SHAREHOLDERS

No	Name of Substantial Shareholder	No. of Shares	%
1	VXL Holdings Sdn Bhd	203,385,046	53.09

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	Vxl Holdings Sdn Bhd	203,385,046	53.09
2	Seberang Jati Sdn Bhd	17,439,662	4.55
3	Rumpun Damai Sdn Bhd	11,407,460	2.98
4	RHB Nominees (Asing) Sdn Bhd Parco Resources Corp	7,949,650	2.08
5	Amsec Nominees (Asing) Sdn Bhd Vielle International Ltd	7,812,400	2.04
6	RHB Nominees (Asing) Sdn Bhd The Kermartin Group Inc	7,676,000	2.00
7	CIMSEC Nominees (Asing) Sdn Bhd Pledged Securities Account for Mauwi Incorporated	7,560,800	1.97
8	TA Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chung Chuan Shen	5,000,775	1.31
9	M & S Food Industries Sdn. Bhd.	3,167,600	0.83
10	Lau Chow Fow	1,900,000	0.50
11	Mayban Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chung Chuan Shen	1,843,100	0.48
12	Ting Chee Ming	1,400,000	0.37
13	CIMSEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Loh Sun Wai (Mutiara Branch)	1,382,778	0.36
14	TA Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tee Kim Hew	1,256,200	0.33
15	Lim Chee Wah	1,062,500	0.28
16	Tan Chee Chin	1,041,258	0.27
17	Yeo Jui Heok @ Yeo Wei Seng	843,200	0.22
18	Mayban Nominees (Tempatan) Sdn Bhd Chieng Yu Kui	790,000	0.21
19	Low See Hee	770,000	0.20
20	Ong Gik Lan @ Ong Gaik Lan	710,000	0.19
21	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Yong Shu Kong (E-KKU)	684,800	0.18
22	Tan Chee Keong	670,000	0.17
23	Upstream Downstream Process & Services Sdn. Bhd.	600,000	0.16
24	TA Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lim Ka Kiat	600,000	0.16
25	Mirzan Bin Mahathir	501,000	0.13
26	Yong Ai Ting	500,000	0.13
27	Lee Yun Fong	476,800	0.12
28	CIMSEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Toh Hooi Hak (Penang-CL)	457,300	0.12
29	Tan Si Kim	450,000	0.12
30	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Cheah Eng Guan (E-SPI/PLI)	440,000	0.11
	Total	**289,778,329**	**75.64**

VXL Holdings Sdn. Bhd.

(Company No. 225564 A)
Wisma Genting, 12th Floor, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia.
Tel: 03-2171 2888 Fax: 03-2171 2999

Date: 11 July 2011

The Board of Directors
DATAPREP HOLDINGS BERHAD (183059-H)
Suite 5.02 5th Floor
Wisma Academy,
No.4A Jalan 19/1
46300 Petaling Jaya
Selangor Darul Ehsan

Dear Sirs,

RE: NOTICE OF NOMINATION OF NEW AUDITORS

Pursuant to Section 172 (11) of the Companies Act, 1965, we wish to nominate Messrs. Folks DFK & Co for appointment as external auditors in place of Messrs. Ernst & Young at the forthcoming Annual General Meeting.

Yours sincerely,
VXL HOLDINGS SDN. BHD.

Director

Proxy Form

DATAPREP
Since 1971

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 Twenty Second 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 Thursday, 15 September 2011 at 10.00 a.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 2011 and the Reports of the Directors and Auditors thereon. ***(RESOLUTION 1)***		
2	To re-elect the following Directors : 2.1 Datuk Lim Chee Wah retires by rotation pursuant to Article 98 of the Company's Articles of Association. ***(RESOLUTION 2)***		
	2.2 Encik Ahmad Rizan bin Ibrahim retires pursuant to Article 103 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 appoint Messrs Folks DFK & Co as Auditors, in place of the retiring auditors, Messrs Ernst & Young 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 new mandate for additional recurrent related party transactions of a revenue or trading nature. ***(RESOLUTION 8)***		
8	Proposed amendmend to the Articles of Association ***(SPECIAL RESOLUTION 1)***		
9	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 ______________ 2011

____
Signature:

The proportions of *my/our holding to be represented by *my/our proxies are as follows:-

	Shares	%
First Proxy		
Second Proxy		
Total		

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

THE COMPANY SECRETARY

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

DATAPREP

Since 1971

DATAPREP HOLDINGS BHD

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

DATAPREP HOLDINGS BHD

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

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