

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

**SUMMARY OF KEY FINANCIAL INFORMATION  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2007**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		[30/09/2007] RM'000	[30/09/2006] RM'000	[30/09/2007] RM'000	[30/09/2006] RM'000
1	Revenue	17,499	26,743	37,170	44,246
2	Profit before tax	78	457	707	965
3	Profit for the period	76	394	811	724
4	Profit attributable to ordinary equity holders of the Company	310	563	742	860
5	Basic earnings per share (sen)	0.21	0.74	0.65	1.13
6	Proposed/Declared Dividend per share (sen)	-	-	-	-
		AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7	Net assets per share attributable to ordinary equity holders of the Company (RM)		0.17		0.19

**ADDITIONAL INFORMATION**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		[30/09/2007] RM'000	[30/09/2006] RM'000	[30/09/2007] RM'000	[30/09/2006] RM'000
1	Gross interest income	89	75	161	150
2	Gross interest expense	450	254	879	554

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

**CONDENSED CONSOLIDATED INCOME STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2007**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	[30/09/2007] RM'000	[30/09/2006] RM'000	[30/09/2007] RM'000	[30/09/2006] RM'000
Revenue	17,499	26,743	37,170	44,246
Operating Expenses	(17,710)	(26,245)	(36,677)	(43,039)
Other Operating Income	739	138	1,093	162
Profit from operations	528	636	1,586	1,369
Finance costs	(450)	(179)	(879)	(404)
Profit before tax	78	457	707	965
Taxation	(2)	(63)	104	(241)
Profit after tax	76	394	811	724
Attributed to :				
Equity holders of the Company	310	563	742	860
Minority Interest	(234)	(169)	69	(136)
	76	394	811	724
Earnings/(loss) per share :				
- basic (sen)	0.21	0.74	0.65	1.13
- diluted (sen)	N/A	N/A	N/A	N/A
Dividend per share (sen)	-	-	-	-

	AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
Net assets per share (RM)	0.17	0.19

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 March 2007 and the accompanying explanatory notes attached to the interim financial statements.

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

**CONDENSED CONSOLIDATED BALANCE SHEET  
AS AT 30 SEPTEMBER 2007**

	<b>As at 30.09.2007 Unaudited RM'000</b>	<b>As at 31.03.2007 Audited RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	4,254	3,885
Intangible assets	4,010	4,222
Deferred tax assets	3,171	3,175
	<u>11,435</u>	<u>11,282</u>
<b>Current Assets</b>		
Inventories	2,982	2,125
Trade receivables	45,225	51,750
Other receivables	9,452	8,106
Tax recoverable	318	207
Deposits, cash and bank balances	60,803	14,268
	<u>118,780</u>	<u>76,456</u>
<b>Total assets</b>	<u>130,215</u>	<u>87,738</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	88,800	76,118
Share premium	5,781	15,738
Merger deficit	(13,509)	(13,509)
Warrants	-	3,030
Capital reserve	51	51
Irredeemable Convertible Unsecured Loan		
Stocks ("ICULS") - equity component	-	28,566
Accumulated losses	(19,531)	(95,731)
	<u>61,592</u>	<u>14,263</u>
<b>Minority interests</b>	<u>2,191</u>	<u>2,122</u>
<b>Total equity</b>	<u>63,783</u>	<u>16,385</u>
<b>Non-current liabilities</b>		
Long term borrowings	396	1,089
	<u>396</u>	<u>1,089</u>
<b>Current Liabilities</b>		
Trade payables	28,988	38,923
Other payables	28,928	13,151
Short term borrowings	8,120	18,190
<b>Total current liabilities</b>	<u>66,036</u>	<u>70,264</u>
<b>Total liabilities</b>	<u>66,432</u>	<u>71,353</u>
<b>Total equity and liabilities</b>	<u>130,215</u>	<u>87,738</u>
<b>Net assets per share (RM)</b>	<u>0.17</u>	<u>0.19</u>

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 March 2007 and the accompanying explanatory notes attached to the interim financial statements.

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

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2007

	Attributable to the equity holders of the Company										Minority Interests	Total Equity
	Reserves											
	Non-distributable											
	Share Capital RM'000	Share premium RM'000	Merger deficit RM'000	Warrants RM'000	Capital reserve RM'000	ICULS - Equity Component RM'000	Accumulated loss RM'000	Total RM'000				
At 1 April 2007	76,118	15,738	(13,509)	3,030	51	28,566	(95,731)	14,263	2,122	16,385		
Expiration of unexercised warrants	-	-	-	(3,030)	-	-	3,030	-	-	-		
Par value reduction	(57,089)	-	-	-	-	-	57,089	-	-	-		
Share premium reduction	-	(15,667)	-	-	-	-	15,667	-	-	-		
Issue of new ordinary shares pursuant to the conversion of ICULS at RM0.38 each	22,367	6,199	-	-	-	(28,566)	-	-	-	-		
Issue of new ordinary shares pursuant to the exercise of ESOS	392	77	-	-	-	-	-	469	-	469		
Issue of new ordinary shares pursuant to the Rights Issue of Shares	47,012	-	-	-	-	-	-	47,012	-	47,012		
Expenses incurred in connection with issue of shares	-	(566)	-	-	-	-	-	(566)	-	(566)		
Dividends paid to minority shareholder of a subsidiary	-	-	-	-	-	-	(328)	(328)	-	(328)		
Profit for the period	-	-	-	-	-	-	742	742	69	811		
At 30 September 2007	88,800	5,781	(13,509)	-	51	-	(19,531)	61,592	2,191	63,783		
At 1 April 2006	76,118	15,738	(13,509)	3,030	51	28,566	(97,681)	12,313	1,810	14,123		
Disposal of a subsidiary to a minority shareholder	-	-	-	-	-	-	-	-	110	110		
Profit for the period	-	-	-	-	-	-	860	860	(136)	724		
At 30 September 2006	76,118	15,738	(13,509)	3,030	51	28,566	(96,821)	13,173	1,784	14,957		

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2007 and the accompanying explanatory notes attached to the interim financial statements.

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

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2007**

	<b>Six Months Ended</b>	
	<b>30.09.2007</b>	<b>30.09.2006</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash Flow from Operating Activities</b>		
Profit before tax	707	965
Adjustment for :-		
Non-cash items	705	650
Non-operating items	558	380
<b>Operating profit before working capital changes</b>	<b>1,970</b>	<b>1,995</b>
Changes in working capital	9,368	(7,325)
<b>Cash generated from/(used in) operations</b>	<b>11,338</b>	<b>(5,330)</b>
Tax paid	(54)	(71)
Tax refund	51	-
Interest received	50	45
Interest paid	(375)	(378)
<b>Net cash generated from/(used in) operating activities</b>	<b>11,010</b>	<b>(5,734)</b>
<b>Cash flow from Investing Activities</b>		
Acquisition of plant and equipment	(865)	(842)
Proceeds from disposal of plant and equipment	2	-
Proceeds from disposal of shares in a subsidiary	-	68
<b>Net cash used in investing activities</b>	<b>(863)</b>	<b>(774)</b>
<b>Cash flow from Financing Activities</b>		
Drawdown of borrowings	10,181	11,154
Repayment of borrowings	(20,323)	(10,871)
Payment of hire purchase liabilities	(685)	(65)
Proceeds from the issuance of ordinary shares	47,481	-
Dividends paid to minority shareholders of a subsidiary	(328)	-
Repayment of liability portion of ICULS	(438)	(1,165)
<b>Net cash generated from/(used in) financing activities</b>	<b>35,888</b>	<b>(947)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>46,035</b>	<b>(7,455)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>13,430</b>	<b>13,994</b>
<b>Cash and cash equivalents at end of the period</b>	<b>59,465</b>	<b>6,539</b>

**Cash and cash equivalents at end of the financial period comprise the following:**

	<b>As at 30.09.2007</b>	<b>As at 30.09.2006</b>
	<b>RM'000</b>	<b>RM'000</b>
Deposits with licensed banks	7,323	7,623
Cash and bank balances	53,480	2,028
<b>Deposits, Cash and Bank Balances</b>	<b>60,803</b>	<b>9,651</b>
Less: Bank overdraft	(1,338)	(3,112)
<b>Cash and cash equivalents</b>	<b>59,465</b>	<b>6,539</b>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 March 2007 and the accompanying explanatory notes attached to the interim financial statements.

**1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”).

The interim financial statements should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 March 2007. The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 March 2007, except for the adoption of new/revised Financial Reporting Standards FRS 117 Leases, FRS 124 Related Party Disclosures and amendment to FRS 119<sub>2004</sub> Employee Benefits, Actuarial Gains and Losses, Group Plans and Disclosures, effective for financial period beginning 1 January 2007.

The adoption of the above FRS does not have significant impact on the financial statements.

**2. Audit qualification of the preceding annual financial statement**

The Auditors’ Report on the financial statements for the financial year ended 31 March 2007 was not qualified.

**3. Seasonality or cyclicity of the operations**

The Group does not experience any seasonal or cyclical sales cycle. However, there may be fluctuations between the quarters due to the nature of the system integration businesses which are secured on a project by project basis.

**4. Material unusual items**

There were no material unusual or exceptional items affecting the assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review except as disclosed in Note 6.

**5. Changes in estimates**

There was no change in estimates of amounts reported in prior financial years.

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

- (a) Par Value Reduction and Share Premium Reduction (collectively referred to as “Capital Reduction”)

Pursuant to the Corporate Exercise as disclosed in Note 21, par value of the Company was reduced from RM1.00 per share to RM0.25 per share on 31 July 2007 by the cancellation of RM0.75 of the par value of each share and created a credit of RM57,088,565. Concurrently, share premium was reduced by RM15,667,287. Total credit arising from the Capital Reduction of RM72,755,852 was utilized to set-off the accumulated losses of the Company.

**6. Issuances, cancellation, repurchase, resale and repayment of debt and equity securities (cont'd)**

**(b) 4% five (5) year Irredeemable Convertible Unsecured Loan Stocks ("4% ICULS-5")**

The 4% ICULS-5 had expired on 6 August 2007 and was mandatorily converted into ordinary shares of 89,467,157 of RM0.25 each at a conversion price of RM0.38 per ICULS. The premium arising from the conversion of 4% ICULS-5 of approximately RM6.2 million was credited to the share premium account.

**(c) Employees Share Options Scheme ("ESOS options")**

On 20 August 2007, the Company issued 513,000 and 1,055,000 new ordinary shares of RM0.25 each, for cash, arising from the exercise of ESOS options at exercise prices of RM0.40 and RM0.25 per ordinary share, respectively.

**(d) Right Issue of Shares with Warrants**

On 21 September 2007, the Company issued 188,047,339 right shares of RM0.25 each at an issue price of RM0.25 per share for cash together with 47,011,834 free detachable warrants, on a renounceable basis of nine (9) rights shares for every eight (8) existing ordinary shares held.

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

The Rights Issue of Shares with Warrants had raised gross proceeds of RM47 million.

Other than the above, there were no other issuances, cancellation, repurchase, resale and repayment of debt securities of the Group and equity securities of the Company for the current quarter ended 30 September 2007.

**7. Dividend paid**

No dividend was paid by the Company since the end of the previous financial year.

**8. Segmental information**

The Group's segmental reports are as follows: -

30 September 2007	Consulting, Technology & Integration RM'000	Outsourcing & Managed Services RM'000	Business Process Outsourcing RM'000	Management Services RM'000	Elimination RM'000	Group RM'000
<b>SALES</b>						
- External sales	2,408	33,984	778	-	-	37,170
- Intersegment sales	353	18,791	1	2,764	(21,909)	-
<b>Total sales</b>	<b>2,761</b>	<b>52,775</b>	<b>779</b>	<b>2,764</b>	<b>(21,909)</b>	<b>37,170</b>
<b>RESULTS</b>						
Segment results	134	3,229	198	(26,997)	24,853	1,417
Interest income						161
Unallocated income						8
<b>Profit from operations</b>						<b>1,586</b>
Interest expenses						(879)
<b>Profit before tax</b>						<b>707</b>
Taxation						104
<b>Profit after tax</b>						<b>811</b>

30 September 2006	Consulting, Technology & Integration RM'000	Outsourcing & Managed Services RM'000	Business Process Outsourcing RM'000	Management Services RM'000	Elimination RM'000	Group RM'000
<b>SALES</b>						
- External sales	4,390	39,628	228	-	-	44,246
- Intersegment sales	619	7,354	-	1,229	(9,202)	-
<b>Total sales</b>	<b>5,009</b>	<b>46,982</b>	<b>228</b>	<b>1,229</b>	<b>(9,202)</b>	<b>44,246</b>
<b>RESULTS</b>						
Segment results	127	4,510	(825)	(2,388)	185	1,609
Interest income						150
Unallocated expenses						(240)
<b>Profit from operations</b>						<b>1,519</b>
Interest expenses						(554)
<b>Profit before tax</b>						<b>965</b>
Taxation						(241)
<b>Profit after tax</b>						<b>724</b>



**9. Valuation of property, plant and equipment**

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

**10. Significant events**

Save as disclosed on Note 6 above, the significant events since the previous financial year ended 31 March, 2007 are as follows:-

**(a) Warrants**

The proceeds of RM3,030,303 resulted from the issuance of 15,151,515 detachable warrants at a price of RM0.20 per warrant on 28 June 2002 remained unexercised and had expired and lapsed on 27 June 2007. The warrant reserve of RM3,030,303 arising therefrom was credited to the accumulated losses of the Company.

**(b) Dividend income received from HRM Business Consulting Sdn Bhd ("HRMBC")**

On 24 August 2007, a 51%-owned subsidiary, HRMBC, declared an interim dividend of 458% less tax at 27% to all its shareholders.

**(c) Upliftment from PN17 Status**

With the completion of Par Value Reduction and Share Premium Reductions on 31 July 2007, the mandatory conversion of 4% ICULS-5 into ordinary shares on 7 August 2007 and the Rights Issue of Share with Warrants on 21 September 2007, the Group had regularized its financial conditions and no longer triggered any of the criteria under PN17 of the Listing Requirements. On 8 October, 2007, BMSB announced that the Company has regularized its the financial condition no longer trigger any of the criteria under paragraph 2.1 of the amended PN17 listing requirements.

**11. Effects of changes in the composition of the Group**

There were no changes in the composition of the Group since the previous financial year ended 31 March 2007.

**12. Changes in contingent liabilities (unsecured)**

Unsecured Contingent Liabilities :-	Group		
	30.09.07 RM'000	31.03.07 RM'000	Increase/ (decrease) RM'000
Corporate guarantee given to financial institutions for :			
- Performance guarantees given to third parties	5,000	5,288	(288)
- Credit facilities granted to subsidiary	451	135	316
<b>Total</b>	<b>5,451</b>	<b>5,423</b>	<b>28</b>

**13. Review of performance**

For the second quarter ended 30 September 2007, the Group recorded a revenue of RM17.5 million and achieved a pre-tax profit of RM78,000 as compared to the revenue of RM26.7 million and a pre-tax profit of RM457,000 in the corresponding quarter of the previous financial year. The decrease in net profit for the current quarter was mainly due to the lower revenue earned.

**14. Comparison with immediate preceding quarter**

The Group's revenue of RM17.5 million and pre-tax profit of RM78,000 for the current quarter were lower when compared to the immediate preceding quarter's revenue of RM19.7 million and pre-tax profit of RM629,000 mainly due to decrease in revenue and increase in operating expenses.

**15. Prospects**

On 8 October 2007, the Company received BMSB's approval for the upliftment from the PN17 status.

The Group expects to benefit from the much anticipated government ICT spending from the 9<sup>th</sup> Malaysian Plan and management is compensating this by intensifying selling efforts into the private sector and the multinational clients. Barring unforeseen circumstances, the Board is cautiously optimistic of the Group's financial performance for the financial year ending 31 March 2008.

**16. Variance for profit forecast / Shortfall in profit guarantee**

Not applicable.

**17. Taxation**

	<b>Current Year Quarter ended 30.09.07 RM'000</b>	<b>Current Year-to- date ended 30.09.07 RM'000</b>
Income tax		
- Current period	-	-
- Overprovision in prior year	-	108
Deferred tax		
- Relating to origination and reversal of temporary differences	(2)	(4)
- Overprovision in prior year	-	-
<b>Tax credit</b>	<b>(2)</b>	<b>104</b>

The tax credit for the Group is mainly in respect of reversal of over-provision for taxation for a subsidiary, resulting in a lower effective income tax rate of 15% for the financial period ended 30 September 2007 as opposed to the statutory tax rate of 26%.

**18. Sale of unquoted investments or properties**

There were no sales of unquoted investments or properties for the current quarter under review.

**19. Purchase and disposal of quoted securities**

There was no purchase and disposal of quoted securities for the current quarter under review.

## **20. Status of corporate exercise**

### **Affected Listed Issuer pursuant to amended Practice No. 17/2005 ("PN17") of the Listing Requirements of Bursa Malaysia Securities Berhad.**

As at 30 September 2007, the Company has implemented and completed the following proposals:-

- (i) Reduction of the issued and paid-up share capital of the Company pursuant to Section 64(1) of the Companies Act 1965 involving the cancellation of RM0.75 of the par value of each existing ordinary share of RM1.00 each of the Company ("Par Value Reduction");
- (ii) Reduction of the share premium account of the Company of up to RM15,667,287 pursuant to Section 64(1) and 60(2) of the Companies Act 1965 ("Share Premium Reduction");
- (iii) Renounceable rights issue of up to 188,047,339 new ordinary shares of RM0.25 each ("Rights Shares") with up to 47,011,834 free detachable warrants ("Warrants") on the basis of nine (9) Rights Shares for every eight (8) existing ordinary shares of RM0.25 each held after the Par Value Reduction at an issue price of RM0.25 per Rights Share together with one (1) Warrant for every four (4) Rights Shares issued ("Rights Issues of Shares with Warrants"); and

The Rights Issue of Shares with Warrants was completed upon the listing of and quotation for the 188,047,339 Rights Shares and 47,011,834 Warrants on the Second Board of BMSB.

On 25 September 2007, the Company applied to BMSB to be uplifted from the PN17 status. On 8 October 2007, BMSB announced that the company has regularized its financial condition and no longer trigger any of the criteria under paragraph 2.1 of the amended PN17 listing requirements. .

### **Issuance of up to RM10,000,000 nominal value of 5% three (3)-year Irredeemable Convertible Unsecured Loan Stock ("Issuance of ICULS") of which, RM4,480,186 nominal value of ICULS will be issued to set-off against the advances from VXL Management Sdn Bhd.**

The Company is in the midst of identifying the placees for the remaining ICULS of an amount up to RM5.4 million. The issuance of ICULS to VXL Management Sdn Bhd will be issued simultaneously with the issuance of ICULS to the private placees. The Company has on, 2 November 2007, applied to the SC for an extension of time until 29 February 2008 to complete the Issuance of ICULS and the application was approved by the SC on 21 November, 2007.

**21. Utilisation of proceeds from Rights Issue with Warrants**

As of 30 September, 2007, the status of utilisation for proceeds raised from the Rights Issue of Shares with Warrants was as follows:

	As approved by SC	Amount Utilised as at 30.09.07	Amount Unutilised	Timeframe for utilisation
	RM'000 (a)	RM'000 (b)	RM'000 (a) - (b)	
Bank Borrowings	13,933	8,762	5,171	3 months
Working capital	32,078	2,506	29,572	18 Months
Estimated expenses in relation to Corporate Exercise	1,000	543	457	3 months
	47,011	11,811	35,200	

	As approved by SC	Amount Utilised as at 30.09.07	Amount Unutilised
N1	RM'000	RM'000	RM'000
MDV - Term Loan	7,324	7,324	-
MBB & CIMB - Bank Overdraft	838	838	-
MBB & CIMB - Trade Facilities	5,771	600	5,171
	<b>13,933</b>	<b>8,762</b>	<b>5,171</b>

**22. Group borrowings**

The Group's borrowings as at 30 September 2007 are as follows:

		As at 30.09.07 RM'000	As at 31.03.07 RM'000
<b>Short Term Borrowings:</b>			
<b>Unsecured</b>			
- Irredeemable Convertible Unsecured Loan Stocks ("ICULS")		-	438
- Hire purchase and finance lease liabilities		1,447	1,438
<b>Secured</b>			
- Bank Overdraft		1,338	838
- Banker Acceptance		4,366	6,695
- Trust Receipts		969	-
- Term Loan		-	8,781
<b>Total Short Term Borrowings</b>	<b>(A)</b>	<b>8,120</b>	<b>18,190</b>
<b>Long Term Borrowings :</b>			
<b>Unsecured</b>			
- Hire purchase		396	1,089
<b>Total Long Term Borrowings</b>	<b>(B)</b>	<b>396</b>	<b>1,089</b>
<b>Total Borrowings</b>	<b>(A+B)</b>	<b>8,516</b>	<b>19,279</b>

All borrowings are denominated in Ringgit Malaysia.

**23. Off balance sheet financial instruments**

There was no financial instrument with off balance sheet risk as at 30 September 2007.

**24. Material litigation**

As at 30 November 2007, there were no pending material litigation matters.

**25. Dividend proposed or declared**

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

**26. Earnings per share**

**(a) Basic**

	<b>Current Year Quarter ended 30.09.07</b>	<b>Current Year- to-date ended 30.09.07</b>
Profit attributable to ordinary equity holders of the company (RM'000)	310	742
Weighted average number of shares in issue ('000)	150,760	113,643
<b>Basic earnings per share (sen)</b>	<b>0.21</b>	<b>0.65</b>

**(b) Diluted**

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

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

**27. Capital commitment**

The Group has no material capital commitment as at 30 September 2007.

**28. Irredeemable Convertible Unsecured Loan Stocks ("ICULS")**

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

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

**28. Irredeemable Convertible Unsecured Loan Stocks ("ICULS") (cont'd)**

- b) 34,062,520 nominal amount of 4% five (5) year ICULS in the Company at 100% nominal amount of RM1.00 each.

The movements of the ICULS since inception are as follows:

	<b>Group &amp; Company</b>
	<b>RM'000</b>
Face value of ICULS as at 1 April	
- 4% ICULS-3	30,000
- 4% ICULS-5	34,062
	64,062
Converted to shares	(28,151)
	35,911
Repayment of liability component	(7,345)
Total equity and liability components	28,566
Less : Equity conversion component	(28,566)
<b>Liability component at end of financial period</b>	<b>-</b>

The principal terms of the ICULS are as follows:

- The ICULS bear interest of 4% per annum payable in arrears on the first anniversary of the date of issue of ICULS and subsequent interest payments shall be payable in arrears on the anniversaries of the date of issue of the ICULS during the tenure which they shall remain outstanding, except that the last interest payment shall be made on the Maturity Date;
- The ICULS are convertible at any time on and after 2 October 2002 into new ordinary shares of the Company at the conversion price of RM1.50 per ICULS for one ordinary share of RM1.00 each. As disclosed in Note 20, consequent to the Par Value Reduction, the conversion price of 4% five (5) year ICULS was adjusted to RM0.38 per ICULS on 30 July 2007;
- The ICULS will be mandatorily converted into new ordinary shares of the Company at the conversion price of RM0.38 per ICULS for one ordinary share of RM0.25 each on the maturity date; and
- The new ordinary shares allotted and issued upon conversion of the ICULS will be considered as fully paid up and will rank pari passu in all respects with the existing ordinary shares of the Company.

The carrying value of the ICULS approximates its fair value.

On 5 August 2005, the Company increased its issued and paid up share capital from 64,061,014 ordinary shares to 76,118,087 ordinary shares by way of issuance of 12,057,073 ordinary shares of RM1.00 each through the mandatory conversion of 18,085,635 units of 4% three (3) year ICULS of RM1.00 each. The premium arising from the ICULS conversion of RM4,115,107 had been credited to the share premium account.

4% five (5) year ICULS of RM0.25 each expired on 6 August 2007 and was mandatorily converted into ordinary shares of 89,467,157 of RM0.25 each at a conversion price of RM0.38 per ICULS. The premium arising from the ICULS conversion of approximately RM6.2 million was credited to the share premium account.

**29. Deferred tax assets**

	<b>30.09.07 RM'000</b>	<b>31.03.07 RM'000</b>
At 1 April	3,175	2,477
Recognised in income statement	(4)	698
At end of the period	<b>3,171</b>	<b>3,175</b>
Presented after appropriate offsetting as follows:		
- Deferred tax assets	3,601	3,601
- Deferred tax liabilities	(430)	(426)
	<b>3,171</b>	<b>3,175</b>

By Order of the Board  
**Dataprep Holdings Bhd**

**Tan Hock Chye**  
**Koh Ai Hoon**  
**Company Secretaries**  
*30 November 2007*