

# Statement on Corporate Governance

The Board of Directors is committed to ensuring that the principles and best practices as set out in the Malaysian Code on Corporate Governance are applied in the Company. The Company's achievements in receiving the KLSE Corporate Excellence Award in the Second Board for two consecutive years in 2000 and 2001, the KLSE Corporate Sectoral Award 2001 in the Second Board Trading/ Services category, the KLSE Merit Award 2002 and the KLSE Corporate Sectoral Award 2003 in the Main Board Technology category are testimonies to the Company's commitment in subscribing to excellent corporate conduct.

Set out below is a statement of how the Group has applied the principles and complied with the best practices provisions laid out in the Code throughout the twelve months ended 31 March 2006.

## The Board Of Directors

### Principal Responsibilities of the Board

The Board assumes the following six specific responsibilities to effectively lead and control the Company and the Group :-

- Reviewing, approving, and adopting the Management's proposal on the strategic and investment plans and annual budget for the Group.
- Overseeing the conduct of the Group's business to evaluate whether the business is being properly managed.
- Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks.
- Succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing senior management through the Human Resource Function.
- Developing and implementing an investor relations programme and shareholder communications policy.
- Reviewing the adequacy and the integrity of the Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

### Board Committees

Where appropriate, the Board has delegated certain responsibilities to the various Board Committees with clearly defined terms of reference. The following Board Committees with the respective functions have been set up to assist the Board in discharging its responsibilities :

Type of Committee	Principal Functions	Members	Status
Executive Committee	<p>Responsible for the overall operational matters of the Group which includes inter-alia :</p> <ul style="list-style-type: none"> <li>(a) To review and recommend the strategic plan for Board's approval.</li> <li>(b) To evaluate the investment and divestment proposals submitted by the Management for Board's approval.</li> <li>(c) To review and recommend the annual budget for Board's approval.</li> <li>(d) To monitor the performance of the Group against budget on regular basis.</li> <li>(e) To review and monitor statutory and legal compliance and advise the Board accordingly.</li> <li>(f) To review and monitor initiated ventures and to report progress to the Board on regular basis.</li> <li>(g) To review employees' succession and compensation plans.</li> <li>(h) To review and approve all operational capital expenditure not budgeted for and to notify the Board.</li> </ul>	<p>1. George Finlay Bell (Chairman)</p> <p>2. John Moo Kwee Chong</p> <p>3. Chuah Tai Eu</p> <p>4. Peter Yong Kar Seng</p> <p>5. Darren John Collins</p>	<p>1. Non-Independent Non-Executive</p> <p>2. Non-Independent Non-Executive</p> <p>3. Executive</p> <p>4. Non-Independent Non-Executive</p> <p>5. Non-Independent Non-Executive</p>

## Statement on Corporate Governance

Type of committee	Principal Functions	Members	Status
Audit Committee	<ul style="list-style-type: none"> <li>(a) To review with external auditors the audit plan, the evaluation of the system of internal controls and the audit reports.</li> <li>(b) To review the assistance given by Company's employees to the external auditors.</li> <li>(c) To review the adequacy of the scope, functions, resources and results of the internal audit functions.</li> <li>(d) To review the quarterly and year end financial statements prior to the Board's approval.</li> <li>(e) To review related party transactions.</li> <li>(f) To recommend the nomination and to review the resignation of the external auditors.</li> <li>(g) To verify the allocation of options as being in compliance with the criteria for allocation pursuant to a share scheme for employees.</li> </ul>	<ul style="list-style-type: none"> <li>1. Tengku Yunus Kamaruddin (Chairman)</li> <li>2. Allen Joseph Pathmarajah</li> <li>3. Mohamad Ariff bin Md Yusof</li> <li>4. Datin Shahidah bte Abdul Majid</li> </ul>	<ul style="list-style-type: none"> <li>1. Independent Non-Executive</li> <li>2. Non-Independent Non-Executive</li> <li>3. Independent Non-Executive</li> <li>4. Independent Non-Executive</li> </ul>
Nomination Committee	<ul style="list-style-type: none"> <li>(a) To recommend to the Board candidates for directorships.</li> <li>(b) To recommend directors to fill the seats on Board committees.</li> <li>(c) To review annually the required mix of skills, experience and other qualities of Board members.</li> <li>(d) To review annually the overall effectiveness of the Board, the committees of the Board and the effective contribution of each director.</li> <li>(e) To review and recommend the succession plan for the position of Managing Director to the Board.</li> </ul>	<ul style="list-style-type: none"> <li>1. Prof Tan Sri Dato' Dr Mohd Rashdan bin Haji Baba (Chairman)</li> <li>2. Mohamad Ariff bin Md Yusof</li> <li>3. Datin Shahidah bte Abdul Majid</li> <li>4. George Finlay Bell</li> </ul>	<ul style="list-style-type: none"> <li>1. Independent Non-Executive</li> <li>2. Independent Non-Executive</li> <li>3. Independent Non-Executive</li> <li>4. Non-Independent Non-Executive</li> </ul>
Remuneration Committee	To recommend to the Board the remuneration for directors and reward scheme for employees.	<ul style="list-style-type: none"> <li>1. Prof Tan Sri Dato' Dr Mohd Rashdan bin Haji Baba (Chairman)</li> <li>2. Allen Joseph Pathmarajah</li> <li>3. George Finlay Bell</li> </ul>	<ul style="list-style-type: none"> <li>1. Independent Non-Executive</li> <li>2. Non-Independent Non-Executive</li> <li>3. Non-Independent Non-Executive</li> </ul>
Option Committee	To administer the employees' share option scheme of the Company.	<ul style="list-style-type: none"> <li>1. Peter Yong Kar Seng (Chairman)</li> <li>2. Chuah Tai Eu</li> <li>3. Tengku Yunus Kamaruddin</li> </ul>	<ul style="list-style-type: none"> <li>1. Non-Independent Non-Executive</li> <li>2. Executive</li> <li>3. Independent Non-Executive</li> </ul>

## Statement on Corporate Governance

### Relationship of the Board to Management

While the Board assumes overall responsibility to lead and control the business of the Group, the day-to-day operations lie with the Executive Director and the Senior Management who operate within the limit of authority entrusted to them. The Board meets at least four times in a year to assess the direction of the Group and the performance of the Management.

### Board Balance and Composition

The Board currently has eleven members, comprising one Executive Director, six Non-Independent Non-Executive Directors, and four Independent Non-Executive Directors who constitute more than one-third of the Board. All the Board members except the Managing Director are non-executive. The number of non-executive directors fairly reflects the investment in the Company by shareholders other than the significant shareholder.

The roles of the Chairman and the Managing Director have been clearly segregated to ensure a balance of power and authority. The Independent Directors are not related to the major shareholders and the management of the Company, and are free from any relationship that could interfere with the exercise of their independent judgement or the ability to act in the best interests of the Company. In any case, if there is concern from any party on Board matters, it can be directed to any one of the Independent Directors.

The Board members are from various professions with a broad range of experiences, skills and knowledge that are necessary to direct and manage successfully the business and affairs of the Group towards enhancing business prosperity and corporate accountability. Please refer to the Directors' Profile on pages 5 to 9 for the qualifications and working experience of each director.

### Supply of Information and Board Meetings

The Board and its Committees are supplied with full and timely information which enables them to discharge their responsibilities. The agenda for each meeting, together with the detailed reports and supplementary papers are circulated to the Directors in advance of the meetings. In addition, operation reports with key performance indicators are circulated to the Directors on a regular basis.

During the financial year, the Board met four times with details of the meetings and attendance as follows:-

(a) Number of Board meetings:

No	Date/Time	Total Board Members	Attendance by Board Members		Percentage of Attendance		
			Independent	Non Independent	Independent	Non Independent	Overall
1	18/05/05 12:10pm	11	4	7	100%	100%	100%
2	21/07/05 11:00am	11	3	7	75%	100%	91%
3	30/11/05 11:15am	11	3	6	75%	86%	82%
4	21/02/06 11:10am	11	3	7	75%	100%	91%

## Statement on Corporate Governance

(b) Detail of attendance by principal Board members:

No	Name of Board Members	Total Meetings Attended by Board Members	Percentage of Attendance
1.	Prof. Tan Sri Dato' Dr Mohd Rashdan bin Haji Baba (Chairman)	3/4	75%
2.	Chuah Tai Eu	4/4	100%
3.	Datin Shahidah bte Abdul Majid	4/4	100%
4.	Allen Joseph Pathmarajah	4/4	100%
5.	John Moo Kwee Chong	4/4	100%
6.	Normah bte Raja Nong Chik	4/4	100%
7.	Mohamad Ariff bin Md Yusof	3/4	75%
8.	Tengku Yunus Kamaruddin	3/4	75%
9.	Darren John Collins	4/4	100%
10.	George Finlay Bell (appointed on 14/10/2005)	1/2	50%
11.	Wong Leong Pin (appointed on 03/04/2006)	N/A	N/A
12.	Michael William Brinsford (resigned on 14/10/2005)	2/2	100%
13.	Sunny Tan Swee Hock (resigned on 31/03/2006)	4/4	100%

The above meetings were held in the Company's Board Room located at No. 10A Jalan Bersatu 13/4, Section 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

The Directors are updated by the Company Secretaries on new statutory and regulatory requirements concerning the duties and responsibilities of the Directors as necessary. All Board members have access to the advice and services of the Company Secretaries and where necessary, the Board members may seek external independent professional advice at the expense of the Company to assist them in their decision-making.

### Appointments to the Board

The Nomination Committee is responsible for evaluating and assessing the suitability of candidates for Board membership. In considering the nomination, the Nomination Committee reviews the qualifications and working experience of the candidate and how well the candidate fits into the existing skills mix of the Board to ensure a balanced composition before recommending to the Board for approval.

The Nomination Committee reviews annually the required mix of skills, experience and other qualities of the Board members and assesses the overall effectiveness of the Board, Board Committees, and the effective contribution of each Director.

### Directors Training

As an integral part of the training programmes for new Directors, they are provided with appropriate orientation and education programmes. All Directors have attended the Mandatory Accreditation Programme (MAP) and completed the Continuing Education Programme (CEP) as prescribed under the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

During the financial year ended 31 March 2006, all Directors have attended the in-house conducted courses and/or e-learning programmes.

The Directors will continue to attend other relevant training programmes as may be determined by the Board to keep them abreast with the latest developments in the relevant areas.

## Statement on Corporate Governance

### **Re-election**

In accordance with the Company's Articles of Association, all newly appointed Directors shall retire from office but shall be eligible for re-election at the forthcoming Annual General Meeting. The Articles further provide that at least one third of the remaining Directors be subject to re-election by rotation at each Annual General Meeting provided always that all Directors including the Managing Director shall retire from office at least once every three years but shall be eligible for re-election.

## Directors' Remuneration

### **The Level and Make-up of Remuneration**

The Company has complied with the recommendation by the Code to determine the remuneration for Directors so as to attract and retain the Directors needed to ensure the effective management of the Company. In the case of Executive Directors, their remuneration is structured to link rewards to corporate and individual performance. The level of remuneration of non-Executive Directors reflects the experience and level of responsibility undertaken by them.

### **Procedure**

The Remuneration Committee has been set up to evaluate and recommend to the Board the remuneration for Directors and reward scheme for employees. However, the determination of remuneration packages for Directors remains a matter for the Board as a whole with the interested Directors abstaining from deliberations and voting in respect of their own remuneration.

### **Disclosure**

The Company has complied with the Listing Requirements of Bursa Securities on disclosure of Directors' remuneration in its audited financial statements (please refer to Page 62).

## Relationship with Shareholders

### **Investor Relations and Shareholders Communication**

The Investor Relations Department provides an effective communication between the Company and its shareholders and investors. The functions of the department include :-

- To ensure timely and accurate dissemination of permissible and relevant information to the shareholders, analysts and investors;
- To attend to queries;
- To monitor and analyse feedback received from the shareholders, analysts and investors and disseminate such information to the Management;
- To assist in financial analysis and performance benchmarking for new and existing business activities and development.

Shareholders, investors and analysts are kept abreast with the major developments of the Group through the various means of communications as follows :-

- Quarterly financial statements and annual report
- Announcements on major developments made to Bursa Securities
- Quarterly briefings to analysts and investors
- Company's general meetings
- Quarterly newsletters
- Company's web site at <http://www.csam.com.my>

### **Annual General Meeting (AGM)**

The AGM is the principal forum for dialogue with public shareholders. There is an open question and answer session in which shareholders may ask questions both about the resolutions being proposed at the meeting and also about the financial performance and business operations in general. Notice of the AGM is circulated at least 21 days before the meeting.

## Statement on Corporate Governance

### Accountability and Audit

#### **Audit Committee**

The Audit Committee meets regularly to review the quarterly financial statements. On a yearly basis, the Audit Committee will consider the appointment of the external auditors for recommendation to the Board and subsequently for the shareholders' approval. Before the commencement of external audit, discussions with the external auditors are held to review the proposed audit plan. Upon completion of the audit, the external auditors' management letter together with their findings from the audit are reviewed by the Audit Committee.

#### **Financial Reporting**

In presenting the annual audited financial statements to shareholders and the announcements of quarterly financial results, the Board takes appropriate steps to present a true and fair view of the financial statements of the Company and its subsidiaries.

#### **Responsibility Statement by Directors**

The Board is responsible for ensuring that the financial statements of the Group and the Company give a true and fair view of the state of affairs of the Group and the Company at the end of the financial year and of their results and cash flows for the financial year.

In preparing the financial statements for the Group and the Company for the financial year ended 31 March 2006, the Board has :-

- (a) adopted appropriate and relevant accounting policies and applied them consistently;
- (b) made estimates and judgements which are reasonable and prudent;
- (c) ensured that applicable accounting standards have been followed; and
- (d) prepared the financial statements on a going concern basis.

The Board is responsible for ensuring that the Group keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and the Company. The Board has further responsibilities for taking such steps that are reasonably open to them to safeguard the assets of the Group to prevent and detect fraud and other irregularities.

#### **Internal Control**

The Board has an overall responsibility for maintaining a sound system of internal control to safeguard shareholders' investment and the Group's assets by identifying principal risks and ensuring the implementation of appropriate systems to manage these risks; and reviewing the adequacy and integrity of the internal control system.

The Board seeks regular assurance on the effectiveness of the internal control system through independent appraisals by the internal and external auditors.

The Statement on Internal Control provides an overview of the state of internal controls within the Group and is set out on pages 26 to 27 of this annual report.

#### **Relationship with the Auditors**

Through the Audit Committee, the Company has established a transparent and appropriate relationship with the Group's auditors, both internal and external. From time to time, the auditors highlight to the Audit Committee and the Board on matters that require the Board's attention.

### Statement Of Compliance

In the opinion of the Board, the Company is in compliance with the Best Practices in Corporate Governance set out in the Malaysian Code on Corporate Governance. The Board will continue to promote and improve excellence in corporate conduct within the Company and the Group.



# Statement on Internal Control

The Malaysian Code on Corporate Governance requires public listed companies to maintain a sound system of internal control to safeguard shareholders' investments and the Group's assets. Paragraph 15.27 (b) of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") requires the Directors of public listed companies to include in its annual report a "statement about the state of internal control of the listed issuer as a group".

The Board is committed to maintaining a sound system of internal control throughout the Group and is pleased to provide the following statement, which has been prepared in accordance with the "Statement on Internal Control – Guidance for Directors of Public Listed Companies" issued by the Institute of Internal Auditors Malaysia and adopted by Bursa Securities.

## **Directors' Responsibility**

The Board has the overall responsibility for maintaining a sound system of internal control to safeguard shareholders' investment and the Group's assets by :-

- identifying principal risks and ensuring the implementation of appropriate systems to manage these risks;
- reviewing the adequacy and the integrity of the Group's internal control systems.

However, such a system is designed to manage rather than eliminate the risk of failure to achieve the business objectives, and can provide only reasonable but not absolute assurance against material misstatement or loss.

There is an ongoing process, which was in place for the financial year under review, for identifying, evaluating and managing significant risks faced by the Group. The process is regularly reviewed by the Board through the Audit Committee which is assisted by the Internal Audit Function.

The Board has formally endorsed a risk management policy which includes the following :-

- underlying approach to risk management;
- roles and responsibilities of the Board;
- review the effectiveness of internal control; and
- risk monitoring.

## **Risk Management Framework**

Appropriate systems of internal control have been implemented to monitor, manage and control the risks with a view to the long term viability of the Group. The internal control systems have :

- been embedded in the operations of the Group and forms part of its culture;
- been capable of responding quickly to evolving risks to the business arising from factors within the Group and to changes in the business environment;
- incorporated procedures for reporting immediately to appropriate levels of management any significant control failings or weaknesses that are identified together with details of corrective action being undertaken.

The Group has and will continue to have an enterprise-wide business process management exercise to identify, evaluate, monitor and manage significant risks affecting the business and to ensure that adequate and effective controls are in place. All business processes have been documented and self-compliance audits are carried out by the respective process teams.

## Statement on Internal Control

### **Other Risk and Control Processes**

Apart from the above, the Group has established other risks and control processes described below :

- Clearly defined delegation of responsibilities to the Board committees and Management including charters, organisation structures and delegation of authority.
- Detailed budgeting process requiring all business units to prepare budgets annually which are reviewed by the Executive Committee for Board's approval.
- Adequate reporting systems are in place to generate monthly performance and variance reports for review by the Management and Executive Committee.
- Documented internal policies and procedures for the Group are set out in the Quality Management System, which are subject to regular review and improvement. A mark of our quality achievement is the award of the MS ISO 9001 certification by SIRIM QAS International Sdn. Bhd. for Provision of Systems Integration, Software Development & Services, Customer Support, IT Professional Services & Consulting, IT Training, Computer Output Microfiche Production and Data centre Operations.
- Established investment approval process that requires Executive Committee's evaluation and Board's approval.
- Established management information systems with documented processes for change request to computer programmes and access to data files.
- Regular meetings are held between the Director of Investor Relations and analysts with formal presentation after the release of financial results to ensure a transparent relationship and open dialogue with investors and shareholders.
- Security systems such as closed-circuit cameras and card access system have been installed at various strategic areas in the office building coupled with a 24-hour security check at the main entrance.

### **Weaknesses in internal controls that result in material losses**

There were no material losses incurred during the financial year as a result of weaknesses in internal control that would require disclosure in the annual report. The Group continues to take measures to strengthen the internal control environment.

The Company's external auditors, Messrs Deloitte & Touche, have reviewed the above statement made by the Board of Directors in accordance with Auditing Technical Release (ATR) 5 Guidance for Auditors on the Review of Directors' Statement of Internal Control pursuant to paragraph 15.27 (b) of the Listing Requirements of Bursa Securities and reported the results thereof to the Board of Directors of the Company.

# Audit Committee Report

## Members Of Audit Committee



The Audit Committee currently has four members, comprising three Independent Non-Executive Directors and one Non-Independent Non-Executive Director as follows :-

1. **Tengku Yunus Kamaruddin – Chairman, Independent Non-Executive Director**
2. **Encik Mohamad Ariff bin Md Yusof – Independent Non-Executive Director**
3. **Datin Shahidah bte Abdul Majid – Independent Non-Executive Director**
4. **Mr. Allen Joseph Pathmarajah – Non-Independent Non-Executive Director**

## Terms Of Reference Of Audit Committee

### Constitution

The Board of Directors has established a Committee of the Board to be known as the Audit Committee.

### Membership

- The Committee shall be appointed by the Board of Directors from amongst the directors of the Company and shall consist of not less than three (3) members, a majority of whom shall be independent non-executive directors.
- At least one member of the Committee must be a member of the Malaysian Institute of Accountants or similar qualification as prescribed in Part I or Part II of the First Schedule of the Accountants Act 1967 with at least 3 years' working experience.
- No alternate director is appointed as a member of the Committee.
- The members of the Committee shall elect a Chairman from among their members who shall be an independent non-executive director.
- If a member of the Committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced below three (3), the Board of Directors shall, within three (3) months of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

### Authority

- The Committee is authorised to investigate any activity within its terms of reference and to seek any information it requires from any employees and all employees are directed to co-operate with any request made by the Committee.
- The Committee is authorised to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.
- The Committee shall have unrestricted access to both the internal and external auditors and is able to convene meetings with the external auditors, excluding the attendance of the executive members of the Committee, whenever deemed necessary.

### Functions

The functions of the Committee shall be amongst others:-

- (1) to review the following and report the same to the Board of Directors:-
  - (a) with the external auditors, the audit plan;

## Audit Committee Report

- (b) with the external auditors, the evaluation of the system of internal controls;
- (c) with the external auditors, the audit reports;
- (d) the assistance given by the Company's employees to the external auditors;
- (e) the adequacy of the scope, functions and resources of the internal audit functions and that it has the necessary authority to carry out its work;
- (f) The internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
- (g) the quarterly results and year end financial statements, prior to the approval by the Board of Directors, focusing on:
  - (i) changes in or implementation of major accounting policies;
  - (ii) significant and unusual events; and
  - (iii) compliance with accounting standards and other legal requirements;
- (h) any related party transactions and conflict of interest situation that may arise within the Company or Group.
- (i) any letter of resignation from the external auditors;
- (j) whether there is reason (supported by grounds) to believe that the external auditors is not suitable for re-appointment; and

(2) to recommend the nomination of a person or persons as external auditors.

(3) to verify the allocation of options as being in compliance with the criteria for allocation pursuant to a share scheme for employees.

### **Meetings**

- Meetings shall be held not less than four times a year.
- A quorum shall be two (2) members, majority of whom must be independent non-executive directors.
- The Financial Controller, the head of Internal Audit and a representative of the external auditors shall normally attend meetings. Other Board members and employees may also attend the Audit Committee meeting upon the invitation of the Committee.
- The Company Secretary shall be the Secretary of the Committee.

### **Reporting Procedures**

The Secretary shall circulate the minutes of meetings of the Committee to all members of the Board.

### **Review of the Audit Committee**

The Board of Directors must review the term of office and performance of the Committee and each of its members at least once every three (3) years to determine whether the Committee and its members have carried out their duties in accordance with their terms of reference.

### **Summary of Activities of the Audit Committee**

During the financial year, the Committee held five meetings to review the quarterly and year-end financial statements, the related party transactions and conflict of interest situation that may arise within the Company and the Group. The Managing Director, the Financial Controller, the Internal Auditors and heads of various business support units were invited to the meetings to review the internal audit programme, processes and the subsequent findings and follow-up actions taken by the Management.

The Committee also reviewed the audit plan and audit reports prepared by the External Auditors, and appraised the adequacy of the actions taken by the Management in resolving the reported audit issues and in implementing the suggested improvements.

## Audit Committee Report

The following are the details of the Committee's meetings held during the financial year :-

(a) Number of meetings

No	Date	Total Committee Members	Attendance by Committee Members		Percentage of Attendance		
			Independent	Non Independent	Independent	Non Independent	Overall
1	18/05/05	3	2	1	100%	100%	100%
2	21/07/05	4	2	1	67%	100%	75%
3	12/08/05	4	3	1	100%	100%	100%
4	30/11/05	4	2	1	67%	100%	75%
5	21/02/06	4	3	1	100%	100%	100%

(b) Detail of attendance by individual Committee member:

No	Name of Committee Members	Total Meetings Attended by Committee Members	Percentage of Attendance
1.	Tengku Yunus Kamaruddin	4/5	80%
2.	Mohamad Ariff bin Md Yusof	4/5	80%
3.	Allen Joseph Pathmarajah	5/5	100%
4.	Datin Shahidah bte Abdul Majid (appointed on 18 May 2005)	4/4	100%

### STATEMENT BY AUDIT COMMITTEE ON THE GROUP'S EXECUTIVES SHARE OPTION SCHEME ("ESOS")

Appendix 9C Part A Item No. 25 of the Listing Requirements of Bursa Securities requires a statement by the Audit Committee in relation to the allocation of options pursuant to any share scheme for employees as required under paragraph 8.21A.

There was no allocation of options under the Group's employees' share option scheme during the financial year.

### INTERNAL AUDIT FUNCTION

The Company has an Internal Audit Function to assist the Committee in the discharge of its duties and responsibilities. Its principal role is to provide assurance, through conducting independent appraisals, that:

- There is a sound internal control system to achieve the Group's objectives and to safeguard the shareholder's investment and the Group's assets; and
- The system is functioning adequately and its integrity is maintained.

Internal audits include evaluation of processes through which significant risks are identified, assessed and managed. Such audits also ensure that instituted controls are appropriate and effectively applied within acceptable risk exposures consistent with the Group's risk management policy. The established monitoring process and risk/control self-assessment approach are both in alignment with the practice of generating an embedded risk management capability and acceptable risk culture within the organisation.

The Internal Audit Function is further supplemented by CSC's Corporate Internal Auditors who conduct periodic reviews on the Group's operations. The internal audit reports prepared by the team are deliberated by the Committee and recommendations are duly acted upon by the Management.

# Listing Requirements Compliance Information

The information set out below is disclosed in compliance with the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities")

## 1. Utilisation of Proceeds Raised From Corporate Proposal

Status on utilisation of proceeds from rights issue

	Revised Amount As Approved RM'000	Utilisation As At 21 July 2006 RM'000	Under/(Over) Utilisation RM'000
Establishment of Advanced Call Centre and Data Centre, and expansion of Training Centre	8,054	8,054	-
Funding investment in Internet related technologies	12,000	10,004	1,996
Repayment of bank borrowing	5,000	5,000	-
Working capital	15,541	15,541	-
<b>Total</b>	<b>40,595</b>	<b>38,599</b>	<b>1,996</b>

## 2. Share Buy-Back

There was no buy-back of the Company's shares by the Company during the financial year.

## 3. Options, Warrants or Convertible Securities

The Company has not issued any options, warrants or convertible securities during the financial year.

## 4. American Depository Receipt (ADR)/Global Depository Receipt (GDR)

The Company has not sponsored any ADR/GDR programme during the financial year.

## 5. Sanctions and/or Penalties

There were no sanctions and/or penalties imposed on the Company and its subsidiary company, directors or management by the relevant regulatory bodies during the financial year.

## 6. Non-audit Fees

Non-audit fees amounting to RM22,890 were paid to the external auditors of the Company and its subsidiary company during the financial year.

## 7. Variation in Results

The Company and its subsidiary company did not release any profit estimate, forecast or projection and there was no variance between the audited and the unaudited results announced during the financial year.

## 8. Profit Guarantee

There was no profit guarantee given by the Company and its subsidiary company during the financial year.

## 9. Material Contracts Involving Directors and Major Shareholders

There were no material contracts entered into by the Company ("CSAM") and its subsidiary company involving directors and major shareholders, which subsisted at the end of the financial year ended 31 March 2006 or, if not then subsisting, enters into since the end of previous financial year, save for the following:

## Listing Requirements Compliance Information

### **Contract involving director:**

On 26 May 2005, CSA MSC Sdn. Bhd. ("CSA MSC"), a wholly-owned subsidiary company of CSAM, entered into a Packaged Solution Agreement with Korvac (M) Sdn. Bhd. ("Korvac (M)"), pursuant to which Korvac (M) has contracted to, inter alia, supply and install terminals and application software and to provide maintenance and support services for a term of 3 years with estimated value of RM6.5 million. As part of the arrangement, a performance guarantee of RM2,000,000 was issued by CSAM, on behalf of CSA MSC, to Korvac (M) for the amount of security deposit required for the due performance of, inter alia, a covenant of a contract between CSA MSC and a local bank in Malaysia.

Korvac (M) is a subsidiary company under the Korvac International Systems (S) Pte. Ltd. Group in which Sunny Tan Swee Hock owns 60% equity and the balance of 40% equity is owned by his son. Sunny Tan Swee Hock was a director of the CSAM and CSA MSC until 31 March 2006.

### **Contracts involving major shareholder:**

- a. On 28 August 2003, the Company entered into an Outsourcing Services Agreement ("Agreement") with CSC Computer Sciences Sdn Bhd ("CSCM") for the Company to provide services to CSCM's customer for a term of 10 years based on the terms and conditions of the Agreement. The Company will charge CSCM the expenses associated with providing the services on the consideration that the Company will be entitled to share 50% of the profits and losses of delivering those services under the Information Technology Outsourcing Agreement between CSCM and its customer.

CSCM is a wholly-owned subsidiary company of Computer Sciences Corporation ("CSC"), the ultimate holding company of CSAM.

- b. On 8 July 2004, the Company entered into a Master Subcontract Agreement ("Agreement") with CSC Computer Sciences Pte. Ltd. ("CSCS") for the Company and its wholly-owned subsidiary company ("CSAM Group") to provide information technology services to entities within CSC Group ("CSC Entities"). Based on the terms and conditions of the Agreement, CSAM Group will charge CSC Entities for the services rendered on the basis of cost recovery plus a general and administration cost.

CSCS is a wholly-owned subsidiary company of CSC, the ultimate holding company of CSAM.

- c. On 21 February 2006, the Company entered into the following agreements with Automated Systems Holdings Limited ("ASH"):-
  - i. Supply Agreement which covers transactions of non-administrative nature that include, inter alia, the provision of IT products and related services, and invoice handling services by either party based on costs plus mark-up.
  - ii. Administrative Services Agreement which covers provision of certain administrative services based on reimbursement basis.
  - iii. Participation Agreements for Supply Agreement and Administrative Services Agreement which allow the Company to engage its subsidiary company to provide the same services under the same terms of the above agreements.

ASH is a 69.2% owned subsidiary company of CSC, the ultimate holding company of CSAM.

George Finlay Bell, a director of CSAM and CSA MSC; Darren John Collins and Wong Leong Pin, both a director of CSAM; and Michael William Brinsford, a director of CSAM until 14 October 2005, have interests in CSC.

### **10. Revaluation Policy on Landed Properties**

No valuation was carried out by the Company and its subsidiary company on landed properties during the financial year. Revaluation will be carried out when deemed appropriate by the directors.

### **11. Recurrent Related Party Transactions of a Revenue or Trading Nature**

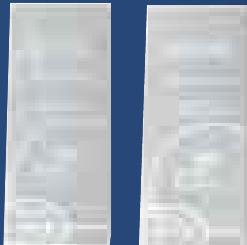
On 21 July 2005, the Company obtained a mandate from its shareholders to enter into recurrent related party transactions of revenue or trading nature. The details of the recurrent related party transactions are disclosed on page 79 to 80 of the Annual Report.

# Awards



**PIKOM Computimes** IT Service Provider of The Year FY05

**Trend Micro** Enterprise Security Partner Year 2005



**Hewlett-Packard Malaysia**

Overall Performance – Top Corporate / Value Added Reseller FY05  
Industry Standard Servers – Top Corporate / Value Added Reseller FY05  
HP Services Division – Top Corporate / Value Added Reseller FY05  
Commercial Portable – Top Corporate / Value Added Reseller FY05  
Commercial Imaging & Printing – Top Corporate / Value Added Reseller FY05  
Business Desktop – Top Corporate / Value Added Reseller FY05  
Storage Works Division – Top Corporate / Value Added Reseller FY05  
Business Critical / Nonstop Servers – Top Corporate / Value Added Reseller FY05

**Oracle** FY05 SI Category Technology Best Partner



**3COM**  
Best Security – Gold Partner Half Year FY05  
Highest Growth – Gold Partner Half Year FY05



**IBM** Platinum Club Award 2005



**Sun Microsystems Malaysia**

FY05 Distributor Of The Year  
FY05 Best Services Sales Partner  
FY05 Highest Storage Attached Sales  
FY05 Best Education Sales  
FY05 Sun Partner Country MD  
FY05 Best Sales Manager  
FY05 Best Sales Excellence  
FY05 Best Systems Engineer

# Corporate Highlights

05/06



Microsoft Gold Certification



Global Public Policy Conference



Maybank Data Centre Relocation

## Customers

### CSAM, Microsoft and EMC Host ILM Seminar

On 13 April 2005, CSAM in collaboration with EMC and Microsoft Malaysia hosted an Information Lifecycle Management (ILM) seminar for its customers, to expound on how organisations can use ILM to extract maximum value from their information.

### CSAM At Asli Banking Summit 2005

CSAM and Sun Microsystems jointly participated in the summit held at the Sunway Lagoon Resort Hotel from 10 – 11 May 2005 to showcase banking solutions on the Sun platform.

### CSAM Organises Technology Seminar

On 12 May 2005, CSAM, Oracle and Veritas hosted a seminar entitled “Building the Foundation for Maximised Business Performance” to highlight to customers the benefits of Oracle’s cluster management solutions and Veritas’ database performance.

### CSAM's Microsoft Gold Certification Announcement

On 26 May 2005, CSAM announced its achievement of the Microsoft Gold Partner Certification in an official ceremony held at the Sheraton Imperial Kuala Lumpur. CSAM became the first Malaysian company to meet Microsoft’s stringent requirements of Gold Partner status for Security Solutions and Advanced Infrastructure Solutions.

### Maybank Data Centre Relocation

CSAM and Maybank embarked on a round-the-clock relocation exercise of its data centre from Menara Maybank in Kuala Lumpur to Wisma CSAM. The exercise was successfully completed on 18 June 2005.

### University of Nottingham Malaysia Campus Implements VOIP

On 13 September 2005, CSAM, Cisco Systems Malaysia and the University of Nottingham Malaysia Campus (UNMC) jointly announced the successful design, implementation and commissioning of UNMC’s integrated voice and data solution – the first and largest of its kind in Malaysia.

### Innovation Workshop for CIOs

CSAM organised a two day interactive workshop for CIOs focusing on innovative thinking within the corporate environment on 13 – 14 September 2005.

### CSAM Sponsors Global Public Policy Conference 2005 (GPPC)

CSAM participated as a silver sponsor for the GPPC, a flagship event of the World Information Technology & Services Alliances (WITSA). The conference held on 13-15 September 2005, was an international platform for government, businesses and the community to come together to discuss issues, challenges and opportunities related to ICT in the global networked economy.

### CSAM Talks On Cyber Threats and Security

On 26 October 2005, CSAM in collaboration with 3Com, held the Cyber Threats And Security Seminar: 2006 & Beyond. The seminar-cum-workshop provided customers a broader perspective in addressing the need for effective network security and solutions in organisations today.

## Corporate Highlights



**University of Nottingham Malaysia Campus VOIP Implementation**



**Security Conference**



**Maybank CSC CSAM Executive review**

### **CSAM At Oracle Technology Summit**

On 29 November 2005, CSAM participated in Oracle's technology summit held at the Sunway Convention Centre in Petaling Jaya. CSAM and Oracle jointly promoted Oracle's TimesTen in Memory Database, Streams and Enterprise Managed Grid Control solutions. More than 500 visitors attended the two-day exhibition.

### **CSAM Showcases Business Intelligence**

CSAM organised a business intelligence (BI) seminar entitled "One Small Step For Technology, A Giant Leap For Your Business" on 17 January 2006. CSAM's customers were given the opportunity to learn how BI can be used to improve business performance, analyse business situations and competitors as well as increase revenue.

### **CSAM Holds Security Conference**

On 22 February 2006, CSAM held its inaugural security conference, entitled "Security Solutions For Increasingly Vulnerable Networks". The event partnered by leading security vendors namely 3Com, Cisco Systems, F5, Microsoft, Allot, i-Sprint, Check Point and Symantec, received close to 300 delegates from various key industry positions.

### **Maybank CSC CSAM Executive Review**

CSC and CSAM hosted the 4th Executive Review Board Meeting on 28 February 2006 at Wisma CSAM. The meeting was a platform to jointly explore, review and strategise Maybank's IT goals.

### **Educating Customers On Project Management**

CSAM Training Centre organised a project management seminar on 6 March 2006, aimed at creating awareness among CSAM's customers on the newly restructured project management courses.

### **CSAM Hosts CIO Luncheon Talk**

On 23 March 2006, CSAM and Sun Microsystems jointly hosted a Senior Executive Luncheon Talk for its customers, at the Kuala Lumpur Hilton. Storage guru from Sun Microsystems, Rob Nieboer, spoke on how to create a sustainable storage synergy that balances the cost and complexity of securely storing and managing data.

## Corporate Highlights

05/06



PCs For Kids

CSAM Welcomes 2006

Annual Dinner and Dance

# Employees

# Community

### Microsoft Gold Certification Staff Recognition Party

CSAM staff were recognised for their contribution towards CSAM's achievement of Microsoft Gold Certification, on 28 April 2005.

### CSAM's Sales Kickoff 2005

On 13 May 2005, CSAM held its annual Sales Kickoff 2005, to gear up its sales teams and kick-start sales goals for the new financial year.

### CSAM Branch Conference

From 13 – 16 July 2005, CSAM's Customer Services and Support Group held its annual Branch Conference to train and enhance the technical skills of its employees from the 23 branches nationwide.

### CSAM Gym Launch

CSAM officially launched its gymnasium on 2 August 2005, in an effort to promote healthier lifestyles and a better working environment for its employees.

### CSSG Open Day 2005

On 30 September 2005, CSAM's Customer Services and Support Group ("CSSG") held an open day for CSAM employees to raise awareness on the division's service offerings, delivery capabilities and facilities.

### Process Rewards Presentation

On 4 October 2005, The Process Reward Presentation was held to recognise employees' efforts and contributions towards the Group's Process Management Initiative.

### Annual Dinner and Dance

Almost 900 employees attended this event held at the Sunway Lagoon Resort Hotel in Petaling Jaya on 25 November 2005. Long service and sales achievers were rewarded at the event.

### CSAM Welcomes 2006

On 7 February 2006, CSAM ushered in the new year with a lion dance performance at Wisma CSA. Mandarin oranges were given by the management to all staff, as a symbol of good luck and prosperity.

### CSAM Participates In The Edge KL Rat Race

CSAM participated in The Edge Kuala Lumpur Rat Race charity run for the fifth year, held on 6 September 2005. CSAM was among 55 other companies who joined the charity event to raise funds for the needy.

### CSAM In e-Workshop Program

CSAM's staff reached out to 15 children from homes in the Klang Valley by volunteering in an e-workshop program organised by The Lions Club of Cybercare Kuala Lumpur and Microsoft Malaysia to tutor underprivileged children on how to use software applications.

## Corporate Highlights

# Shareholders



**MAS IT Charity Expedition**



**Financial Results Briefing**



**29th Annual General Meeting**

### PCs For Kids

On 29 July 2005, CSAM donated 10 desktop personal computers to five under privileged children's homes in an effort to encourage IT literacy among the children of the respective homes.

### CSAM Organises Blood Donation

On 16 August 2005, CSAM held its annual blood donation drive in collaboration with University Malaya Medical Centre. 84 employees generously donated blood at CSAM's resource centre.

### CSAM Sun MAS IT Charity Expedition

CSAM, Sun Microsystems and MAS organised the MAS IT Charity Exploration 2006, held from 13 – 15 January 2006, to donate necessities to the indigenous 'Orang Asli' community at Pos Keding, Ulu Slim Perak.

### CSAM's Charity Drive

CSAM organised a charity drive from 16 – 23 January 2006, collecting toys, clothes, books and other items to donate to the Salvation Army for the benefit of the needy.

### CSAM's Quarterly Financial Results Briefing

CSAM held quarterly financial briefings in July, December 2005 and February and May 2006 for the media and financial analysts on the company's financial performance and corporate development.

### CSAM's 29th Annual General Meeting

CSAM's 29th Annual General Meeting (AGM) was held on 21 July 2005 at Wisma CSA. The AGM was chaired by Prof. Tan Sri Dato' Dr. Mohd Rashdan bin Haji Baba, Chairman of CSAM and attended by the Board of Directors, management and shareholders.



1970's

**Began Operations**

CSAM started its operations in Malaysia on 26 June 1971.

**Market Leader For COM Equipment in Malaysia**

CSAM captured 80 percent of the market for Computer Output Microfiche (COM) equipment in the country.

**Pioneered The Introduction Of Mini-Computers**

CSAM introduced mini-computers in Malaysia and penetrated the education sector where universities were the first to install the Digital PDP11 and VAX mini-computers. The era of mini-computers took off and was adopted by many commercial and multinational corporations.



1980's

**First Computer Microfiche Bureau In Malaysia**

In 1982, CSAM established Malaysia's first Computer Output Microfiche (COM) Bureau to serve the banks and government agencies in converting computer generated print outs into cost effective microfiche.

**First Open Systems Training Laboratory**

CSAM collaborated with the Government to set up the first open systems training laboratory located at the National Institute of Public Administration (INTAN) on 18 November 1991 in support of the government's efforts to promote open systems.

**CSA Distribution Sdn Bhd Established**

CSA Distribution Sdn Bhd was established as a wholly-owned subsidiary of CSAM in March 1992 to distribute IT hardware and software packages through dealers and retailers.

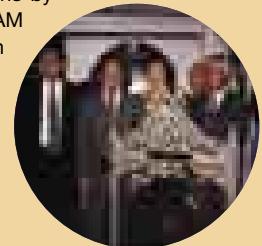
**Broker Front End System**

In July 1993, CSAM was commissioned to provide a total systems integration project for the Kuala Lumpur Stock

Exchange, now known as Bursa Malaysia Securities Berhad. The multi-million dollar project entailed the design and development of application software together with the supply of related computer hardware.

**MS ISO 9001 Accreditation**

In March 1994, CSAM was awarded the MS ISO 9001 Quality Management and Assurance Standard for its entire business operations by SIRIM. Quality has always been a core value for CSAM and is its competitive edge in doing business both locally and internationally.

**CSAM – Publicly Listed**

On 28 April 1997, CSAM was publicly listed on the second board of the Kuala Lumpur Stock Exchange, now known as Bursa Malaysia Securities Berhad.

2000's

**KLSE Corporate Excellence Awards**

CSAM won the inaugural KLSE Corporate Excellence Awards (2nd Board) in 2000 which was presented by the then Prime Minister of Malaysia, Tun Dr Mahathir Mohamad. Aimed at promoting and recognising corporate transparency and KLSE listing requirements compliance amongst Malaysian public listed companies, the Company went on to win KLSE Corporate Excellence Awards for 2001, 2002 and 2003.

**Transferred to Main Board**

On December 2001, CSAM transferred to the Main Board of the KLSE, and was reclassified from the "Trading Services" Sector to the "Technology" Sector.

**Training Business Expansion**

CSAM's Training Centre relocated to bigger premises at Amcorp Mall in June 2001 as part of the Company's expansion plans to offer more training courses to its customers.

**Serving DuPont**

In February 2003, CSAM began delivering end-to-end support for end-user computing, midrange and helpdesk services for 15 countries across

the Asia Pacific as part of the deliverables of a four-year global outsourcing contract worth RM52.44 million, awarded to CSC by US-based chemical giant, DuPont.

**Maybank Outsources IT**

Maybank signed an IT Outsourcing Agreement with the CSC Group in August, 2003 worth RM 1.3 billion over a 10-year period. CSAM and CSC are managing and operating the Bank's IT infrastructure services, network infrastructure services, distributed computing services and help desk services.

**CSC Outsources Project Capricorn**

In 2003, CSC outsourced its in-house help desk services, Project Capricorn to CSAM for Unix, Linux and VMS systems support to CSC's clients in the United States and Europe.



### Market Leader For Key-To-Disk Data Entry Systems

CSAM represented Pertec Computer Corporation's XL-40 data entry systems capture more than 80 percent of the Malaysian Key-To-Disk market.

### Nationwide Expansion

CSAM started to set up branches in all major towns and cities throughout Malaysia to get closer to its customers and deliver better



### First Automated Ticketing and Reservation System

CSAM, in partnership with Finnish Railways implemented Malaysia's first On-Line Ticketing and Reservation System for KTM Berhad. The system went live on 31 January 1986 bringing convenience to Malaysian commuters.

### CSA MSC Sdn Bhd Incorporated

On 8 Oct 1997, CSA MSC Sdn Bhd was incorporated as part of CSAM's expansion plans to spearhead research & development activities in support of the Malaysian Government's Multimedia Super Corridor initiative.

### Malaysia's MyKad Project

In May 1999, CSAM via the GMPC Consortium, was tasked to deliver, install and commission the IT infrastructure hardware and software for the Malaysian Government's Multi-purpose Card (GMPC) project. The GMPC known as MyKad is the world's first multi-application smart card.



### Motorola Global Outsourcing Deal

On 31 March 2003, CSC and Motorola Inc. signed a 10 year global information technology infrastructure outsourcing agreement valued at USD1.6 billion. CSAM was selected as one of three global help-desks and network infrastructure hubs to manage and service Motorola's helpdesk and data centre operations in more than 13 Asia Pacific countries.



### DBKL's ITIS Phase 2

CSAM in collaboration with ITS Konsortium implemented and managed Dewan Bandaraya Kuala Lumpur's (DBKL) Integrated Transport Information System (ITIS). The RM17 million project enables the Klang Valley public to receive up-to-date traffic information.

service. The Company has at present 23 service centres located throughout the nation.

### On-Line Real Time Systems Introduced To Malaysia

CSAM successfully implemented several major real time turnkey projects, including OCBC Bank's On-Line Retail Banking System (1978) and the Selangor Turf Club's Telephone and Credit Betting System (1983).

### IBM Compatible PC Market Conquered

CSAM was one of the first IT companies to promote, sell and capture the major market share of IBM Compatible PCs in Malaysia.



### Investments In Property

CSAM purchased an office in Penang and a landed property in Petaling Jaya, in 1998 and 1999 respectively. The property in Petaling Jaya was completed in June 2001, equipped with an Advanced Call Centre, Data Centre, Business Centre and staff gymnasium.

### CSC Acquired CSA Holdings Ltd. Group

CSAM became a member of Computer Sciences Corporation (CSC) in November 1999, thus marking the start of its journey into the IT outsourcing business.



### Managing Global Networks

In March 2005, CSAM's proven service capabilities prompted CSC to set up its Network Management – Visualisation Centre (NMVC) in Malaysia. The NMVC provides remote network monitoring, management and support for CSC's clients internationally.



### IT Service Provider Of The Year

CSAM was awarded the coveted IT Service Provider Of The Year Award by PIKOM Computimes in 2005.

### Air Products Global Help Desk And Desktop Services

In March 2006, as part of a global contract, CSAM was awarded the job to provide field support services and help desk services for Air Products' 11 offices throughout Malaysia.

# Financial Calendar

Financial Year End	31 March 2006
<b>Announcement of Results</b>	
First Quarter	21 July 2005
Second Quarter	30 November 2005
Third Quarter	21 February 2006
Fourth Quarter	23 May 2006
<b>Dividends</b>	
Interim dividend of 4 sen per share less 28% tax	
- Announcement Date	30 November 2005
- Entitlement Date	20 December 2005
- Payment Date	29 December 2005
Proposed final dividend of 4 sen per share less 28% tax	
- Announcement Date	23 May 2006
- Entitlement Date	26 September 2006
- Payment Date	9 October 2006
<b>Issue of FY2006 Annual Report</b>	28 July 2006
<b>30th Annual General Meeting</b>	22 August 2006

# Financial Statements

- 42 Directors' report
- 48 Report of the auditors
- 49 Income statements
- 50 Balance sheets
- 51 Statements of changes in equity
- 52 Consolidated cash flow statements
- 54 Cash flow statements
- 56 Notes to the financial statements
- 91 Statement by directors
- 92 Declaration by the officer primarily responsible

for the financial management of the Company

# Directors' Report

The directors of **COMPUTER SYSTEMS ADVISERS (M) BERHAD** have pleasure in presenting their report together with the audited financial statements of the Group and the Company for the financial year ended 31 March 2006.

## PRINCIPAL ACTIVITIES

The Company is principally involved in investment holding; installation, field services, engineering support activities for products and solutions marketed; provision of systems integration, software and information services; IT-outsourcing; and related professional and consulting services.

The principal activities of the subsidiary company are described in Note 14 to the Financial Statements. There have been no significant changes in the nature of the activities of the Company and its subsidiary company during the financial year.

## RESULTS OF OPERATIONS

The results of operations of the Group and the Company for the financial year are as follows:

	G R O U P RM	C O M P A N Y RM
Profit before tax	29,110,591	26,865,005
Income tax expense	(8,699,395)	(8,470,569)
Profit after tax	20,411,196	18,394,436

In the opinion of the directors, the results of operations of the Group and the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

## DIVIDENDS

Since 31 March 2005, the following dividends were paid by the Company:

- (a) A final dividend of 4%, less 28% tax, on 101,248,000 ordinary shares amounting to RM2,915,943 in respect of the previous financial year was paid by the Company on 8 September 2005; and
- (b) An interim dividend of 4%, less 28% tax, on 101,248,000 ordinary shares amounting to RM2,915,942 in respect of the current financial year was paid by the Company on 29 December 2005.

The directors propose a final dividend of 4%, less 28% tax, on 101,248,000 ordinary shares amounting to RM2,915,943 in respect of the current financial year. This dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the financial statements.

## RESERVES AND PROVISIONS

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

## ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.

## EXECUTIVES' SHARE OPTION SCHEME

Following the expiry of the previous Executives' Share Option Scheme ("ESOS") which was effective from 16 August 1999 to 15 August 2004, a new ESOS was approved by the shareholders at an Extraordinary General Meeting held on 21 July 2005 and became effective from 16 August 2005 ("Effective Date") for a period of five years.

## Directors' Report

The main features of the new ESOS are:

- (i) The maximum number of new shares of the Company which may be allotted pursuant to the exercise of options granted under ESOS shall not in aggregate exceed 10% of the issued and paid-up share capital of the Company at any point of time during the existence of ESOS.

The total number of new shares which may be offered and allotted to any eligible person shall be at the discretion of the Option Committee after taking into consideration the job group (where applicable), performance of each eligible person as well as his future or potential contribution to the Group subject to the following:

- (a) not more than fifty per centum (50%) (or such percentage as allowable by the relevant authorities) of the shares shall be allocated to executive directors, independent directors and members of senior management of the Group; and
- (b) not more than ten per centum (10%) (or such percentage as allowable by the relevant authorities) of the shares shall be allocated to any eligible person, who either singly or collectively through persons connected, holds twenty per centum (20%) or more of the issued and paid up share capital of the Company.

- (ii) The ESOS shall be in force for a period of five (5) years commencing from the Effective Date and may be extended for a further period of five (5) years at the discretion of the Board upon the recommendation of the Option Committee, subject to an aggregate duration of 10 years from the initial date of commencement. For the avoidance of doubt, no further sanction, approval or authorisation of the shareholders of the Company in a general meeting is required for any such extension.
- (iii) Subject to the pricing mechanism as may be permitted by Bursa Malaysia Securities Berhad ("Bursa Securities") or such other applicable guidelines from time to time, the subscription price at which the option holder is entitled to subscribe for a new share under an option shall be the higher of the following:
  - (a) 5 day weighted average market price of the shares immediately preceding the date of offer; or
  - (b) par value of the shares.
- (iv) An option granted under ESOS shall be capable of being exercised by notice in writing to the Option Committee on any market day during a period commencing on the date of offer or such later date as determined by the Option Committee to a date which the Option Committee may at its discretion decide, provided that such period shall not extend beyond the 5-year tenure of ESOS.
- (v) The new shares to be issued and allotted upon the exercise of any option will upon allotment and issue, rank pari passu in all respects with the then existing issued shares of the Company except that the new shares will not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid prior to the date of allotment of the new shares and will be subject to all provisions of the Articles of Association of the Company relating to the transfer, transmission or otherwise of the shares of the Company.
- (vi) An eligible person who is an independent director shall not sell, transfer or assign any shares obtained through the exercise of options pursuant to ESOS within 1 year from the date of offer of such option.
- (vii) The Option Committee may recommend to the Board who shall have the power at any time and from time to time by resolution to amend and/or modify all or any part of the provisions of the by-laws of ESOS provided that:
  - (a) no such amendment and/or modification which shall prejudice the rights of an option holder shall be made without the option holder's consent in writing; and



## Directors' Report

- (b) no such amendment and/or modification which shall render the rights of an option holder more favourable shall be made without the approval of the shareholders of the Company in a general meeting.

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares in the Company. As of the end of the financial year, there were no unissued shares of the Company under options.

### OTHER FINANCIAL INFORMATION

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

- (a) to ascertain that proper actions have been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and have satisfied themselves that all known bad debts have been written off and that adequate allowance for doubtful debts has been made; and
- (b) to ensure that any current assets which were unlikely to realise their book values in the ordinary course of business have been written down to their estimated realisable values.

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

- (a) which would render the amounts written off as bad debts or the allowance for doubtful debts in the financial statements of the Group and the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and the Company misleading; or
- (c) which have arisen that render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Group and the Company misleading.

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

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

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, in the opinion of the directors, will or may substantially affect the ability of the Group and the Company to meet their obligations as and when they fall due.

In the opinion of the directors, 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 operations of the Group and the Company for the succeeding financial year.

## Directors' Report

### **DIRECTORS**

The following directors served on the Board of the Company since the date of the last report:

Prof. Tan Sri Dato' Dr. Mohd Rashdan bin Haji Baba

Chuah Tai Eu

Datin Shahidah bte Abdul Majid

Allen Joseph Pathmarajah

John Moo Kwee Chong

Normah bte Raja Nong Chik

Mohamad Ariff bin Md Yusof

Tengku Yunus Kamaruddin

Darren John Collins

George Finlay Bell (appointed on 14 October 2005)

Wong Leong Pin (appointed on 3 April 2006)

Peter Yong Kar Seng (alternate to Normah bte Raja Nong Chik)

Nik Ahmed Feizal-Din bin Dato' Nik Mohamed Sidek (alternate to Datin Shahidah bte Abdul Majid)

Sunny Tan Swee Hock (resigned on 31 March 2006)

Michael William Brinsford (resigned on 14 October 2005)

In accordance with Article 113 of the Company's Articles of Association, Datin Shahidah bte Abdul Majid, Allen Joseph Pathmarajah and Normah bte Raja Nong Chik shall retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

George Finlay Bell and Wong Leong Pin, who were appointed to the Board after the last Annual General Meeting, shall retire under Article 94 of the Company's Articles of Association and, being eligible, offer themselves for re-election.

Prof. Tan Sri Dato' Dr. Mohd Rashdan bin Haji Baba, being over the age of seventy years, retires pursuant to Section 129 (2) of the Companies Act, 1965 and seeks re-appointment as director under the provision of section 129 (6) of the said Act to hold office until the next Annual General Meeting.

### **DIRECTORS' INTERESTS**

The interests in shareholdings and share options in the Company and in its related companies of those who were directors at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Companies Act, 1965, are as follows:

	Number of ordinary shares of RM1.00 each			
	Balance as of 1.4.2005	Bought	Sold	Balance as of 31.3.2006
<b>Shares in the Company</b>				
<b>Direct interest:</b>				
Chuah Tai Eu	836,000	-	-	<b>836,000</b>
Prof. Tan Sri Dato' Dr. Mohd Rashdan bin Haji Baba	4,846,000	-	-	<b>4,846,000</b>
Normah bte Raja Nong Chik	215,000	-	-	<b>215,000</b>
Peter Yong Kar Seng	3,940,000	-	-	<b>3,940,000</b>
Sunny Tan Swee Hock #	132,000	-	-	<b>132,000</b>
<b>Indirect interest:</b>				
Normah bte Raja Nong Chik	7,980,000	-	-	<b>7,980,000</b>

## Directors' Report

Number of ordinary shares of SGD0.20 each				
	Balance as of 1.4.2005	Bought	Sold	Balance as of 31.3.2006
<b>Shares in the immediate holding company, CSA Holdings Ltd.</b>				
<b>Direct interest:</b>				
Chuah Tai Eu	11,200	-	(11,200)	-
Sunny Tan Swee Hock #	4,000	260,000	(264,000)	-
Number of ordinary shares of USD1.00 each				
	Balance as of 14.10.2005 *	Bought	Sold	Balance as of 31.3.2006
<b>Shares in the ultimate holding company, Computer Sciences Corporation</b>				
<b>Direct interest:</b>				
George Finlay Bell	-	13,999	(13,999)	-
Number of options over ordinary shares of USD1.00 each at the option price ranging from USD33.16 to USD58.06 each				
	Balance as of 1.4.2005	Granted	Exercised	Balance as of 31.3.2006
<b>Options over the shares in the ultimate holding company, Computer Sciences Corporation</b>				
Darren John Collins	8,000	4,000	-	12,000
Number of options over ordinary shares of USD1.00 each at the option price ranging from USD29.35 to USD58.94 each				
	Balance as of 14.10.2005 *	Granted	Exercised	Balance as of 31.3.2006
George Finlay Bell	147,632	-	(13,999)	133,633
Number of options over ordinary shares of SGD0.20 each at the option price ranging from SGD1.12 to SGD1.678 each				
	Balance as of 1.4.2005	Granted	Exercised	Balance as of 31.3.2006
<b>Options over the shares in the immediate holding company, CSA Holdings Ltd.</b>				
Sunny Tan Swee Hock #	260,000	-	(260,000)	-

# Resigned on 31 March 2006

\* Date of appointment

## Directors' Report

Save as disclosed, none of the other directors in office as at the end of the financial year held shares or have any beneficial interest in the shares of the Company or its related companies during the financial year.

### **DIRECTORS' BENEFITS**

Since the end of the previous financial year, none of the directors of the Company has received or become entitled to receive any benefit (other than those disclosed as directors' remuneration in Note 6 to the Financial Statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except for any benefit which may be deemed to have arisen by virtue of the transactions between the Company and certain companies in which certain directors of the Company are also directors and/or shareholders as disclosed in Note 22 to the Financial Statements.

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate except for the new ESOS of the Company as disclosed above.

### **HOLDING COMPANIES**

The immediate holding company of the Company is CSA Holdings Ltd., a company incorporated in Singapore. The ultimate holding company of the Company is Computer Sciences Corporation, a public company incorporated in the United States of America and listed on the Securities and Exchange Commission in the United States of America.

### **AUDITORS**

The auditors, Messrs. Deloitte & Touche, have indicated their willingness to continue in office.

Signed on behalf of the Board  
in accordance with a resolution of the Directors,

**CHUAH TAI EU**  
*Managing Director*

**DARREN JOHN COLLINS**  
*Director*

Petaling Jaya, Malaysia  
23 May 2006

# Report of the Auditors

To the Members of Computer Systems Advisers (M) Berhad

We have audited the accompanying balance sheets as of 31 March 2006 and the related statements of income, cash flows and changes in equity for the year then ended. These financial statements are the responsibility of the Company's directors. It is our responsibility to form an independent opinion, based on our audit, on these financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility towards any other person for the contents of this report.

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

In our opinion:

- (a) the abovementioned financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and the applicable Malaysian Accounting Standards Board ("MASB") approved accounting standards in Malaysia so as to give a true and fair view of:
  - (i) the state of affairs of the Group and of the Company as of 31 March 2006 and of the results and cash flows of the Group and of the Company for the year ended on that date; and
  - (ii) the matters required by Section 169 of the Act to be dealt with in the financial statements and consolidated financial statements; and
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by the subsidiary company of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

We are satisfied that the financial statements of the subsidiary company 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 as required by us for these purposes.

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

**DELOITTE & TOUCHE**  
**AF 0834**  
**Chartered Accountants**

**KEK AH FONG**  
**1880/4/08 (J)**  
**Partner**

23 May 2006

# Income Statements

For the Year Ended 31 March 2006

Note	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
Revenue	405,380,744	380,807,311	392,564,743	367,100,314
Cost of sales	(225,502,872)	(229,449,288)	(221,444,339)	(226,962,950)
<b>Gross profit</b>	<b>179,877,872</b>	<b>151,358,023</b>	<b>171,120,404</b>	<b>140,137,364</b>
Other operating income	3,283,122	1,109,144	621,055	170,090
Sales and distribution costs	(15,542,988)	(12,519,346)	(14,885,634)	(11,308,617)
Administrative expenses	(13,766,332)	(12,650,171)	(13,147,776)	(11,904,611)
Other operating expenses	(122,866,518)	(112,173,718)	(115,323,474)	(97,777,684)
<b>Profit from operations</b>	<b>30,985,156</b>	<b>15,123,932</b>	<b>28,384,575</b>	<b>19,316,542</b>
Loss on disposal/winding up of investments	9	-	(3,119,263)	-
Finance costs	8	(2,338,398)	(918,637)	(2,338,398)
Interest income		823,833	673,361	818,828
Share of (losses)/profit in associated companies:				
Current year		(360,000)	171,000	-
Prior year		-	959,000	-
<b>Profit before tax</b>	<b>7</b>	<b>29,110,591</b>	<b>12,889,393</b>	<b>26,865,005</b>
Income tax expense	10	(8,699,395)	(4,734,417)	(8,470,569)
<b>Profit after tax</b>	<b>7</b>	<b>20,411,196</b>	<b>8,154,976</b>	<b>18,394,436</b>
Minority interests		-	1,962,090	-
<b>Net profit for the year</b>	<b>11</b>	<b>20,411,196</b>	<b>10,117,066</b>	<b>18,394,436</b>
Earnings per ordinary share (sen):				
Basic		20.16	10.03	
Diluted		N/A	N/A	
Dividends per share (sen):	12	8.00	8.00	

The accompanying Notes form an integral part of the Financial Statements.

# Balance Sheets

As of 31 March 2006

Note	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
<b>ASSETS</b>				
<b>Property, plant and equipment</b>	13	193,452,092	120,616,112	189,468,492
<b>Investment in subsidiary company</b>	14	-	-	500,000
<b>Investment in associated companies</b>	15	1,780,000	2,140,000	-
<b>Other investments</b>	16	389,056	552,775	58,300
<b>Deferred expenditure</b>	17	5,245,898	6,634,565	3,347,350
<b>Long term receivables</b>	18	8,404,482	11,276,804	8,404,482
<b>Goodwill on consolidation</b>	19	-	-	-
<b>Current Assets</b>				
Inventories	20	13,383,127	12,280,734	13,383,127
Trade receivables	21	84,626,237	88,245,819	73,933,805
Other receivables and prepaid expenses	21	14,374,407	11,426,221	13,547,426
Amount owing by ultimate holding company	22	555,146	1,045,702	48,360
Amount owing by subsidiary company	22	-	-	11,353,751
Amount owing by other related companies	22	14,574,824	24,607,900	9,851,595
Deposits with licensed financial institutions	23 & 29	13,614,396	7,839,235	13,014,396
Cash and bank balances		26,156,000	17,685,381	25,511,294
		167,284,137	163,130,992	160,643,754
				160,439,803
<b>Current Liabilities</b>				
Trade payables	24	67,532,190	39,036,425	63,467,072
Other payables and accrued expenses	24	15,877,298	12,853,619	14,294,960
Borrowings	25	34,488,925	29,270,000	34,488,925
Amount owing to ultimate holding company	22	-	-	813,909
Amount owing to immediate holding company	22	603,480	1,210,410	603,480
Amount owing to other related companies	22	9,954,817	8,674,547	9,954,817
		128,456,710	91,045,001	122,809,254
				85,595,693
<b>Net Current Assets</b>		38,827,427	72,085,991	37,834,500
				74,844,110
<b>Non Current and Deferred Liabilities</b>				
Long term borrowings	25	(12,003,396)	-	(12,003,396)
Deferred tax liabilities	26	(18,765,001)	(10,555,000)	(18,765,001)
				(10,555,000)
<b>Net Assets</b>		217,330,558	202,751,247	208,844,727
				196,282,176
<b>Represented by:</b>				
Issued capital	27	101,248,000	101,248,000	101,248,000
Reserves	28	116,082,558	101,503,247	107,596,727
				95,034,176
<b>Shareholders' Equity</b>		217,330,558	202,751,247	208,844,727
				196,282,176

The accompanying Notes form an integral part of the Financial Statements.

# Statements of Changes in Equity

For the Year Ended 31 March 2006

	Issued capital RM	Share premium RM	Unappropriated profit RM	Total shareholders' equity RM
<b>Group</b>				
<b>Balance as of 1 April 2004</b>	99,961,000	32,819,277	61,820,490	194,600,767
Issue of shares under ESOS	27 1,287,000	2,578,300	-	3,865,300
Net profit for the year	-	-	10,117,066	10,117,066
Dividends	12 -	-	(5,831,886)	(5,831,886)
<b>Balance as of 31 March 2005</b>	101,248,000	35,397,577	66,105,670	202,751,247
Net profit for the year	-	-	20,411,196	20,411,196
Dividends	12 -	-	(5,831,885)	(5,831,885)
<b>Balance as of 31 March 2006</b>	<b>101,248,000</b>	<b>35,397,577</b>	<b>80,684,981</b>	<b>217,330,558</b>
<b>Company</b>				
<b>Balance as of 1 April 2004</b>	99,961,000	32,819,277	55,507,565	188,287,842
Issue of shares under ESOS	27 1,287,000	2,578,300	-	3,865,300
Net profit for the year	-	-	9,960,920	9,960,920
Dividends	12 -	-	(5,831,886)	(5,831,886)
<b>Balance as of 31 March 2005</b>	101,248,000	35,397,577	59,636,599	196,282,176
Net profit for the year	-	-	18,394,436	18,394,436
Dividends	12 -	-	(5,831,885)	(5,831,885)
<b>Balance as of 31 March 2006</b>	<b>101,248,000</b>	<b>35,397,577</b>	<b>72,199,150</b>	<b>208,844,727</b>

The accompanying Notes form an integral part of the Financial Statements.



# Consolidated Cash Flow Statements

For the Year Ended 31 March 2006

		G R O U P	
	Note	2006 RM	2005 RM
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>			
Profit before tax		29,110,591	12,889,393
Adjustments for:			
Depreciation of property, plant and equipment		36,401,734	18,517,698
Interest expense		2,338,398	918,637
Amortisation of deferred expenditure		1,012,742	1,885,502
Allowance for doubtful debts		1,271,258	4,010,000
Inventories written down		627,245	1,378,202
Deferred expenditure written off		621,098	-
Share of losses/(profit) in associated companies		360,000	(1,130,000)
Allowance for diminution in value of:			
Quoted investments		134,700	392,000
Unquoted investments		29,019	-
Property, plant and equipment written off		4,645	4,916
Loss on disposal/winding up of investments		-	3,119,263
Amortisation of goodwill on consolidation		-	166,072
Interest income		(823,833)	(673,361)
Unrealised gain on foreign exchange		(17,149)	-
Gain on disposal of property, plant and equipment		(7,999)	-
Operating Profit Before Working Capital Changes		71,062,449	41,478,322
(Increase)/Decrease in:			
Long term receivables		2,872,322	(7,502,141)
Inventories		(1,729,638)	(1,865,861)
Trade receivables		2,348,324	(7,601,257)
Other receivables and prepaid expenses		(3,107,301)	(1,264,677)
Contract work performed but not billed		-	541,652
Amount owing by ultimate holding company		490,556	(1,045,702)
Amount owing by other related companies		10,033,076	(4,573,358)
Fixed deposits pledged with licensed banks		-	257,528
Fixed deposits for future payments in respect of acquisition of additional shares in Com-Line Systems Sdn Bhd		-	3,152,568
Increase/(Decrease) in:			
Trade payables		28,495,765	7,759,770
Advance progress billings		-	328,086
Other payables and accrued expenses		3,023,679	4,311,492
Amount owing to ultimate holding company		-	(249,239)
Amount owing to immediate holding company		(606,930)	7,735
Amount owing to other related companies		1,297,419	7,381,258
Cash From Operations		114,179,721	41,116,176
Income tax paid		(330,279)	(75,000)
Net Cash From Operating Activities		113,849,442	41,041,176

**Consolidated Cash Flow Statements**

For the Year Ended 31 March 2006

		<b>G R O U P</b>	
	Note	2006 RM	2005 RM
<b>CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>			
Interest received		823,833	673,361
Proceeds from disposal of property, plant and equipment		8,000	-
Proceeds from disposal of other investments		-	5,090,000
Proceeds from disposal of subsidiary companies	14	-	4,587,511
Purchase of property, plant and equipment		(109,242,360)	(70,135,560)
Additions to development expenditure		(245,173)	(2,553,580)
 Net Cash Used In Investing Activities		 (108,655,700)	 (62,338,268)
<b>CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>			
Drawdown of borrowings		22,492,321	24,000,000
Proceeds from issuance of shares for ESOS		-	3,865,300
Dividends paid		(5,831,885)	(5,831,886)
(Repayment)/Drawdown of bankers' acceptance		(5,270,000)	870,000
Interest paid		(2,338,398)	(918,637)
Dividend paid to minority shareholders		-	(378,000)
 Net Cash From Financing Activities		 9,052,038	 21,606,777
 <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		 14,245,780	 309,685
 <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		 25,524,616	 25,214,931
 <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	29	 39,770,396	 25,524,616

The accompanying Notes form an integral part of the Financial Statements.



# Cash Flow Statements

For the Year Ended 31 March 2006

		C O M P A N Y	
	Note	2006 RM	2005 RM
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>			
Profit before tax		26,865,005	15,038,337
Adjustments for:			
Depreciation of property, plant and equipment		36,061,095	18,044,381
Interest expense		2,338,398	621,823
Inventories written down		627,245	1,378,202
Amortisation of deferred expenditure		456,738	629,956
Allowance for doubtful debts		433,512	3,610,000
Allowance for diminution in value for quoted investments		134,700	-
Property, plant and equipment written off		4,645	882
Loss on disposal/winding up of investments		-	4,324,148
Interest income from deposits		(818,828)	(667,766)
Unrealised gain on foreign exchange		(187,253)	-
Gain on disposal of property, plant and equipment		(7,999)	-
Interest income on advances to subsidiary company		-	(55,151)
Operating Profit Before Working Capital Changes		65,907,258	42,924,812
(Increase)/Decrease in:			
Long term receivables		2,872,322	(7,502,141)
Inventories		(1,729,638)	(1,865,861)
Trade receivables		4,278,789	(6,394,594)
Other receivables and prepaid expenses		(2,458,850)	(1,235,652)
Amount owing by ultimate holding company		(48,360)	-
Amount owing by subsidiary company		1,683,587	(2,338,711)
Amount owing by other related companies		9,999,925	183,022
Fixed deposits for future payments in respect of			
acquisition of additional shares in Com-Line Systems Sdn Bhd		-	3,152,568
Increase/(Decrease) in:			
Trade payables		29,311,929	3,865,603
Other payables and accrued expenses		2,823,276	3,727,673
Amount owing to ultimate holding company		(813,909)	(188,045)
Amount owing to immediate holding company		(606,930)	7,735
Amount owing to other related companies		1,467,523	7,381,258
Cash From Operations		112,686,922	41,717,667
Income tax paid		(119,231)	(343,000)
Net Cash From Operating Activities		112,567,691	41,374,667

## Cash Flow Statements

For the Year Ended 31 March 2006

		C O M P A N Y	
	Note	2006 RM	2005 RM
<b>CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>			
Interest received		818,828	722,917
Proceeds from disposal of property, plant and equipment		8,000	-
Proceeds from disposal of other investments		-	5,090,000
Proceeds from disposal of subsidiary companies	14	-	225,337
Purchase of property, plant and equipment		(109,069,886)	(69,976,463)
Additions to deferred expenditure		(245,173)	(2,039,198)
 Net Cash Used In Investing Activities		 (108,488,231)	 (65,977,407)
 <b>CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>			
Drawdown of borrowings		22,492,321	24,000,000
Dividends paid		(5,831,885)	(5,831,886)
(Repayment)/Drawdown of bankers' acceptance		(5,270,000)	870,000
Interest paid		(2,338,398)	(621,823)
Proceeds from issuance of shares for ESOS		-	3,865,300
 Net Cash From Financing Activities		 9,052,038	 22,281,591
 <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		 13,131,498	 (2,321,149)
 <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		 25,394,192	 27,715,341
 <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	29	 38,525,690	 25,394,192

The accompanying Notes form an integral part of the Financial Statements.

# Notes to the Financial Statements

For the Year Ended 31 March 2006

## 1. General Information

The Company is principally involved in investment holding; installation, field services, engineering support activities for products and solutions marketed; provision of systems integration, software and information services; IT outsourcing; and related professional and consulting services.

The principal activities of the subsidiary company are described in Note 14. There have been no significant changes in the nature of the activities of the Company and its subsidiary company during the financial year.

The registered office and principal place of business of the Company is located at No. 10A, Jalan Bersatu 13/4, Section 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

The financial statements are expressed in Ringgit Malaysia.

## 2. Basis Of Preparation Of Financial Statements

The financial statements of the Group and the Company have been approved by the Board of Directors for issuance on 23 May 2006.

The financial statements of the Group and the Company have been prepared in accordance with the provisions of the Companies Act, 1965 and the applicable MASB approved accounting standards in Malaysia. Such financial statements require the directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

## 3. Significant Accounting Policies

### BASIS OF ACCOUNTING

The financial statements of the Group and the Company have been prepared under the historical cost convention, unless otherwise indicated below.

### BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary company as mentioned in Note 14 made up to the end of the financial year.

A subsidiary company is a company in which the Company has power to exercise control over the financial and operating policies so as to obtain benefit from its activities.

The subsidiary company is consolidated using the acquisition method of accounting. On acquisition, the assets and liabilities of the relevant subsidiary company are measured at their fair values at the date of acquisition.

Minority interest is stated at the appropriate proportion of the post-acquisition values of the identifiable assets and liabilities of the subsidiary company.

The results of the subsidiary company acquired or disposed of during the financial year are included in the consolidated financial statements from the effective date of acquisition or up to the effective date of disposal.

All significant intercompany transactions and balances are eliminated on consolidation.

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### GOODWILL

Goodwill arising on consolidation represents the excess of purchase consideration over the share of fair values of the identifiable net assets of a subsidiary company at the date of acquisition.

Goodwill is recognised as an asset and amortised systematically over a period of 20 years.

### INVESTMENTS

Investment in subsidiary company, which is eliminated on consolidation, and investments in associated companies are stated in the Company's financial statements at cost. Where there is an indication of impairment in the value of the investments, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

Other investments in unquoted shares held on a long term basis are stated at cost less allowance for diminution in value of investment to recognise any decline, other than a temporary decline, in the value of the investments in the income statements.

### ASSOCIATED COMPANIES

An associated company is a non-subsidiary company in which the Group holds between 20% and 50% of the equity voting rights as long-term investment and in which the Group is in a position to exercise significant influence in its management. Significant influence is the power to participate in the financial and operating policy decisions of the associated company but not control over those policies.

The Group's investment in associated companies is accounted for under the equity method of accounting based on the latest audited and/or management financial statements of the associated companies made up to the end of the financial year. Under this method of accounting, the Group's interest in the post-acquisition results and reserves of the associated companies is included in the consolidated results while dividend received is reflected as a reduction of the investment in the consolidated balance sheet. The carrying amount of such investments is reduced to recognise any decline, other than a temporary decline, in the value of the investments.

Unrealised profits and losses arising on transactions between the Group and its associated companies are eliminated to the extent of the Group's equity interest in the relevant associated companies except where unrealised losses provide evidence of an impairment of the asset transferred.

### REVENUErecognition

Revenue from the sale of goods for resale is recognised when significant risks and rewards of ownership are transferred to the buyer (generally on delivery, satisfactory installation and acceptance) and the amount of revenue and the costs of the transaction (including future costs) can be measured reliably.

Revenue from rendering of services that are of short duration are recognised when the services are completed. Revenue from maintenance contracts are recognised on a time-proportion basis.

Revenue from the provision of software applications on contracts which have operating cycles longer than one year and where their outcome can be reliably estimated are recognised by reference to the services performed to date as a percentage of total services to be performed or by the proportion that costs incurred to date bear to the estimated total costs of the contract.

Only the costs that relate directly to the specific project, costs that are attributable to contract activity in general and can be allocated to the project and such other costs as are specifically chargeable to the customers under terms of the contracts can be included in the estimated total costs of the project.

When the outcome of a contract cannot be estimated reliably, contract revenue is recognised to the extent of contract cost incurred that are probable of recovery. Contract costs are recognised as expenses in the period in which they are incurred. When it is probable that contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately

## Notes to the Financial Statements

For the Year Ended 31 March 2006

as an allowance for foreseeable loss. The Group includes in current assets or current liabilities the amounts relating to the long-term contracts realisable over a period in excess of one year.

Revenue from outsourcing contracts is recognised based on the services performed or information processed during the period in accordance with contract terms and the agreed-upon billing rates.

Dividend income is recognised when the shareholder's right to receive the dividend is legally established.

### FOREIGN CURRENCY CONVERSION

Transactions in foreign currencies are converted into Ringgit Malaysia at exchange rates prevailing at the transaction dates or, where settlement has not yet been made at the end of the financial year, at approximate exchange rates prevailing at that date, unless hedged by forward foreign exchange contracts, in which case the rates specified in such forward contracts are used. Foreign currency monetary assets and liabilities are recorded at exchange rates prevailing at the balance sheet date, unless hedged by forward foreign exchange contracts, in which case the rates specified in such forward contracts are used. All foreign exchange gains or losses are recognised in the income statements.

The closing exchange rates used by the Group are as follows:

Foreign currency	31 March 2006	31 March 2005
1 United States Dollar	<b>RM3.70</b>	RM3.81
1 Singapore Dollar	<b>RM2.30</b>	RM2.30
100 Japanese Yen	<b>RM3.40</b>	RM3.00

Non-monetary assets and liabilities denominated in foreign currency are recorded at exchange rates prevailing on the dates of the transactions.

### INCOME TAX

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

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets arising from deductible temporary differences, unused tax losses and unused tax credits are recognised to the extent that it is probable that future taxable profit will be available to utilise the deferred tax assets.

### EMPLOYEE BENEFITS

The Group and the Company are required by law to make monthly contributions to the Employees' Provident Fund ("EPF"), a statutory defined contribution plan for all their eligible employees based on certain prescribed rates of the employees' salaries. The Group's and the Company's contributions to EPF are disclosed separately. The employees' contribution to EPF is included in staff costs.

### INVENTORIES

Inventories include computer equipment and software products purchased for resale. Inventories are valued at the lower of cost and net realisable value. Cost is determined on the weighted average method and comprises the original purchase price plus cost incurred in bringing the inventories to their present location. Net realisable value represents the estimated selling price in the ordinary course of business less selling and distribution costs.

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### OPERATING LEASE

An operating lease is a lease where substantially all of the risks and rewards incident to ownership of an asset remain with the lessor. Operating lease rentals are charged to the income statements in the year in which they are incurred.

### PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation.

Gain or loss arising from the disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset, and is recognised in the income statements.

Freehold land is not depreciated. Long leasehold land and buildings, which relate to land and buildings held under leases of over 50 years, are amortised over the remaining lease periods of 56.5 years and 88 years at the date of completion of construction and date of acquisition respectively. Depreciation of all other property, plant and equipment is computed on the straight-line method at rates based on the estimated useful lives of the various assets.

The annual depreciation rates are as follows:

Office equipment	10% to 20%
Motor vehicles	20%
Computer equipment	17% to 20%
Furniture and fittings	10%

Revaluation of property, plant and equipment of the Group and the Company will be carried out when deemed appropriate by the directors.

### RECEIVABLES (INCLUDING LONG-TERM)

Trade and other receivables are stated at nominal value as reduced by the appropriate allowances for estimated irrecoverable amounts. Allowance for doubtful receivables is made based on estimates of possible losses which may arise from non-collection of certain receivable accounts.

### OUTSOURCING CONTRACT COSTS

Costs on outsourcing contracts are generally expensed as incurred. However, certain costs incurred upon initiation of an outsourcing contract are deferred and charged to expense over the life of the contract. These costs consist of contract acquisition and transition costs, including the costs of due diligence activities after competitive selections and costs associated with installation and processes. Costs incurred for bid and proposal activities are expensed as incurred. Property, plant and equipment acquired in connection with outsourcing transactions are capitalised and depreciated consistent with policies generally applicable to property, plant and equipment. Amount paid to the client in excess of the fair market value of acquired property, plant and equipment are capitalised as outsourcing costs and amortised over the life of the contract.

### OTHER DEFERRED EXPENDITURE

Other deferred expenditure comprise software development expenditure and software licences.

Software development expenditure comprises development costs incurred on specific software development projects and is carried forward when the projects' future recoverability and technical feasibility can be foreseen with reasonable assurance, and is amortised over a period of three years commencing in the year when the relevant product is put into commercial production.

Software licences comprise purchased software licences which are stated at cost and amortised over the life of the contracts ranging from four to five years.

All other development expenditure is expensed off in the financial year when incurred.

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### DEFERRED REVENUE

Deferred revenue represents advance customer billings on products, maintenance and advance payments received for delivery of goods and/or services.

### CASH AND CASH EQUIVALENTS

The statements of cash flows, prepared using the indirect method, classify changes in cash and cash equivalents according to operating, investing and financing activities. Cash and cash equivalents for the purposes of the cash flow statements comprise cash and bank balances, demand deposits and short term, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value, against which bank overdraft balances, if any, are deducted.

### PROVISIONS

Provisions are recognised when the Group or the Company has a present obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate can be made of the amount of the obligation.

### FINANCIAL ASSETS

The Group's principal financial assets are trade and other receivables, related companies' balances, deposits with licensed financial institutions and cash and bank balances.

### FINANCIAL LIABILITIES AND EQUITY

Financial liabilities are classified according to the substance of the contractual arrangements entered into. The Group's financial liabilities are its trade and other payables, related companies balances and short-term borrowings. Trade payables, other payables and related companies balances are stated at their nominal values. Borrowings are recorded at the proceeds received, net of transaction costs. Finance costs are accounted for on an accrual basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise. Dividends on ordinary shares are recognised in shareholders' equity in the period in which they are declared.

### IMPAIRMENT OF ASSETS

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). If the recoverable amount is estimated to be less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as an income immediately.

### FINANCIAL INSTRUMENT NOT RECOGNISED ON THE BALANCE SHEET

Financial instrument not recognised on the balance sheet represents foreign currency forward contracts entered into by the Group and the Company to protect the Group and the Company from fluctuations in exchange rates by establishing the rate at which a foreign currency asset or liability will be settled.

Exchange gains and losses arising from contracts entered into as hedges of anticipated future transactions are deferred until the date of such transactions, at which time they are included in the measurement of such transactions.

All other exchange gains and losses relating to hedge instruments are recognised in the income statements in the same period as the exchange differences on the underlying hedged items. Gains and losses on contracts which are no longer designated as a hedge are included in the income statements.

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### 4. Revenue

	G R O U P		C O M P A N Y	
	2006	2005	2006	2005
	R M	R M	R M	R M
Sale of goods	221,076,842	214,878,400	218,532,979	213,732,802
Rendering of services	181,308,149	161,713,653	174,031,417	152,109,889
Provision of software applications	2,995,406	4,182,635	-	-
Dividend income	347	32,623	347	1,257,623
	<hr style="border: 1px solid black; border-top: none; border-bottom: 1px solid black; margin-top: 5px; margin-bottom: 5px;"/>	<hr style="border: 1px solid black; border-top: none; border-bottom: 1px solid black; margin-top: 5px; margin-bottom: 5px;"/>	<hr style="border: 1px solid black; border-top: none; border-bottom: 1px solid black; margin-top: 5px; margin-bottom: 5px;"/>	<hr style="border: 1px solid black; border-top: none; border-bottom: 1px solid black; margin-top: 5px; margin-bottom: 5px;"/>
	<hr style="border: 1px solid black; border-top: none; border-bottom: 1px solid black; margin-top: 5px; margin-bottom: 5px;"/>	<hr style="border: 1px solid black; border-top: none; border-bottom: 1px solid black; margin-top: 5px; margin-bottom: 5px;"/>	<hr style="border: 1px solid black; border-top: none; border-bottom: 1px solid black; margin-top: 5px; margin-bottom: 5px;"/>	<hr style="border: 1px solid black; border-top: none; border-bottom: 1px solid black; margin-top: 5px; margin-bottom: 5px;"/>
	<b>405,380,744</b>	<b>380,807,311</b>	<b>392,564,743</b>	<b>367,100,314</b>

### 5. Operating Costs Applicable To Revenue

The operating costs classified by nature, applicable to revenue, are as follows:

	G R O U P		C O M P A N Y	
	2006	2005	2006	2005
	R M	R M	R M	R M
Changes in inventories for resale	(1,729,638)	(1,865,861)	(1,729,638)	(1,865,861)
Purchase of goods and services	227,232,510	231,315,149	223,173,977	228,828,811
Directors' remuneration (Note 6)	1,394,152	1,311,468	1,394,152	1,069,548
Staff costs	63,499,346	59,954,931	55,316,989	51,801,548
Depreciation of property, plant and equipment	36,401,734	18,517,698	36,061,095	18,044,381
Other expenses	50,880,606	57,559,138	50,584,648	50,075,435
	<hr style="border: 1px solid black; border-top: none; border-bottom: 1px solid black; margin-top: 5px; margin-bottom: 5px;"/>	<hr style="border: 1px solid black; border-top: none; border-bottom: 1px solid black; margin-top: 5px; margin-bottom: 5px;"/>	<hr style="border: 1px solid black; border-top: none; border-bottom: 1px solid black; margin-top: 5px; margin-bottom: 5px;"/>	<hr style="border: 1px solid black; border-top: none; border-bottom: 1px solid black; margin-top: 5px; margin-bottom: 5px;"/>
Total operating costs	<b>377,678,710</b>	<b>366,792,523</b>	<b>364,801,223</b>	<b>347,953,862</b>

Staff costs include salaries, bonuses, contributions to EPF and all other payroll costs, excluding directors' remuneration, staff costs capitalised to deferred expenditure and staff costs recovery from projects. Contributions to EPF by the Group and the Company during the current financial year amounted to RM8,429,774 (2005: RM7,599,230) and RM7,399,470 (2005: RM6,504,998) respectively.

The average monthly headcount and the staff cost per average monthly headcount are as follows:

	G R O U P		C O M P A N Y	
	2006	2005	2006	2005
	R M	R M	R M	R M
Average monthly headcount	1,149	1,166	992	958
Staff cost per average monthly headcount	61,641	56,279	61,179	55,996
	<hr style="border: 1px solid black; border-top: none; border-bottom: 1px solid black; margin-top: 5px; margin-bottom: 5px;"/>	<hr style="border: 1px solid black; border-top: none; border-bottom: 1px solid black; margin-top: 5px; margin-bottom: 5px;"/>	<hr style="border: 1px solid black; border-top: none; border-bottom: 1px solid black; margin-top: 5px; margin-bottom: 5px;"/>	<hr style="border: 1px solid black; border-top: none; border-bottom: 1px solid black; margin-top: 5px; margin-bottom: 5px;"/>

The total number of employees of the Group and the Company at the end of the financial year were 1,155 (2005: 1,129) and 994 (2005: 978) respectively.

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### 6. Directors' Remuneration

Directors' remuneration of the Group and the Company classified by executive and non-executive directors are as follows:

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
Executive director:				
Other emoluments	1,133,252	1,085,238	1,133,252	843,318
Non-executive directors:				
Directors' fees	228,000	205,980	228,000	205,980
Other emoluments	32,900	20,250	32,900	20,250
Total	1,394,152	1,311,468	1,394,152	1,069,548

Contributions to EPF by the Group and the Company during the current financial year amounted to RM121,420 (2005: RM116,275) and RM121,420 (2005: RM90,355) respectively.

The estimated monetary value of benefits-in-kind received and receivable by the directors otherwise than in cash from the Group amounted to RM4,159 (2005: RM Nil).

The number of directors of the Company in each remuneration band are as follows:

	E X E C U T I V E		N O N - E X E C U T I V E	
	2006	2005	2006	2005
RM 1 – RM50,000	-	-	10	9
RM800,001 – RM850,000	-	1	-	-
RM1,100,001 – RM1,150,000	1	-	-	-
Total	1	1	10	9

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### 7. Profit Before Tax

Profit before tax is arrived at after crediting/(charging) the following:

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
Gain on foreign exchange (net):				
Realised	192,620	-	318,462	-
Unrealised	17,149	-	187,253	-
Rental income	17,951	36,000	83,124	101,173
Gain on disposal of property, plant and equipment	7,999	-	7,999	-
Bad debts recovered	-	10,000	-	10,000
Interest income on advances to subsidiary company	-	-	-	55,151
Lease and hiring of equipment	(3,479,514)	(3,200,428)	(3,479,514)	(3,177,655)
Amortisation of deferred expenditure	(1,012,742)	(1,885,502)	(456,738)	(629,956)
Allowance for doubtful debts	(1,271,258)	(4,010,000)	(433,512)	(3,610,000)
Rental of premises	(925,792)	(1,081,509)	(709,825)	(711,782)
Inventories written down	(627,245)	(1,378,202)	(627,245)	(1,378,202)
Deferred expenditure written off	(621,098)	-	-	-
Allowance for diminution in value of:				
Quoted investments	(134,700)	(392,000)	(134,700)	-
Unquoted investments	(29,019)	-	-	-
Auditors' remuneration:				
Statutory audit:				
Current year	(73,000)	(86,000)	(60,000)	(60,000)
Overprovision in prior year	3,000	-	3,000	-
Others	(22,890)	(25,450)	(18,952)	(22,150)
Property, plant and equipment written off	(4,645)	(4,916)	(4,645)	(882)
Amortisation of goodwill on consolidation	-	(166,072)	-	-

### 8. Finance Costs

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
Interest expense on:				
Long term loans	2,016,528	391,529	2,016,528	391,529
Bankers' acceptance	321,870	230,294	321,870	230,294
Bank overdraft	-	296,814	-	-
	<b>2,338,398</b>	<b>918,637</b>	<b>2,338,398</b>	<b>621,823</b>

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### 9. Loss On Disposal/winding Up Of Investments

	G R O U P	C O M P A N Y		
	2006 RM	2005 RM	2006 RM	2005 RM
Write-off of advances on disposal of subsidiary companies	-	2,750,000	-	2,750,000
Loss on disposal/winding up of subsidiary companies	-	204,262	-	1,409,147
Loss on disposal of other investments	-	165,001	-	165,001
	<hr/>	<hr/>	<hr/>	<hr/>
	-	3,119,263	-	4,324,148
	<hr/>	<hr/>	<hr/>	<hr/>

### 10. Income Tax Expense

	G R O U P	C O M P A N Y		
	2006 RM	2005 RM	2006 RM	2005 RM
Estimated tax payable:				
Current year:				
Malaysian tax	229,272	202,417	229,272	545,417
Foreign tax	274,960	-	34,999	-
Overprovision in prior years	(14,838)	-	(3,703)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	489,394	202,417	260,568	545,417
Deferred tax charge (Note 26):				
Current year	7,674,826	5,030,757	7,674,826	5,030,757
Under/(Over) provision in prior years	535,175	(498,757)	535,175	(498,757)
	<hr/>	<hr/>	<hr/>	<hr/>
	8,210,001	4,532,000	8,210,001	4,532,000
	<hr/>	<hr/>	<hr/>	<hr/>
	8,699,395	4,734,417	8,470,569	5,077,417

## Notes to the Financial Statements

For the Year Ended 31 March 2006

A reconciliation of income tax expense applicable to profit before tax at the applicable statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
Profit before tax	29,110,591	12,889,393	26,865,005	15,038,337
Tax at applicable rate of 28% (2005: 28%)	8,150,965	3,609,030	7,522,201	4,210,734
Tax effects of:				
Non-deductible items	815,785	1,820,278	384,020	1,374,574
Non-taxable items	(2,123)	(9,134)	(2,123)	(9,134)
Income under pioneer status exempted from tax	(1,060,529)	-	-	-
Withholding tax payable to foreign tax authorities	274,960	-	34,999	-
Utilisation of deferred tax assets previously not recognised	-	(187,000)	-	-
Under/(Over) provision in prior years in respect of:				
Deferred tax	535,175	(498,757)	535,175	(498,757)
Income tax	(14,838)	-	(3,703)	-
	<hr/> 8,699,395	<hr/> 4,734,417	<hr/> 8,470,569	<hr/> 5,077,417

As of 31 March 2006, the balances in the tax-exempt accounts are as follows:

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
Tax-exempt accounts in respect of:				
Income tax exemption for MSC status company	11,920,169	8,132,565	-	-
Income tax waived in accordance with the Income Tax (Amendment) Act, 1999	145,158	145,158	69,507	69,507
	<hr/> 12,065,327	<hr/> 8,277,723	<hr/> 69,507	<hr/> 69,507

Subject to the availability of distributable reserves, the above balances in the tax-exempt accounts, if agreed with the Inland Revenue Board, will enable the Company and its subsidiary company to distribute tax-exempt dividends up to the same amounts.

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### 11. Earnings Per Ordinary Share

	G R O U P	
	2006 RM	2005 RM
<b>Basic</b>		
Net profit attributable to ordinary shareholders	20,411,196	10,117,066
	G R O U P	
	2006 (units)	2005 (units)
Number of ordinary shares of RM1 each		
At beginning of year	101,248,000	99,961,000
Effect of the exercise of ESOS	-	916,575
Weighted average number of ordinary shares in issue	101,248,000	100,877,575
	G R O U P	
	2006	2005
<b>Basic earnings per share (sen)</b>	20.16	10.03
	G R O U P	
	2006 RM	2005 RM
<b>Fully Diluted</b>		
Net profit attributable to ordinary shareholders	20,411,196	10,117,066
	G R O U P	
	2006 (units)	2005 (units)
Weighted average number of ordinary shares used in the calculation of basic earnings per share	101,248,000	100,877,575
ESOS:		
Weighted average number of unissued shares available under option	-	999,874
Number of shares that would have been issued at fair value	-	(1,184,887)
Adjusted weighted average number of ordinary shares for calculating diluted earnings per ordinary share	101,248,000	100,692,562

## Notes to the Financial Statements

For the Year Ended 31 March 2006

	G R O U P	
	2006	2005
	RM	RM
<b>Fully diluted earnings per ordinary share (sen)</b>	N/A	N/A

The fully diluted earnings per ordinary share of the Group in 2006 has not been presented as there is no dilutive effect during the financial year.

The fully diluted earnings per ordinary share of the Group in 2005 has not been presented as the average fair value of the ordinary shares of the Company is lower than the exercise prices for the conversion of ESOS to ordinary shares. The effect of this would be anti-dilutive to the earnings per ordinary share.

### 12. Dividends

	C O M P A N Y	
	2006	2005
	RM	RM
Final dividend of 4%, less 28% tax paid in respect of 2005 (2005: 4% tax exempt dividend paid in respect of 2004)	2,915,943	2,915,943
First interim dividend of 4%, less 28% tax paid (2005: 4%, less 28% tax paid)	2,915,942	2,915,943
	<hr/>	<hr/>
	5,831,885	5,831,886
	<hr/>	<hr/>

The directors propose a final dividend of 4%, less 28% tax, on 101,248,000 ordinary shares amounting to RM2,915,943 in respect of the current financial year. This dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting and has not been included as a liability in the financial statements as of 31 March 2006.

Dividends per share is computed based on dividends declared and proposed in respect of the respective financial years.

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### 13. Property, Plant And Equipment

Group	Long Leasehold						Furniture		Total	
	2006	Freehold	Land and Buildings	Office Equipment	and Fittings	Motor Vehicles	Computer Equipment	2006	2005	
		Land	RM	RM	RM	RM	RM			
<b>Cost</b>										
At beginning of year	3,098,920	34,081,528	3,045,428	13,899,735	1,098,179	103,033,542	158,257,332	97,652,994		
Additions	-	-	391,127	769,482	87,089	109,163,454	110,411,152	70,135,560		
Write-offs	-	-	(144,741)	(963,890)	-	(5,815,753)	(6,924,384)	(7,252,269)		
Disposals	-	-	-	-	(32,914)	-	(32,914)	-		
Arising from disposal of subsidiary companies (Note 14)	-	-	-	-	-	-	-	-	(2,278,953)	
Adjustments	-	-	-	-	-	(1,168,792)	(1,168,792)	-	-	
At end of year	<u>3,098,920</u>	<u>34,081,528</u>	<u>3,291,814</u>	<u>13,705,327</u>	<u>1,152,354</u>	<u>205,212,451</u>	<u>260,542,394</u>	<u>158,257,332</u>		
<b>Accumulated Depreciation</b>										
At beginning of year	-	2,183,380	1,771,543	4,303,700	1,043,018	28,339,579	37,641,220	28,029,615		
Charge for the year	-	582,591	541,619	1,499,100	53,724	33,959,544	36,636,578	18,517,698		
Write-offs	-	-	(144,716)	(963,768)	-	(5,811,255)	(6,919,739)	(7,247,353)		
Disposals	-	-	-	-	(32,913)	-	(32,913)	-		
Arising from disposal of subsidiary companies (Note 14)	-	-	-	-	-	-	-	-	(1,658,740)	
Adjustments	-	-	-	-	-	(234,844)	(234,844)	-	-	
At end of year	<u>-</u>	<u>2,765,971</u>	<u>2,168,446</u>	<u>4,839,032</u>	<u>1,063,829</u>	<u>56,253,024</u>	<u>67,090,302</u>	<u>37,641,220</u>		
<b>Net Book Value</b>										
At end of year	<u>3,098,920</u>	<u>31,315,557</u>	<u>1,123,368</u>	<u>8,866,295</u>	<u>88,525</u>	<u>148,959,427</u>	<u>193,452,092</u>	<u>120,616,112</u>		

**Notes to the Financial Statements**

For the Year Ended 31 March 2006

Company	Long Leasehold					Furniture		2006 Total RM	2005 Total RM	
	Land and Buildings RM	Office Equipment RM	and Fittings RM	Motor Vehicles RM	Computer Equipment RM					
<b>Cost</b>										
At beginning of year	34,081,528	3,001,773	13,805,543	1,098,179	101,365,515	153,352,538	90,623,404			
Additions	-	391,127	761,375	87,089	108,999,087	110,238,678	69,976,463			
Write-offs	-	(144,741)	(963,890)	-	(5,815,753)	(6,924,384)	(7,247,329)			
Disposals	-	-	-	(32,914)	-	(32,914)	-			
Adjustments	-	-	-	-	(1,168,792)	(1,168,792)	-			
At end of year	<u>34,081,528</u>	<u>3,248,159</u>	<u>13,603,028</u>	<u>1,152,354</u>	<u>203,380,057</u>	<u>255,465,126</u>	<u>153,352,538</u>			
<b>Accumulated Depreciation</b>										
At beginning of year	2,183,380	1,745,488	4,232,686	1,043,018	27,683,619	36,888,191	26,090,257			
Charge for the year	582,591	536,905	1,489,156	53,724	33,633,563	36,295,939	18,044,381			
Write-offs	-	(144,716)	(963,768)	-	(5,811,255)	(6,919,739)	(7,246,447)			
Disposals	-	-	-	(32,913)	-	(32,913)	-			
Adjustments	-	-	-	-	(234,844)	(234,844)	-			
At end of year	<u>2,765,971</u>	<u>2,137,677</u>	<u>4,758,074</u>	<u>1,063,829</u>	<u>55,271,083</u>	<u>65,996,634</u>	<u>36,888,191</u>			
<b>Net Book Value</b>										
At end of year	<u>31,315,557</u>	<u>1,110,482</u>	<u>8,844,954</u>	<u>88,525</u>	<u>148,108,974</u>	<u>189,468,492</u>	<u>116,464,347</u>			

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### 14. Investment In Subsidiary Company

	C O M P A N Y	
	2006	2005
	RM	RM
Unquoted shares at cost	500,000	500,000

Particulars of the subsidiary company, incorporated in Malaysia, are as follows:

Name of Company	Effective Equity Interest		Principal Activities
	2006	2005	
	%	%	
CSA MSC Sdn. Bhd.	100	100	Research and development and marketing of software applications, multimedia solutions, IT outsourcing and other value added services.

The above subsidiary company is audited by Deloitte & Touche.

#### Disposal of subsidiary companies and members' voluntary winding-up of a subsidiary company in 2005

During the previous financial year, the Company disposed of its 57% equity interest in Com-Line Systems Sdn. Bhd. ("Com-Line Systems") (Note 18) and CSA Teknologi (M) Sdn. Bhd. ("CSAT") was placed under members' voluntary winding-up with the appointment of a liquidator on 2 August 2004 as a move to streamline the Group's operations in Malaysia.

The effect of the disposal of 57% equity interest in Com-Line Systems and winding up of CSAT on the financial results of the Group for the previous financial year is as follows:

	2005
	RM
Revenue	(4 - 9 months)*
Income from other investments	2,460,060
Other operating expenses	5,595
	<u>(6,994,873)</u>
Loss before tax	(4,529,218)
Income tax	-
	<u>(4,529,218)</u>
Less: Minority interests	1,962,090
	<u>(2,567,128)</u>

\* Based on members' voluntary winding up of CSAT and disposal of Com-Line Systems on 2 August 2004 and 15 December 2004 respectively.

**Notes to the Financial Statements**

For the Year Ended 31 March 2006

The effect of the disposal of 57% equity interest in Com-Line Systems and winding up of CSAT on the financial position of the Group as of date of disposal in 2005 are as follows:

	<b>At date of disposal/ winding up</b>	<b>RM</b>
Property, plant and equipment	620,213	
Deferred expenditure	1,891,159	
Trade receivables (net of allowance for doubtful debts of RM1,114,516)	4,903,222	
Other receivables and prepaid expenses	346,690	
Contract work performed but not billed	3,843,862	
Tax recoverable	743,862	
Cash and bank balances	615,018	
Bank overdraft	(4,977,192)	
Trade payables	(3,482,124)	
Other payables and accrued expenses	(658,700)	
Advance billings	(328,086)	
Amount owing to holding company	<u>(2,794,299)</u>	
	723,625	
Less: Minority interests	<u>(339)</u>	
	723,286	
Net assets disposed	<u>723,286</u>	
Add : Attributable unamortised goodwill	<u>4,424,175</u>	
	5,147,461	
Proceeds from disposal/winding up	<u>(4,943,199)</u>	
	204,262	
Loss on disposal/winding up		
Proceeds from disposal settled by:		
Cash	225,337	
Long term receivables	<u>4,717,862</u>	
	4,943,199	
Cash inflow arising on disposal:		
Cash consideration, representing cash inflow of Group	225,337	
Cash and cash equivalents in subsidiary company disposed:		
Cash and bank	(615,018)	
Bank overdraft	<u>4,977,192</u>	
	4,587,511	

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### 15. Investment In Associated Companies

	C O M P A N Y	
	2006	2005
	RM	RM
Unquoted shares at cost	4,000,000	4,000,000
Share of post acquisition losses	<u>(2,220,000)</u>	<u>(1,860,000)</u>
	<u>1,780,000</u>	<u>2,140,000</u>

The Group's share of net tangible assets of the associated companies as of 31 March 2006 amounted to RM1,780,000 (2005: RM2,140,000).

Particulars of the associated companies, incorporated in Malaysia, are as follows:

Name of Company	Effective Equity Interest		Principal Activities
	2006	2005	
	%	%	
GMPC Corporation Sdn. Bhd.#	20	20	Provision of multipurpose smart cards to the Malaysian Government.
Konsortium Multimedia Swasta Sdn. Bhd.	30	30	Provision of multimedia and information technology services.

# Not audited by Deloitte & Touche.

### 16. Other Investments

	G R O U P		C O M P A N Y	
	2006	2005	2006	2005
	RM	RM	RM	RM
Quoted investments in Malaysia, at cost	343,000	343,000	343,000	343,000
Less: Allowance for diminution in value	<u>(284,700)</u>	<u>(150,000)</u>	<u>(284,700)</u>	<u>(150,000)</u>
	<u>58,300</u>	<u>193,000</u>	<u>58,300</u>	<u>193,000</u>
Unquoted shares at cost less amount written off:				
In Malaysia	600,000	600,000	-	-
Outside Malaysia	151,775	151,775	-	-
	<u>751,775</u>	<u>751,775</u>	<u>-</u>	<u>-</u>
Less: Allowance for diminution in value	<u>(421,019)</u>	<u>(392,000)</u>	<u>-</u>	<u>-</u>
	<u>330,756</u>	<u>359,775</u>	<u>-</u>	<u>-</u>
	<u>389,056</u>	<u>552,775</u>	<u>58,300</u>	<u>193,000</u>

The market value of the shares and unit trusts quoted in Malaysia as of the end of the financial year amounted to RM58,300 (2005: RM108,045).

## Notes to the Financial Statements

For the Year Ended 31 March 2006

Particulars of the unquoted investments are as follows:

<b>Name of Company</b>	<b>Country of Incorporation</b>	<b>Effective Equity Interest</b>		<b>Principal Activities</b>
		<b>2006</b> %	<b>2005</b> %	
CSA Coventive MSC Sdn. Bhd.	Malaysia	19.84	19.84	Dormant. (In the process of members' voluntary winding up.)
OU (M) Sdn. Bhd.	Malaysia	13.04*	13.04*	Dormant.
Coventive KK Japan	Japan	2.56	2.56	Provision of software and hardware for internet appliances and software application products.

\* The investment in OU (M) Sdn. Bhd. amounting to RM360,000 was fully written off in the financial year ended 31 March 2004.

### 17. Deferred Expenditure

<b>Group</b>	<b>Outsourcing Contracts 2006 RM</b>	<b>Other Deferred Expenditure 2006 RM</b>	<b>Total 2006 RM</b>	<b>Total 2005 RM</b>
<b>Cost:</b>				
At beginning of year	4,619,481	3,918,902	8,538,383	10,690,237
Additions	245,173	-	245,173	2,553,580
Written off to income statement	-	(621,098)	(621,098)	-
Written off upon full amortisation	-	(1,050,866)	(1,050,866)	-
Arising from disposal of subsidiary companies (Note 14)	-	-	-	(4,705,434)
At end of year	4,864,654	2,246,938	7,111,592	8,538,383
<b>Accumulated amortisation:</b>				
At beginning of year	581,661	1,322,157	1,903,818	2,832,591
Charge to income statements	516,600	496,142	1,012,742	1,885,502
Written off upon full amortisation	-	(1,050,866)	(1,050,866)	-
Arising from disposal of subsidiary companies (Note 14)	-	-	-	(2,814,275)
At end of year	1,098,261	767,433	1,865,694	1,903,818
<b>Net book value:</b>				
At end of year	3,766,393	1,479,505	5,245,898	6,634,565
At beginning of year	4,037,820	2,596,745	6,634,565	7,857,646

## Notes to the Financial Statements

For the Year Ended 31 March 2006

Company	Outsourcing Contracts 2006 RM	Other Deferred Expenditure 2006 RM	Total 2006 RM	Total 2005 RM
<b>Cost:</b>				
At beginning of year	4,061,596	1,028,524	5,090,120	3,608,807
Additions	245,173	-	245,173	2,039,198
Written off upon full amortisation	-	(1,028,524)	(1,028,524)	-
Transfer to subsidiary company	-	-	-	(557,885)
At end of year	4,306,769	-	4,306,769	5,090,120
<b>Accumulated amortisation:</b>				
At beginning of year	502,681	1,028,524	1,531,205	921,634
Charge to income statements	456,738	-	456,738	629,956
Written off upon full amortisation	-	(1,028,524)	(1,028,524)	-
Transfer to subsidiary company	-	-	-	(20,385)
At end of year	959,419	-	959,419	1,531,205
<b>Net book value:</b>				
At end of year	3,347,350	-	3,347,350	3,558,915
At beginning of year	3,558,915	-	3,558,915	2,687,173

Included in current additions of deferred expenditure of the Group and the Company are staff costs amounting to RM241,145 (2005: RM2,273,187) and RM241,145 (2005: RM1,842,805).

## 18. Long Term Receivables

	GROUP AND COMPANY	
	2006	2005
Amount owing by a former subsidiary company	4,993,662	4,993,662
Amount owing arising from the disposal of subsidiary companies	3,774,663	3,774,663
Sale of equipment and provision of maintenance services	2,269,574	3,941,896
	11,037,899	12,710,221
Less: Amount due within 12 months (shown under current assets (Note 21))	(2,633,417)	(1,433,417)
Non current portion	8,404,482	11,276,804

## Notes to the Financial Statements

For the Year Ended 31 March 2006

The amount of RM4,993,662 in 2006 and 2005 owing by a former subsidiary company arose from the Settlement Agreement dated 15 December 2004 entered into between the Company and Com-Line Systems, a former subsidiary company, for the repayment by Com-Line Systems to the Company of all sums paid by the Company to Malayan Banking Berhad ("Maybank") under the corporate guarantee by the Company for the overdraft facility of RM5,000,000 granted by Maybank to Com-Line Systems in the event of demand by Maybank, and pursuant to which the Company agrees to release Com-Line Systems from its liability to repay the shareholders' loan of RM2,750,000 advanced by the Company (Note 22).

The said amount is covered by a Deed of Mortgage dated 15 December 2004 entered between the Company and Comline Dotcom Sdn. Bhd. ("Comline Dotcom"), a wholly owned subsidiary company of Com-Line Systems, whereby as security for the payment obligations of Com-Line Systems under the Settlement Agreement, Comline Dotcom grants in favour of the Company a first priority ranking mortgage over all intellectual property rights belonging to Comline Dotcom, including the intellectual property of the software.

The amount of RM3,774,663 owing arising from the disposal of subsidiary companies refers to amount outstanding from the Sale and Purchase Agreement ("SPA") dated 15 December 2004 entered into by the Company to dispose of its 57% equity interest in Com-Line Systems to third party for a sale consideration of RM4,000,000.

Under the Settlement Agreement and SPA, interest will be charged at 2% per annum above Maybank's base lending rate on any unpaid portion of SPA up to a maximum of RM2,750,000, and unpaid portion of Settlement Agreement from the commencement of the SPA and Settlement Agreement to the date of full settlement.

The total contract value of the sale of equipment and provision of maintenance services is RM4,300,250 repayable in 36 equal installments of RM119,457 per month. In the event of late payment, an interest of 1.5% per month is charged on overdue installments.

The non current portion of the long term receivables is expected to be received by:

	GROUP AND COMPANY	
	2006	2005
	RM	RM
Financial year ending 31 March:		
2007	-	2,633,417
2008	2,136,157	2,375,062
2009	1,274,663	1,274,663
2010	1,600,000	1,600,000
2011	1,700,000	1,700,000
2012	1,693,662	1,693,662
	<hr/>	<hr/>
	8,404,482	11,276,804
	<hr/>	<hr/>

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### 19. Goodwill On Consolidation

	G R O U P	
	2006 RM	2005 RM
Goodwill:		
At beginning of year	-	4,982,258
Reversal of contingent payment not required	-	(47,843)
Arising from disposal of subsidiary company	-	(4,934,415)
 At end of year	 -	 -
 Cumulative amortisation:	   	   
At beginning of year	-	344,168
Charge for the year	-	166,072
Arising from disposal of subsidiary company	-	(510,240)
 At end of year	 -	 -
 Net at end of year	 -	 -

### 20. Inventories

	G R O U P A N D C O M P A N Y	
	2006 RM	2005 RM
Computer equipment and software products:		
At cost	13,159,127	11,447,734
At net realisable value	224,000	833,000
 13,383,127	 13,383,127	 12,280,734

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### 21. Trade Receivables, Other Receivables And Prepaid Expenses

Trade receivables consist of:

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
Third parties	82,898,427	82,572,612	74,376,326	76,530,545
Related parties	-	2,124,570	-	2,124,570
Associated companies	3,108,077	3,657,646	-	-
Current portion of long term receivables (Note 18)	<u>1,433,417</u>	<u>1,433,417</u>	<u>1,433,417</u>	<u>1,433,417</u>
	87,439,921	89,788,245	75,809,743	80,088,532
Less: Allowance for doubtful debts	<u>(2,813,684)</u>	<u>(1,542,426)</u>	<u>(1,875,938)</u>	<u>(1,442,426)</u>
	84,626,237	88,245,819	73,933,805	78,646,106

Trade receivables of the Group and of the Company represent amounts receivable for the sales of goods and services rendered. The normal credit period granted to customers is 30 days (2005: 30 days).

During the previous financial year, bad debts of the Group and the Company amounting to RM5,054,520 and RM5,045,065 respectively were written off against allowance for doubtful debts.

The currency exposure profile of trade receivables is as follows:

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
Ringgit Malaysia	84,626,237	88,146,874	73,933,805	78,547,161
United States Dollar	-	98,945	-	98,945
	<u>84,626,237</u>	<u>88,245,819</u>	<u>73,933,805</u>	<u>78,646,106</u>

Other receivables and prepaid expenses consist of:

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
Other receivables	1,238,835	2,212,396	1,234,248	2,081,682
Prepaid expenses	5,243,768	2,353,852	4,456,903	2,341,565
Refundable deposits	4,586,522	4,595,576	4,557,119	4,566,173
Tax recoverable	2,105,282	2,264,397	2,099,156	2,240,493
Current portion of long term receivables (Note 18)	<u>1,200,000</u>	-	<u>1,200,000</u>	-
	14,374,407	11,426,221	13,547,426	11,229,913

## **Notes to the Financial Statements**

For the Year Ended 31 March 2006

### **22. Holding Companies And Related Party Transactions**

The immediate holding company of the Company is CSA Holdings Ltd., a company incorporated in Singapore. The ultimate holding company of the Company is Computer Sciences Corporation (“CSC”), a public listed company incorporated in the United States of America.

Related parties refer to associated companies, directors and close members of their families, companies in which directors have interest, major direct/indirect shareholders and other parties who have significant influence over the financial and operating decisions of the Group and the Company.

On 28 August 2003, the Company entered into an Outsourcing Services Agreement with CSC Computer Sciences Sdn. Bhd. (“CSCM”) for the Company to provide services to CSCM’s customer for a term of 10 years based on the terms and conditions of the Outsourcing Services Agreement. The Company will charge CSCM at cost for expenses associated with delivering those services under the Information Technology Agreement between CSCM and its customer. CSCM is a wholly-owned subsidiary company of CSC, the ultimate holding company.

In 2004, the Company made advances to CSA MSC Sdn. Bhd. and Com-Line Systems Sdn. Bhd., a former subsidiary company, amounting to RM1,520,000 and RM2,750,000 respectively. The advances to CSA MSC Sdn. Bhd. are interest-free while advances to Com-Line Systems Sdn. Bhd. bear interest at 6% per annum. The advances to Com-Line Systems Sdn. Bhd. were subsequently settled under the Settlement Agreement dated 15 December 2004 as shown under Note 18.

On 8 July 2004, the Company entered into a Master Subcontract Agreement (“Agreement”) with CSC Computer Sciences Pte. Ltd. (“CSCS”) for the Company and its wholly-owned subsidiary company (“CSAM Group”) to provide information technology services to entities within CSC Group (“CSC Entities”). Based on the terms and conditions of the Agreement, CSAM Group will charge CSC Entities for the services rendered on the basis of cost recovery plus a general and administration cost.

On 26 May 2005, CSA MSC Sdn. Bhd. (“CSA MSC”), a wholly-owned subsidiary company of CSAM, entered into a Packaged Solution Agreement with Korvac (M) Sdn. Bhd. (“Korvac (M)”), pursuant to which Korvac (M) has contracted to, inter alia, supply and install terminals and application software and to provide maintenance and support services for a term of 3 years with estimated value of RM6.5 million. As part of the arrangement, a performance guarantee of RM2,000,000 was issued by CSAM, on behalf of CSA MSC, to Korvac (M) for the amount of security deposit required for the due performance of, inter alia, a covenant of a contract between CSA MSC and a local bank in Malaysia.

Korvac (M) is a subsidiary company under the Korvac International Systems (S) Pte. Ltd. Group in which Sunny Tan Swee Hock owns 60% equity and the balance of 40% equity is owned by his son. Sunny Tan Swee Hock was a director of the CSAM and CSA MSC until 31 March 2006.

On 21 February 2006, the Company entered into the following agreements with Automated Systems Holdings Limited (“ASH”):

- (i) Supply Agreement which covers transactions of non-administrative nature that include, inter alia the provision of IT products and related services, and invoice handling services by either party based on costs plus mark-up.
- (ii) Administrative Services Agreement which covers provision of certain administrative services based on reimbursement basis.
- (iii) Participation Agreements for Supply Agreement and Administrative Services Agreement which allow the Company to engage its subsidiary company to provide the same services under the same terms of the above agreements.

ASH is a 69.2% owned subsidiary company of CSC, the ultimate holding company.

## Notes to the Financial Statements

For the Year Ended 31 March 2006

Significant transactions with related companies during the financial year are as follows:

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
<b>Subsidiary Company</b>				
CSA MSC Sdn. Bhd.				
- Sales of goods and services	-	-	7,701,538	5,873,749
- Purchases of goods and services	-	-	1,411,789	1,595,544
- Cost recovery paid/payable	-	-	499,041	1,085,736
- Rental income	-	-	65,124	65,173
<b>Former Subsidiary Companies</b>				
CSA Teknologi (M) Sdn. Bhd.				
- Purchases of goods and services	-	-	-	262,868
- Sales of goods and services	-	-	-	66,943
Com-Line Systems Sdn. Bhd.				
- Sales of goods and services	-	-	-	208,113
- Interest income on advances	-	-	-	55,151
- Other charges	-	-	-	43,899
<b>Immediate Holding Company and its Related Companies</b>				
( <i>Sunny Tan Swee Hock was a director and had interest in the Immediate Holding Company</i> )*				
- Sales of goods and services	2,504,390	158,994	2,504,390	158,994
- Cost recovery received/receivable	5,269,976	4,468,736	995,873	677,672
- Cost recovery paid/payable	3,178,892	4,224,411	3,178,892	4,224,411
- Purchases of goods and services	333,465	2,576	333,465	2,576
- Other charges	1,418,669	1,867,696	1,418,669	1,867,696
<b>Ultimate Holding Company and its Related Companies</b>				
( <i>Darren John Collins, George Finlay Bell and Michael William Brinsford have interests in the Ultimate Holding Company</i> )#				
- Sales of goods and services	86,777,285	70,152,498	86,777,285	70,152,498
- Cost recovery received/receivable	13,310,792	8,912,583	1,023,765	577,929
- Cost recovery paid/payable	2,942,727	2,996,845	2,942,727	2,996,845
- Purchases of goods and services	-	3,552,143	-	3,552,143
- Other charges	1,936,978	123,420	1,936,978	123,420

## Notes to the Financial Statements

For the Year Ended 31 March 2006

Significant transactions with related parties during the financial year are as follows:

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
<b>Associated Companies</b>				
GMPC Corporation Sdn. Bhd.				
- Sales of goods and services	2,041,174	3,578,525	-	-
Konsortium Multimedia Swasta Sdn. Bhd.				
- Sales of goods and services	3,333	24,479	3,333	-
<b>Transactions with companies connected with certain directors of Computer Systems Advisers (M) Berhad</b>				
Central Paradigm Sdn. Bhd., a company in which Normah bte Raja Nong Chik and Peter Yong Kar Seng are directors and have interests				
- Consultancy services rendered	189,000	189,000	189,000	189,000
Microlink Solutions Sdn. Bhd. and its subsidiary company in which Normah bte Raja Nong Chik has interest and Peter Yong Kar Seng is a director				
- Sales of goods and services	1,338,934	3,185,730	1,338,934	3,185,730
Korvac (M) Sdn. Bhd., a company in which Sunny Tan Swee Hock has interest*				
- Sales of goods and services to CSA MSC Sdn. Bhd., a subsidiary company	1,975,698	570,431	-	-

\* Sunny Tan Swee Hock resigned as a director of the Company on 31 March 2006.

# Michael William Brinsford resigned as a director of the Company on 14 October 2005.

## Notes to the Financial Statements

For the Year Ended 31 March 2006

The currency exposure of amount owing by/to holding and other related companies are as follows:

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
<b>Amount owing by other related companies</b>				
Ringgit Malaysia	11,897,196	19,851,520	11,897,196	19,745,513
United States Dollar	2,678,101	4,756,380	(2,045,128)	106,007
Others	(473)	-	(473)	-
	<b>14,574,824</b>	<b>24,607,900</b>	<b>9,851,595</b>	<b>19,851,520</b>
<b>Amount owing by/(to) ultimate holding company</b>				
United States Dollar	555,146	1,045,702	48,360	(813,909)
	<b>555,146</b>	<b>1,045,702</b>	<b>48,360</b>	<b>(813,909)</b>
<b>Amount owing to immediate holding company</b>				
United States Dollar	600,498	-	600,498	-
Singapore Dollar	2,982	1,210,410	2,982	1,210,410
	<b>603,480</b>	<b>1,210,410</b>	<b>603,480</b>	<b>1,210,410</b>
<b>Amount owing to other related companies</b>				
United States Dollar	10,143,227	8,778,725	10,143,227	8,778,725
Singapore Dollar	(38,968)	(26,126)	(38,968)	(26,126)
Ringgit Malaysia	(149,442)	(81,753)	(149,442)	(81,753)
Others	-	3,701	-	3,701
	<b>9,954,817</b>	<b>8,674,547</b>	<b>9,954,817</b>	<b>8,674,547</b>

The directors of the Group and the Company are of the opinion that the above transactions have been entered into in the normal course of business and have been established under mutually agreed terms that are no less favourable than those arranged with independent third parties. The balances outstanding are unsecured, without fixed repayment terms and are interest-free, unless otherwise stated.

The shareholders approved the Proposed Shareholders' Mandate for recurrent related party transactions of revenue or trading nature pursuant to Paragraph 10.09(1) Chapter 10 of the Listing Requirements of Bursa Malaysia Securities Berhad at the Extraordinary General Meeting ("EGM") held on 21 July 2005. The approval shall, unless revoked or varied by the Company in general meeting, continue to be in force until the next Annual General Meeting of the Company.

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### 23. Deposits With Licensed Financial Institutions

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
Deposits with licensed banks	12,614,396	6,817,672	12,014,396	6,817,672
Deposits with licensed finance companies	1,000,000	1,021,563	1,000,000	1,021,563
	<b>13,614,396</b>	<b>7,839,235</b>	<b>13,014,396</b>	<b>7,839,235</b>

### 24. Trade Payables, Other Payables And Accrued Expenses

Trade payables consist of:

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
Third parties	59,193,389	34,931,728	56,998,485	30,672,035
Related parties	100,542	-	-	-
Deferred revenue	8,238,259	4,104,697	6,468,587	3,483,108
	<b>67,532,190</b>	<b>39,036,425</b>	<b>63,467,072</b>	<b>34,155,143</b>

Trade and other payables comprise amounts outstanding for trade purchases and on-going costs. Deferred revenue represents advance customer billings on products and maintenance for delivery of goods and services. The average credit period granted by the suppliers to the Group for trade purchases ranges from 30 to 60 days (2005: 30 to 60 days).

The currency exposure profile of trade payables is as follows:

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
Ringgit Malaysia	54,842,711	20,861,079	53,318,182	16,601,386
United States Dollar	4,451,220	14,027,850	3,680,303	14,027,850
Japanese Yen	-	42,799	-	42,799
	<b>59,293,931</b>	<b>34,931,728</b>	<b>56,998,485</b>	<b>30,672,035</b>

## Notes to the Financial Statements

For the Year Ended 31 March 2006

Other payables and accrued expenses consist of:

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
Other payables	2,324,791	1,958,628	1,924,860	1,551,133
Accrued expenses	13,552,507	10,894,991	12,370,100	9,920,551
	<b>15,877,298</b>	<b>12,853,619</b>	<b>14,294,960</b>	<b>11,471,684</b>

### 25. Borrowings

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
Unsecured:				
Short term revolving credit	31,937,000	24,000,000	31,937,000	24,000,000
Bankers' acceptance	-	5,270,000	-	5,270,000
Secured:				
Term loans	14,555,321	-	14,555,321	-
	46,492,321	29,270,000	46,492,321	29,270,000
Less:				
Amount due within 12 months (shown under current liabilities)	(34,488,925)	(29,270,000)	(34,488,925)	(29,270,000)
Non-current portion	<b>12,003,396</b>	<b>-</b>	<b>12,003,396</b>	<b>-</b>

The non-current portion of term loans is repayable as follows:

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
Financial year ending 31 March:				
2008	2,677,160	-	2,677,160	-
2009	2,808,540	-	2,808,540	-
2010	2,946,369	-	2,946,369	-
2011	2,615,375	-	2,615,375	-
2012	955,952	-	955,952	-
	<b>12,003,396</b>	<b>-</b>	<b>12,003,396</b>	<b>-</b>

## Notes to the Financial Statements

For the Year Ended 31 March 2006

The Group and the Company have unsecured credit facilities totalling RM144 million and RM144 million (2005: RM144 million and RM144 million) respectively. Bankers' acceptance bears interest at a rate of 3.6% (2005: 3.5%) per annum. Short term revolving credit bears interest at a rate of 4.3% (2005: 3.9%) per annum.

The term loans obtained during the current financial year consist of the following:

- (i) a six (6) year term loan of RM6,793,726 which is repayable in 72 equal monthly instalments of RM108,353 each commencing January 2006; and
- (ii) a five (5) year term loan of RM8,441,405 which is repayable in 60 equal monthly instalments of RM157,896 each commencing January 2006.

The said term loans are secured by certain plant and equipment of the Company and bear interest at a rate of 4.8% per annum.

### 26. Deferred Tax Liabilities

	G R O U P		C O M P A N Y	
	2006 R M	2005 R M	2006 R M	2005 R M
At beginning of year	10,555,000	6,023,000	10,555,000	6,023,000
Transfer from the income statements	8,210,001	4,532,000	8,210,001	4,532,000
<b>At end of year</b>	<b>18,765,001</b>	<b>10,555,000</b>	<b>18,765,001</b>	<b>10,555,000</b>

The deferred tax liabilities are in respect of the following:

	DEFERRED TAX LIABILITIES/(ASSETS)			
	G R O U P		C O M P A N Y	
	2006 R M	2005 R M	2006 R M	2005 R M
Tax effects arising from:				
Temporary differences in respect of:				
Property, plant and equipment	31,984,000	15,523,000	31,984,000	15,523,000
Deferred expenditure	937,000	997,000	937,000	997,000
Provision for operating costs	(3,993,000)	(2,888,000)	(3,993,000)	(2,888,000)
Allowance for doubtful debts	(20,000)	(241,000)	(20,000)	(241,000)
Unabsorbed capital allowances	(10,143,000)	(2,836,000)	(10,143,000)	(2,836,000)
	<b>18,765,000</b>	<b>10,555,000</b>	<b>18,765,000</b>	<b>10,555,000</b>

The abovementioned unabsorbed capital allowances are subject to agreement with the tax authorities.

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### 27. Share Capital

	GROUP AND COMPANY	
	2006	2005
	RM	RM
<b>Authorised:</b>		
Ordinary shares of RM1 each		
At beginning and end of year	<u>500,000,000</u>	<u>500,000,000</u>
<b>Issued and fully paid:</b>		
Ordinary shares of RM1 each		
At beginning of year	101,248,000	99,961,000
Issued during the year:		
Exercise of share options	-	1,287,000
At end of year	<u>101,248,000</u>	<u>101,248,000</u>

During the previous financial year, the issued and paid up share capital was increased from RM99,961,000 to RM101,248,000 through the issuance of 1,287,000 new ordinary shares of RM1 each pursuant to the exercise of options granted under the previous ESOS, which expired on 15 August 2004, at the option price ranging from RM3.00 to RM3.86 per share. The resulting premium of RM2,578,300 arising from the exercise of the said options was credited to the share premium account.

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

Details of share options exercised in previous financial year and the fair value, at exercise date, of shares issued are as follows:

Exercise Date	Fair value of shares at share issue date			Number of share options
	RM/Share	RM/Share	RM/Share	
April 2004 - August 2004	3.28 - 3.96	3.00	3.86	1,282,000
June 2004	3.48	3.86		5,000
<b>2005</b>				
		RM		
Ordinary share capital – at par			1,287,000	
Share premium			2,578,300	
Proceeds received on exercise of share options			3,865,300	
Fair value at exercise date of shares issued			4,385,560	

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### 28. Reserves

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
Non-distributable reserve:				
Share premium	35,397,577	35,397,577	35,397,577	35,397,577
Distributable reserve:				
Unappropriated profit	80,684,981	66,105,670	72,199,150	59,636,599
	<b>116,082,558</b>	<b>101,503,247</b>	<b>107,596,727</b>	<b>95,034,176</b>

#### SHARE PREMIUM

Share premium arose from the following:

	G R O U P A N D C O M P A N Y	
	2006 RM	2005 RM
Balance at beginning of year	35,397,577	32,819,277
Issue of ordinary shares at premium pursuant to exercise of options granted under ESOS	-	2,578,300
Balance at end of year	<b>35,397,577</b>	<b>35,397,577</b>

#### UNAPPROPRIATED PROFIT

Distributable reserves are those available for distribution by way of dividends. Based on the prevailing tax rate applicable to dividends and the estimated tax credits and the tax exempt account balance as mentioned in Note 10, the unappropriated profit of the Company as of 31 March 2006 is available for distribution by way of cash dividends without additional tax liabilities being incurred.

### 29. Cash And Cash Equivalents

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
Cash and cash equivalents comprise:				
Deposits with licensed financial institutions	13,614,396	7,839,235	13,014,396	7,839,235
Cash and bank balances	26,156,000	17,685,381	25,511,294	17,554,957
	<b>39,770,396</b>	<b>25,524,616</b>	<b>38,525,690</b>	<b>25,394,192</b>

The rates of interest earned by the Group and the Company on deposits with licensed financial institutions during the financial year range from 2.5% to 3.5% (2005: 2.2% to 3.2%) per annum.

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### 30. Financial Instruments

#### FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The operations of the Group are subject to a variety of financial risks including interest rate risk, credit risk, foreign currency risk, liquidity risk and cash flow risk. The Group's principal objective is to minimise the Group's exposure to risks and/or costs associated with the financing, investing and operating activities of the Group.

##### (i) Interest rate risk

The Group's exposure to the risk of changes in interest rates relates primarily to the Group's bank borrowings from licensed banks. The Group's policy is to manage its interest costs by obtaining the most favourable interest rates on its borrowings. Surplus funds of the Group are also placed with licensed financial institutions as fixed deposits to generate interest income. The current interest rate exposure of the Group and the Company on its bank borrowings and cash deposits are disclosed in Note 25 and 29 respectively.

##### (ii) Credit risk

Credit risk refers to the risk that debtors will default on their obligations to repay the amounts owing to the Group and the Company resulting in a loss to the Group and the Company. It is the Group's and the Company's policy to provide credit terms to credit worthy and reputable customers. These debtors are continually monitored to ensure that issues arising from non-collectibility are minimised. Therefore, the Group does not expect material credit losses on its receivables with customers.

At balance sheet date, there were no significant concentration of credit risk. The Group's and the Company's maximum exposure to credit risk in relation to its receivables, should all its customers fail to perform their obligations as of 31 March 2006, is the carrying amount of these receivables as disclosed in the balance sheets.

##### (iii) Foreign currency risk

The Group has exposure to foreign currency risk as a result of its trade purchases. The Group utilises foreign currency forward contracts to hedge certain risk exposure. The Group does not utilise these foreign currency forward contracts for trading or other speculative purposes.

##### (iv) Liquidity risk

The Group and the Company has sufficient funds to finance its ongoing working capital requirements.

##### (v) Cash flow risk

The Group and the Company reviews its cash flow position regularly to manage its exposure to fluctuations in future cash flows associated with its monetary financial instruments.

#### OFF BALANCE SHEET DERIVATIVE FINANCIAL INSTRUMENTS

The Group enters into various financial derivative transactions to control and manage financial risks arising from its operations. The use of derivative instruments is to manage its exposures to fluctuations to foreign exchange rates and commodity prices. The instruments are not recognised in the financial statements on inception.

##### *Foreign currency forward contracts*

In order to hedge its exposure to foreign exchange risks, the Group enters into foreign currency forward contracts. Gains and losses on foreign currency forward contracts will be the difference between the rate of the foreign currency forward contracts and the rate at transaction date.

## Notes to the Financial Statements

For the Year Ended 31 March 2006

Where the instruments are used to hedge against anticipated future transactions, gains and losses are not recognised until the transactions occurs.

At the balance sheet date, the Group and the Company had contracted to sell the following amounts under forward contracts:

Group and Company	2006		2005	
	Amount RM	Average Exchange Rate per USD RM	Amount RM	Average Exchange Rate per USD RM
United States Dollar	135,857	3.642	1,392,619	3.7993

All these contracts mature within 4 months of the balance sheet date.

### FAIR VALUES

The carrying amounts of the financial assets and liabilities, other than those disclosed below, approximate their fair values due to the immediate or short-term maturity of these financial instruments.

	Note	G R O U P A N D C O M P A N Y		2005	
		Carrying Amount RM	Fair Value RM	Carrying Amount RM	Fair Value RM
<b>Financial Assets</b>					
Long term receivables	18	11,037,899	12,013,532	12,710,221	13,623,276
<b>Financial Liabilities</b>					
Borrowings - term loans	25	14,555,321	14,518,869	-	-
<b>Off Balance Sheet Item</b>					
Foreign currency forward contracts		-	1,716	-	257
<i>Other investments</i>					

The carrying amount of the unquoted investments, which are held on a long-term basis, is stated at cost less allowance for diminution in value of the investment as disclosed in Note 16. Management deemed that it is not practical to estimate the fair value of the unquoted investments.

The market value of the quoted investments as disclosed in Note 16 approximates its fair value.

#### *Long term receivables*

The fair values of long term receivables are estimated using discounted cashflow analysis based on lending rates currently available for bank borrowings with similar term and average maturity.

#### *Borrowings - term loans*

The fair value of term loans are estimated using discounted cashflow analysis based on current borrowing rates for similar types of borrowing arrangements.

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### Foreign currency forward contracts

The fair values of foreign currency forward contracts are calculated by reference to the current rate for contracts with similar maturity profiles.

### 31. Commitments

As of 31 March 2006, the Group and the Company have the following capital commitments in respect of property, plant and equipment:

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
Authorised capital commitments not provided for:				
Contracted for	4,179,885	1,172,646	4,179,885	1,172,646

### 32. Contingent Liabilities

	C O M P A N Y	
	2006 RM	2005 RM
Unsecured:		
Bank guarantees given by the Company to third parties for contracts executed by subsidiary company	2,185,093	2,249,808

It is not practical to estimate the fair value of contingent liabilities reliably due to the uncertainties of timing, costs and eventual outcome.

### 33. Lease Commitments

As at end of the financial year, lease commitments pertaining to the Group and the Company in respect of the rental of equipment are as follows:

	G R O U P		C O M P A N Y	
	2006 RM	2005 RM	2006 RM	2005 RM
Lease rental payable:				
Within one year	3,479,514	3,479,514	3,479,514	3,479,514
Within 2 to 5 years	7,070,082	10,549,596	7,070,082	10,549,596
	<b>10,549,596</b>	<b>14,029,110</b>	<b>10,549,596</b>	<b>14,029,110</b>

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### 34. Segmental Reporting

No segmental information is provided as the Group and the Company operate principally in Malaysia and in one major industry segment.

### 35. Comparative Figures

The following comparative figures have been reclassified to conform with their current year's presentation:

	As previously stated RM	Reclassification RM	As restated RM
<b>Group</b>			
<b>Income statement for the year ended 31 March 2005</b>			
Other operating income	56,270	1,052,874	1,109,144
Other operating expenses	(111,120,844)	(1,052,874)	(112,173,718)
<b>Balance sheet as at 31 March 2005</b>			
Trade receivables	96,141,366	(7,895,547)	88,245,819
Amount owing by other related companies	16,712,353	7,895,547	24,607,900
<b>Company</b>			
<b>Balance sheet as at 31 March 2005</b>			
Trade receivables	86,541,653	(7,895,547)	78,646,106
Amount owing by other related companies	11,955,973	7,895,547	19,851,520

# Statement by Directors

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

The directors of **COMPUTER SYSTEMS ADVISERS (M) BERHAD** state that, in their opinion, the financial statements set out on pages 49 to 90 are drawn up in accordance with the provisions of the Companies Act, 1965 and the applicable MASB approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company as of 31 March 2006 and of the results of the businesses and the cash flows of the Group and of the Company for the year ended on that date.

Signed on behalf of the Board in accordance  
with a resolution of the Directors,

**CHUAH TAI EU**  
*Managing Director*

**DARREN JOHN COLLINS**  
*Director*

Petaling Jaya, Malaysia  
23 May 2006

# **Declaration by the Officer Primarily Responsible for the Financial Management of the Company**

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

I, **AW MAY FAH**, the Officer primarily responsible for the financial management of **COMPUTER SYSTEMS ADVISERS (M) BERHAD**, do solemnly and sincerely declare that the financial statements set out on pages 49 to 90 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.

**AW MAY FAH**  
(MIA 5501)

Subscribed and solemnly declared by the abovenamed **AW MAY FAH** at PETALING JAYA this 23rd day of May, 2006.

Before me,

**S. SELVARAJAH**  
NO. B144  
COMMISSIONER FOR OATHS

# Analysis of Shareholdings

As at 30 June 2006

Authorised Share Capital : RM500,000,000  
 Issued and Fully Paid-up Capital : RM101,248,000  
 Class of Shares : Ordinary Shares of RM1.00 each  
 Voting Rights : 1 Vote per Share

## ANALYSIS OF SHAREHOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares	%
1-99	67	2.63	620	0.00
100 – 1,000	683	26.79	637,346	0.63
1,001 – 10,000	1,498	58.77	5,480,795	5.41
10,001 – 100,000	254	9.96	7,416,500	7.33
100,001 – 5,062,399*	43	1.69	22,839,700	22.56
5,062,400 and above**	4	0.16	64,873,039	64.07
<b>Total</b>	<b>2,549</b>	<b>100.00</b>	<b>101,248,000</b>	<b>100.00</b>

\* Less than 5% of issued shares

\*\* 5% and above of issued shares

## TOP 30 SHAREHOLDERS

No. Name of Shareholders	No. of Shares Held	%
1. CSA Holdings Ltd	27,183,986	26.85
2. CSA Holdings Ltd	13,664,840	13.50
3. F.I.T Nominees (Asing) Sdn Bhd (DBS Vickers Secs (S) Pte Ltd for CSA Holdings Ltd)	9,776,813	9.66
4. F.I.T Nominees (Asing) Sdn Bhd (DBS Vickers Secs (S) Pte Ltd for Global Professionals Ltd)	7,980,000	7.88
5. HSBC Nominees (Asing) Sdn Bhd Exempt an for Credit Suisse (SG BR-TST-Asing)	6,267,400	6.19
6. Mohamed Rashdan bin Baba	4,740,000	4.68
7. Nik Mohd Sidek @ Nik Ibrahim bin Nik Abu Bakar	3,500,000	3.46
8. Employees Provident Fund Board	1,344,300	1.33
9. Citigroup Nominees (Asing) Sdn Bhd	1,242,200	1.23
10. Insas Plaza Sdn Bhd	1,148,000	1.13
11. HSBC Nominees (Asing) Sdn Bhd Exempt AN for Credit Suisse (HK BR-TST-Asing)	969,200	0.96
12. M & A Securities Sdn Bhd IVT (B)	729,800	0.72
13. AM Nominees (Tempatan) Sdn Bhd Pertubuhan Keselamatan Sosial	659,500	0.65
14. HSBC Nominees (Asing) Sdn Bhd Clariden BK Zurich for Glenross Trade and Finance Inc	647,000	0.64
15. Mayban Nominees (Tempatan) Sdn Bhd	553,000	0.55
16. Citigroup Nominees (Tempatan) Sdn Bhd	500,000	0.49

## Analysis of Shareholdings

As at 30 June 2006

### TOP 30 SHAREHOLDERS

No. Name of Shareholders	No. of Shares Held	%
17. Mayban Nominees (Tempatan) Sdn Bhd Malaysian Trustees Berhad for Mayban First Capital Guaranteed Trust Fund (230187)	424,500	0.42
18. AM Nominees (Tempatan) Sdn Bhd Lembaga Tabung Haji	408,900	0.40
19. Nor Hayati binti Abd Malik	387,800	0.38
20. DB (Malaysia) Nominee (Asing) Sdn Bhd	333,600	0.33
21. ECM Libra Securities Nominees (Tempatan) Sdn Bhd Petroleum Research Fund	333,500	0.33
22. ECM Libra Securities Nominees (Tempatan) Sdn Bhd Petronas Retirement Benefit Scheme	325,000	0.32
23. Lim Shiu Ho	289,400	0.29
24. Chuah Tai Eu	286,000	0.28
25. CIMSEC Nominees (Asing) Sdn Bhd Exempt an for CIMB-GK Securities Pte Ltd (Retail Clients)	243,000	0.24
26. Citigroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Susy Ding (471873)	242,600	0.24
27. AXA Affin General Insurance Berhad	235,000	0.23
28. HSBC Nominees (Asing) Sdn Bhd PICTET and CIE for ACE Fund SICAV (Emerging Market)	225,000	0.22
29. Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee See Kwan (AL 0089)	220,000	0.22
30. Normah binti Raja Nong Chik	215,000	0.21

### SUBSTANTIAL SHAREHOLDERS

(per Register of Substantial Shareholders)

Name of Substantial Shareholders	Direct		Indirect	
	No. of shares held	% Held	No. of shares held	% Held
CSA Holdings Ltd.	50,625,639 <sup>(1)</sup>	50.00	—	—
CSC Computer Sciences International Inc.	—	—	50,625,639 <sup>(2)</sup>	50.00
Computer Sciences Corporation	—	—	50,625,639 <sup>(3)</sup>	50.00
Global Professionals Ltd.	7,980,000 <sup>(4)</sup>	7.88	—	—
Global Sigma Sdn. Bhd.	—	—	7,980,000 <sup>(3)</sup>	7.88
Ezani bin Dato' Abu Bakar	—	—	7,980,000 <sup>(5)</sup>	7.88
Normah bte Raja Nong Chik	215,000	0.21	7,980,000 <sup>(5)</sup>	7.88

#### NOTES:-

- (1) Partly held through nominee.
- (2) Deemed interest by virtue of its substantial shareholding in CSA Holdings Ltd.
- (3) Deemed interest by virtue of Section 6A(4)(C) of the Companies Act, 1965.
- (4) Held through nominee company.
- (5) Deemed interest by virtue of his/her substantial shareholding in Global Sigma Sdn Bhd, holding company of Global Professionals Ltd.

**Analysis of Shareholdings**

As at 30 June 2006

**DIRECTORS' SHAREHOLDINGS**  
(per Register of Directors' Shareholdings)

<b>Name of Directors</b>	<b>Direct</b>		<b>Indirect</b>	
	<b>No. of shares held</b>	<b>% Held</b>	<b>No. of shares held</b>	<b>% Held</b>
Prof. Tan Sri Dato' Dr. Mohd Rashdan bin Haji Baba	4,846,000 <sup>(1)</sup>	4.79	—	—
Chuah Tai Eu	836,000 <sup>(1)</sup>	0.83	—	—
Datin Shahidah bte Abdul Majid	—	—	—	—
Normah bte Raja Nong Chik	215,000	0.21	7,980,000 <sup>(2)</sup>	7.88
Mohamad Ariff bin Md Yusof	—	—	—	—
Tengku Yunus Kamaruddin	—	—	—	—
Allen Joseph Pathmarajah	—	—	—	—
John Moo Kwee Chong	—	—	—	—
George Finlay Bell	—	—	—	—
Darren John Collins	—	—	—	—
Wong Leong Pin	—	—	—	—
Nik Ahmad Feizal-Din bin Dato' Nik Mohd Sidek (Alternate to Datin Shahidah bte Abdul Majid)	—	—	—	—
Peter Yong Kar Seng (Alternate to Normah bte Raja Nong Chik)	3,940,000 <sup>(3)</sup>	3.89	—	—

**NOTES:-**

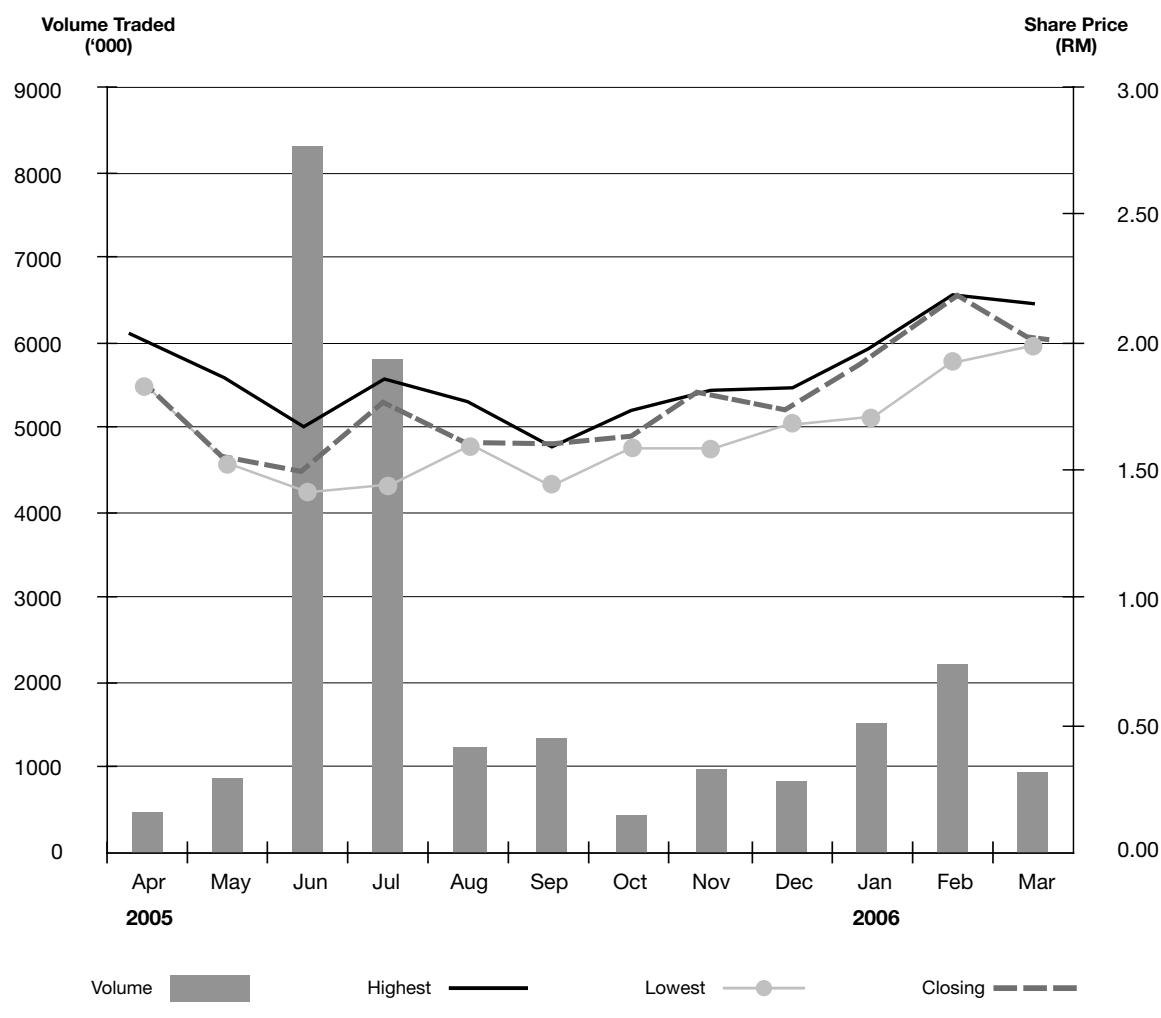
(1) Partly held through nominee company.  
 (2) Deemed interest by virtue of her substantial shareholding in Global Sigma Sdn Bhd, holding company of Global Professionals Ltd.  
 (3) Held through nominee company.

# Share Prices and Volume Traded

## Share Prices and Volume Traded on Bursa Malaysia Securities Berhad

For the period from April 2005 to March 2006

Ordinary share of RM1.00 each



**NOTE:** Information on highest and lowest share prices has been reclassified from calendar year to CSAM's financial year.

# Properties

As at 31 March 2006

Location	Description	Land Area (sq. m.)	Built-up Area (sq. m.)	Existing Use	Tenure	Age of Building	Date of Acquisition	Net Book Value (RM)
2-5-25 Harbour Trade Centre, Macallum Street Ghaut 10300 Penang	Two units of shoplots in a seven storey commercial and warehousing complex	-	482	Office for Penang Branch	99 years leasehold expiring on 25.11.2088	16	23 Oct 1998	635,025
No. 10A, Jalan Bersatu 13/4, Section 13, 46200 Petaling Jaya, Selangor Darul Ehsan	Land with a 5-storey office/ warehouse building and 2- storey basement car parking facilities	5,797	11,675	Head office	99 years leasehold expiring on 13.01.2060	5	8 July 1999	30,680,532
H.S. (D) 7095, P.T. 12111, Mukim Dengkir, Daerah Sepang, Negeri Selangor	Land	6,550	-	Vacant	Freehold	N/A	1 Nov 2000	3,098,920

# Corporate Directory

## **Computer Sciences Corporation**

### Corporate Office

#### **The Americas**

2100 East Grand Avenue  
El Segundo, California 90245  
United States  
Tel : +1 310 615 0311  
www.csc.com

---

#### **Europe, Middle East, Africa**

Royal Pavilion  
Wellesley Road  
Aldershot, Hampshire GU11 1PZ  
United Kingdom  
Tel : +44(0)1252 534000

#### **Australia/New Zealand**

Level 6 Tower B  
26 Talavera Road  
Macquarie Park, NSW 2113  
Australia  
Tel : +61(0)29034 3000

#### **Asia**

#08-00 Cecil House  
139 Cecil Street  
Singapore 069539  
Republic of Singapore  
Tel : +65 6221 9095

# CSAM Service Centres Directory

**Head Office**  
**Computer Systems  
Advisers (M) Berhad**  
 Wisma CSA, No. 10A  
 Jalan Bersatu, Section 13  
 46200 Petaling Jaya  
 Selangor Darul Ehsan  
 Tel : (603) 7663 7878  
 (60 Lines)  
 Fax : (603) 7958 6888

**Advanced Call Centre**  
 Toll Free: 1-800-88-7838

**Customer Relations  
Centre**  
 Tel : (603) 7958 2133

**Supplies**  
 Fax : (603) 7958 7309

**CSAM Training Centre**  
 No. 601 & 602, 6th Floor,  
 Menara Amcorp  
 No. 18, Jalan Persiaran Barat  
 46050 Petaling Jaya  
 Selangor Darul Ehsan  
 Tel : (603) 7958 8605  
 (603) 7958 2196  
 Fax : (603) 7955 0403

**Pulau Langkawi**  
 143, Taman Seri Aman  
 Lorong Seri Aman 5  
 Jalan Batu Asah  
 07000 Langkawi  
 Kedah Darul Aman  
 Tel : (604) 966 6934  
 Fax : (604) 966 7934

**Alor Setar**  
 20, Tingkat 1, Susuran Talapia  
 Taman Pandan  
 Jalan Sultanah Sambungan  
 05350 Alor Setar  
 Kedah Darul Aman  
 Tel : (604) 731 8869  
 Fax : (604) 734 5101

**Georgetown**  
 Unit 2-5-28 & 2-5-29, No. 2  
 Harbour Trade Centre  
 Macallum Street Ghaut  
 10300 Penang  
 Tel : (604) 262 2489  
 Fax : (604) 263 1443

**Prai**  
 No 16, Jalan Kelisa Emas 2  
 Taman Kelisa Emas  
 13700 Seberang Jaya  
 Prai  
 Tel : (604) 399 0278  
 Tel/Fax : (604) 397 0278

**Ipoh**  
 No. 3, Hala Pinji 1  
 Pasir Puteh  
 31650 Ipoh  
 Perak Darul Ridzuan  
 Tel : (605) 255 0824  
 Tel/Fax : (605) 242 4707

**Seremban**  
 119A, 1st Floor  
 Jalan Merak Jaya 11  
 Taman Thivy Jaya  
 70300 Seremban  
 N. Sembilan Darul Khusus  
 Tel : (606) 632 7878  
 (606) 631 3651  
 Fax : (606) 632 2328

**Melaka**  
 No. 42, 42A & 42B  
 Jalan Melaka Raya 13  
 Taman Melaka Raya  
 75000 Melaka  
 Tel : (606) 282 0722,  
 (606) 281 0622  
 Tel/Fax : (606) 283 0826

**Segamat**  
 No. 2, 1st Floor  
 Jalan Nagasari 8  
 Bandar Segamat Baru  
 85000 Segamat  
 Johor Darul Takzim  
 Tel : (607) 943 4345  
 Fax : (607) 943 7895

**Kluang**  
 1st Floor, Lot No 2 (Block A)  
 8, Jalan Berangan  
 86000 Kluang  
 Johor Darul Takzim  
 Tel/Fax : (607) 773 7177

**Johor Bahru**  
 No. 3, 3A & 3B  
 Jalan Molek 3/10  
 Taman Molek  
 81100 Johor Bahru  
 Johor Darul Takzim  
 Tel : (607) 351 3310  
 Fax : (607) 357 9323

**Kota Bharu**  
 Lot 326, Tingkat 1  
 Taman Sri Cemerlang  
 Off Jalan Kebun Sultan  
 15000 Kota Bharu  
 Kelantan Darul Naim  
 Tel/Fax : (609) 748 4833

**Kuala Terengganu**  
 No. 1081K-M,  
 Jalan Sultan Sulaiman  
 Kuala Terengganu  
 20000 Kuala Terengganu  
 Terengganu Darul Iman  
 Tel : (609) 622 4517  
 Fax : (609) 624 9827

**Termeloh**  
 3201, Jalan Damai  
 Bangunan Seri Aman  
 Foodhouse  
 28000 Termeloh  
 Pahang Darul Makmur  
 Tel/Fax : (609) 296 6232

**Kuantan**  
 A-19, Jalan Seri Setali 2,  
 Semambu  
 25350 Kuantan  
 Pahang Darul Makmur  
 Tel : (609) 567 6770  
 Fax : (609) 567 6618

**Labuan**  
 Lot 3, Ground Floor  
 Wisma Wong Wo Lo  
 Jalan Tun Mustapha  
 87007 W.P. Labuan  
 Tel : (087) 481 801  
 (087) 429 801  
 Fax : (087) 421 801

**Kota Kinabalu**  
 Lot No. 1-1, Lintas Plaza  
 Lorong Lintas Plaza 2  
 88300 Kota Kinabalu  
 Sabah  
 Tel : (088) 232 986  
 (088) 266 986  
 Fax : (088) 231 987

**Sandakan**  
 1st Floor, Block A  
 Lot No. 6, Taman Indah Jaya  
 90000 Sandakan  
 Sabah  
 Tel : (089) 226 001  
 Tel/Fax : (089) 212 692

**Tawau**  
 TB 548, Lot 2  
 1st Floor, Block A  
 Tacoln Commercial  
 Complex, WDT 257  
 91000 Tawau  
 Sabah  
 Tel : (089) 766 135  
 Tel/Fax : (089) 752 495

**Miri**  
 Lot 1412, 1st Floor  
 Krokop 5  
 98000 Miri  
 Sarawak  
 Tel : (085) 428 726  
 Fax : (085) 427 726

**Bintulu**  
 2nd Floor, Sublot 45  
 Medan Jaya  
 Commercial Centre  
 97008 Bintulu  
 Sarawak  
 Tel : (086) 311 354  
 Fax : (086) 316 096

**Sibu**  
 1st Flr, 24 Taman Damai  
 Jln Tun Abang Haji Openg  
 96000 Sibu  
 Sarawak  
 Tel : (084) 320 295  
 Fax : (084) 320 294

**Kuching**  
 No. 265, Lot 2567  
 Central Park  
 Commercial Centre  
 3rd Mile, Rock Road  
 93250 Kuching  
 Sarawak  
 Tel : (082) 422 329  
 Fax : (082) 245 846

THIS PAGE IS INTENTIONALLY LEFT BLANK

# Notice of Thirtieth Annual General Meeting

**NOTICE IS HEREBY GIVEN** that the Thirtieth Annual General Meeting of Computer Systems Advisers (M) Berhad will be held at No. 10A Jalan Bersatu 13/4, Section 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Tuesday, 22 August 2006 at 2.30 p.m.

1. To receive and adopt the audited financial statements for the financial year ended 31 March 2006 together with the Directors' and Auditors' reports thereon.	<b>Resolution 1</b>
2. To approve a final dividend of 4 sen per share less tax for the financial year ended 31 March 2006.	<b>Resolution 2</b>
3. To approve the payment of Directors' fees for the financial year ended 31 March 2006.	<b>Resolution 3</b>
4. To re-elect the following Directors retiring in accordance with Article 94 of the Company's Articles of Association:- i. George Finlay Bell ii. Wong Leong Pin	<b>Resolution 4</b> <b>Resolution 5</b>
5. To re-elect the following Directors retiring in accordance with Article 113 of the Company's Articles of Association:- i. Datin Shahidah bte Abdul Majid ii. Allen Joseph Pathmarajah iii. Normah bte Raja Nong Chik	<b>Resolution 6</b> <b>Resolution 7</b> <b>Resolution 8</b>
6. To consider and if thought fit, to pass the following resolution:- "THAT pursuant to Section 129(6) of the Companies Act, 1965, Prof. Tan Sri Dato' Dr. Mohd Rashdan bin Hj Baba, be re-appointed as a Director of the Company and to hold office until the next Annual General Meeting."	<b>Resolution 9</b>
7. To re-appoint Messrs Deloitte & Touche as the Company's auditors and to authorise the Directors to fix their remuneration.	<b>Resolution 10</b>
8. <b>As Special Business</b> To consider and if thought fit, to pass the following resolution, with or without modifications, as Ordinary Resolution of the Company:-	

#### Authority under Section 132D of the Companies Act, 1965 for the Directors to Issue Shares

"THAT pursuant to Section 132D of the Companies Act, 1965, and subject to the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue new shares in the Company at any time, at such price, upon such terms and conditions and for such purposes and to such person or persons whomsoever as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution in any one financial year does not exceed 10% of the total issued share capital of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

**Resolution 11**

9. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 1965.	
---	--

#### NOTICE OF DIVIDEND PAYMENT

**NOTICE IS HEREBY GIVEN THAT** a final dividend of 4 sen per share less tax for the financial year ended 31 March 2006, if approved by the shareholders, will be paid on 9 October 2006. The entitlement date for the dividend payment is 26 September 2006.

A depositor shall qualify for entitlement only in respect of:-

- a) Shares transferred into the Depositor's Securities Accounts before 4.00 p.m. on 26 September 2006 in respect of ordinary transfer; and
- b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

**AW MAY FAH** (MIA 5501)  
**YEOH CHONG KEAT** (MIA 2736)  
Secretaries

Petaling Jaya  
28 July 2006

## Notice of Thirtieth Annual General Meeting

### Notes:

- (i) A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint a proxy/proxies, and in the case of a corporation, a duly authorised representative to attend and vote in his stead.
- (ii) A proxy may but need not be a member of the Company. Where a member appoints more than one (1) proxy, he shall specify the proportion of his shareholdings to be represented by each proxy.
- (iii) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. Please indicate the securities account number where applicable.
- (iv) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised in writing.
- (v) The instrument appointing a proxy must be deposited at the Registered Office of the Company situated at No. 10A Jalan Bersatu 13/4, Section 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time set for holding this meeting or at any adjournment thereof.

### Explanatory Note on Special Business

Ordinary Resolution 11 proposed under Agenda 8, if passed, will give the Directors of the Company authority to issue and allot ordinary shares from the unissued capital of the Company being for such purposes as the Directors consider would be in the interest of the Company without having to convene a general meeting. This authority, unless revoked or varied by the Company in a General Meeting, will expire at the next Annual General Meeting of the Company.

## Statement Accompanying Notice of Annual General Meeting

### 1. Directors who are standing for re-election and re-appointment at the Thirtieth Annual General Meeting

- (i) Directors retiring in accordance with Article 94 of the Company's Articles of Association:
  - George Finlay Bell
  - Wong Leong Pin
- (ii) Directors retiring in accordance with Article 113 of the Company's Articles of Association:
  - Datin Shahidah bte Abdul Majid
  - Allen Joseph Pathmarajah
  - Normah bte Raja Nong Chik
- (iii) Director retiring in accordance with Section 129(2) of the Companies Act, 1965:
  - Prof. Tan Sri Dato' Dr. Mohd Rashdan bin Hj Baba

Details of the above Directors seeking re-election and re-appointment are set out in the Directors' Profile from pages 5 to 9 and the Directors' Shareholdings in the Company on page 95 of the Annual Report. The above Directors do not hold shares in the subsidiary of the Company.

### 2. Details of attendance of Directors at Board meetings held in the Financial Year ended 31 March 2006

Details of attendance of Directors at Board meetings held in the financial year ended 31 March 2006 are set out in the Statement on Corporate Governance on page 23 of the Annual Report.

### 3. Board meetings held in the Financial Year ended 31 March 2006

A total of four Board meetings were held during the financial year ended 31 March 2006 with details set out in the Statement on Corporate Governance on page 22 of the Annual Report.

### 4. Venue, date and time of the Annual General Meeting

The Thirtieth Annual General Meeting will be held at No. 10A, Jalan Bersatu 13/4, Section 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia on 22 August 2006 at 2.30 p.m.

# Form of Proxy

No. of Shares held	
CDS Account No.	

I/We \_\_\_\_\_  
(Full name in block letters)

of \_\_\_\_\_  
(Address)

being a member of **COMPUTER SYSTEMS ADVISERS (M) BERHAD**, hereby appoint \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_  
(Full name in block letters) (Address)

or failing him/her \_\_\_\_\_  
(Full name in block letters)

of \_\_\_\_\_  
(Address)

or failing him, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the Thirtieth Annual General Meeting of the Company to be held at No. 10A Jalan Bersatu 13/4, Section 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Tuesday, 22 August 2006 at 2.30 p.m. or at any adjournment thereof, to vote as indicated below:-

	<b>Resolutions</b>	<b>*For</b>	<b>*Against</b>
	<b>ORDINARY BUSINESS</b>		
1.	To receive and adopt the audited financial statements for the financial year ended 31 March 2006 together with the Directors' and Auditors' reports.		
2.	To approve a final dividend of 4 sen per share less tax.		
3.	To approve the payment of Directors' fees.		
4.	To re-elect George Finlay Bell.		
5.	To re-elect Wong Leong Pin.		
6.	To re-elect Datin Shahidah bte Abdul Majid.		
7.	To re-elect Allen Joseph Pathmarajah.		
8.	To re-elect Normah bte Raja Nong Chik.		
9.	To re-appoint Prof. Tan Sri Dato' Dr. Mohd Rashdan bin Hj Baba.		
10.	To re-appoint Messrs Deloitte & Touche as the Company's auditors and to authorise the Directors to fix their remuneration.		
	<b>SPECIAL BUSINESS</b>		
11.	To authorise Directors to allot and issue shares pursuant to Section 132D of the Companies Act, 1965.		

\* Please indicate with an "X" in the appropriate spaces on how you wish your vote to be cast. In the absence of specific direction, your proxy will vote or abstain from voting at his/her discretion.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2006

\_\_\_\_\_  
Signature of Shareholder or Common Seal

Notes:-

- (i) A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint a proxy/proxies, and in the case of a corporation, a duly authorised representative to attend and vote in his stead.
- (ii) A proxy may but need not be a member of the Company. Where a member appoints more than one (1) proxy, he shall specify the proportions of his shareholdings to be represented by each proxy.
- (iii) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. Please indicate the securities account number where applicable.
- (iv) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised in writing.
- (v) The instrument appointing a proxy must be deposited at the Registered Office of the Company situated at No. 10A Jalan Bersatu 13/4, Section 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time set for holding this meeting or at any adjournment thereof.

FIRST FOLD

Stamp

**COMPUTER SYSTEMS ADVISERS (M) BERHAD (25110-P)**

No. 10A Jalan Bersatu 13/4  
Section 13  
46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

SECOND FOLD

THIS ANNUAL REPORT IS DEDICATED TO THE STAFF OF CSA: AARON MU SHOU THEAN, ABD HALIM BIN ABD RAHMAN, ABD HALIM HAJI MAHMUD, ABD RAHIM HELMEE BIN AWANG, ABDUL AZIZ BIN AHMAD, BIN ABD, KARIM, ABDUL RASHID BIN ABDUL KADIR, ABDUL WAHAB BIN ABDUL MANAP, ABDULLAH BIN DERAHMAN, ABU HASSAN BIN AHMAD, ABU ZARIM BIN MD YASSIN, ADRIAN CHOO KIAN SIONG, AFFE FUAD BIN ALIAS, AHMAD JOZAILY BIN MD BAHARUL SAFFAR, AHMAD KAMEL BIN ARSHAD, AHMAD RAFZI BIN MOHAMED, AHMAD RAZLAN BIN HAMZAH, AHMAD ROZAIMY BIN HAMDAN, AHMAD SHUKRI BIN ALAN HO KAH FENG, ALAN TENG SENG WEI, ALBAN SEAH HOCK YEET, ALBERT ENG KIM CHONG, ALICIA GOH GEOK LUAN, ALICIA PHANG CHIEW LING, ALICIA TAN LI HA, ALIN BAIDURI BINTI MOHD MOKTAR, HWA, ANDY YAP KA KIAN, ANG CHEE MENG, ANG CHEE SIN, ANG CHIN HONG, ANG CHING YAU, ANG KHENG SOON, ANG TEIK CHUAN, ANGELINE LOURDE SAMY, ANIZA BINTI ABU SAMAH, ANNE CHOE WAI KAM HUNG STACEY, AUDRY YONG OOI LIN, AUGUSTINE LIONG JUN KHM, AUSTIN PHUAH CHIN YEOW, AZHAR BIN AYOB, AZLAN MOHD ISHAK, AZMAN BIN AB SHARID, AZMAN BIN DAHALAN, AZMA A/L RAJOO, BALACHANDRAN A/L VELEN, BALASINGAM A/L MAYALAGAM, BEH CHENG POH, BEN CHEE KOK YEE, BERNARD LEE YOKE WAH, BHUVANESWARI D/O PITCHAKUTI, BRIAN MOH CHONG KENG, C/ CHAI TZEE KENG, CHAM LONG SIN, CHAN CHEE KEONG, CHAN CHONG NGAI, CHAN FOO WENG, CHAN GOON SING, CHAN HON YOW, CHAN KAM HOI, CHAN KOK KONG, CHAN KWEE LENG, CHAN KWON SAN MUN FOONG, CHEAH CHEW CHIN, CHEAH HON MUN, CHEAH KAM LOON, CHEAH LEE PING, CHEAH POH SIN, CHEN BOON TEONG, CHEN SAO YAU, CHENG BOON HEAH, CHENG TONG SWEE, CHEOK SIAW WEI CHEE, CHEW THING LONG, CHIA BEE LING, CHIA KEE WENG, CHIA MON CHANG, CHIEW TIONG SHIN, CHIN HOOI CHEE, CHIN KIT WAH, CHIN LOONG TUCK, CHIN MUN LEONG, CHIN OI KUEN, CHIN PUI SAN KOK WAH, CHONG MING HUEI, CHONG NGE WEI, CHONG SHU LING, CHONG YEW FATT, CHOO CHEE FOONG, CHOO CHI SOON, CHOO SOONG MIN, CHOOONG CHUN KEONG, CHOONG KIAN LENG, CHOONG KIAN MEI, CHRISTINA GEETA THOMAS, CHRISTINE TEO SOO MUI, CHRISTINE KOH SIEW PING, CHRISTINE NG GAIK CHIN, CHRISTOPHER DE SILVA, CHRISTOPHER HARRIOT, CHRISTOPHER TAN POH ANN, CHUA GEM CRYSTAL CHUNG KAH YEE, DAMIEN THANAN DIVEAN, DANIEL LAI KOK KEONG, DARREN YAP NEE CHUNG, DARYL VOON LIT YUEN, DATO' RAYMOND YEONG KOK HEE, DAVID CHAN CHOW CHIN, DAVID CHAN THONG, DEVANANDAN PALMER A/L BATUMALAI, DEVINDR SINGH A/L TEHAL SINGH, DINESH KUMAR A/L KASINATHAN, DIONG SEE CHAI, DORIS FONG MEE WAN, DUNCAN, LIEW MIN WANG, DUSHYANT A/L R CHAI, EDWARD KOK PENG CHOY, EDWIN TAN KENG KUM, EE PENG JAU, EIRMIZA BTE JOLHI, ELAINE LAM YEE NEE, ELIZABETH TANG JU SIANG, ELLEN WONG AI LUN, ELSON LEE YONG GUAN, ELVIN JEEVARAJA WEI CHEONG, ERIC YONG YAW FAH, ESTHER TEE HUI REEI, ESTHER SELVARANI A/P SELVANATHAN, EUGENE HOE HIP WAH, EUGENE TOH YEW MENG, EVENJONLY NG POH YOKE, EVONE LIM YEW YUN, FAIS HAFIZA FENNYA PUSPITA BINTI ASNAM, FONG YING CHUN, FOO BOON KHONG, FOO HOOC PING, FOO YING KUEN, FOO YONG KEONG, FOONG WOON CHING, FRANCIS JONG YIT SOON, FRANCIS DOUGLAS ROW, GEORGE LOU CHUN KONG, GERARD ALOYSIUS A/L VICTOR DAVID, GERRIT JAN AREND ROSEBOOM, GNOW CHUI LUEN, GOH CHAN YOUNG, GOH CHING CHOW, GOH KOK WAH, GOH SZE SEE MINDI FEI, HADI RUSTAM BIN MOHD LOKY, HAIROL FAUZI BIN HARON, HALIMATUN NOOR INTI MOHAMED SABRI, HALIZA BINTI ABDUL HALIM, HAMDAN BIN ROSLAN, HAMIDE BIN HASHIM, HAMIZI BIN HASHIM HUI PING, HEW KEE WEI, HILARION HON JOON CHOI, HIPZAN SHAMI BIN HUSSIN, HON KAH HEAN, HONY YUEN HON YUE, HOO KOK KIN, HOO TUN LI, HOO MAY LEE, HOW HOCHI KEONG, HOW TING HOCK, HU YAP WEE CHUN, JAMES YA CHEE WANG, JAN KANG LEE, JANANG A/L SIMPAI, JANE TAN HUI SEE, JARIEN YAM TIEN MIT, JASON A/L LOURINCIA, JASON ONG XA KHOON, JASON KOO SWEE LEONG, JASON LA BOON, JERRY A/L SINGARAYAR, JESSICA LEW WAI CHING, JESSICA LOO PEK YOKE, JESSIE LIM CHIEW LIENG, JESSIE TAN LEE SIM, JESSLANE LIM SWEE LEE, JESSLYN NG CHOOKING, JEYAKRISHNAN SANKARAN, JOSEPHINE MONICA A/P H M LOUIS, JOSH WONG VUI KOK, JOWIE LOW SIEW LENG, JOY TUYEN ENG CHAI, JOYCE PUAH WAN CHYI, JULIANA BT SHAMSIR, JUNAIRIZAL BIN ABD RAZAK, JUSBIR NARASINGAM, KAREN LAI MENG YOKE, KAREN OOI SHAW PIN, KARTHIGESU A/L ARUJUNANAN, KASWADI BIN KASIM, KATHY WONG SOW WAH, KAVITHA A/P SHANUMUGANATHAN, KEEFE CHONG HON KEE, KAH CHONG SIN WOO, KEVIN LEONG TAT KONG, KEVIN ONG KIAH WEE, KHAIRUL ANNUR BIN CHE HALIM, KHAIRUL HAIZAL BIN MAT, KHAW PHEE HOW, KHIEW CHIN KWONG, KHONG SEOK MEY, KHOO BOON GE SEE YONG, KOK YEW KWANG, KOK JIN FOONG, KOK POR HONG, KONG CHEE KEONG, KONG PEI CHING, KONG SHI WOON, KONG WEI KOON, KUAN KIAN KEONG, KUAN WAI LING, KULWINDER SINGH A/L HUA MENG, LATHA MALINI A/P PALANI, LAU AIM LAM, LAU BOON TUCK, LAU HENG KEE, LAU ING KIUNG, LAU KIM KHENG, LAU KOK KIT, LAW PENG HOI, LAWRENCE LEE SHAN HAI, LAWRENCE YOONG HOU WEI, LEE MING, LEE JIT BOON, LEE JYE HUEI, LEE KIAT KEE, LEE KIM WAH, LEE KOK WEI, LEE LI KUEN, LEE LI YING, LEE LIM SHEANG, LEE MEI PENG, LEE MOI CHOOI, LEE POH BOON, LEE SHEN CHI KHIM CHUEN, LEONG LI LI, LEONG MUI LENG, LEONG MUN KEAN, LEONG SEH BOON, LEONG WING CHURN, LEOW HOI PENG, LEOW KOK WAI, LETCHUMARAJ S/O PERIASAMY (LRAJ), LEW MING HAI, LEW MUN KIT, LIM KAK MING, LIM KIN SENG, LIM KUI PEANG, LIM LAI AUN, LIM LIAN TONG, LIM LOONG SING, LIM MING HOW, LIM SEE HIONG, LIM SHEE MUN, LIM SIEW MOY, LINDA CHANG YEOW LIM, LING SIEW HUA CHIN WEI, LOO ENG WAN, LOO HONG KHIM, LOO LEE YUN, LOO LI LIAN, LOON LEE PENG, LOONG CHUN YEW, LOW BEK LEONG, LOW CHAIN YEE, LOW KENG HOOI, LOW LI FOONG, LOW LIAN HOO, LOW MUNIANDY, MAH HOCK SIONG, MAHESWARAN A/L RAVEENDRAN, MAHFUZ BIN JAFFAR, MAHMUD FAISAL BIN YAHYAH, MALA D/O MAYANDI PERIASAMY, MANDEEP KAUR A/P PRAIMI SINGH, MANIMARAN A/L S STEPHEN LU BOON HOCK, MELVIN CHIN WOON HAL, MICHEAL G MUNISAMY S/O T GOPAL, MICHELLE LIM MENG AI, MOHAMAD FADZIL BIN ABDUL RASHID, MOHAMAD HERMAN BIN ABDULLAH, MOHAMAD NI MOHAMMAD FADZIL BIN IDRIS, MOHAMMAD KHAIR SHAMSUDIN, MOHAMMAD NABRIZI BIN SHUB, MOHD ABDUH BIN YAACOB, MOHD AMDN BIN MOHAMED RABIN, MOHD ASMADI BIN HASHIM, MOHD ASRULNIA MOHD HANIF BIN MOHD ARIS, MOHD HIDZIR BIN HARON, MOHD HISYAM BIN MAANI, MOHD ISA BIN MOHD YUNOS, MOHD KAMAL ARIFFIN BIN RASSMAN, MOHD KHAIRI BIN MOHD KASIM, MOHD NAJIB BIN MOHD BIN MANSOR, MOHD SHAH BIN HASHIM, MOHD SHAHRUL NIZAM BIN ZAINOL, MOHD SHANI BIN SHAFIE, MOHD SOBRI BIN ENDUT, MOHD SUEFAN BIN ABU SAMAH, MOHD SUHAIMI BIN ABD GHANI, MOHD U A/P MUNIANDY, NANDANG TUTIMIN BIN ABDUL RAHMAN, NASARUDDIN BIN SAMUDIN, NATASHA CHAREN NATHAN, NAZRI BIN MARSIDIN, NEO CHUN HOO, NEVIN LOW HUN WENG NICHOLAS CHAN CHEE MUN, NOELLE ONE PHAIK YEE, NOOM MAIZUNI BT MOHAMED MOKHTAR, NOR AFIDAH BINTI YAHAHYA, NOR AFINAZ BINTI TAHARIP, NOR AZAM BIN SAKRONI, NOR AZIZAN BINTI MD BA NOREZA BINTI ABD MANAF, NORHAYATI BINTI AHMAD, NORHAYATI BT HAMZAH, NORIANI BT BIDIN, NORLELA BINTI AHMAD, NORMADIANA BINT MAT DESA, NORZILAWATI BINTI AHMAD ZAYAD, NURUL HASAN GEOK, ONG PING LING, OOI KEH YUE, OOI KHOON HENG, JIMMY OOI, P TAMILARASAN A/L PURUSHOTHAMAN, P SUBHASH A/L V PRABHAKARAN PILLAI, PAN WAI HUNG, PANNIRSELVAM A/L SUBRAMANIAM LEE YIN YIN, PAULINE PANG YAM NEO, PAVAANI A/P B KAYELAYANATHAR, PAVALA MALAR NADAN A/L MARIAPPAN, PERO SINGH JUNIOR A/L HOUSIN SINGH, PHANG CHEE CAN, PHANG YONG HIONG, PHILIP PRABAGARAN A/L MUTHUSAMY, PRABODH K SHETH, PUN FOON MING, PUSHPA A/P S GANGARAM, PUSPARAJAH A/L NAGAPPEN, PUZIAH BINTI SELAMAT, QUAH CHEE CHONG, QUAH ER WAY, QUEK MEI RAMACHANDRAN S/O APPALANaidu, RAMASAMY A/L VELLAYITHAM, RAMASH A/L RAJAGOPAL, RAMES KUMAR A/L KRISHNAN, RAMESH A/L RAMASAMY, RAMLAH BINTI SALIM, RATHA A/P GUNASEKARAN, RAY REENA YAP HUI YEE, REMYJIT SINGH RANDHAWA, RENUKA A/P RAMEO, RICHARD NAYAGAM A/L JAYARAMAN, RICHARD MAK YIK FUN, RICKY WONG YOK CHIANG, RICKY YAP HONG SANG, RIZDUAH BIN ABD ROSE ADZREEN BINTI ADNAN, ROSLAN BIN ABDULLAH, ROSLI BIN TAAZIM, ROZIAH BT UJUD, RUHELMI BIN TASMR, RUKMAN ZAINALABIDIN DAWOOD, RUSFARIZAL BIN RUSLI, RUSMI BIN ABDULLAH, RUSNIA SALLIN BIN NIK, SALMAH BT CHE AMAD, SALMI NAZLINA BINTI MOHD SALIM, SALUVINDER SINGH A/L JOGINDER SINGH, SAM CHEE CHUN, SAM YEW CHONG, SAMANTHA LEE FUI LING, SAMUEL CHAN SOC A/P J SROOP SINGH, SAZALI BIN ALIAS, SAZALI BIN SHAARI, SCOTT NICHOLAS MARQUIS, SEA KAH JIN, SELVAMANY S/O PERUMAL, SELVAMANY S/O SUBRAMANIAM, SEO YEW MING, SHAFINAZ BT MOHD SAIZ HIZHAR BIN ISHAK, SHAMJEE GANTH S/O PARMASON, SHAMSINAR BTE SAKAH, SHANICE TEH HUAI YING, SHANMUGAM A/L GNANASAMANTHER, SHANTHI A/P THANABALASINGHAM, SHARIZAH BINTI SHARIFF, TIH, SHUY ENG THIAM, SIA SHU CHEE, SIDNEY MARTIN YAPP, SIEW KUN FOOK, SIM CHEE KUN, SIM JING SHYAN, SIM WAH CHOON, SIM TENG WING CHUNG, SIN WAI KIT, SINAYAH A/L KALIMUTHU, SITI ZUHAI SONG CHOO KHIM, SOO SEK LUI, SOU KOK FEI, SRI SAI RAMA RAO A/L APPALANaidu, STANLEY CHAN WENG YEW, STEVEN CHONG CHEE SENG, STEVEN CHOO WAH CHEE, STEVEN CHOW JOON KEAT, STEVEN BIN SULAIMAN, SUHARNIZAM BIN MOHAMAD ALI, SUMANTI BIN SULAIMAN, SUNDARALINGAM A/L RAMALINGAM, SURAJPAI SINGH A/L JAG SINGH, SURINDRAN A/L WITMUSHWARA, SURIYAN A/L EN NOP, SUZINZAM BIN SAYED MAHYUDIN, SYEDI MOHD SHAIK BIN SYEDI MOHSA SALLEH, SYLVIA LOH LEE KIN, SYLVIA ONG SIEW LOOI, SYLVIA SUNG TON NYUK, T APPAU A/L M. THANGASAMY, TAI KIM LIM, TAM TZU TAN ENG WAH, TAN GEOK TING, TAN KHENG PENG, TAN KIM LOOI, TAN LEE TECK, TAN MENG SOON, TAN PEI GEE, TAN PENG SENG, TAN SAY KAWAN, TAN SAY LEONG, TAN SENG KUANG, TAN SWEE THING TONG CHUANG, TAZUL AYRIZAN BIN ZULKIFLY, TEAH CHUN FONG, TEE SHAIU RING, TEE SHIAU LEONG, TEH YANG GAIK, TEJWANT SINGH A/L HARIMINDER SINGH, TEO LEE YONG, TEO PEI SAN, TEOH AIR SONG B TG MUHAMMAD JASIN, THAM PENG KEEN, THAMBI RAJA S/O DORAISAMY, THENG KAH CHAI, THEO CHIN LEE, THIAGARAJAN A/L SUBRAMANIAM, THIN CHIN KUNG, THIVAKARAN A/L SIVARAMAN, THO CHING WEI CHING, TING YENG YENG, TONG WAI LOON, TRACY TEW YIN LU, TUNG YUEN PING, UMA MAHESWARI A/P KANAGASABA, VARGHESE JOSEPH PAUL, VERNICE LEE YEE KENG, VICKNESWARAJAN A/L AMARTA JUEN, VOON BOO HON, WAH SHEI HOW, WANG LIANG JENG, WENDY LEE YIN OI, WILLIAM TEH WEE LIANG, WILLIAM YEW LONG HUEI, WILLY LIM WEI CHUNG, WILSON NATHAN S/O ERUTHAYANATHAN, WILSON MAN WAI, WONG MEE LING, WONG MENG YEW, WONG POH LAM, WONG SUI CHENG, WONG SUI CHEK, WONG SWEE FONG, WONG VOON SIEW, WONG WAI LANG, WONG WAI LOON, WONG WEI MING, WONG YEE YAW SENG CHIEU, YAZID BIN MOHAMED, YEE KEE HIN, YEE SHEN EIK, YEE YAT MUN, YEI FOOK THONG, YEN CHEE MUN, YEO CHUAN KUANG, YEO HUNG SEN, YEO JU-LI, YEO WEI HONG, YEOH KEONG HIAN, YU CHEE KUO, YU CHING BING, YUSMAN FAZLI BIN MOHD YUSOF, YUSOF BIN AHMAD, YUSRY BIN SULAIMAN, ZAHRIN BIN BUSRAN, ZAID BIN MOHD RAZALI, ZAIDE BIN MOHD RAZALI, ZAIMI BIN ZAKARIA, ZAINA MUHAMMAD, ZULKIFLI BIN ABDULLAH, ZULL AZMI BIN MAT REPIN, ZUNAIDI BIN ABDULLAH, ZURAIDI BIN ALIZAR, ZURAIDI BIN CHE AMAT, ZURINA BT ABU OSMAN, ADY IRANAL BIN MOHD ZAINAL, AIMI SAZRINA WING SIONG, BONG WAN ZHUNG, BRYAN LOH FOLK CHEE, CANDY JIANG YANG, CATHERINE YONG SWEE LIN, CHAN CHOI YIN, CHAN CHUN HEONG, CHAN GUO SHIYANG, CHARUNEE KHURANA, CHEAH SENG, ERIC LIM CHIN WERN, ERICA LAW SU PENG, EUGENE BEH JIN HAN, EUNICETEOH CHIEW YEE, FERRY WILSON, FION CHANG HOOI KIANG, FORREST YAO ZHEN WEI, GAN SOON HUAT, GERALDIN OO PING AI, GOFF JEFF KOK JIEN FONG, JESSE LIM SOOK YUE, JODY BRERETON PORTER, JOHNSON ONGAS LIBAN, JOSEPH HII LU HAN, JOSEPHINE GAY SUN SEE, JOURDAN MAH WEN-JEN, JOYCE MOK TUANG YIN, JULIAN TIEN MENG, KONG THONG LIANG, KONG YOKE PENG, LAURA CATHERINE MORLEY, LEE CHEE KEAN, LEE HEONG LAN, LEE HOCK CHUEN, LEE WAI KUAN, LEE WEE JIN, LEONG MEI QI, LEONG WAI KONG, LEONG KIM HONG, MOGAN A/L RATNAM, MOHAMMAD MUZAMIL BIN MIZAYAUDDIN, MOHD AFFINDI BIN MOHD ARIFFIN, MOHD JAMHARI BIN NORAL HADI, MOHD SAHID BIN MOHD JAWANDI, MOHD SHAMSURI BIN SHU BINTI MOHD ANUAR, PAMELA LEE YOKE FEN, PANG CHI FAI, PAUL MICHAEL A/L ANTHONY SAMY, PEH ENG HORNG, PERRY WITHEANECHI A/L PERAMAPALA, PHANG CHIEW WAI, PICHIKA RAVI PRakash, QUE TOUFIQUE, SAM KEE SHEONG, SHAMIM AHAMAD ABDUL WAHAB, SHAUN PRAVIND ROBERT, SIMON HO YAU MEE, SIEW TYNG YAN, SOH THENG CHEONG, SOO CHEE HUI, SOO CHEE YEN, SOON PEY FIN, SURAJ SHAU HONG, VANITHA A/P SUPERMANIAM, VINCENT TAI YEE FATT, VIOLET YONG LI KUIN, WONG AH LAN, WONG KOK HOE, WONG KOK HOE, WONG KUEN SOON, WONG SHIH NI, WONG WEE

# The Right People.