



## 6. HISTORICAL FINANCIAL INFORMATION (CONT'D)

## (b) Summarised balance sheets (cont'd)

## (iv) DIGITAL(SZ)

The following table sets out the summary of the balance sheet prepared based on the audited financial statements of DIGITAL(SZ) for the FPE 30 June 2009 since incorporation:-

Period ended	Note	FPE 30/6/2009 RM
Share capital		54,000
Accumulated loss		<u>(60,970)</u>
Shareholders' equity		<u>(6,970)</u>
<u>Current asset</u>		
Cash and bank balances		<u>46,080</u>
<u>Current liability</u>		
Amount due to holding company	1	<u>53,050</u>
Net current liability		<u>(6,970)</u>
		<u>(6,970)</u>
Net tangible liability ("NTL")		(6,970)
Number of ordinary shares		22,500
NTL per share (RM)		(0.31)

Notes:-

## 1. Detail disclosure on amount due to holding company is as follows:-

The amount due to holding company is unsecured, bears no interest and no scheme of repayment have been arranged.



## 6. HISTORICAL FINANCIAL INFORMATION (CONT'D)

## (b) Summarised balance sheets (cont'd)

## (v) DSCM

The following table sets out the summary of the balance sheets prepared based on the audited financial statements of DSCM for the past three (3) FYE 30 September 2006 to 2008 and the FPE 30 June 2009:-

Year/Period ended	Note	FYE 30/9/2006 RM	FYE 30/9/2007 RM	FYE 30/9/2008 RM	FPE 30/6/2009 RM
Share capital		200,000	200,000	200,000	200,000
Unappropriated profit/ (Accumulated loss)		(124,274)	(50,412)	(8,188)	206,808
Shareholders' equity		75,726	149,588	191,812	406,808
<u>Non-current liability</u>					
Deferred taxation		1,231	4,231	26,000	60,000
		76,957	153,819	217,812	466,808
<u>Non-current asset</u>					
Property, plant and equipment	1	85,486	95,903	294,980	419,321
<u>Current assets</u>					
Inventories	2	136,788	137,575	227,678	253,126
Trade receivables	3	223,940	811,122	1,094,944	1,154,638
Other receivables	4	148,401	364,179	630,297	54,085
Amount due from a Director	5	145,007	184,262	65,487	-
Tax recoverable		-	-	7,500	-
Fixed deposits with licensed bank	6	100,000	100,000	107,851	207,851
Cash and bank balances		9,850	58,020	26,093	37,549
		763,986	1,655,158	2,159,850	1,707,249
<u>Current liabilities</u>					
Trade payables	7	632,007	990,439	1,575,040	874,836
Other payables	8	111,002	357,510	474,132	449,346
Tax payable		29,506	29,506	-	6,400
Borrowings	9	-	219,787	187,846	329,180
		772,515	1,597,242	2,237,018	1,659,762
Net current assets/ (liabilities)		(8,529)	57,916	(77,168)	47,487
		76,957	153,819	217,812	466,808
Net tangible assets ("NTA")		75,726	149,588	191,812	406,808
Number of ordinary shares		200,000	200,000	200,000	200,000
NTA per share (RM)		0.38	0.75	0.96	2.03



## 6. HISTORICAL FINANCIAL INFORMATION (CONT'D)

## (b) Summarised balance sheets (cont'd)

## (v) DSCM (CONT'D)

Notes:-

1. Detail disclosure on the property, plant and equipment are as below:-

Year/Period ended	30/9/2006 RM	30/9/2007 RM	30/9/2008 RM	30/6/2009 RM
<b>Net carrying amount</b>				
Furniture and fittings	14,798	13,098	10,855	9,832
Computers and softwares	13,347	15,817	236,154	372,319
Office equipment	14,602	21,972	16,619	14,889
Plant and machinery	-	12,827	9,714	7,323
Renovation	42,739	32,189	21,638	14,958
	<u>85,486</u>	<u>95,903</u>	<u>294,980</u>	<u>419,321</u>

2. Detail disclosure on inventories are as below:-

Year/Period ended	30/9/2006 RM	30/9/2007 RM	30/9/2008 RM	30/6/2009 RM
Finished goods	136,788	137,575	227,678	253,126
Cost of sales	<u>1,198,357</u>	<u>1,349,370</u>	<u>1,731,393</u>	<u>1,378,303</u>
Inventories' turnover period (month) #	1.89	1.22	1.27	1.57 ^

# Based on average inventories balances

^ Annualised

3. Detail disclosure on trade receivables are as below:-

Year/Period ended	30/9/2006 RM	30/9/2007 RM	30/9/2008 RM	30/6/2009 RM
Trade receivables				
- Companies in which Directors have interest*	1,856	10,150	387,940	74,662
- Others	334,426	919,570	825,243	1,133,571
Total	336,282	929,720	1,213,183	1,208,233
Less: Allowance for doubtful debts	<u>(112,342)</u>	<u>(118,598)</u>	<u>(118,239)</u>	<u>(53,595)</u>
Total net trade receivables	<u>223,940</u>	<u>811,122</u>	<u>1,094,944</u>	<u>1,154,638</u>

## 14 ACCOUNTANTS' REPORT (Cont'd)



## 6. HISTORICAL FINANCIAL INFORMATION (CONT'D)

## (b) Summarised balance sheets (cont'd)

## (v) DSCM (CONT'D)

Notes (cont'd):-

## 3. Detail disclosure on trade receivables are as below (cont'd):-

Year/Period ended	30/9/2006 RM	30/9/2007 RM	30/9/2008 RM	30/6/2009 RM
Revenue	1,635,091	1,992,540	2,742,376	2,351,929
Trade receivables' turnover period (month) #	3.06	3.12	4.17	4.30^

# Based on average trade receivables balances

^ Annualised

\* The companies in which Directors have interest will become the holding and related company upon completion of Acquisitions of Subsidiary Companies as disclosed in Note 2.1.1.

Ageing analysis of trade receivables as at 30 June 2009:-

No. of days	Within credit period			Exceeding credit period of 90 days			Total RM
	0-30 days	31-60 days	61-90 days	91-180 days	181-365 days	More 365 days	
Trade receivable							
- Companies in which Directors have interest	-	-	11,928	59,197	-	3,537	74,662
- Others	510,422	99,180	23,349	47,195	200,000	253,425	1,133,571
Total	510,422	99,180	35,277	106,392	200,000	256,962	1,208,233
Less: Allowance for doubtful debt	-	-	-	-	-	(53,595)	(53,595)
Total	510,422	99,180	35,277	106,392	200,000	203,367	1,154,638
% of trade receivables	44.21	8.59	3.06	9.21	17.32	17.61	100.00

## 4. Detail disclosure on other receivables are as below:-

Year/Period ended	30/9/2006 RM	30/9/2007 RM	30/9/2008 RM	30/6/2009 RM
Non-trade receivables	910	-	-	45,135
Deposits	10,450	8,550	9,006	8,950
Prepayments	-	64,966	-	-
Amount due from companies in which Directors have interest *	137,041	290,663	621,291	-
	148,401	364,179	630,297	54,085



## 6. HISTORICAL FINANCIAL INFORMATION (CONT'D)

## (b) Summarised balance sheets (cont'd)

## (v) DSCM (CONT'D)

Notes (cont'd):-

## 4. Detail disclosure on other receivables are as below (cont'd):-

Amount due from companies which Directors have interest is unsecured, bears no interest and no scheme of repayment have been arrange.

\* The companies in which Directors have interest will become the holding and related company upon completion of Acquisitions of Subsidiary Companies as disclosed in Note 2.1.1.

## 5. Detail disclosure on amount due from a Director are as below:-

Amount due from a Director is unsecured, bears no interest and no scheme of repayment have been arrange.

## 6. Detail disclosure on fixed deposits with licensed bank are as below:-

Year/Period ended	30/9/2006 RM	30/9/2007 RM	30/9/2008 RM	30/6/2009 RM
Fixed deposits with licensed bank	100,000	100,000	107,851	207,851

The fixed deposits amounted to 30.9.2006 (RM100,000); 30.9.2007 (RM100,000), 30.9.2008 (RM107,851) and 30.6.2009 (RM107,851) were pledged to a bank for banking facilities granted to the Company.

## 7. Details disclosure on trade payables are as below:-

Year/Period ended	30/9/2006 RM	30/9/2007 RM	30/9/2008 RM	30/6/2009 RM
Trade payables				
- Companies in which Directors have interest*	611,126	935,416	1,476,549	810,111
- Others	20,881	55,023	98,491	64,725
Total	632,007	990,439	1,575,040	874,836
Cost of sales	1,198,357	1,349,370	1,731,393	1,378,303
Trade payables' turnover period (month) #	7.06	7.21	8.89	10.66^

# Based on average trade payables balances

^ Annualised

\* The companies in which Directors have interest will become the related company upon completion of Acquisitions of Subsidiary Companies as disclosed in Note 2.1.1.



## 6. HISTORICAL FINANCIAL INFORMATION (CONT'D)

## (b) Summarised balance sheets (cont'd)

## (v) DSCM (CONT'D)

Notes (cont'd):-

## 7. Details disclosure on trade payables are as below (cont'd):-

Ageing analysis of trade payables as at 30 June 2009:-

No. of days	Within credit period			Exceeding credit period of 90 days			Total RM
	0-30 days	31-60 days	61-90 days	91-180 days	181-365 days	More than 365 days	
Trade payables							
- Companies in which Directors have interest*	79,472	127,875	73,428	189,794	39,450	300,092	810,111
- Others	14,180	18,722	12,463	-	19,360	-	64,725
Total	93,652	146,597	85,891	189,794	58,810	300,092	874,836
% of trade payables	10.71	16.76	9.82	21.69	6.72	34.30	100.00

## 8. Detail disclosure on other payables are as below:-

Year/Period ended	30/9/2006 RM	30/9/2007 RM	30/9/2008 RM	30/6/2009 RM
Accruals of expenses	19,195	25,581	48,894	14,668
Non-trade payables	2,868	22,987	25,286	9,694
Amount due to companies in which Directors have interest *	88,939	308,942	399,952	424,984
	111,002	357,510	474,132	449,346

Accruals of expenses were made up of accruals of employee benefits, commission and others.

Amount due to companies in which Directors have interest is unsecured, bear no interest and no scheme of repayment has been arranged.

\* The companies in which Directors have interest will become the related company upon completion of Acquisitions of Subsidiary Companies as disclosed in Note 2.1.1.

## 9. Detail disclosure on borrowings is as follows:-

Year/Period ended	30/9/2006 RM	30/9/2007 RM	30/9/2008 RM	30/6/2009 RM
Secured:-				
Bank overdrafts	-	219,787	187,846	174,175
Bills payable	-	-	-	155,005
	-	219,787	187,846	329,180

The above facilities are secured by fixed deposits with a licensed bank, joint and several guarantee by the Directors of the Company and 100% guarantee by Credit Guarantee Corporation Malaysia Berhad (CGC) under Direct Access Guarantee Scheme (DAGS).



## 6. HISTORICAL FINANCIAL INFORMATION (CONT'D)

## (c) Cash flow statements

## (i) DSC

The following sets out the summary of cash flows prepared based on the audited financial statements of DSC for the past (one) 1 FPE 30 September 2006, past two (2) FYE 30 September 2007 to 2008 and the FPE 30 June 2009:-

Period/Year ended	FPE 30/9/2006 RM	FYE 30/9/2007 RM	FYE 30/9/2008 RM	FPE 30/6/2009 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before taxation	298,758	788,264	1,823,961	1,541,573
Adjustment for:-				
Amortisation of development cost	33,107	146,441	285,990	248,351
Operating profit before working capital changes	331,865	934,705	2,109,951	1,789,924
Changes in working capital:-				
Receivable	(380,289)	(971,880)	(2,411,709)	(347,573)
Payables	147,746	488,390	639,320	(1,207,656)
Cash from operating activities	99,322	451,215	337,562	234,695
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>				
Payment for development costs	(99,322)	(406,215)	(379,126)	(234,757)
Net cash used in investing activity	(99,322)	(406,215)	(379,126)	(234,757)
<b>CASH FLOW FROM FINANCING ACTIVITY</b>				
Proceeds from issuance of shares	2	-	-	-
Net cash from financing activity	2	-	-	-
<b>CASH AND CASH EQUIVALENTS</b>				
Net increase/(decrease)	2	45,000	(41,564)	(62)
Brought forward	-	2	45,002	3,438
Carried forward	2	45,002	3,438	3,376



## 6. HISTORICAL FINANCIAL INFORMATION (CONT'D)

## (c) Cash flow statements (cont'd)

## (ii) DIGITAL Group

The following sets out the summary of cash flows prepared based on the audited financial statements of DIGITAL Group for the FPE 30 June 2009 only as DIGITAL Group was only in existence beginning this period:-

Period ended	FPE 30/6/2009 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Profit before taxation	189,626
<b>Adjustments for:-</b>	
Allowance for slow moving inventories	54,293
Bad debts written off	24,811
Property, plant and equipment written off	14,527
Depreciation	523,476
Interest expenses	80,926
Interest income	(3,446)
Allowance for slow moving inventories no longer required	(38,371)
Allowance for doubtful debts no longer required	(24,811)
Gain on disposal of property, plant and equipment	(11,333)
Operating profit before working capital changes	809,698
Inventories	(223,411)
Payables	647,105
Receivables	(424,210)
Holding company	(17,361)
Bill payable	(2,174)
Cash generated from operations	789,647
Tax paid	(47,338)
Interest paid	(80,926)
Interest received	3,446
Net cash from operating activities	664,829
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchase of property, plant and equipment	(942,192)
Proceeds from disposal of property, plant and equipment	81,600
Net cash used in investing activities	(860,592)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Drawdown of term loan	633,972
Repayment of finance creditors	(13,827)
Net cash from financing activities	620,145





## 6. HISTORICAL FINANCIAL INFORMATION (CONT'D)

## (c) Cash flow statements (cont'd)

## (ii) DIGITAL Group (cont'd)

The following sets out the summary of cash flows prepared based on the audited financial statements of DIGITAL Group for the FPE 30 June 2009 (cont'd):-

Period ended	FPE 30/6/2009 RM
<b>CASH AND CASH EQUIVALENTS</b>	
Net increase	424,382
Cash and cash equivalents brought forward	139,623
	<hr/>
Carried forward	564,005
	<hr/>

**NOTE TO THE CASH FLOW STATEMENT****CASH AND CASH EQUIVALENTS**

Cash and cash equivalents included in the cash flow statements comprise the following balance sheets items:-

Period ended	30/6/2009 RM
Fixed deposits	316,572
Cash and bank balances	247,433
	<hr/>
	564,005
	<hr/>



## 6. HISTORICAL FINANCIAL INFORMATION (CONT'D)

## (c) Cash flow statements (cont'd)

## (iii) DIGITAL

The following sets out the summary of cash flows prepared based on the audited financial statements of DIGITAL for the past three (3) FYE 30 September 2006 to 2008 and the FPE 30 June 2009:-

Year/Period ended	FYE 30/9/2006 RM	FYE 30/9/2007 RM	FYE 30/9/2008 RM	FPE 30/6/2009 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before taxation	1,381,251	804,298	756,401	250,596
<b>Adjustments for:-</b>				
Allowance for slow moving inventories	12,625	-	14,239	54,293
Allowance for doubtful debts	33,865	6,249	28,835	-
Bad debts written off	8,015	517	-	24,811
Property, plant and equipment written off	-	-	345	14,527
Depreciation	56,932	60,863	320,054	523,476
Inventories written off	-	-	4,814	-
Interest expenses	146,188	94,491	139,829	80,926
Interest income	(7,105)	(2,484)	(5,870)	(3,446)
Allowance for slow moving inventories no longer required	(167,300)	-	(22,561)	(38,371)
Allowance for doubtful debts no longer required	-	-	(2,686)	(24,811)
Bad debts written back	-	(33,863)	-	-
Gain on disposal of property, plant and equipment	-	-	-	(11,333)
Operating profit before working capital changes	1,464,471	930,071	1,233,400	870,668
Inventories	(311,503)	443,790	(142,366)	(223,411)
Director	(303,586)	280,722	993,300	-
Payables	1,163,223	276,628	1,727,246	647,112
Related company	1,246,379	(1,055,833)	1,230,588	-
Subsidiary company	-	-	-	(53,050)
Receivables	(1,933,983)	(970,430)	(1,084,881)	(424,210)
Secured creditor	(165,816)	(61,815)	-	-
Holding company	28,267	(20,010)	901,301	(17,361)
Bill payable	(916,299)	389,392	69,216	(2,174)
Cash generated from operations	271,153	212,515	4,927,804	797,574
Dividend paid	-	-	(1,288,471)	-
Tax paid	(17,298)	(45,724)	(332,357)	(47,338)
Interest paid	(146,188)	(94,491)	(139,829)	(80,926)
Interest received	7,105	2,484	5,870	3,446
Net cash from operating activities	114,772	74,784	3,173,017	672,756

**14 ACCOUNTANTS' REPORT (Cont'd)****6. HISTORICAL FINANCIAL INFORMATION (CONT'D)****(c) Cash flow statements (cont'd)****(iii) DIGITAL (cont'd)**

Year/Period ended	FYE 30/9/2006 RM	FYE 30/9/2007 RM	FYE 30/9/2008 RM	FPE 30/6/2009 RM
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of property, plant and equipment	(27,616)	(233,151)	(1,029,151)	(942,199)
Proceeds from disposal of property, plant and equipment	-	-	-	81,600
Purchase of intellectual property	-	-	(4,320,000)	-
Investment in a subsidiary company	-	-	-	(54,000)
Net cash used in investing activities	(27,616)	(233,151)	(5,349,151)	(914,599)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from issuance of new shares	-	-	2,012,988	-
Repayment of term loan	(58,618)	(327,021)	(263,738)	-
Drawdown of term loan	-	989,000	-	633,972
Repayment of finance creditors	(10,688)	(5,223)	(12,845)	(13,827)
Net cash from/(used in) financing activities	(69,306)	656,756	1,736,405	620,145
Effect of exchange rate changes on cash and cash equivalents	-	-	294,733	-
<b>CASH AND CASH EQUIVALENTS</b>				
Net increase/(decrease)	17,850	498,389	(144,996)	378,302
Cash and cash equivalents brought forward:-				
As previously stated	(243,480)	(225,630)	272,759	139,623
Effect of exchange rate changes	-	-	11,860	-
As restated	(243,480)	(225,630)	284,619	139,623
Carried forward	(225,630)	272,759	139,623	517,925

**NOTE TO THE CASH FLOW STATEMENTS****CASH AND CASH EQUIVALENTS**

Cash and cash equivalents included in the cash flow statements comprise the following balance sheets items:-

Year/Period ended	FYE 30/9/2006	FYE 30/9/2007	FYE 30/9/2008	FPE 30/6/2009
Fixed deposits	289,485	294,752	313,126	316,572
Overdraft	(525,145)	(447,884)	(277,932)	-
Cash and bank balances	10,030	425,891	104,429	201,353
	(225,630)	272,759	139,623	517,925



## 6. HISTORICAL FINANCIAL INFORMATION (CONT'D)

## (c) Cash flow statements

## (iv) DIGITAL(SZ)

The following sets out the summary of cash flows prepared based on the audited financial statements of DIGITAL(SZ) for the FPE 30 June 2009 since incorporation:-

Period ended	FPE 30/6/2009 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Loss before taxation	(60,970)
Adjustment for:-	
Interest income	(12)
Operating loss before working capital changes	(60,982)
Changes in working capital:-	
Holding company	53,050
Cash used in operations	(7,932)
Interest received	12
Net cash used in operating activity	(7,920)
<b>CASH FLOW FROM FINANCING ACTIVITY</b>	
Issuance of share capital	54,000
Net cash from financing activity	54,000
<b>CASH AND CASH EQUIVALENTS</b>	
Net increase/Carried forward	46,080

## 14 ACCOUNTANTS' REPORT (Cont'd)



## 6. HISTORICAL FINANCIAL INFORMATION (CONT'D)

## (c) Cash flow statements (cont'd)

## (v) DSCM

The following table sets out the summary of cash flows prepared based on the audited financial statements of DSCM for the past three (3) FYE 30 September 2006 to 2008 and the FPE 30 June 2009:-

Year/Period ended	FYE 30/9/2006 RM	FYE 30/9/2007 RM	FYE 30/9/2008 RM	FPE 30/6/2009 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit/(Loss) before taxation	(120,633)	76,862	63,993	297,396
<b>Adjustments for:-</b>				
Allowance for doubtful debts	112,342	7,256	3,806	24,323
Allowance for slow moving inventories	7,283	29,430	-	-
Bad debts written off	-	-	-	70,644
Depreciation	21,629	34,595	53,669	131,189
Interest expense	-	14,460	12,921	8,553
Allowance for doubtful debts no longer required	-	(1,000)	(4,165)	(88,967)
Interest income	-	-	(7,851)	-
Operating profit before working capital changes	20,621	161,603	122,373	443,138
<b>Changes in working capital:-</b>				
Inventories	84,487	(42,896)	(90,103)	(25,448)
Director	(37,744)	(39,255)	118,775	65,487
Payables	(49,749)	604,940	701,223	(724,990)
Receivables	129,705	(809,216)	(549,581)	510,518
Bills payable	-	-	-	155,005
Cash generated from/(used in) operations	147,320	(124,824)	302,687	423,710
Interest received	-	-	7,851	-
Tax paid	-	-	(37,006)	(34,500)
Interest paid	-	(14,460)	(12,921)	(8,553)
Net cash (used in)/from operating activities	147,320	(139,284)	260,611	380,657
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>				
Purchase of property, plant and equipment	(68,997)	(32,333)	(252,746)	(255,530)
Net cash used in investing activity	(68,997)	(32,333)	(252,746)	(255,530)
<b>CASH AND CASH EQUIVALENTS</b>				
Net increase/(decrease)	78,323	(171,617)	7,865	125,127
Brought forward	31,527	109,850	(61,767)	(53,902)
Carried forward	109,850	(61,767)	(53,902)	71,225

**14 ACCOUNTANTS' REPORT (Cont'd)****6. HISTORICAL FINANCIAL INFORMATION (CONT'D)****(c) Cash flow statements (cont'd)****(v) DSCM (CONT'D)****NOTE TO THE CASH FLOW STATEMENTS****CASH AND CASH EQUIVALENTS**

Cash and cash equivalents included in the cash flow statements comprise the following balance sheets items:-

Year/Period ended	FYE 30/9/2006 RM	FYE 30/9/2007 RM	FYE 30/9/2008 RM	FPE 30/6/2009 RM
Overdraft	-	(219,787)	(187,846)	(174,175)
Cash and bank balances	9,850	58,020	26,093	37,549
Fixed deposits with a licensed bank	100,000	100,000	107,851	207,851
	109,850	(61,767)	(53,902)	71,225

**(d) Statements of changes in equity****(i) DSC**

The following table sets out the summary of changes in equity prepared based on the audited financial statements of DSC for the past one (1) FPE 30 September 2006, past two (2) FYE 30 September 2007 to 2008 and the FPE 30 June 2009.

	Share capital RM	Distributable Unappropriated profit RM	Total RM
At 19 January 2006 (date of incorporation)	2	-	2
Profit for the financial period	-	298,758	298,758
At 30 September 2006	2	298,758	298,760
Profit for the financial year	-	788,264	788,264
At 30 September 2007	2	1,087,022	1,087,024
Profit for the financial year	-	1,823,961	1,823,961
At 30 September 2008	2	2,910,983	2,910,985
Profit for the financial period	-	1,541,573	1,541,573
At 30 June 2009	2	4,452,556	4,452,558



## 6. HISTORICAL FINANCIAL INFORMATION (CONT'D)

## (d) Statements of changes in equity (cont'd)

## (ii) DIGITAL Group

The following table sets out the summary of changes in equity prepared based on the audited financial statements of DIGITAL Group for the FPE 30 June 2009 only as DIGITAL Group was only in existence beginning this period.

	Share capital RM	Currency fluctuation reserve RM	Distributable ↔ Unappropriated profit RM	Total RM
At 1 October 2008	2,472,988	89,930	1,608,388	4,171,306
Profit for the financial period	-	-	100,435	100,435
At 30 June 2009	<u>2,472,988</u>	<u>89,930</u>	<u>1,708,823</u>	<u>4,271,741</u>

## (iii) DIGITAL

The following table sets out the summary of changes in equity prepared based on the audited financial statements of DIGITAL for the past three (3) FYE 30 September 2006 to 2008 and the FPE 30 June 2009.

	Share capital RM	Currency fluctuation reserve RM	Distributable ↔ Unappropriated profit RM	Total RM
At 1 October 2005	460,000	-	663,323	1,123,323
Profit for the financial year	-	-	1,121,351	1,121,351
At 30 September 2006	460,000	-	1,784,674	2,244,674
Interim dividend of \$0.842500 per share less tax at 18% and exempt one-tier dividend of \$1.460465 per share	-	-	(1,234,785)	(1,234,785)
Profit for the financial year	-	-	718,048	718,048
At 30 September 2007	460,000	-	1,267,937	1,727,937

**14 ACCOUNTANTS' REPORT (Cont'd)****6. HISTORICAL FINANCIAL INFORMATION (CONT'D)****(d) Statements of changes in equity (cont'd)****(iii) DIGITAL (CONT'D)**

	<u>Share capital</u> RM	<u>Currency fluctuation reserve</u> RM	<u>Distributable</u> ↔ <u>Unappropriated profit</u> RM	<u>Total</u> RM
Issuance of share capital	2,012,988	-	-	2,012,988
Translation difference relating to foreign currency financial statements recognised directly in equity	-	89,930	-	89,930
Interim dividend one-tier dividend of \$0.1444050 per share	-	-	(345,000)	(345,000)
Profit for the financial year	-	-	685,451	685,451
At 30 September 2008	2,472,988	89,930	1,608,388	4,171,306
Profit for the financial period	-	-	161,405	161,405
At 30 June 2009	2,472,988	89,930	1,769,793	4,332,711

**(iv) DIGITAL (SZ)**

The following table sets out the summary of changes in equity prepared based on the audited financial statements of DIGITAL (SZ) for the FPE 30 June 2009 since incorporation.

	<u>Share capital</u> RM	<u>Distributable</u> ↔ <u>Accumulated loss</u> RM	<u>Total</u> RM
At date of incorporation	-	-	-
Issued during the financial period	54,000	-	54,000
Loss for the financial period	-	(60,970)	(60,970)
At 30 June 2009	54,000	(60,970)	(6,970)





## 6. HISTORICAL FINANCIAL INFORMATION (CONT'D)

## (d) Statements of changes in equity (cont'd)

## (v) DSCM

The following table sets out the summary of changes in equity prepared based on the audited financial statements of DSCM for the past three (3) FYE 30 September 2006 to 2008 and the FPE 30 June 2009.

	Share capital RM	Distributable ↔ (Accumulated loss)/ Unappropriated profit RM	Total RM
At 1 October 2005	100,000	96,359	196,359
Issuance of bonus shares during the financial year	100,000	(100,000)	-
Loss for the financial year	-	(120,633)	(120,633)
At 30 September 2006	200,000	(124,274)	75,726
Profit for the financial year	-	73,862	73,862
At 30 September 2007	200,000	(50,412)	149,588
Profit for the financial year	-	42,224	42,224
At 30 September 2008	200,000	(8,188)	191,812
Profit for the financial period	-	214,996	214,996
At 30 June 2009	200,000	206,808	406,808

## 7. SIGNIFICANT EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

There were no significant events subsequent to the balance sheet date other than the Flotation Exercise as mentioned in Note 2.1.1.



8. **AUDITED FINANCIAL STATEMENTS**

No audited financial statements have been prepared in respect of any period subsequent to 30 June 2009.

Yours faithfully,

A handwritten signature in black ink, appearing to read "SJ Grant Thornton".

**SJ GRANT THORNTON**  
Firm Number: AF 0737  
Chartered Accountants

A handwritten signature in black ink, appearing to read "Tan Chee Beng".

**TAN CHEE BENG**  
Approval Number: 2664/02/11 (J)  
Partner of the Firm



**INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF**

**DSC SOLUTIONS BERHAD**  
(Incorporated in Malaysia)  
Company No: 721605 K

**SJ Grant Thornton** (AF:0737)  
Level 11, Faber Imperial Court  
Jalan Sultan Ismail,  
P. O. Box 12337  
50774 Kuala Lumpur, Malaysia  
T +6 (03) 2692 4022  
F +6 (03) 2691 5229  
[www.gt.com.my](http://www.gt.com.my)

We have audited the financial statements set out on pages 4 to 22 of DSC Solutions Berhad.

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 and for no other purpose. We do not assume responsibility towards any other person for the content 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 all the information and explanations, which we consider necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of 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, the financial statements are properly drawn up in accordance with Financial Reporting Standards in Malaysia so as to give a true and fair view of the financial position of the Company as at 30 June 2009 and of its financial performance and cash flows of the Company for the financial period from 1 October 2008 to 30 June 2009.

A handwritten signature in black ink, appearing to be "SJ Grant Thornton", written over a horizontal line.

**SJ GRANT THORNTON**  
(NO. AF: 0737)  
CHARTERED ACCOUNTANTS

Kuala Lumpur  
26 October 2009



## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

### DSC SOLUTIONS BERHAD

(Incorporated in Malaysia)

Company No: 721605 K

**SJ Grant Thornton** (AF:0737)

Level 11, Faber Imperial Court

Jalan Sultan Ismail,

P. O. Box 12337

50774 Kuala Lumpur, Malaysia

T +6 (03) 2692 4022

F +6 (03) 2691 5229

[www.gt.com.my](http://www.gt.com.my)

#### Report on the Financial Statements

We have audited the financial statements of DSC Solutions Berhad, which comprise the balance sheet as at 30 September 2008, and the income statement, statement of changes in equity and cash flow statement for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 10 to 26.

#### *Directors' Responsibilities for the Financial Statements*

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

#### *Auditors' Responsibilities*

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

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

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



**Company No: 721605 K**

**Report on the Financial Statements (cont'd)**

*Opinion*

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 30 September 2008 and of its financial performance and cash flows for the financial year then ended.


**Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that in our opinion the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

**Other Matters**

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

  
SJ GRANT THORNTON  
(NO. AF: 0737)  
CHARTERED ACCOUNTANTS

  
DATO' N. K. JASANI  
CHARTERED ACCOUNTANT  
(NO: 708/03/10(J/PH))

Kuala Lumpur  
28 May 2009

Chartered Accountants

**Company No: 721605 K**

**REPORT OF THE AUDITORS TO THE MEMBERS OF**

**DSC SOLUTIONS BERHAD**  
**(formerly known as Intelek Sekutu Sdn. Bhd.)**  
**(Incorporated in Malaysia)**

We have audited the financial statements as set out on pages 10 to 24 of DSC Solutions Berhad (formerly known as Intelek Sekutu Sdn. Bhd.).

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 content of this report.


We conducted our audit in accordance with applicable Approved Standards on Auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations, which we consider necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of 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 financial statements have been properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable MASB Approved Accounting Standards in Malaysia for Entities Other Than Private Entities so as to give a true and fair view of:-
- (i) the state of affairs of the Company as at 30 September 2007 and of the results and cash flows of the Company for the financial year ended on that date; and
  - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company;

**SJ Grant Thornton** (AF:0737)  
Level 11, Faber Imperial Court  
Jalan Sultan Ismail, P. O. Box 12337  
50774 Kuala Lumpur, Malaysia  
T (603) 2692 4022  
F (603) 2691 5229  
E [sjgt@gt.com.my](mailto:sjgt@gt.com.my)  
W [www.gt.com.my](http://www.gt.com.my)

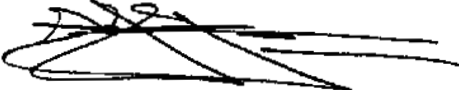
Appendix I (5/7)


SJ Grant Thornton 

**Company No: 721605 K**

and

- a) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.

  
SJ GRANT THORNTON  
(NO. AF: 0737)  
CHARTERED ACCOUNTANTS

  
DATO' N.K. JASANI  
CHARTERED ACCOUNTANT  
(NO: 708/03/10(J/PH))  
PARTNER

Kuala Lumpur  
21 May 2008

Chartered Accountants

**Company No: 721605 K**

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
INTELEK SEKUTU SDN. BHD.  
(Incorporated in Malaysia)**

We have audited the financial statements set out on pages 10 to 23 of Intelek Sekutu Sdn. Bhd..

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 content of this report.

We conducted our audit in accordance with applicable Approved Standards on Auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations, which we consider necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of 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 financial statements have been properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable MASB Approved Accounting Standards in Malaysia for Entities Other Than Private Entities so as to give a true and fair view of:-
- (i) the state of affairs of the Company as at 30 September 2006 and of the results and cash flows of the Company for the financial period ended on that date; and
  - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company;




---

14 ACCOUNTANTS' REPORT (Cont'd)

---

Appendix I (7/7)

SJ Grant Thornton 

**Company No: 721605 K**

and

- a) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.



SHAMSIR JASANI GRANT THORNTON  
(NO. AF: 0737)  
CHARTERED ACCOUNTANTS



DATO' N.K. JASANI  
CHARTERED ACCOUNTANT  
(NO: 708/03/08(J/PH))  
PARTNER

Kuala Lumpur  
12 December 2007



**REPORT OF THE AUDITORS TO THE DIRECTORS OF  
DIGITAL SCANNING CORPORATION PTE. LTD.**

(Incorporated in the Republic of Singapore)  
Company No: 199306815 R

**SJ Grant Thornton** (AF:0737)  
Level 11, Faber Imperial Court  
Jalan Sultan Ismail,  
P. O. Box 12337  
50774 Kuala Lumpur, Malaysia  
T +6 (03) 2692 4022  
F +6 (03) 2691 5229  
[www.gt.com.my](http://www.gt.com.my)


We have audited the financial statements set out on pages 4 to 36 of Digital Scanning Corporation Pte. Ltd..

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 and for no other purpose. We do not assume responsibility towards any other person for the content 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 all the information and explanations, which we consider necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of 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, the financial statements are properly drawn up in accordance with Financial Reporting Standards in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2009 and of its financial performance and cash flows of the Group and of the Company for the financial period from 1 October 2008 to 30 June 2009.

  
SJ GRANT THORNTON  
(NO. AF: 0737)  
CHARTERED ACCOUNTANTS

Kuala Lumpur  
26 October 2009

## Independent auditor's report to the members of Digital Scanning Corporation Pte Ltd

We have audited the accompanying financial statements of Digital Scanning Corporation Pte Ltd, which comprise the balance sheet as at 30 September 2008, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes:

- (a) devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss account and balance sheet and to maintain accountability of assets;
- (b) selecting and applying appropriate accounting policies; and
- (c) making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

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

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

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

## Independent auditor's report to the members of Digital Scanning Corporation Pte Ltd (Cont'd)

### Opinion

In our opinion:

- (a) the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the company as at 30 September 2008 and the results, changes in equity and cash flows of the company for the year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the company have been properly kept in accordance with the provisions of the Act.



Foo Kon Tan Grant Thornton  
Public Accountants and  
Certified Public Accountants

Singapore, 25 SEP 2009

## Independent auditors' report to the members of Digital Scanning Corporation Pte Ltd

We have audited the accompanying financial statements of Digital Scanning Corporation Pte Ltd, which comprise the balance sheet as at 30 September 2007, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes:

- (a) devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss account and balance sheet and to maintain accountability of assets;
- (b) selecting and applying appropriate accounting policies; and
- (c) making accounting estimates that are reasonable in the circumstances.

### Auditors' Responsibility

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

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


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

## Independent auditors' report to the members of Digital Scanning Corporation Pte Ltd (Cont'd)

### Opinion

In our opinion:

- (a) the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the company as at 30 September 2007 and the results, changes in equity and cash flows of the company for the year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the company have been properly kept in accordance with the provisions of the Act.

  
Foo Kon Tan Grant Thornton  
Certified Public Accountants

Singapore, 30 JUL 2008

## Auditors' report to the members of Digital Scanning Corporation Pte Ltd

We have audited the accompanying financial statements of Digital Scanning Corporation Pte Ltd, which comprise the balance sheet as at 30 September 2006, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditors' Responsibility

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

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

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


## Auditors' report to the members of Digital Scanning Corporation Pte Ltd (Cont'd)

### Opinion

In our opinion:

- (a) the financial statements are properly drawn up in accordance with the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the company as at 30 September 2006 and the results, changes in equity and cash flows of the company for the year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the company have been properly kept in accordance with the provisions of the Act.

The financial statements of the company for the financial year ended 30 September 2005 were audited by other auditors whose report dated 5 March 2007 expressed an unqualified opinion on those financial statements.

  
Foo Kon Tan Grant Thornton  
Certified Public Accountants

Singapore, 13 AUG 2007





**INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF**

**DSC SYSTEMS (M) SDN. BHD.**

(Incorporated in Malaysia)

Company No: 413444 X

**SJ Grant Thornton** (AF:0737)

Level 11, Faber Imperial Court

Jalan Sultan Ismail,

P. O. Box 12337

50774 Kuala Lumpur, Malaysia

T +6 (03) 2692 4022

F +6 (03) 2691 5229

[www.gt.com.my](http://www.gt.com.my)

We have audited the financial statements set out on pages 4 to 29 of DSC Systems (M) Sdn. Bhd..

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 and for no other purpose. We do not assume responsibility towards any other person for the content 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 all the information and explanations, which we consider necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of 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, the financial statements are properly drawn up in accordance with Financial Reporting Standards in Malaysia so as to give a true and fair view of the financial position of the Company as at 30 June 2009 and of its financial performance and cash flows of the Company for the financial period from 1 October 2008 to 30 June 2009.

A handwritten signature in black ink, appearing to be "SJ Grant Thornton", written over a horizontal line.

**SJ GRANT THORNTON**

(NO. AF: 0737)

**CHARTERED ACCOUNTANTS**

Kuala Lumpur  
26 October 2009



## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

### DSC SYSTEMS (M) SDN. BHD.

(Incorporated in Malaysia)

Company No: 413444 X

**SJ Grant Thornton** (AF-07)

Level 11, Faber Imperial Court

Jalan Sultan Ismail,

P. O. Box 12337

50774 Kuala Lumpur, Malaysia

T +6 (03) 2692 4022

F +6 (03) 2691 5229

[www.gt.com.my](http://www.gt.com.my)

#### Report on the Financial Statements

We have audited the financial statements of DSC Systems (M) Sdn. Bhd., which comprise the balance sheet as at 30 September 2008, and the income statement, statement of changes in equity and cash flow statement for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 10 to 30.

#### *Directors' Responsibilities for the Financial Statements*

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

#### *Auditors' Responsibilities*

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

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

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



**Company No: 413444 X**

**Report on the Financial Statements (cont'd)**

*Opinion*

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 30 September 2008 and of its financial performance and cash flows for the financial year then ended.

**Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that in our opinion the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

**Other Matters**

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

A handwritten signature in black ink, appearing to read "SJ Grant Thornton", written over a horizontal line.

SJ GRANT THORNTON  
(NO. AF: 0737)  
CHARTERED ACCOUNTANTS

A handwritten signature in black ink, appearing to read "Dato N. K. Jasani", written over a horizontal line.

DATO N. K. JASANI  
CHARTERED ACCOUNTANT  
(NO: 708/03/10(J/PH))

Kuala Lumpur  
28 May 2009

**Chartered Accountants**

**Company No: 413444 X**

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
DSC SYSTEMS (M) SDN. BHD.  
(Incorporated in Malaysia)**

We have audited the financial statements as set out on pages 10 to 29 of DSC Systems (M) Sdn. Bhd..

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 content 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 all the information and explanations, which we consider necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of 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 financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable MASB Approved Accounting Standards in Malaysia for Entities Other Than Private Entities so as to give a true and fair view of:-
- (i) the state of affairs of the Company as at 30 September 2007 and of the results and cash flows of the Company for the financial year ended on that date; and
  - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company;

---

14 ACCOUNTANTS' REPORT (Cont'd)

---

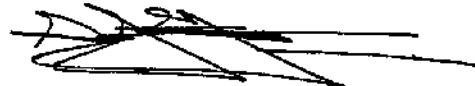
Appendix III (5/7)

SJ Grant Thornton 

Company No: 413444 X

and

- b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.



SJ GRANT THORNTON  
(NO. AF : 0737)  
CHARTERED ACCOUNTANTS



DATO' N.K. JASANI  
CHARTERED ACCOUNTANT  
(NO: 708/03/10(J/PH))  
PARTNER

Kuala Lumpur  
21 May 2008

## Shamsir Jasani Grant Thornton

Chartered Accountants

Company No: 413444 X

### REPORT OF THE AUDITORS TO THE MEMBERS OF DSC SYSTEMS (M) SDN. BHD. (Incorporated in Malaysia)

We have audited the financial statements set out on pages 10 to 28 of DSC Systems (M) Sdn. Bhd..

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 content 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 all the information and explanations, which we consider necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of 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 financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable MASB Approved Accounting Standards in Malaysia for Entities Other Than Private Entities so as to give a true and fair view of:-
  - (i) the state of affairs of the Company as at 30 September 2006 and of the results and cash flows of the Company for the financial year ended on that date; and
  - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company;

**Shamsir Jasani Grant Thornton** (AF0737)

Level 11, Faber Imperial Court  
Jalan Sultan Ismail, P. O. Box 12337  
50774 Kuala Lumpur, Malaysia  
T (603) 2692 4022  
F (603) 2691 5229  
E [sjgt@gt.com.my](mailto:sjgt@gt.com.my)  
W [www.gt.com.my](http://www.gt.com.my)

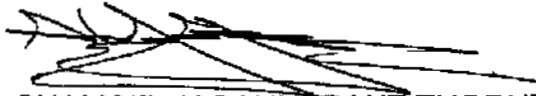
Shamsir Jasani Grant Thornton 

Company No: 413444 X

and

- b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.

The financial statements of the Company as at 30 September 2005 was audited by another auditor whose report dated 16 February 2006 expressed an unqualified opinion on those financial statements.

  
SHAMSIR JASANI GRANT THORNTON  
(NO. AF : 0737)  
CHARTERED ACCOUNTANTS

  
DATO' N.K. JASANI  
CHARTERED ACCOUNTANT  
(NO: 708/03/08(J/PH))  
PARTNER

Kuala Lumpur  
15 August 2007



**REPORT OF THE AUDITORS TO THE DIRECTOR OF**  
**DIGITAL SCANNING CORPORATION (SUZHOU) CO., LTD**  
(Incorporated in The People's Republic of China)  
Company No: 320594400023151

**SJ Grant Thornton** (AF:0737)  
Level 11, Faber Imperial Court  
Jalan Sultan Ismail,  
P. O. Box 12337  
50774 Kuala Lumpur, Malaysia  
T +6 (03) 2692 4022  
F +6 (03) 2691 5229  
www.gt.com.my

We have audited the financial statements set out on pages 4 to 16 of Digital Scanning Corporation (Suzhou) Co., Ltd.

These financial statements are the responsibility of the Company's Director.

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 and for no other purpose. We do not assume responsibility towards any other person for the content 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 all the information and explanations, which we consider necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit includes an assessment of 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, the financial statements are properly drawn up in accordance with Financial Reporting Standards in Malaysia so as to give a true and fair view of the financial position of the Company as at 30 June 2009 and of its financial performance and cash flows of the Company for the financial period from 14 July 2008 to 30 June 2009.

A handwritten signature in black ink, appearing to be "SJ Grant Thornton", written over a horizontal line.

**SJ GRANT THORNTON**  
(NO. AF: 0737)  
**CHARTERED ACCOUNTANTS**

Kuala Lumpur  
26 October 2009



---

**15 PROFORMA FINANCIAL INFORMATION OF DSC AND REPORTING ACCOUNTANTS' LETTER THEREON**  
(Prepared for the inclusion in this Prospectus)

---

**DSC SOLUTIONS BERHAD**  
**(Company No: 721605 K)**  
**(Incorporated in Malaysia)**  
**AND ITS SUBSIDIARY COMPANIES**

**PROFORMA CONSOLIDATED FINANCIAL INFORMATION**

**SJ GRANT THORNTON**  
**CHARTERED ACCOUNTANTS**  
**Member of Grant Thornton International**



**REPORTING ACCOUNTANTS' LETTER ON THE PROFORMA CONSOLIDATED FINANCIAL INFORMATION**  
**(Prepared for inclusion in this Prospectus)**

Date: 26 October 2009

The Board of Directors  
DSC Solutions Berhad  
Third Floor, No. 79 (Room A)  
Jalan SS21/60, Damansara Utama  
47400 Petaling Jaya  
Selangor Darul Ehsan

**SJ Grant Thornton** (AF:0)  
Level 11, Faber Imperial Cour  
Jalan Sultan Ismail,  
P. O. Box 12337  
50774 Kuala Lumpur, Malaysi  
T +6 (03) 2692 4022  
F +6 (03) 2691 5229  
www.gt.com.my

Dear Sirs,

**DSC SOLUTIONS BERHAD AND ITS SUBSIDIARY COMPANIES**  
**PROFORMA CONSOLIDATED FINANCIAL INFORMATION**

We have reviewed the presentation of the Proforma Consolidated Financial Information of DSC Solutions Berhad ("DSC") and its subsidiary companies, namely Digital Scanning Corporation Pte. Ltd. and its subsidiary company, namely Digital Scanning Corporation (Suzhou) Co., Ltd ("DIGITAL Group") and DSC Systems (M) Sdn. Bhd., ("DSCM") (collectively known as "DSC Group" or "The Group") for the financial years ended 30 September 2006 to 2008 and for the financial period ended 30 June 2009 together with the notes and assumptions thereto as set out in this Prospectus, which we have stamped for the purpose of identification, in connection with the listing of and quotation for the entire enlarged issued and fully paid-up share capital of DSC on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). The Proforma Consolidated Financial Information have been prepared for illustrative purposes only on the basis of assumptions as set out below and after making certain adjustments to show that:-

- i) the financial results of DSC Group for the financial years ended 30 September 2006 to 2008 and for the financial period ended 30 June 2009 would have been if the group structure as of the date of the Prospectus had been in place since the beginning of the years/period being reported on;
- ii) the financial position of DSC Group as at 30 June 2009 would have been if the group structure as of the date of the Prospectus had been in place on that date, adjusted for the Sub-division of Shares, Acquisitions of Subsidiary Companies, Public Issue, Utilisation of Proceeds and Bonus Issue; and
- iii) the cash flows of DSC Group for the financial period ended 30 June 2009 would have been if the group structure as of the date of the Prospectus had been in place since the beginning of the financial period ended 30 June 2009.



The Proforma Consolidated Financial Results of DSC Group for the financial period ended 30 June 2008 were not audited and was included for comparison purpose only.

The Proforma Consolidated Financial Information, because of its nature, may not give a true picture of DSC Group's actual financial results, financial position and cash flows. Further, such information does not predict the Group's future financial position, results and cash flows.

It is the sole responsibility of the Directors of DSC Group to prepare the Proforma Consolidated Financial Information in accordance with the requirements of the Prospectus Guidelines in respect of Public Offerings issued by the Securities Commission. Our responsibility is to form an opinion as required by the Prospectus Guidelines on the Proforma Consolidated Financial Information and our report is given to you solely for this, and no other purpose.

In providing this opinion, we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Proforma Consolidated Financial Information, nor do we accept responsibility for such reports or opinions beyond that is owed to those to whom those reports or opinions were addressed by us at the date of their issue.

Our work, which involved no independent examination of any of the underlying financial information, is primarily comparing the Proforma Consolidated Financial Information with the audited financial statements, considering the evidence supporting the adjustments and discussing the Proforma Consolidated Financial Information with the Directors of DSC Group.

In our opinion, the Proforma Consolidated Financial Information together with the accompanying notes which are provided solely for illustrative purposes only,

- (a) have been properly compiled on a basis of preparation as stated in the notes thereto; such basis is consistent with the accounting policies normally adopted by DSC Group;
- (b) the adjustments are appropriate for the purposes of the Proforma Consolidated Financial Information; and
- (c) the financial statements used in the preparation of the Proforma Consolidated Financial Information were prepared in accordance with the Financial Reporting Standards and in manner consistent with both the format of the financial statements and the accounting policies of the DSC Group.



This letter is not to be reproduced, referred to in any other document, or used or relied upon for any other purpose without our prior written consent.

Yours faithfully,

A handwritten signature in black ink, appearing to read "SJ Grant Thornton".

**SJ GRANT THORNTON**  
NO. AF: 0737  
CHARTERED ACCOUNTANTS

A handwritten signature in black ink, appearing to read "Tan Chee Beng".

**TAN CHEE BENG**  
NO: 2664/02/11 (J)  
PARTNER OF THE FIRM

**DSC SOLUTIONS BERHAD  
(Company No: 721605 K)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARY COMPANIES**

**Basis of preparation of Proforma Consolidated Financial Information**

1. The Proforma Consolidated Financial Information have been prepared to illustrate that:-
  - a) the financial results of DSC Group for the financial years ended 30 September 2006 to 2008 and for the financial period ended 30 June 2009 would have been if the group structure as of the date of the Prospectus had been in place since the beginning of the years/period being reported on;
  - b) the financial position of DSC Group as at 30 June 2009 would have been if the group structure as of the date of the Prospectus had been in place on that date, adjusted for the Sub-division of Shares, Acquisitions of Subsidiary Companies, Public Issue, Utilisation of Proceeds and Bonus Issue; and
  - c) the cash flows of DSC Group for the financial period ended 30 June 2009 would have been if the group structure as of the date of the Prospectus had been in place since the beginning of the financial period ended 30 June 2009.
2. The Proforma Consolidated Financial Information has been prepared based on the audited financial statements of DSC and its subsidiary companies for the financial years ended 30 September 2006 to 2008 and for the financial period ended 30 June 2009 using the bases and the accounting principles consistent with those adopted in the audited consolidated financial statements of DSC Group, after giving effect to the proforma adjustments which are considered appropriate.
3. For illustrative purposes, it was assumed that the acquisitions of DIGITAL Group and DSCM which were completed subsequent to the financial period ended 30 June 2009 took place prior to 1 October 2005 in arriving at the proforma consolidated financial results for the financial years ended 30 September 2006 to 2008 and for the financial period ended 30 June 2009.
4. The Proforma Consolidated Financial Information have been prepared for illustrative purposes only and, because of their nature, may not give a true picture of the actual financial position, results and cash flows of DSC Group.
5. The audited financial statements of DSC and its subsidiary companies for the financial years ended 30 September 2006 to 2008 and for the financial period ended 30 June 2009 were prepared in accordance with the Financial Reporting Standards.
6. The Proforma Consolidated Financial Results of DSC Group for the financial period ended 30 June 2008 were not audited and was included for comparison purpose only.

**15 PROFORMA FINANCIAL INFORMATION OF DSC AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)**

**DSC SOLUTIONS BERHAD  
(Company No: 721605 K)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARY COMPANIES**

**(i) PROFORMA CONSOLIDATED INCOME STATEMENTS**

The Proforma Consolidated Income Statements of DSC Group for the past three (3) financial years ended 30 September 2006 to 2008 and for the financial period ended 30 June 2009 as well as the unaudited comparative period for the financial period ended 30 June 2008 are provided for illustrative purposes based on the audited/unaudited (where applicable) financial statements of DSC, DIGITAL Group and DSCM assuming that DSC Group has been in existence throughout the financial years/period under review. Adjustments were made to the Proforma Consolidated Income Statements to account for retrospective effects of the acquisitions of DIGITAL Group and DSCM which were completed subsequent to the financial period ended 30 June 2009.

<b>Year/Period ended</b>	<b>FYE 30/9/2006 RM</b>	<b>FYE 30/9/2007 RM</b>	<b>FYE 30/9/2008 RM</b>	<b>Unaudited FPE 30/6/2008 RM</b>	<b>FPE 30/6/2009 RM</b>
Revenue	9,965,165	11,297,386	13,843,994	9,510,037	11,217,820
Gross profit	3,519,028	3,975,631	6,511,418	4,517,470	5,066,990
Profit before amortisation, depreciation, interest expenses and taxation/("EBITDA")	1,817,231	2,020,274	3,407,802	2,554,361	2,955,982
Amortisation	(33,107)	(146,441)	(285,990)	(214,493)	(248,351)
Depreciation	(78,560)	(95,458)	(373,723)	(256,157)	(654,665)
Interest expenses	(146,188)	(108,951)	(152,750)	(111,627)	(89,479)
Profit before taxation but after amortisation, depreciation and interest expenses	1,559,376	1,669,424	2,595,339	1,972,084	1,963,487
Taxation	(259,900)	(86,250)	(92,719)	(69,540)	(171,591)
Profit after taxation	1,299,476	1,583,174	2,502,620	1,902,544	1,791,896
Gross profit margin (%)	35.31	35.19	47.03	47.50	45.17
Pre-tax profit margin (%)	15.65	14.78	18.75	20.74	17.50
Profit after tax margin (%)	13.04	14.01	18.08	20.00	15.97
Number of ordinary shares of RM0.10 each assumed to be issued #	39,422,000	39,422,000	39,422,000	39,422,000	39,422,000
Gross earnings per share ("EPS") (sen)	3.96	4.23	6.58	6.67^	6.64^
Net EPS (sen)	3.30	4.02	6.35	6.43^	6.06^

Stamped for the purpose of identification on:

**26 OCT 2009**

SJ Grant Thornton

---

**15 PROFORMA FINANCIAL INFORMATION OF DSC AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)**

---

**DSC SOLUTIONS BERHAD  
(Company No: 721605 K)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARY COMPANIES**

**(i) PROFORMA CONSOLIDATED INCOME STATEMENTS (CONT'D)**

1. The Proforma Consolidated Income Statements have been prepared based on the audited financial statements of DSC, DIGITAL Group and DSCM for the past three (3) financial years ended 30 September 2006 to 2008 and for the financial period ended 30 June 2009 as well as the unaudited comparative period for the financial period ended 30 June 2008.
  2. There were no extraordinary or exceptional items in all the financial years/period under review.
  3. DSC Group's results have been restated through appropriate consolidation adjustments to eliminate inter-company transactions under the existing group structure.
- # As DSC was only incorporated on 19 January 2006, the number of ordinary shares of RM0.10 each assumed to be issued was computed using the issued and fully paid-up ordinary share capital of DSC assuming the acquisitions of DIGITAL Group and DSCM have been completed on 1 October 2005.
- ^ Annualised

## 15 PROFORMA FINANCIAL INFORMATION OF DSC AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

**DSC SOLUTIONS BERHAD**  
(Company No: 721605 K)  
(Incorporated in Malaysia)  
**AND ITS SUBSIDIARY COMPANIES**

Stamped for the purpose of identification on:

26 OCT 2009

SJ Grant Thornton

## (ii) PROFORMA CONSOLIDATED BALANCE SHEETS

The Proforma Consolidated Balance Sheets of DSC Group as at 30 June 2009 as set out below are provided for illustrative purposes only to show the effects of the transactions as mentioned in Note 2 to the Proforma Consolidated Balance Sheets on the assumption that these transactions were completed on 30 June 2009.

	Note	At 30 June 2009 RM	Proforma I RM	Proforma II RM	Proforma III RM	Proforma IV RM	Proforma V RM
SHARE CAPITAL	7	2	2	3,942,200	5,200,000	5,200,000	10,400,000
SHARE PREMIUM	8	-	-	-	5,031,200	4,599,987	-
UNAPPROPRIATED PROFIT	9	4,452,556	4,452,556	5,151,577	5,151,577	3,882,790	3,282,777
Total shareholders' equity		4,452,558	4,452,558	9,093,777	15,382,777	13,682,777	13,682,777
<b>NON-CURRENT LIABILITIES</b>							
Borrowings	10	-	-	738,034	738,034	738,034	738,034
Finance creditors	11	-	-	11,604	11,604	11,604	11,604
Deferred taxation	12	-	-	158,400	158,400	158,400	158,400
		4,452,558	4,452,558	10,001,815	16,290,815	14,590,815	14,590,815
<b>Represented by:-</b>							
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment	13	-	-	1,783,435	1,783,435	3,183,435	3,183,435
Development costs	14	345,731	345,731	345,731	345,731	2,145,731	2,145,731
Intellectual property	15	-	-	4,320,000	4,320,000	4,320,000	4,320,000
Total non-current assets		345,731	345,731	6,449,166	6,449,166	9,649,166	9,649,166



## 15 PROFORMA FINANCIAL INFORMATION OF DSC AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

**DSC SOLUTIONS BERHAD**  
(Company No: 721605 K)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARY COMPANIES

Stamped for the purpose of identification on:  <b>26 OCT 2009</b> SJ Grant Thornton
--

## (ii) PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)

The Proforma Consolidated Balance Sheets of DSC Group as at 30 June 2009 as set out below are provided for illustrative purposes only to show the effects of the transactions as mentioned in Note 2 to the Proforma Consolidated Balance Sheets on the assumption that these transactions were completed on 30 June 2009.

	At 30 June 2009 RM	Proforma I RM	Proforma II RM	Proforma III RM	Proforma IV RM	Proforma V RM
<b>CURRENT ASSETS</b>						
Inventories	-	-	1,526,204	1,526,204	1,526,204	1,526,204
Trade and other receivables	4,111,451	4,111,451	5,846,743	5,846,743	5,264,219	5,264,219
Fixed deposits with licensed banks	-	-	524,423	524,423	524,423	524,423
Cash and bank balances	3,376	3,376	288,358	6,577,358	2,259,882	2,259,882
<b>Total current assets</b>	<b>4,114,827</b>	<b>4,114,827</b>	<b>8,185,728</b>	<b>14,474,728</b>	<b>9,574,728</b>	<b>9,574,728</b>
<b>CURRENT LIABILITIES</b>						
Trade and other payables	8,000	8,000	3,420,575	3,420,575	3,420,575	3,420,575
Tax payables	-	-	81,710	81,710	81,710	81,710
Borrowings	-	-	1,130,794	1,130,794	1,130,794	1,130,794
<b>Total current liabilities</b>	<b>8,000</b>	<b>8,000</b>	<b>4,633,079</b>	<b>4,633,079</b>	<b>4,633,079</b>	<b>4,633,079</b>
<b>NET CURRENT ASSETS</b>						
	4,106,827	4,106,827	3,552,649	9,841,649	4,941,649	4,941,649
	4,452,558	4,452,558	10,001,815	16,290,815	14,590,815	14,590,815
<b>NET ASSETS PER ORDINARY SHARE OF</b>						
-RM1.00 EACH(RM)	2,226,279	-	-	-	-	-
-RM0.10 EACH(SEN)	-	222,628	23.07	29.58	26.31	13.16

**DSC SOLUTIONS BERHAD**  
**(Company No: 721605 K)**  
**(Incorporated in Malaysia)**  
**AND ITS SUBSIDIARY COMPANIES**

(ii) **PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)**

**NOTES TO THE PROFORMA CONSOLIDATED BALANCE SHEETS**

1. **INTRODUCTION**

The Proforma Consolidated Balance Sheets have been prepared based on the audited financial statements of DSC, DIGITAL Group and DSCM as at 30 June 2009 and using the purchase method of accounting for DSC Group.

2. **EFFECTS ON THE PROFORMA CONSOLIDATED BALANCE SHEETS**

The Proforma Consolidated Balance Sheets together with notes thereon, have been prepared based on accounting principles and bases consistent with those normally adopted in the preparation of audited financial statements of DSC Group to illustrate the Consolidated Balance Sheets of DSC Group assuming that all the transactions mentioned below had taken place on 30 June 2009:-

**Proforma I: Sub-division of Shares**

DSC sub-divided the par value of the ordinary shares of RM1.00 each in DSC into ten (10) new DSC Shares. Upon completion of the Sub-division of Shares, the issued and paid-up share capital of DSC will be RM2 comprising 20 DSC Shares.

**Proforma II: Acquisitions of Subsidiary Companies**

- (i) Acquisition of the entire issued and paid-up share capital of DIGITAL Group comprising 1,038,745 ordinary shares which represents 100% equity interest in DIGITAL Group for a total purchase consideration of RM3,774,128 to be wholly satisfied through the issuance of 37,741,280 new DSC Shares;
- (ii) Acquisition of the entire issued and paid-up share capital of DSCM comprising 200,000 ordinary shares of RM1 each which represents 100% equity interest in DSCM for a total purchase consideration of RM168,070 to be wholly satisfied through the issuance of 1,680,700 new DSC Shares; and
- (iii) Renunciation of rights to the allotment of 8,320,000 DSC Shares arising from the allotment of new DSC Shares to be issued for the Acquisition of DIGITAL Group, representing 16% of the enlarged and paid-up share capital of DSC after the Public Issue to key employees of the DSC Group.

Stamped for the purpose of identification on:

26 OCT 2009

SJ Grant Thornton

**DSC SOLUTIONS BERHAD**  
**(Company No: 721605 K)**  
**(Incorporated in Malaysia)**  
**AND ITS SUBSIDIARY COMPANIES**

(ii) **PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)**

**NOTES TO THE PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)**

2. **EFFECTS ON THE PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)**

**Proforma III: Public Issue**

Assumed after Proforma II and Public Issue of 12,578,000 new DSC Shares at an issue price of RM0.50 per DSC Shares to the General Public, eligible Directors, employees and other persons who have contributed to the success of the DSC Group and selected investors by way of private placement.

**Proforma IV: Utilisation of Proceeds**

Assumed after Proforma III and utilisation of proceeds from the Public Issue.

The gross proceeds arising from the Public Issue amounting to RM6,289,000 are expected to be fully utilised for the core business of DSC Group in the following manner:-

	<b>RM'000</b>
Business expansion and capital expenditure	1,400
Research and Development costs	1,800
Working capital	1,389
Listing expenses	1,700
	6,289

The listing expenses are estimated at RM1,700,000 and will be set off against the share premium account and unappropriated profit account.

**Proforma V: Bonus Issue**

Assumed after Proforma IV and Bonus Issue of 52,000,000 new DSC Shares to be issued and credited as fully paid-up on the basis of one (1) new DSC Share for every one (1) DSC Shares held after Public Issue.

Stamped for the purpose of identification on:  <b>26 OCT 2009</b> SJ Grant Thornton
--

**DSC SOLUTIONS BERHAD  
(Company No: 721605 K)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARY COMPANIES**

(ii)      **PROFORMA CONSOLIDATED STATEMENTS BALANCE SHEETS (CONT'D)**

**NOTES TO THE PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)**

3.      **BASIS OF PREPARATION OF THE PROFORMA CONSOLIDATED BALANCE SHEETS**

The proforma consolidated balance sheets of the Group have been prepared in accordance with the Financial Reporting Standards issued by Malaysian Accounting Standards Board ("MASB").

4.      **FINANCIAL RISK MANAGEMENT POLICIES**

Kindly refer to Section 5.2 of the Accountants' Report.

5.      **SIGNIFICANT ACCOUNTING POLICIES**

The proforma consolidated balance sheets have been prepared using the bases and the accounting principles consistent with those adopted on the audited financial statements as stated in Section 5.3 of the Accountants' Report.

6.      **SCHEME**

As an integral part of the listing of and quotation for the entire enlarged issued and paid-up share capital of DSC, DSC Group undertook the Flotation Exercise that was approved by the Securities Commission ("SC") on 28 November 2008 extended vide its letter dated 26 May 2009 until 31 December 2009 to implement the Public Issue and varied through its letter dated 23 October 2009. The Flotation Exercise involves the following:-

(i)      **Sub-division of Shares**

DSC sub-divided the par value of the ordinary shares of RM1.00 each in DSC into ten (10) new DSC Shares. Upon completion of the Sub-division of Shares, the issued and paid-up share capital of DSC will be RM2 comprising 20 DSC Shares.

(ii)      **Acquisitions of Subsidiary Companies**

(a)      Acquisition of the entire issued and paid-up share capital of DIGITAL Group comprising 1,038,745 ordinary shares which represents 100% equity interest in DIGITAL Group for a total purchase consideration of RM3,774,128 to be wholly satisfied through the issuance of 37,741,280 new DSC Shares;

Stamped for the purpose of identification on:

**26 OCT 2009**

SJ Grant Thornton

**DSC SOLUTIONS BERHAD  
(Company No: 721605 K)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARY COMPANIES**

(ii) **PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)**

**NOTES TO THE PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)**

6. **SCHEME (CONT'D)**

(ii) **Acquisitions of Subsidiary Companies (Cont'd)**

- (b) Acquisition of the entire issued and paid-up share capital of DSCM comprising 200,000 ordinary shares of RM1 each which represents 100% equity interest in DSCM for a total purchase consideration of RM168,070 to be wholly satisfied through the issuance of 1,680,700 new DSC Shares; and
- (c) Renunciation of rights to the allotment of 8,320,000 DSC Shares arising from the allotment of new DSC Shares to be issued for the Acquisition of DIGITAL Group representing 16% of the enlarged and paid-up share capital of DSC after the Public Issue to key employees of the DSC Group.

(iii) **Public Issue**

Public Issue of 12,578,000 new DSC Shares at an issue price of RM0.50 per DSC Share to the General Public, eligible Directors, employees and other persons who have contributed to the success of DSC Group and selected investors by way of private placement.

(iv) **Utilisation of IPO proceeds**

The gross proceeds arising from the Public Issue amounting to RM6,289,000 are expected to be fully utilised for the core business of DSC Group in the following manner:-

	<b>RM'000</b>
Business expansion and capital expenditure	1,400
Research and Development costs	1,800
Working capital	1,389
Listing expenses	1,700
	6,289

The listing expenses are estimated at RM1,700,000 and will be set off against the share premium account and unappropriated profit account.

Stamped for the purpose of identification on:  <b>2 6 OCT 2009</b> SJ Grant Thornton
---

**DSC SOLUTIONS BERHAD  
(Company No: 721605 K)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARY COMPANIES**

**(ii) PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)****NOTES TO THE PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)****6. SCHEME (CONT'D)****(v) Bonus Issue**

Assumed after Proforma III and Bonus Issue of 52,000,000 new DSC Shares to be issued and credited as fully paid-up on the basis of one (1) new DSC Share for every one (1) DSC Shares held after Public Issue.

**(vi) Listing and Quotation on ACE Market**

In conjunction with the Flotation Exercise, DSC seeks the admission and the listing of and quotation for its entire enlarged issued and paid-up share capital of DSC comprising 104,000,000 DSC Shares on the Official List of the ACE Market of Bursa Securities.

**7. SHARE CAPITAL**

The movement of the issued and paid-up share capital of DSC Group is as follows:-

	<b>Proforma Group RM</b>
At 30 June 2009	2
Subdivision of shares, at RM0.10 each	2
Proforma I	2
Acquisitions of subsidiary companies	3,942,198
Proforma II	3,942,200
Public Issue	1,257,800
As per Proforma III and IV	5,200,000
Bonus Issue	5,200,000
Proforma V	10,400,000

Stamped for the purpose of identification on:

**26 OCT 2009**

SJ Grant Thornton

---

**15 PROFORMA FINANCIAL INFORMATION OF DSC AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)**


---

**DSC SOLUTIONS BERHAD  
(Company No: 721605 K)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARY COMPANIES**

**(ii) PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)****NOTES TO THE PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)****8. SHARE PREMIUM**

The movement of the share premium account is as follows:-

	<b>RM</b>
At 30 June 2009/Proforma I and II	-
Public Issue	5,031,200
Proforma III	5,031,200
Listing expenses	(431,213)
Proforma IV	4,599,987
Bonus Issue	(4,599,987)
Proforma V	-

This is non-distributable reserve.

**9. UNAPPROPRIATED PROFIT**

The movement of the unappropriated profit is as follows:-

	<b>RM</b>
At 30 June 2009/Proforma I	4,452,556
Acquisitions of Subsidiary Companies	699,021
Proforma II and III	5,151,577
Listing Expenses	(1,268,787)
Proforma IV	3,882,790
Bonus issue	(600,013)
Proforma V	3,282,777

This is distributable reserve.

Stamped for the purpose of identification on:

**26 OCT 2009**

SJ Grant Thornton

---

**15 PROFORMA FINANCIAL INFORMATION OF DSC AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)**


---

**DSC SOLUTIONS BERHAD  
(Company No: 721605 K)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARY COMPANIES**

**(ii) PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)****NOTES TO THE PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)****10. BORROWINGS**

The movement of the borrowings account is as follows:-

	RM
At 30 June 2009/Proforma I	-
Acquisitions of Subsidiary Companies	
Secured:-	
<u>Non-current</u>	
Term loan	738,034
<u>Current</u>	
Term loan	328,250
Bank overdrafts	174,175
Bills payable	628,369
	1,130,794
Proforma II to V	1,868,828

**11. FINANCE CREDITORS**

The movement of the finance creditors account is as follows:-

	RM
At 30 June 2009/Proforma I	-
Acquisitions of Subsidiary Companies	
Minimum instalment payment	
- within 1 year	29,606
- after 1 year but not later than 5 years	12,204
	41,810
Interest in suspense	(2,304)
	39,506
Present value	
- within 1 year	27,902
- after 1 year but not later than 5 years	11,604
Proforma II to V	39,506

The present value within 1 year is included in payables.



---

**15 PROFORMA FINANCIAL INFORMATION OF DSC AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)**

---

**DSC SOLUTIONS BERHAD  
(Company No: 721605 K)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARY COMPANIES**

**(ii) PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)**

**NOTES TO THE PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)**

**12. DEFERRED TAXATION**

The movement of the deferred taxation account is as follows:-

	RM
At 30 June 2009/Proforma I	-
Acquisitions of Subsidiary Companies	<u>158,400</u>
Proforma II to V	<u>158,400</u>

## 15 PROFORMA FINANCIAL INFORMATION OF DSC AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

**DSC SOLUTIONS BERHAD**  
 (Company No: 721605 K)  
 (Incorporated in Malaysia)  
 AND ITS SUBSIDIARY COMPANIES

Stamped for the purpose of identification on: <div style="text-align: center; font-weight: bold; font-size: 1.2em;">26 OCT 2009</div> <div style="text-align: center;">SJ Grant Thornton</div>
---

## (ii) PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)

## NOTES TO THE PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)

## 13. PROPERTY, PLANT AND EQUIPMENT

The movement of the property, plant and equipment is as follows:-

	Furniture and fittings RM	Plant and equipment RM	Motor vehicles RM	Office equipment RM	Computer software RM	Leasehold improvement and renovation RM	Kiosk RM	Total RM
<b>Proforma Group</b>								
<b>Cost</b>								
At 30 June 2009/ Proforma I	-	-	-	-	-	-	-	-
Acquisitions of Subsidiary Companies	158,151	15,940	86,400	198,857	998,804	223,112	1,843,397	3,524,661
Proforma II to III	158,151	15,940	86,400	198,857	998,804	223,112	1,843,397	3,524,661
Utilisation of Proceeds from Public Issue	-	1,400,000	-	-	-	-	-	1,400,000
Proforma IV and V	158,151	1,415,940	86,400	198,857	998,804	223,112	1,843,397	4,924,661

## 15 PROFORMA FINANCIAL INFORMATION OF DSC AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

**DSC SOLUTIONS BERSIAD**  
(Company No: 721605 K)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARY COMPANIES

Stamped for the purpose of identification on: <b>26 OCT 2009</b> SJ Grant Thornton
--

## (ii) PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)

## NOTES TO THE PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)

## 13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The movement of the property, plant and equipment is as follows (cont'd):-

	Furniture and fittings RM	Plant and equipment RM	Motor vehicles RM	Office equipment RM	Computer software RM	Leasehold improvement and renovation RM	Kiosk RM	Total RM
<b>Accumulated depreciation</b>								
At 30 June 2009/ Proforma I	-	-	-	-	-	-	-	-
Acquisitions of Subsidiary Companies	137,851	8,617	86,400	136,880	569,802	79,970	721,706	1,741,226
Proforma II to V	137,851	8,617	86,400	136,880	569,802	79,970	721,706	1,741,226
<b>Net carrying amount</b>								
At 30 June 2009/ Proforma I	-	-	-	-	-	-	-	-
Acquisitions of Subsidiary Companies	20,300	7,323	-	61,977	429,002	143,142	1,121,691	1,783,435
Proforma II to III Utilisation of Proceeds from Public Issue	20,300	7,323	-	61,977	429,002	143,142	1,121,691	1,783,435
Proforma IV and V	-	1,400,000	-	-	-	-	-	1,400,000
Proforma IV and V	20,300	1,407,323	-	61,977	429,002	143,142	1,121,691	3,183,435

---

**15 PROFORMA FINANCIAL INFORMATION OF DSC AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)**


---

**DSC SOLUTIONS BERHAD  
(Company No: 721605 K)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARY COMPANIES**

**(ii) PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)****NOTES TO THE PROFORMA CONSOLIDATED BALANCE SHEETS (CONT'D)****14. DEVELOPMENT COSTS**

The movement of the development costs is as follows:-

	<b>RM</b>
<b>Cost</b>	
At 30 June 2009/Proforma I to III	1,059,620
Utilisation of Proceeds from Public Issue	<u>1,800,000<sup>^</sup></u>
Proforma IV and V	<u>2,859,620</u>
<b>Accumulated amortisation</b>	
At 30 June 2009/Proforma I to V	<u>713,889</u>
<b>Net carrying amount</b>	
At 30 June 2009/Proforma I to III	345,731
Utilisation of Proceeds from Public Issue	<u>1,800,000</u>
Proforma IV and V	<u>2,145,731</u>

<sup>^</sup> Assuming the Proceed Utilised in Development Costs

**15. INTELLECTUAL PROPERTY**

The movement of the intellectual property is as follows:-

	<b>RM</b>
At 30 June 2009/Proforma I	-
Acquisitions of Subsidiary Companies	<u>4,320,000</u>
Proforma II to V	<u>4,320,000</u>

The intellectual property consists of the Trek. IT software which is deemed to have an indefinite useful life as there is no expiry date and this serves as a platform to develop other software in the same series. The recoverable amount of the Trek. IT software was based on the value-in-use method, by discounting the future cash flows which represents the Net Present Value ("NPV") of the Group. Discount rates of 5% to 12% were used to reflect the risks of the future cash flows of the Group.

The valuation of the intellectual property is based on the valuation done by Capital Plus Pte Ltd dated 14 April 2008.

No impairment loss was required as its recoverable amount was in excess of its carrying amount.