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Dataprep expects to rake in RM50m from projects

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DATAPREP Holdings Bhd (Dataprep) is expecting close to RM50 million in the next six months to a year from various projects to rectify software and applications for Y2K compliance.

Chief operating officer Yeoh Kee Pin said the company has submitted 12 proposals for projects contributing to between RM2 million and RM12 million.

"We are expecting the outcome of the tender within two months. The Y2K projects are more urgent and important as the deadline is about 15 months away. "These projects will generate a lot of business and we are hopeful that we will be able to secure these projects to show a comfortable forecast for the next few years," Yeoh told reporters after the company's ninth annual general meeting in Kuala Lumpur yesterday.

The forecast of business for the Y2K projects, he said, will provide the company with a good base to continue with its rights issue which is planned within eight months.

Yeoh said the company had finalised its rights issue preparation but is still waiting to confirm the "final figures" before submitting the application.

The company's shareholders fund which is at a deficit of RM36.038 million as of March 31 1998, is expected to have a surplus after the rights issue.

While declining to reveal the expected turnover for the financial year ending March 31 1998, Yeoh said the company is expecting to break even.

Dataprep chairman and chief executive officer Mirzan Mahathir said the company's restructuring plan is close to completion. The group was revamped by selling or closing down several non-core businesses.

After the restructuring, the company is now concentrating on system integration, hardware and peripherals procurement and customer support network in the oil and gas sector, telecommunications and government projects including education.

The restructuring, Mirzan said, was necessary as Dataprep was not performing well under a stress situation.

"After tightening the operations with the appointment of Yeoh, we are much tighter now with collection and the accounts are better than previously," Mirzan said.

The group is now on its way to recovery with monthly sales for the new year generating sufficient cash flow to meet all expenditure including finance costs.

The group incurred a loss after taxation of RM8.79 million for the year ending March 31 this year and the current liabilities of the group and the company exceeded current assets by RM48.33 million and RM4.61 million respectively.

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