

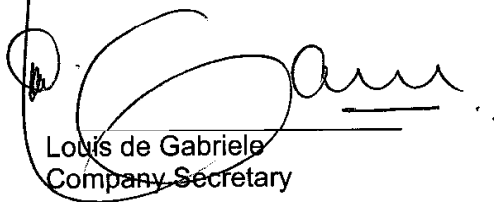
## COMPANY ANNOUNCEMENT

The following is a company announcement issued by Datatrak Holdings p.l.c. pursuant to Malta Stock Exchange Bye-Law 5.03.02 and the MFSA Listing Authority Listing Rule 8.6.21 and Listing Rule 9.54:

QUOTE

**At a meeting held on Monday 25<sup>th</sup> October 2004, the Board of Directors of Datatrak Holdings p.l.c. met, discussed and approved the attached Interim Financial Results for the period 1<sup>st</sup> January 2004 to 30th June 2004.**

UNQUOTE



Louis de Gabriele  
Company Secretary

Monday 25<sup>th</sup> October 2004

**Datatrak Holdings p.l.c.**

**Unaudited Interim Financial Results  
2004**

# Datatrak Holdings p.l.c.

## Unaudited Interim Financial Results

2004

### Contents

	<b>Page</b>
Profit and Loss Account	1
Balance Sheet	2 - 3
Statement of Changes in Equity	4
Cash Flow Statement	5
Notes to the Unaudited Interim Financial Results	6 - 7

# Datatrak Holdings p.l.c.

## Profit and Loss Account

*For the Period from 1 January 2004 to 30 June 2004*

	The Group		The Company	
	01.01.04 to 30.06.04	01.01.03 to 30.06.03	01.01.04 to 30.06.04	01.01.03 to 30.06.03
	Lm	Lm	Lm	Lm
Turnover	528,456	502,205	-	30,000
Direct costs before depreciation	(377,751)	(331,631)	-	-
Local marketing costs	(35,220)	(30,583)	(194)	-
Administrative expenses	(184,605)	(167,007)	(4,101)	(3,743)
Other operating income	4,651	4,620	-	3
Other operating expenses	(74)	(3,126)	-	-
Amortisation of goodwill	(24,856)	(24,481)	-	-
Depreciation	(121,562)	(122,101)	-	-
<b>Operating (loss)/profit</b>	<b>(210,961)</b>	<b>(172,104)</b>	<b>(4,295)</b>	<b>26,260</b>
Pre-operating overseas marketing costs	(15,992)	(13,797)	-	-
Interest receivable and similar income	14,724	19,319	14,722	18,220
Interest payable and similar charges	(22,798)	(16,270)	-	-
<b>(Loss)/profit before taxation</b>	<b>(235,027)</b>	<b>(182,852)</b>	<b>10,427</b>	<b>44,480</b>
Taxation	52,523	(4,792)	(166)	(12,857)
<b>(Loss)/profit for the period</b>	<b>(182,504)</b>	<b>(187,644)</b>	<b>10,261</b>	<b>31,623</b>
Profit/(loss) attributable to minority interests	(1,990)	7,218	-	-
<b>(Loss)/profit for the period attributable to shareholders</b>	<b>(184,494)</b>	<b>(180,426)</b>	<b>10,261</b>	<b>31,623</b>
<b>(Loss)/earnings per share</b>	<b>(1c2)</b>	<b>(1c1)</b>	<b>0c1</b>	<b>0c2</b>

## Datatrak Holdings p.l.c.

## Balance Sheet

At 30 June 2004

	The Group		The Company	
	30.06.04	31.12.03	30.06.04	31.12.03
	Lm	Lm	Lm	Lm
<b>Fixed assets</b>				
Tangible assets	1,872,862	1,979,969	-	-
Intangible assets	1,123,137	1,142,811	-	-
Financial assets	530,845	515,000	2,465,450	2,465,450
	-----	-----	-----	-----
	3,526,844	3,637,780	2,465,450	2,465,450
<b>Other long-term assets</b>				
Deferred tax asset	772,635	720,112	-	-
	-----	-----	-----	-----
	4,299,479	4,357,892	2,465,450	2,465,450
	-----	-----	-----	-----
<b>Current assets</b>				
Stocks	114,846	137,966	-	-
Debtors	604,195	644,388	2,491,696	2,484,886
Cash at bank and in hand	30,381	38,288	26,303	28,251
	-----	-----	-----	-----
	749,422	820,642	2,517,999	2,513,137
	-----	-----	-----	-----
<b>Creditors: amounts falling due within one year</b>				
Bank borrowings	645,002	610,195	-	-
Creditors	976,502	973,231	16,293	37,371
	-----	-----	-----	-----
	1,621,504	1,583,426	16,293	37,371
	-----	-----	-----	-----
<b>Net current (liabilities)/assets</b>	(872,082)	(762,784)	2,501,706	2,475,766
	-----	-----	-----	-----
<b>Total assets less current liabilities</b>	3,427,397	3,595,108	4,967,156	4,941,216
	-----	-----	-----	-----
<b>Creditors: amounts falling due after more than one year</b>				
Bank borrowings	73,380	72,181	-	-
Creditors	15,679	2,085	15,679	-
	-----	-----	-----	-----
	89,059	74,266	15,679	-
	-----	-----	-----	-----
<b>Minority interests</b>	3,338,338	3,520,842	4,951,477	4,941,216
	(52,576)	(50,586)	-	-
	-----	-----	-----	-----
	3,285,762	3,470,256	4,951,477	4,941,216
	=====	=====	=====	=====

# Datatrak Holdings p.l.c.

## Balance Sheet

At 30 June 2004

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	<b>The Group</b>		<b>The Company</b>	
	<b>30.06.04</b>	<b>31.12.03</b>	<b>30.06.04</b>	<b>31.12.03</b>
	Lm	Lm	Lm	Lm
<b>Capital and reserves</b>				
Called up issued share capital	1,594,950	1,594,950	1,594,950	1,594,950
Share premium	3,235,608	3,235,608	3,235,608	3,235,608
Profit and loss account	(1,544,796)	(1,360,302)	120,919	110,658
	-----	-----	-----	-----
	3,285,762	3,470,256	4,951,477	4,941,216
	=====	=====	=====	=====

# Datatrak Holdings p.l.c.

## Statement of Changes in Equity

For the Period from 1 January 2003 to 30 June 2003

	<b>Total</b>	<b>Ordinary Shares</b>	<b>Share Premium</b>	<b>Profit and Loss Account</b>
	Lm	Lm	Lm	Lm
<b>The Group</b>				
At 1 January 2003	3,895,034	1,594,950	3,235,608	(935,524)
Loss attributable to shareholders	(180,426)	-	-	(180,426)
	-----	-----	-----	-----
<b>At 30 June 2003</b>	3,714,608	1,594,950	3,235,608	(1,115,950)
	=====	=====	=====	=====
At 1 January 2004	3,470,256	1,594,950	3,235,608	(1,360,302)
Loss attributable to shareholders	(184,494)	-	-	(184,494)
	-----	-----	-----	-----
<b>At 30 June 2004</b>	3,285,762	1,594,950	3,235,608	(1,544,796)
	=====	=====	=====	=====
<b>The Company</b>				
At 1 January 2003	4,930,849	1,594,950	3,235,608	100,291
Profit attributable to shareholders	31,623	-	-	31,623
	-----	-----	-----	-----
<b>At 30 June 2003</b>	4,962,472	1,594,950	3,235,608	131,914
	=====	=====	=====	=====
At 1 January 2004	4,941,216	1,594,950	3,235,608	110,658
Profit attributable to shareholders	10,261	-	-	10,261
	-----	-----	-----	-----
<b>At 30 June 2004</b>	4,951,477	1,594,950	3,235,608	120,919
	=====	=====	=====	=====

# Datatrak Holdings p.l.c.

## Cash Flow Statement

For the Period from 1 January 2004 to 30 June 2004

	The Group		The Company	
	01.01.04 to 30.06.04	01.01.03 to 30.06.03	01.01.04 to 30.06.04	01.01.03 to 30.06.03
	Lm	Lm	Lm	Lm
<b>Cash flows from operating activities</b>				
Cash receipts from customers	587,909	501,564	-	-
Cash paid to suppliers and employees	(545,339)	(546,829)	(7,880)	(16,303)
	-----	-----	-----	-----
Cash generated from/(absorbed by) operations	42,570	(45,265)	(7,880)	(16,303)
Interest received	26,695	36,510	26,693	35,411
Interest paid	(20,574)	(16,966)	-	-
	-----	-----	-----	-----
<b>Net cash from/(used in) operating activities</b>	<b>48,691</b>	<b>(25,721)</b>	<b>18,813</b>	<b>19,108</b>
	-----	-----	-----	-----
<b>Cash flows from investing activities</b>				
Payments for tangible fixed assets	(3,354)	(18,239)	-	-
Payments for financial assets	(15,845)	-	(15,845)	-
Proceeds from maturity of financial assets	-	175,000	-	175,000
Advances to group undertakings	-	-	(20,595)	(196,264)
Development expenditure	(67,023)	(58,110)	-	-
	-----	-----	-----	-----
<b>Net cash (used in)/from investing activities</b>	<b>(86,222)</b>	<b>98,651</b>	<b>(36,440)</b>	<b>(21,264)</b>
	-----	-----	-----	-----
<b>Cash flows from financing activities</b>				
Advances by minority interests	-	48	-	-
Repayment of advances by minority interest	(22,061)	-	-	-
Advances by related parties	15,679	11,097	15,679	-
Repayment of advances by bankers	(3,965)	-	-	-
Interest paid on finance lease liabilities	-	(194)	-	-
	-----	-----	-----	---
<b>Net cash (used in)/from financing activities</b>	<b>(10,347)</b>	<b>10,951</b>	<b>15,679</b>	<b>-</b>
	-----	-----	-----	---
Net (decrease)/increase in cash and cash equivalents	(47,878)	83,881	(1,948)	(2,156)
Cash and cash equivalents at beginning of period	(591,743)	(573,336)	3,251	2,698
	-----	-----	-----	-----
<b>Cash and cash equivalents at end of period</b>	<b>(639,621)</b>	<b>(489,455)</b>	<b>1,303</b>	<b>542</b>
	=====	=====	=====	=====



# Datatrak Holdings p.l.c.

## Notes to the Unaudited Interim Financial Results

*For the Period from 1 January 2004 to 30 June 2004*

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### **1 Basis of preparation**

These interim results have been prepared in accordance with the requirements of International Accounting Standard 34, "Interim Financial Reporting" and in accordance with MFSA Listing Authority Listing Rule 9.54.

These interim financial results have been extracted from the unaudited individual and group management accounts for the six-month period ended 30 June 2004.

The same accounting policies and methods of computation have been consistently followed in these interim financial statements as compared with the audited financial statements for the year ended 31 December 2003. Group companies have consistently applied these accounting policies.

### **2 Review of performance**

#### *Results for the period*

Turnover for the six months was Lm528,456 (2003: Lm502,205). Datatrak Systems Ltd, Datatrak Solutions International Ltd and Datatrak Security Systems Ltd triggered this increase in turnover over the comparative period.

Loss attributable to shareholders for the period amounted to Lm184,494 as compared to Lm180,426 in the first six months of 2003.

The Group has signed up Lm1.8 million worth of contracts (inclusive of VAT) spread over a five-year period.

#### *New product development and significant events*

Following the successful testing of the "Speed Guard", Datatrak Systems Ltd. has also started marketing the product in a European country. From initial discussions, keen interest has been shown in the product by the interested parties.

During the period, Datatrak Solutions International Ltd. has focused on marketing the web-based fleet tracking software "Datatrak On-Line" in UK. The Company is currently also marketing another software application in UK, "Dispatch IT", which is a dynamic job management and dispatch system. These products offer a complete fleet management and job dispatch solutions to delivery service providers. Already the first sales have been realised and significant interest in these products is being observed.

# Datatrak Holdings p.l.c.

## Notes to the Unaudited Interim Financial Results

*For the Period from 1 January 2004 to 30 June 2004*

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### **2 Review of performance (Cont.)**

#### *Overseas markets*

In March 2004 a Datatrak delegation was invited to visit Nigeria and gave presentations to the Nigerian President's Security Advisors in Abuja. A meeting with the President of Nigeria has also been held. Undertakings with Datatrak Nigeria Limited (DNL) to conclude negotiations and enter into agreement to initiate an In-Country survey, was agreed. Datatrak Nigeria Ltd. (DNL) has been formed with Datatrak MENA Ltd. (DML) acquiring a minority shareholding interest. Board meetings have been held and resolutions passed to move forward with the project. The Nigerian shareholders have placed a banking guarantee to start with the project. At the time of this report, Datatrak MENA Ltd. (DML) is coordinating the project activities. Following the conclusion of the In-Country survey results, DML will be in a position to negotiate the Supply and License Agreement for the installation and commissioning of the first Datatrak network infrastructure.

In June 2004 a Datatrak delegation has been invited to resume talks in Tripoli. From the meetings held, it resulted that there is still significant interest in the Datatrak technology to the effect that a letter of intent has been signed. Presently, coordination is being undertaken by the Libyan administration to continue with the discussions. It is anticipated that continuation of the meetings held in June will take place in the coming month.

In February 2004, a delegation including the Chairman of Sudan Master Technology (SMT) and the Chief Executive Officer of Sudan Telecom (ST) have visited our offices and an MOU has been signed underscoring the strong potential interest from Sudan. Market information has been exchanged and a marketing plan for the Khartoum region, where the Sudanese business is concentrated, has also been developed. Due to the arising internal conflicts in the region, further negotiations have been stalled.

### **3 Other explanatory notes**

- a) Intangible assets comprise purchased goodwill on acquisition of subsidiaries and development costs. Intangible assets are amortised over their expected useful life.
- b) The Group's turnover represents primarily local sales.
- c) During the normal course of its business, the Group enters into transactions with its principal shareholder Maltacom p.l.c. These transactions are carried out on an arm's length basis.