

DVM TECHNOLOGY BERHAD (609953-K)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
QUARTERLY REPORT ON CONSOLIDATED RESULT FOR THE THIRD QUARTER ENDED
30 JUNE 2006

The figures have not been audited

	INDIVIDUAL QUARTER
	CURRENT
	QUARTER
	30/06/06
	<u>RM'000</u>
Revenue	<u>2,677</u>
Operating (loss)	599
Amortisation and depreciation	(511)
Interest expense	(80)
Other income	14
Profit before taxation	<u>22</u>
Taxation	7
Profit after taxation	<u>29</u>
Minority interest	0
Net Profit for the period	<u><u>29</u></u>
Weighted average number of shares in issue	176,000
Earnings per share (sen) - basic	0.02

DVM TECHNOLOGY BERHAD (609953-K)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 JUNE 2006

	<u>(UNAUDITED)</u>	<u>(AUDITED)</u>
	AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
	<u>30/06/06</u>	<u>30/09/05</u>
	RM'000	RM'000
Property, Plant and Equipment	4,989	5,451
Development Expenditure	5,379	4,665
Current Assets		
Stock Inventory	5,385	100
Trade receivables	9,131	14,208
Other receivables and prepaid expenses	177	2,268
Tax Recoverable	575	1,526
Fixed deposits with licensed banks	1,614	2,621
Cash and bank balances	955	545
	<u>17,837</u>	<u>21,268</u>
Current Liabilities		
Trade payables	4,498	4,165
Other payables and accrued expenses	481	451
Amount due to a Director	11	28
Term loan payable - current portion	227	210
Bank overdrafts	619	1,028
Bank borrowings	1,276	1,028
Tax liabilities	-	16
	<u>7,112</u>	<u>6,926</u>
Net Current Assets	10,725	14,342
Long Term and Deferred Liabilities		
Term loan payable - non current portion	(2319)	(2491)
Deferred tax liabilities	(12)	(12)
	<u>(2331)</u>	<u>(2503)</u>
Net Assets	<u>18,762</u>	<u>21,955</u>
Represented by:		
Issued capital	17,600	16,000
Share premium	10,752	10,818
Reserve on consolidation	1,761	1,761
Accumulated Loss	(11,351)	(6,624)
Shareholders' Equity	<u>18,762</u>	<u>21,955</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.11	0.14

The Unaudited Condensed Consolidated Financial Statements should be read in conjunction with the Annual Audited Financial Statements for the year ended 30 September 2005.

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Unaudited Consolidated Statement of Changes in Equity

For the third quarter ended 30 June 2006

(Unaudited)

	Issued Capital	Share Premium	Non-distributable reserve - Reserve on consolidation	Distributable reserve - (Accumulated (Loss)/ Unappropriated profit	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as of 1 October 2005	16,000	10,818	1,761	(6,624)	21,955
Shares issued during the period:					
Private placement	1,600	0	0	0	1,600
Listing expenses	0	(66)	0	0	(66)
Net loss for the period	0	0	0	(4,727)	(4,727)
Balance as of 30 June 2006	<u>17,600</u>	<u>10,752</u>	<u>1,761</u>	<u>(11,351)</u>	<u>18,762</u>

DVM TECHNOLOGY BERHAD (609953-K)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For the third quarter ended 30 June 2006
(Unaudited)

	9 Months Ended 30/06/06 RM'000
Cash Flows from Operating Activities	
Loss before tax	(4,709)
Adjustment for:	
Non-cash items	5,943
Non-operating items	<u>197</u>
Operating profit/(loss) before working capital changes	1,431
Net changes in current assets	(2,534)
Net changes in current liabilities	<u>346</u>
Cash used in operations	(757)
Interest paid	(247)
Net tax refund/(paid)	917
Net cash used in operating activities	<u>(87)</u>
Cash Flows from Investing Activities	
Interest received	50
Purchase of property, plant and equipment	(85)
Proceeds from disposal of property, plant and equipment	38
Development expenditure incurred	(1,729)
Net cash used in investing activities	<u>(1,726)</u>
Cash Flows from Financing Activities	
Proceeds from issue of shares	1,600
Listing expenses incurred	(66)
Decrease/(Increased) in fixed deposits pledged	884
Repayment of hire purchase payable	0
Repayment of term loan	(155)
Drawdown from bank borrowings	248
Net cash generated from/(used in) financing activities	<u>2,511</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	698
Cash and Cash Equivalents at beginning of year	394
Cash and Cash Equivalents at end of period	<u><u>1,092</u></u>
Cash and Cash Equivalents comprise of:	
Fixed deposits with licensed bank	1,614
Cash and bank balances	955
Bank overdrafts	<u>(619)</u>
	1,950
Less : Fixed deposits pledged	<u>(858)</u>
	<u><u>1,092</u></u>