

**DVM TECHNOLOGY BERHAD (609953-K)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME****for second quarter ended 30 June 2012***(The figures have not been audited)*

|   | INDIVIDUAL QUARTER |  | CUMULATIVE QUARTER      |   |
|---|--------------------|--|-------------------------|---|
|   | 2012               | 2011                                       | 2012                    | 2011                                      |
|   | CURRENT<br>QUARTER | PRECEDING YEAR<br>CORRESPONDING<br>QUARTER | CURRENT YEAR<br>TO DATE | PRECEDING YEAR<br>CORRESPONDING<br>PERIOD |
|   | 30/06/2012         | 30/06/2011                                 | 30/06/2012              | 30/06/2011                                |
|   | RM'000             | RM'000                                     | RM'000                  | RM'000                                    |
| REVENUE   | 2,198              | 10,923                                     | 4,599                   | 18,053                                    |
| Operating profit                                  | (312)              | (434)                                      | (285)                   | (691)                                     |
| Amortisation and depreciation                     | (1,051)            | (1,135)                                    | (2,133)                 | (2,260)                                   |
| Interest expense                                  | (204)              | (325)                                      | (424)                   | (665)                                     |
| Other income                                      | 196                | 187  | 392                     | 417                                       |
| Gain/(Loss) on fair value - Property              | 0                  | 0  | 4,186                   | 0   |
| <b>Profit/(loss) before taxation</b>              | <b>(1,371)</b>     | <b>(1,707)</b>                             | <b>1,736</b>            | <b>(3,199)</b>                            |
| Taxation  | 0                  | 0  | (209)                   | 0   |
| <b>Profit/(loss) for the period</b>               | <b>(1,371)</b>     | <b>(1,707)</b>                             | <b>1,527</b>            | <b>(3,199)</b>                            |
| <b>Profit/(loss) attributable to:</b>             |                    |  |                         |   |
| Equity holders of the company                     | (1,363)            | (1,284)                                    | 1,594                   | (2,877)                                   |
| Non-controlling interest                          | (8)                | (423)                                      | (67)                    | (322)                                     |
| <b>Net Profit/(loss) for the period</b>           | <b>(1,371)</b>     | <b>(1,707)</b>                             | <b>1,527</b>            | <b>(3,199)</b>                            |
| Weighted average number of shares in issue ('000) | 193,600            | 176,000                                    | 193,600                 | 176,000                                   |
| Earnings per share (sen) - basic                  | (0.70)             | (0.73)                                     | 0.82                    | (1.63)                                    |

The unaudited condensed consolidated Income Statements should be read in conjunction with the annual audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to this interim financial statements.

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**as at 30 June 2012**  
*(The figures have not been audited)*

|   | <b>AS AT<br/>END OF<br/>CURRENT<br/>QUARTER<br/>30/06/2012<br/>(Unaudited)</b> | <b>AS AT<br/>PRECEDING<br/>FINANCIAL<br/>YEAR ENDED<br/>31/12/2011<br/>(Audited)</b> |
|---|--|--|
|   | RM'000   | RM'000   |
| <b>ASSETS</b>   |  |  |
| <b>Non-current Assets</b>   |  |  |
| Property, Plant and Equipment   | 19,172   | 18,615   |
| Development Expenditure   | 1,659  | 2,113  |
|   | <u>20,831</u>  | <u>20,728</u>  |
| <b>Current Assets</b>   |  |  |
| Trade and other receivables   | 1,732  | 5,182  |
| Fixed deposits with licensed banks  | 2,065  | 2,036  |
| Cash and bank balances  | 409  | 338  |
|   | <u>4,206</u>   | <u>7,556</u>   |
| <b>TOTAL ASSETS</b>   | <u><u>25,037</u></u>   | <u><u>28,284</u></u>   |
| <b>EQUITY AND LIABILITIES</b>   |  |  |
| <b>Capital and Reserves</b>   |  |  |
| Issued capital  | 19,360   | 17,600   |
| Share premium   | 10,717   | 10,717   |
| Accumulated Loss  | (17,170)   | (18,764)   |
|   | <u>12,907</u>  | <u>9,553</u>   |
| Non-controlling interest  | (1,108)  | (1,041)  |
| <b>Total Equity</b>   | <u>11,799</u>  | <u>8,512</u>   |
| <b>Non-current Liability</b>  |  |  |
| Term loan   | 3,974  | 6,354  |
| <b>Current Liabilities</b>  |  |  |
| Trade and other payables  | 2,862  | 5,232  |
| Bank overdrafts   | 1,327  | 2,097  |
| Bank borrowings   | 5,080  | 6,074  |
| Tax liabilities   | (5)  | 15   |
|   | <u>9,264</u>   | <u>13,418</u>  |
| <b>Total Liabilities</b>  | <u>13,238</u>  | <u>19,772</u>  |
| <b>TOTAL EQUITY AND LIABILITIES</b>   | <u><u>25,037</u></u>   | <u><u>28,284</u></u>   |
| Net assets per share attributable to ordinary equity holders of the parent (RM) | 0.06   | 0.05   |

The unaudited condensed consolidated Balance Sheet should be read in conjunction with the annual audited financial statements for the financial period ended 31 December 2011 and the accompanying explanatory notes attached to this interim financial statements.

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

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**for second quarter ended 30 June 2012**

*(The figures have not been audited)*

|   | <b>6-MONTHS<br/>ENDED<br/>30/06/12<br/>(Unaudited)</b> | <b>12-MONTHS<br/>ENDED<br/>31/12/11<br/>(Audited)</b> |
|---|--|---|
|   | RM'000   | RM'000  |
| <b>Cash Flows from Operating Activities</b>     |  |   |
| Profit/(Loss) before tax                        | 1,527  | (7,357)   |
| Adjustment for:                                 |  |   |
| Non-cash items                                  | 2,133  | 4,499   |
| Non-operating items                             | 395  | 1,334   |
| Operating profit before working capital changes | <u>4,055</u>   | <u>(1,524)</u>  |
| Net changes in current assets                   | 3,450  | 8,142   |
| Net changes in current liabilities              | <u>(2,357)</u>   | <u>(4,605)</u>  |
| Cash from operations                            | 5,148  | 2,013   |
| Interest paid                                   | (424)  | (1,359)   |
| Net tax paid                                    | <u>(20)</u>  | <u>(52)</u>   |
| Net cash generated from operating activities    | <u>4,704</u>   | <u>602</u>  |
| <b>Cash Flows from Investing Activities</b>     |  |   |
| Interest received                               | 29   | 25  |
| Purchase of property, plant and equipment       | (2,000)  | 4,497   |
| Development expenditure incurred                | <u>(236)</u>   | <u>(1,053)</u>  |
| Net cash used in investing activities           | <u>(2,207)</u>   | <u>3,469</u>  |
| <b>Cash Flows from Financing Activities</b>     |  |   |
| Increased in issued share capital               | 1,760  | 0   |
| Fixed deposits withdrawn / (pledged)            | (29)   | 621   |
| Repayment of hire purchase                      | (13)   | (26)  |
| Repayment of term loan                          | <u>(3,374)</u>   | <u>(5,056)</u>  |
| Net cash generated from financing activities    | <u>(1,656)</u>   | <u>(4,461)</u>  |
| Net Decrease in Cash and Cash Equivalents       | 841  | (390)   |
| Cash and Cash Equivalents at beginning of year  | (1,759)  | (1,369)   |
| Cash and Cash Equivalents at end of period      | <u><u>(918)</u></u>                                    | <u><u>(1,759)</u></u>                                 |
| <b>Cash and Cash Equivalents comprise of:</b>   |  |   |
| Fixed deposits with licensed bank               | 2,065  | 2,036   |
| Cash and bank balances                          | 409  | 338   |
| Bank overdrafts                                 | <u>(1,327)</u>   | <u>(2,097)</u>  |
|   | 1,147  | 277   |
| Less : Fixed deposits pledged                   | <u>(2,065)</u>   | <u>(2,036)</u>  |
|   | <u><u>(918)</u></u>                                    | <u><u>(1,759)</u></u>                                 |

The unaudited condensed consolidated Cash Flow Statement should be read in conjunction with the annual audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to this interim financial statements.

**DVM TECHNOLOGY BERHAD (609953-K)**

(Incorporated in Malaysia)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY****for second quarter ended 30 June 2012***(The figures have not been audited)*

|   | <b>Issued<br/>Capital</b> | <b>Share<br/>Premium</b> | <b>Non-distributable<br/>reserve -<br/>Reserve on<br/>consolidation</b> | <b>Accumulated<br/>Loss</b> | <b>Non -<br/>Controlling<br/>Interest</b> | <b>Total</b>  |
|---|---------------------------|--------------------------|---|-----------------------------|---|---------------|
|   | RM'000                    | RM'000                   | RM'000  | RM'000                      | RM'000                                    | RM'000        |
| <b>Balance as of 1 January 2012</b>               | 17,600                    | 10,717                   | 0   | (18,764)                    | (1,041)                                   | 8,512         |
| Issued Ordinary Share Capital - Private Placement | 1,760                     |                          |   |                             |   | 1,760         |
| Total comprehensive income/(loss) for the period  | 0                         | 0                        | 0   | 1,594                       | (67)                                      | 1,527         |
| <b>Balance as of 30 June 2012</b>                 | <u>19,360</u>             | <u>10,717</u>            | <u>0</u>  | <u>(17,170)</u>             | <u>(1,108)</u>                            | <u>11,799</u> |

The unaudited condensed consolidated Statement of Changes in Equity should be read in conjunction with the annual audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to this interim financial statements.