

DVM TECHNOLOGY BERHAD (609953-K)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME**for second quarter ended 30 June 2014***(The figures have not been audited)*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	2014 CURRENT QUARTER <u>30/06/2014</u>	2013 PRECEDING YEAR CORRESPONDING QUARTER <u>30/06/2013</u>	2014 CURRENT YEAR TO DATE <u>30/06/2014</u>	2013 PRECEDING YEAR CORRESPONDING PERIOD <u>30/06/2013</u>
	RM'000	RM'000	RM'000	RM'000
REVENUE	<u>7,881</u>	<u>1,419</u>	<u>16,482</u>	<u>4,810</u>
Operating profit	29	(1,563)	185	(1,004)
Other income	308	173	616	346
Amortisation and depreciation	(440)	(360)	(886)	(938)
Interest expense	(5)	(138)	(11)	(286)
Share of results of associate company	(2)	(16)	20	(31)
Profit/(loss) before taxation	<u>(110)</u>	<u>(1,904)</u>	<u>(76)</u>	<u>(1,913)</u>
Taxation	0	0	0	0
Profit/(loss) after taxation	<u><u>(110)</u></u>	<u><u>(1,904)</u></u>	<u><u>(76)</u></u>	<u><u>(1,913)</u></u>
Profit/(loss) attributable to:				
Equity holders of the company	(131)	(1,898)	(97)	(1,907)
Non-controlling interest	21	(6)	21	(6)
Profit/(loss) after taxation	<u><u>(110)</u></u>	<u><u>(1,904)</u></u>	<u><u>(76)</u></u>	<u><u>(1,913)</u></u>
Weighted average number of shares in issue ('000)	580,800	193,600	580,800	193,600
Earnings per share (sen) - basic	(0.02)	(0.98)	(0.02)	(0.99)

The unaudited condensed consolidated statement of profit and loss and other comprehensive income should be read in conjunction with the annual audited financial statements for the financial year ended 31 December 2013 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 2014

(The figures have not been audited)

	AS AT END OF CURRENT QUARTER 6/30/2014 (Unaudited)	AS AT PRECEDING FINANCIAL YEAR ENDED 12/31/2013 (Audited)
	RM'000	RM'000
ASSETS		
Non-current Assets		
Property, Plant and Equipment	17,167	11,598
Development Expenditure	368	615
Investment in Associate	158	138
Other investment	1,663	-
Goodwill	2,826	-
	<u>22,182</u>	<u>12,351</u>
Current Assets		
Inventories	4,813	545
Trade and other receivables	22,825	16,117
Tax recoverable	95	28
Fixed deposits with licensed banks	1,542	21,067
Cash and bank balances	14,137	5,858
	<u>43,412</u>	<u>43,615</u>
TOTAL ASSETS	<u><u>65,594</u></u>	<u><u>55,966</u></u>
EQUITY AND LIABILITIES		
Capital and Reserves		
Issued capital	58,080	58,080
Share premium	10,275	10,275
Accumulated Loss	(26,635)	(26,538)
Warrants reserve	3,775	3,775
	<u>45,495</u>	<u>45,592</u>
Non-controlling interest	(259)	(1,105)
Total Equity	<u>45,236</u>	<u>44,487</u>
Non-current Liability		
Deferred tax liabilities	1,847	1,724
Borrowings	254	125
	<u>2,101</u>	<u>1,849</u>
Current Liabilities		
Trade and other payables	15,132	9,605
Bank borrowings	65	25
Contingent consideration	3,060	0
	<u>18,257</u>	<u>9,630</u>
Total Liabilities	<u>20,358</u>	<u>11,479</u>
TOTAL EQUITY AND LIABILITIES	<u><u>65,594</u></u>	<u><u>55,966</u></u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.08	0.08

The unaudited condensed consolidated Balance Sheet should be read in conjunction with the annual audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial statements.

DVM TECHNOLOGY BERHAD (609953-K)
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CONDENSED CONSOLIDATED CASH FLOW STATEMENT
for second quarter ended 30 June 2014
(The figures have not been audited)

	6-MONTHS ENDED 30/06/14 (Unaudited) RM'000	12-MONTHS ENDED 31/12/13 (Audited) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(76)	(2,450)
Adjustment for:		
Non-cash items	866	4,480
Non-operating items	(228)	46
Operating profit before working capital changes	562	2,076
Net changes in current assets	(23)	(12,491)
Net changes in current liabilities	(4,959)	5,343
Cash used in operations	(4,420)	(5,072)
Interest paid	(11)	(420)
Net tax paid	(11)	(54)
Net cash used in operating activities	(4,442)	(5,546)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	239	374
(Placement)/Uplift of fixed deposits	(457)	1,028
Purchase of property, plant and equipment	(4,365)	(75)
Proceeds from disposal of plant and equipment	0	877
Investment in Associate	0	(1)
Advance to an associate	0	(49)
Acquisition of subsidiary	(544)	0
Purchase of investment	(1,663)	0
Net cash (used in)/generated from investing activities	(6,790)	2,154
CASH FLOWS FOR FINANCING ACTIVITIES		
Proceeds from issuance of shares pursuant to Rights Issue	0	38,720
Share issuance expenses	0	(442)
Repayment to director	0	(2,634)
Repayment of hire purchase	(32)	(30)
Repayment of term loan	0	(7,065)
Net cash (used in)/generated from financing activities	(32)	28,549
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(11,264)	25,157
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD/YEAR	25,858	701
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR	14,594	25,858
CASH AND CASH EQUIVALENTS COMPRISE OF:		
Fixed deposits with licensed bank	1,542	21,067
Cash and bank balances	14,137	5,858
	15,679	26,925
Less : Fixed deposits pledged	(1,085)	(1,067)
	14,594	25,858

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 2013 and the accompanying explanatory notes attached to this interim financial statements.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for second quarter ended 30 June 2014

(The figures have not been audited)

	Issued Capital	Share Premium	Warrant Reserve	Non-distributable reserve - Reserve on consolidation	Accumulated Loss	Non - Controlling Interest	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as of 1 January 2014	58,080	10,275	3,775	0	(26,538)	(1,105)	44,487
Total comprehensive income/(loss) for the period	0	0	0	0	(97)	21	(76)
Acquisition of subsidiary with non-controlling interest	0	0	0	0	0	825	825
Balance as of 30 June 2014	<u>58,080</u>	<u>10,275</u>	<u>3,775</u>	<u>0</u>	<u>(26,635)</u>	<u>(259)</u>	<u>45,236</u>

	Issued Capital	Share Premium	Warrant Reserve	Non-distributable reserve - Reserve on consolidation	Accumulated Loss	Non - Controlling Interest	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as of 1 January 2013	19,360	10,717	0	0	(20,276)	(1,094)	8,707
Total comprehensive income/(loss) for the period	0	0	0	0	(1,906)	(7)	(1,913)
Balance as of 30 June 2013	<u>19,360</u>	<u>10,717</u>	<u>0</u>	<u>0</u>	<u>(22,182)</u>	<u>(1,101)</u>	<u>6,794</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 2013 and the accompanying explanatory notes attached to this interim financial statements.