

GPRO TECHNOLOGIES BERHAD

CONDENSED CONSOLIDATED INCOME STATEMENTS

FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2006

THIS QUARTERLY REPORT HAS BEEN REVIEWED BY GPRO'S EXTERNAL AUDITORS

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	PRECEDING YEAR		PRECEDING YEAR	
	CURRENT YEAR	CORRESPONDING	CURRENT YEAR	CORRESPONDING
	QUARTER ENDED	QUARTER ENDED	TO DATE	QUARTER ENDED
	30/09/2006	30/09/2005	30/09/2006	30/09/2005
	RM	RM	RM	RM
Revenue	453,223	3,378,681	7,496,939	10,253,450
Cost of sales	(40,184)	(762,789)	(2,226,790)	(1,963,547)
Gross profit	413,039	2,615,892	5,270,149	8,289,903
Other income	259,227	130,127	448,448	346,302
Selling and distribution costs	(1,188,881)	(1,037,004)	(3,442,106)	(2,756,145)
Administration expenses	(1,128,059)	(1,059,211)	(3,408,261)	(3,349,705)
Other expenses	(2,343,100)	(160,431)	(2,784,197)	(568,196)
Finance cost	(3,466)	(2,479)	(11,817)	(15,007)
(Loss) / Profit before tax	(3,991,240)	486,894	(3,927,784)	1,947,152
Income tax expense	-	-	-	-
(Loss) / Profit for the period	<u>(3,991,240)</u>	<u>486,894</u>	<u>(3,927,784)</u>	<u>1,947,152</u>
Attributable to:				
Equity holders of the parent	(3,946,908)	312,351	(3,833,511)	1,772,609
Minority interest	(44,332)	174,543	(94,273)	174,543
	<u>(3,991,240)</u>	<u>486,894</u>	<u>(3,927,784)</u>	<u>1,947,152</u>
(Loss) / Earnings per share attributable to equity holders of the parent (sen):				
Basic	(1.58)	0.12	(1.53)	0.71
Diluted	-	-	-	-

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

GPRO TECHNOLOGIES BERHAD
CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT 30 SEPTEMBER 2006

THIS QUARTERLY REPORT HAS BEEN REVIEWED BY GPRO'S EXTERNAL AUDITORS

	(UNAUDITED) AS AT 30-Sep-06 RM	(AUDITED) AS AT 31-Dec-05 RM
ASSETS		
Non-current assets		
Property, plant and equipment	1,325,714	1,473,978
Research and development expenditure	10,962,967	9,121,847
Goodwill on consolidation	4,226,949	4,224,471
	<u>16,515,630</u>	<u>14,820,296</u>
Current assets		
Inventories	5,451,561	4,905,633
Trade receivables	11,432,311	11,749,023
Other Receivables	2,535,357	2,290,059
Taxation recoverable	155,778	132,079
Fixed deposits	4,260,510	10,129,070
Cash and bank balances	575,363	876,442
	<u>24,410,880</u>	<u>30,082,306</u>
TOTAL ASSETS	<u><u>40,926,510</u></u>	<u><u>44,902,602</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	25,000,000	25,000,000
Share premium	17,381,943	17,381,943
Exchange translation reserve	1,434	17,219
Retained earnings	(3,466,034)	367,477
	<u>38,917,343</u>	<u>42,766,639</u>
Minority interest	<u>87,899</u>	<u>184,239</u>
Total equity	<u><u>39,005,242</u></u>	<u><u>42,950,878</u></u>
Non-current liabilities		
Finance creditors	171,475	171,475
	<u>171,475</u>	<u>171,475</u>
Current liabilities		
Trade payables	220,799	443,292
Other payables	1,508,046	1,241,473
Finance creditors	20,948	95,484
	<u>1,749,793</u>	<u>1,780,249</u>
Total liabilities	<u><u>1,921,268</u></u>	<u><u>1,951,724</u></u>
TOTAL EQUITY AND LIABILITIES	<u><u>40,926,510</u></u>	<u><u>44,902,602</u></u>
Net assets per share attributable to ordinary equity holders of the parent (sen)	15.57	17.11

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the financial year ended 31 December 2005 and the accompany explanatory notes attached to the interim financial statements.

GPRO TECHNOLOGIES BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2006
THIS QUARTERLY REPORT HAS BEEN REVIEWED BY GPRO'S EXTERNAL AUDITORS

	←————— Attributable to Equity Holders of the Parent —————→				—————→		
	← Non-distributable →		Distributable				
	Share Capital RM	Share Premium RM	Exchange Translation Reserve RM	Retained Earnings RM	Total RM	Minority Interest RM	Total Equity RM
At 1 January 2005	25,000,000	17,381,943	11,455	3,138,724	45,532,122	-	45,532,122
Foreign currency translation, representing net expenses recognised directly in equity	-	-	(9,497)	-	(9,497)	-	(9,497)
Profit for the period	-	-	-	1,772,609	1,772,609	-	1,772,609
Dividend payable				(625,000)	(625,000)	-	(625,000)
At 30 September 2005	<u>25,000,000</u>	<u>17,381,943</u>	<u>1,958</u>	<u>4,286,333</u>	<u>46,670,234</u>	<u>-</u>	<u>46,670,234</u>
At 1 January 2006	25,000,000	17,381,943	17,219	367,477	42,766,639	184,239	42,950,878
Foreign currency translation, representing net expenses recognised directly in equity	-	-	(15,785)	-	(15,785)	(2,067)	(17,852)
Profit/(Loss) for the period	-	-	-	(3,833,511)	(3,833,511)	(94,273)	(3,927,784)
At 30 September 2006	<u>25,000,000</u>	<u>17,381,943</u>	<u>1,434</u>	<u>(3,466,034)</u>	<u>38,917,343</u>	<u>87,899</u>	<u>39,005,242</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

GPRO TECHNOLOGIES BERHAD
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER 2006
THIS QUARTERLY REPORT HAS BEEN REVIEWED BY GPRO'S EXTERNAL AUDITORS

	QUARTER ENDED 30/09/2006 RM	PRECEDING YEAR QUARTER ENDED 30/09/2005 RM
Cashflows from operating activities		
Profit before taxation	(3,927,783)	1,947,152
<i>Adjustment for:</i>		
Bad debts expenses	4,000	-
Depreciation	378,276	319,894
Provision for doubtful debts no longer required	(261,842)	-
Provision for slow moving stock	888,000	-
Provision for doubtful debts	624,497	-
Amortisation of R & D	193,432	(50,365)
Amortisation of Goodwill	-	173,610
PPE written off	1,697	-
Interest expenses	11,817	15,007
Interest income	(180,736)	(267,858)
<i>Operating profit before working capital changes</i>	<u>(2,268,642)</u>	<u>2,137,440</u>
Changes in working capital:-		
Inventories	(1,455,524)	(3,077,607)
Receivables	(295,241)	(1,961,814)
Payables	40,251	(770,103)
<i>Cash generated from operations</i>	<u>(3,979,156)</u>	<u>(3,672,084)</u>
Interest paid	(11,817)	(15,007)
Interest received	180,736	267,858
Tax paid	(23,699)	(109,869)
<i>Net cash generated from operating activities</i>	<u>(3,833,936)</u>	<u>(3,529,102)</u>
Cashflows from investing activities		
Proceed from disposal of PPE	-	81,790
Purchase of plant and equipment	(226,615)	(630,778)
R & D expenditure incurred	(2,034,552)	(2,144,244)
<i>Net cash used in investing activities</i>	<u>(2,261,167)</u>	<u>(2,693,232)</u>
Cashflows from financing activity		
Repayment of finance creditors	(74,536)	30,745
Dividend paid	-	(625,000)
<i>Net cash used in financing activity</i>	<u>(74,536)</u>	<u>(594,255)</u>
Net decrease in cash & cash equivalents	(6,169,639)	(6,816,589)
Cash and cash equivalents at beginning of period	11,005,512	20,043,334
Cash and cash equivalents at 30/06/2006 and 30/06/2005	<u>4,835,873</u>	<u>13,226,745</u>
Cash and cash equivalents consist of:-		
Fixed deposits with licensed banks	4,260,510	12,198,300
Cash and bank balances	575,363	1,028,445
	<u>4,835,873</u>	<u>13,226,745</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.