



EXTOL MSC BERHAD (643683-U)

(Incorporated in Malaysia)

QUARTERLY REPORT

FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2006

(The figures have not been audited)

CONDENSED CONSOLIDATED BALANCE SHEETS

	Notes	AS AT END OF CURRENT FINANCIAL QUARTER 30/09/2006 Unaudited RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/12/2005 Audited RM'000
NON-CURRENT ASSETS			
Property, plant and equipment		5,291	4,372
Goodwill		2,026	2,026
Product development expenditure		3,871	3,372
		<u>11,188</u>	<u>9,770</u>
CURRENT ASSETS			
Inventories		298	76
Trade receivables		5,171	4,792
Other receivables		60	867
Tax recoverable		90	90
Cash and bank balances		4,785	538
		<u>10,404</u>	<u>6,363</u>
TOTAL ASSETS		<u>21,592</u>	<u>16,133</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		10,440	7,830
Share premium		3,620	-
Retained profit		4,081	3,707
		<u>18,141</u>	<u>11,537</u>
NON-CURRENT LIABILITIES			
Deferred tax liabilities		822	755
Hire purchase creditor	B10	157	9
Term loans	B10	560	551
		<u>1,539</u>	<u>1,315</u>
CURRENT LIABILITIES			
Trade payables		836	1,321
Bills payable	B10	510	1,028
Other payables and accruals		239	345
Provision for taxation		4	-
Hire purchase creditor	B10	52	15
Term loans	B10	102	153
Bank overdraft	B10	169	419
		<u>1,912</u>	<u>3,281</u>
Total Liabilities		<u>3,451</u>	<u>4,596</u>
TOTAL EQUITY AND LIABILITIES		<u>21,592</u>	<u>16,133</u>
Number of ordinary shares at RM0.10 par each ('000)		104,400	7,830
Net Asset per share (Sen)		17.38	147.34

NOTES:

1. The Unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the Notes to the Interim Financial Report and the audited financial statements for the financial year ended 31 December 2005.

2. In conjunction with its listing on the MESDAQ Market of Bursa Securities, Extol MSC Bhd effected a share split of its shares from par value of RM1.00 to RM0.10. For financial year ended 31 December 2005, the issued and paid-up share capital was 7,830,000 ordinary shares of RM1.00 each while for the nine (9) months period ended 30 September 2006, the issued and paid-up share capital was 104,400,000 ordinary shares of RM0.10 each.



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CONDENSED CONSOLIDATED INCOME STATEMENTS

		INDIVIDUAL QUARTER CURRENT FINANCIAL YEAR QUARTER 30/09/2006	PRECEDING FINANCIAL YEAR CORRESPONDING QUARTER 30/09/2005	CUMULATIVE QUARTER CURRENT FINANCIAL YEAR TO DATE 30/09/2006	PRECEDING FINANCIAL YEAR CORRESPONDING PERIOD 30/09/2005
	Notes	RM'000	RM'000	RM'000	RM'000
REVENUE	A9	5,597	N/A	10,708	N/A
COST OF SALES		(3,743)	N/A	(6,769)	N/A
GROSS PROFIT		1,854	N/A	3,939	N/A
OTHER INCOME		20	N/A	89	N/A
INTEREST INCOME		28	N/A	88	N/A
OPERATING EXPENSES		(1,109)	N/A	(2,728)	N/A
PROFIT FROM OPERATIONS		793	N/A	1,388	N/A
INTEREST EXPENSE		(38)	N/A	(108)	N/A
PROFIT BEFORE TAXATION		755	N/A	1,280	N/A
TAXATION	B5	(66)	N/A	(71)	N/A
PROFIT AFTER TAXATION		689	N/A	1,209	N/A
Less : MINORITY INTERESTS		-		-	
NET PROFIT FOR THE YEAR		689	N/A	1,209	N/A
Earnings Per Ordinary Share					
- Basic (sen)	B13a	0.66	N/A	1.25	N/A
- Diluted (sen)	B13b	N/A	N/A	N/A	N/A

NOTES:

1. The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Notes to the Interim Financial Report and the audited financial statements for the financial year ended 31 December 2005.

2. Extol MSC Bhd was listed on MESDAQ Market of Bursa Securities on 20 March 2006 and the Group was formed on 19 December 2005. As such, there are no comparative figures presented for the preceding year's corresponding period.



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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<i>Distributable</i>			Total RM'000
	Share Capital	Share Premium	Retained Profits	
	RM'000	RM'000	RM'000	
As at 1st January 2005	1,260	-	887	2,147
Issuance of shares	6,570	-	-	6,570
Profit after taxation	-	-	2,820	2,820
As at 31st December 2005	7,830	-	3,707	11,537
Issuance of shares	2,610	5,220	-	7,830
Listing Expenses	-	(1,600)	-	(1,600)
Profit after taxation	-	-	1,209	1,209
Interim dividend for the financial year ending 31 December 2006 (Tax exempt)*	-	-	(835)	(835)
As at 30th September 2006	10,440	3,620	4,081	18,141

NOTES:

1. The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Notes to the Interim Financial Report and the audited financial statements for the financial year ended 31 December 2005.

2. Extol MSC Bhd was listed on MESDAQ Market of Bursa Securities on 20 March 2006 and the Group was formed on 19 December 2005. As such, there are no comparative figures presented for the preceding year's corresponding period.

* Tax exempt interim dividend for the financial year ending 31 December 2006 of 8% was paid on 19 July 2006.



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CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	01/01/2006 to 30/09/2006	Corresponding period 01/01/2005 to 30/09/2005
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	1,280	N/A
Adjustments for:		
Amortisation of product development cost	283	N/A
Depreciation of property, plant equipment	487	N/A
Interest income	(88)	N/A
Interest expenses	109	N/A
Operating profit before working capital changes	2,071	N/A
Increase/(Decrease) in working capital		
Inventories	(222)	N/A
Trade receivables	(379)	N/A
Other receivables	807	N/A
Trade payables	(485)	N/A
Bills payable	(518)	N/A
Other payables	(106)	N/A
Amount owing to a director	-	N/A
	(903)	N/A
Cash used in operations	1,168	N/A
Bank overdraft interest paid	(20)	N/A
Bill payable interest paid	(53)	N/A
Net cash used in operating activities	1,095	N/A
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,205)	N/A
Research and development expenditure	(782)	N/A
Interest income	88	N/A
Acquisition of subsidiaries, net of cash acquired	-	N/A
Net cash used in investing activities	(1,899)	N/A
CASH FLOWS FROM FINANCING ACTIVITIES		
Draw down of term loan	71	N/A
Proceeds from issuance of shares	7,830	N/A
Listing Expenses	(1,600)	N/A
Repayment of term loans	(114)	N/A
Term loan interest paid	(34)	N/A
Hire Purchase interest paid	(2)	N/A
Repayment to Hire Purchase creditor	(15)	N/A
Payment of interim dividend	(835)	N/A
Net cash generated from financing activities	5,301	N/A
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	4,497	N/A
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	119	N/A
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	4,616	N/A

NOTES:

1. The Unaudited Condensed Consolidated Cashflow Statements should be read in conjunction with the Notes to the Interim Financial Report and the audited financial statements for the financial year ended 31 December 2005.

2. Extol MSC Bhd was listed on MESDAQ Market of Bursa Securities on 20 March 2006 and the Group was formed on 19 December 2005. As such, there are no comparative figures presented for the preceding year's corresponding quarter.