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DVM PROJECTS BIGGER REVENUE CONTRIBUTION FROM OVERSEAS
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DVM banks on revenue from abroad



CHEN: DVM's prospects are fuelled by its development efforts.

FOREIGN clients are expected to contribute up to half of communication solutions company DVM Technology Bhd's revenue for the current year to September 30 2006, helped by the group's marketing initiatives.

In fiscal 2005, DVM made a net loss of RM8.9 million on RM11 million revenue. Net profit and revenue stood at RM848,000 and RM11.5 million respectively in 2004.

The Kuala Lumpur-based group, whose offerings include broadband telephony and Internet Protocol mobile products, has to date made its presence in 11 countries which include Thailand, Singapore, Norway and Saudi Arabia.

Company Profile

By CHONG JIN HUN

"Our (overseas revenue) projection is based on our marketing efforts," executive director Chen Chee Peng told Business Times in Kuala Lumpur recently.

The group, whose customers include telecommunication companies and Internet service providers (ISP), sells its products abroad via re-sellers which include names like Ericsson, and Hewlett-Packard.

Chen said overseas business ac-

counted for approximately 5 per cent of revenue when the company was listed on the Malaysian Exchange of Securities Dealing and Automated Quotation Bhd market in January 2004.

DVM, which also hopes to penetrate the US market, saw its foreign income rise to some 20 per cent of total revenue in fiscal 2005.

Closer to home, countries like Singapore and Thailand are deemed important for the company's expansion plans.

Singapore's attractiveness is by virtue of the island nation's position as a big player in the region's telecommunication sector while Thailand has a huge mar-

ket, he stressed.

In Malaysia, the group allocates some RM3 million annually for research and development, and has worked with local mobile telecommunication entities like Maxis Communications Bhd and DiGi.com Bhd.

DVM had last November formed a technology partnership with local ISP Jaring to tap demand for broadband telephony communication services.

Chen, however, declined to comment on the company's financial performance for fiscal 2006, only expressing optimism on the group's prospects, fuelled by its business development efforts.