

FASTECH SYNERGY LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE QUARTER ENDED 31 MARCH 2006

	Group		
	USD ('000)		
	Quarter Ended 31/03/06	Quarter Ended 31/03/05	Increase/ (Decrease) %
Revenues	3,193	4,649	(31.3)
Cost of goods sold	3,648	4,902	(25.6)
Gross profit (loss)	(455)	(253)	80.3
Sales and marketing	(58)	(92)	(37.0)
Other expenses	(120)	(151)	(20.3)
Interest and bank charges	(206)	(201)	2.1
General and administrative	(677)	(769)	(11.9)
Share in joint venture results	(3)	1	(352.3)
Loss before income tax	1,519	1,465	3.7
Provision for income tax	(3)	(2)	0.5
Loss for the year	1,522	1,467	3.8
Attributable to:			
Minority interest	2	12	0.9
Equity holders of the Group	1,520	1,455	4.5
	1,522	1,467	3.8
Loss per share for profit attributable to equity holders of the Group (basic and fully diluted basis)	(0.009)	(0.009)	4.5

FASTECH SYNERGY LTD AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
31 MARCH 2006

	Group		Company	
	USD ('000)		USD ('000)	
	31/03/06	31/12/05	31/03/06	31/12/05
Non-Current Assets				
Property, plant and equipment	17,903	18,965	-	-
Investments in subsidiaries	-	-	9,620	9,620
Investment in a joint venture	157	161	192	192
Other non-current assets	523	453	-	-
	18,583	19,579	9,812	9,812
Current Assets				
Inventories	952	898	-	-
Trade and other receivables	1,684	1,819	11,830	11,403
Prepaid expenses and other current assets	733	709	11	9
Cash and bank balances	239	381	5	1
	3,608	3,807	11,846	11,414
Equipment held for sale	228	228	-	-
Current Liabilities				
Loans payable	2,287	2,582	-	-
Accounts payable and accrued expenses	5,598	5,364	211	164
Income tax payable	49	51	-	-
Current portion of long term debt	1,510	3,314	1,149	1,149
Current portion of liability under finance lease	191	152	-	-
	9,635	11,463	1,360	1,313
Net Current Assets (Liabilities)	(5,799)	(7,428)	10,486	10,101
Non-Current Liabilities				
Long-term debt - net of current portion	3,205	1,003	-	-
Liability under finance lease net of current portion	0	46	-	-
Deferred tax liability	114	115	-	-
	3,319	1,164	-	-
Net Assets	9,465	10,987	20,298	19,913
Equity				
Equity attributable to the Group's equity holders				
Capital stock	16,819	16,819	16,819	16,819
Share premium	4,041	4,041	4,041	4,041
Contributed surplus	-	-	2,269	2,269
Equity Option	164	164	164	164
Retained earnings (Deficit)	(11,667)	(10,147)	(2,995)	(3,380)
	9,357	10,877	20,298	19,913
Minority Interests	108	110	-	-
Total Equity	9,465	10,987	20,298	19,913

**FASTECH SYNERGY LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2006**

For the quarter ended 31 March	
Group	
2006 USD ('000)	2005 USD ('000)

CASH FLOWS FROM OPERATING ACTIVITIES

Loss before income tax and minority interests	(1,519)	(1,465)
Adjustments for:		
Depreciation and amortization	1,174	1,356
Interest expense	208	209
Unrealized foreign exchange losses	140	53
Amortization of pre-paid rent	37	29
Share in joint venture results	(3)	(1)
Interest income	(3)	(8)
Operating income before working capital changes	34	174
Decrease(increase) in:		
Trade and other receivables	99	375
Prepaid expenses and other current assets	(24)	(32)
Inventories	(54)	1
Increase in accounts payable and accrued expenses	191	139
Net cash generated from operations	<u>246</u>	<u>657</u>
Interest paid	(206)	(207)
Income tax paid	(1)	1
Interest received	(0)	1
Net cash generated from operating activities	<u>38</u>	<u>452</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment	(112)	(161)
Decrease(increase) in other non-current assets	(69)	109
Net cash used in investing activities	<u>(181)</u>	<u>(52)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from :		
Loans payable	398	655
Liability under capital lease	(6)	
Payments of:		
Loans payable	(296)	(805)
Long-term debt	(96)	(115)
Net cash used in financing activities	<u>0</u>	<u>(265)</u>
Net increase (decrease) in cash and bank balances	<u>(142)</u>	<u>135</u>
Cash and bank balances at the beginning of the period	381	178
Cash and bank balances at the end of the year	<u>239</u>	<u>313</u>