

FASTECH SYNERGY LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE QUARTER AND FOR THE YEAR ENDED 31 DECEMBER 2004

	USD ('000)					
	Quarter ended 31/12/04	Quarter ended 31/12/03	Increase/ (Decrease) %	Year Ended 31/12/04	Year Ended 31/12/03	Increase/ (Decrease) %
Revenues	5,176	4,187	23.6	22,241	18,344	21.2
Cost of goods sold	5,130	4,227	21.4	20,442	17,811	14.8
Gross profit (loss)	46	(40)	(215.0)	1,799	533	237.3
Operating expenses						
General and administrative	590	910	(35.2)	3,240	3,373	(3.9)
Sales and marketing	24	116	(79.3)	261	385	(32.2)
Total operating expenses	614	1,026	(40.2)	3,501	3,758	(6.8)
Loss from operations	(568)	(1,066)	(46.7)	(1,702)	(3,225)	(47.2)
Other income (expenses)						
Interest and bank charges	(191)	(256)	(25.4)	(828)	(999)	(17.1)
Foreign exchange gains (losses)	(20)	7	(381.7)	(10)	162	(106.3)
Share in joint venture results	0	(5)	(106.4)	(4)	(27)	(84.9)
Others	(978)	(460)	112.7	(949)	(511)	85.6
Net other expenses	(1,189)	(714)	66.5	(1,791)	(1,376)	30.2
Loss before income tax and minority interests	1,757	1,780	(1.3)	3,493	4,601	(24.1)
Provision for income tax	52	(39)	(234.1)	61	-	16,692.8
Loss before minority interests	1,809	1,741	3.9	3,554	4,601	(22.8)
Minority interests	67	28	141.4	65	77	(15.5)
Net loss	1,742	1,714	1.6	3,489	4,524	(22.9)
Loss per share (basic and fully diluted basis)	(0.010)	(0.011)	(3.9)	(0.021)	(0.028)	(27.0)

FASTECH SYNERGY LTD AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
31 DECEMBER 2004

	Group		Company	
	USD ('000)		USD ('000)	
	31/12/04	31/12/03	31/12/04	31/12/03
Non-Current Assets				
Property, plant and equipment	25,323	30,205	-	-
Investments in subsidiaries	-	-	9,620	13,361
Investment in a joint venture	159	163	180	192
Goodwill				
Other non-current assets	499	580	-	-
	25,981	30,949	9,800	13,553
Current Assets				
Inventories	1,517	1,257	-	-
Trade and other receivables	3,566	2,107	10,927	11,791
Prepaid expenses and other current assets	648	434	28	9
Cash and bank balances	178	1,185	3	7
	5,909	4,982	10,958	11,807
Current Liabilities				
Loans payable	3,738	5,727	-	-
Accounts payable and accrued expenses	6,299	4,606	169	143
Income tax payable	49	21	-	-
Current portion of long term debt	3,222	2,811	1,193	1,760
Current portion of liability under finance lease	120	75	-	-
	13,428	13,239	1,362	1,903
Net Current Assets (Liabilities)	(7,519)	(8,257)	9,596	9,903
Non- Current Liabilities				
Long-term debt - net of current portion	99	1,040	-	-
Liability under finance lease net of current portion	105	46	-	-
Deferred tax liability	10	4	-	-
	214	1,090	-	-
Net Assets	18,248	21,602	19,396	23,456
Equity				
Capital stock	16,819	16,819	16,819	16,819
Share premium	4,041	4,041	4,041	4,041
Contributed surplus	0	0	2,269	2,269
Retained earnings (Deficit)	(2,772)	717	(3,732)	328
	18,088	21,577	19,396	23,456
Minority Interests	160	26	-	-
Equity and Minority Interests	18,248	21,602	19,396	23,456

FASTECH SYNERGY LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2004

	2004 USD ('000)	2003 USD ('000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before income tax and minority interests	(3,493)	(4,601)
Adjustments for:		
Depreciation and amortization	5,614	5,988
Provisions for:		
Impairment losses on machinery and equipment	978	386
Doubtful trade receivables	6	56
Inventory obsolescence	-	36
Possible loss on advances to supplier	-	37
Interest expense	871	1,063
Loss on disposal of property and equipment	193	-
Loss on dilution of investment in a subsidiary	126	-
Amortization of pre-paid rent	103	89
Unrealized foreign exchange losses	19	16
Share in joint venture results	4	27
Reversal of impairment loss on machinery and equipment	(296)	-
Interest income	(43)	(64)
Write-off of input tax	-	66
Operating income before working capital changes	<u>4,082</u>	<u>3,099</u>
Decrease(increase) in:		
Trade and other receivables	(1,466)	1,028
Prepaid expenses and other current assets	(317)	(329)
Inventories	(261)	82
Increase (decrease) in accounts payable and accrued expenses	<u>1,688</u>	<u>(239)</u>
Net cash generated from operations	<u>3,726</u>	<u>3,641</u>
Interest paid	(874)	(1,114)
Income tax paid	(26)	(29)
Interest received	<u>5</u>	<u>17</u>
Net cash generated from operating activities	<u>2,831</u>	<u>2,515</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,548)	(964)
Decrease in other non-current assets	(8)	224
Proceeds from disposal of property and equipment	<u>136</u>	<u>-</u>
Net cash used in investing activities	<u>(1,420)</u>	<u>(740)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from :		
Loans payable	3,080	6,506
Long-term debt	-	500
Issuance of capital stock at premium	-	1,500
Payments of:		
Loans payable	(5,078)	(6,535)
Long-term debt	(530)	(2,690)
Liability under finance lease	(89)	(85)
Expenses related to issuance of common stock	-	(15)
Increase (decrease) in minority interests	<u>200</u>	<u>(4)</u>
Net cash used in financing activities	<u>(2,417)</u>	<u>(823)</u>
Net increase (decrease) in cash and bank balances	<u>(1,006)</u>	<u>952</u>
Cash and bank balances at the beginning of the period	<u>1,184</u>	<u>233</u>
Cash and bank balances at the end of the year	<u>178</u>	<u>1,185</u>