MIKRO MSC BERHAD (738171-M) CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 JUNE 2014

The unaudited results of Mikro MSC Berhad and its subsidiaries ("Group") for the period ended 30 June 2014 are as follows:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		
		PRECEDING YEAR		PRECEDING YEAR	
	CURRENT YEAR	CORRESPONDING	CURRENT YEAR	CORRESPONDING	
	QUARTER ENDED	QUARTER ENDED	TO DATE	PERIOD ENDED	
Note	30/06/2014	30/06/2013	30/06/2014	30/06/2013	
	RM	RM	RM	RM	
Revenue	8,575,224	6,915,391	30,385,705	28,068,440	
Cost of sales	(4,866,794)	(4,664,829)	(15,355,482)	(14,209,964)	
Gross profit	3,708,430	2,250,562	15,030,223	13,858,476	
Other operating income	83,772	71,491	168,602	270,723	
Finance costs	(15,190)	(37,844)	(70,560)	(65,160)	
Operating Expenses	(2,157,680)	(1,665,562)	(8,515,170)	(8,155,354)	
Profit before tax	1,619,332	618,647	6,613,095	5,908,685	
Income tax expenses	(59,586)	(331,577)	(994,755)	(1,269,315)	
Profit for the period	1,559,746	287,070	5,618,340	4,639,370	
Profit for the financial year attributable to:					
Owners of the parent	1,548,739	276,892	5,583,888	4,630,541	
Non-controlling interests	11,007	10,178	34,452	8,829	
	1,559,746	287,070	5,618,340	4,639,370	
Earnings per share attributable to equity holders					
Basic earnings per share (in sen)	0.85	0.16	3.09	2.58	

The consolidated statements of comprehensive income should be read in conjunction with the Group's audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.

MIKRO MSC BERHAD (738171-M) CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AT 30 JUNE 2014

		(UNAUDITED) AS AT END OF CURRENT YEAR QUARTER ENDED	(AUDITED) AS AT FINANCIAL YEAR ENDED
<u> </u>	Note	30/06/2014	30/06/2013
ASSETS		RM	RM
AGGETS			
Non-Current Assets			
Property, plant and equipment		4,591,589	4,710,199
Intangible assets		8,315,357	6,718,176
		12,906,946	11,428,375
Current Assets			
Inventories		7,958,410	6,557,323
Trade and other receivables		10,875,646	8,087,530
Tax Recoverable		547,399	759,014
Cash and bank balances		2,378,543	4,065,509
Fixed deposits with a licensed bank		1,519,628	1,319,628
		23,279,626	20,789,004
TOTAL ASSETS		36,186,572	32,217,379
EQUITY AND LIABILITIES			
Equity attributable to owners of the comp	onv		
Share capital	any	18,318,090	18,005,050
Share premium		1,014,172	669,828
Share options reserve		240,755	305,450
Retained earnings		11,802,416	8,966,238
reamed carmings		31,375,433	27,946,566
		, ,	, ,
Non-controlling interests		53,081	18,629
TOTAL EQUITY		31,428,514	27,965,195
Non-Current Liabilities		260 149	272,252
Borrowings Deferred taxation		260,148 120,228	272,232
Deferred taxation		380,376	543,742
Current Liabilities		300,370	3+3,7+2
Trade and other payables		4,211,879	3,082,054
Borrowing		165,803	320,182
Overdraft			306,206
Overdrant		4,377,682	3,708,442
		4,377,062	3,706,442
TOTAL LIABILITIES		4,758,058	4,252,184
TOTAL FOLITY AND LIABILITIES		26 196 572	22 217 270
TOTAL EQUITY AND LIABILITIES		36,186,572	32,217,379
Net asset per share (sen)		17.13	15.52

The consolidated statements of financial position should be read in conjunction with the Group's audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.

MIKRO MSC BERHAD (738171-M) CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 JUNE 2014

------Equity attributable to owners of the parent------

<u>-</u>	Share Capital RM	Share Premium RM	Share Option Reserves RM	Retained Profits RM	Total RM	Non-controlling Interest RM	Total Equity RM
As at 1 July 2012	17,887,150	540,138	272,575	7,036,451	25,736,314	9,800.00	25,746,114
Ordinary shares issued pursuant to ESOS	117,900	-	-	-	117,900	-	117,900
Share premium	-	129,690	-	-	129,690	-	129,690
Other reserves	-	-	32,875		32,875	-	32,875
Dividend paid	-	-	-	(2,700,754)	(2,700,754)	-	(2,700,754)
Total comprehensive income for the period	-	-	-	4,630,541	4,630,541	8,829	4,639,370
Balance as at 30 June 2013	18,005,050	669,828	305,450	8,966,238	27,946,566	18,629	27,965,195
As at 1 July 2013	18,005,050	669,828	305,450	8,966,238	27,946,566	18,629	27,965,195
Ordinary shares issued pursuant to ESOS	313,040	-	(64,695)	-	248,345	-	248,345
Share premium	-	344,344	-	-	344,344	-	344,344
Other reserves	-	-	-	-	-	-	-
Dividend paid	-	-	-	(2,747,710)	(2,747,710)	-	(2,747,710)
Total comprehensive income for the period	-	-	-	5,583,888	5,583,888	34,452	5,618,340
Balance as at 30 June 2014	18,318,090	1,014,172	240,755	11,802,416	31,375,433	53,081	31,428,514

The consolidated statements of changes in equity should be read in conjunction with the Group's audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.

CASH FLOW FROM OPERATING ACTIVITIES Frofit before taxation 6,613,095 5,908,684		CURRENT YEAR TO DATE ENDED 30/6/2014	PRECEDING YEAR TO DATE PERIOD ENDED 30/06/2013
Profit before taxation			
Adjustment for- Depreciation of property, plant and equipment 1,088,304 1,052,207 Inpairment of intangible assets - 916,532 Intangible assets written off 133,314 - 1 1,081,3		6,613,095	5,908,684
Depreciation of property, plant and equipment [Impairment of intangible assets [Intangible assets written off [Inventories Inventories Inventories [Inventories Inventories Inventories Inventories [Inventories Inventories Inventories Inventories [Inventories Inventories Inventories Inventories [Inventories Inventories Inventories Inventories Inventories Inventories [Inventories Inventories Inventories Inventories Inventories Inventories Inventories [Inventories Inventories Inventories Inventories Inventories Inventories Inventories [Inventories Inventories Invent		6,613,095	5,908,684
Depreciation of property, plant and equipment [Impairment of intangible assets [Intangible assets written off [Inventories Inventories Inventories [Inventories Inventories Inventories Inventories [Inventories Inventories Inventories Inventories [Inventories Inventories Inventories Inventories [Inventories Inventories Inventories Inventories Inventories Inventories [Inventories Inventories Inventories Inventories Inventories Inventories Inventories [Inventories Inventories Inventories Inventories Inventories Inventories Inventories [Inventories Inventories Invent			
Impairment of intangible assets 916,532 Intangible assets written off 103,534 - Inventories written off 18,011 - Inventories written off 18,011 - Cam on disposal of property, plant and equipment (87,322) (94,157) Interest expense 70,597 (51,60) Recognition of share options expenses 91,825 91,825 Recognition of share options expenses 91,825 91,825 Operating profit/(loss) before working capital changes 8,854,123 8,369,040 Changes in working capital:		1 000 204	1.052.207
Intangible assets written off		1,066,304	
Inventories written down 506,766 102,536 Amortisation of intangible asests 763,312 508,043 Amortisation of intangible asests 763,312 508,043 101,000 101,0	-	103,534	-
Amortisation of intangible assets 763.312 508,043 Gain on disposal of property, plant and equipment Interest expense 70,597 65,160 Interest income (62,661) (54,325) Recognition of share options expenses 91,825 91,825 Unrealised loss/(gain) of foreign exchange (251,338) (127,465) Operating profit/(loss) before working capital changes 8,854,123 8,369,040 Changes in working capital: (1,925,864) 281,297 Inventories (1,925,864) 281,297 Receivables (2,864,002) 851,852 Payables 1,255,546 (228,341) CASH (FOR)/FROM OPERATIONS 3,319,803 9,273,848 Tax (paid)/refund (934,403) (1,637,564) Interest paid (70,597) (65,160) Interest income 62,561 54,325 NET CASH (FOR)/FROM OPERATING ACTIVITIES 4,377,464 7,625,449 CASH FLOW FROM INVESTING ACTIVITIES (2,464,028) (2,222,721) Proceeds from disposal of property, plant and equipment (879,070) (573,021)	Inventories written off	18,011	-
Gain on disposal of property, plant and equipment Interest expense 70,597 63,160 Interest expense 70,597 63,160 Recognition of share options expenses 91,825 91,825 Unrealised loss/(gain) of foreign exchange (251,338) (127,465) Operating profit/(loss) before working capital changes 8,854,123 8,369,040 Changes in working capital:- (1,925,864) 281,297 Receivables (2,864,002) 851,852 Payables 1,255,546 (228,341) CASH (FOR)/FROM OPERATIONS 5,319,803 9,273,848 Tax (paid)/refund (934,403) (1,637,564) Interest paid (70,597) (65,160) Interest		506,766	102,536
Interest expense			
Interest income			
Recognition of share options expenses 91,825 91,825 Unrealised loss/(gain) of foreign exchange (251,338) (127,465) Operating profit/(loss) before working capital changes 8,854,123 8,369,040 Changes in working capital:- Inventories (1,925,864) 281,297 Receivables (2,864,002) 851,852 Payables 1,255,546 (228,341) CASH (FOR)/FROM OPERATIONS 5,319,803 9,273,848 Tax (paid)/refund (934,403) (1,637,564) Interest paid (70,597) (65,160) Interest income 62,661 54,325 NET CASH (FOR)/FROM OPERATING ACTIVITIES 3,377,464 7,625,449 CASH FLOW FROM INVESTING ACTIVITIES 236,699 107,000 Purchase of property, plant and equipment (879,070) (573,021) Purchase of property, plant and equipment (879,070) (573,021) Intangible assets (2,464,028) (2,222,721) NET CASH (FOR)/FROM INVESTING ACTIVITIES (3,106,399) (2,688,742) CASH FLOW FROM FINANCING ACTIVITIES (2,643,2331) (2,707,750,66)<	•		
Unrealised loss/(gain) of foreign exchange (251,338) (127,465) Operating profit/(loss) before working capital changes 8,854,123 8,369,040 Changes in working capital:- Inventories (1,925,864) 281,297 Receivables (2,864,002) 851,852 Payables 1,255,546 (2228,341) CASH (FOR)/FROM OPERATIONS 5,319,803 9,273,848 Tax (paid)/refund (934,403) (1,637,564) Interest paid (70,597) (65,160) Interest paid (87,907) (65,160) Interest paid (70,597) (65,160) Interest paid (70,597) (65,160) Interest paid (87,907) (65,160) Interest paid (87,907) (87,3021) Interest paid (87,90,709) (2			
Changes in working capital:- Inventories (1,925,864) 281,297 Receivables (2,864,002) 851,852 Payables 1,255,546 (228,341) CASH (FOR)/FROM OPERATIONS 5,319,803 9,273,848 Tax (paid)/refund (934,403) (1,637,564) Interest paid (70,597) (65,160) Interest paid (70,597) (65,160) Interest income (62,661 54,325 NET CASH (FOR)/FROM OPERATING ACTIVITIES 4,377,464 7,625,449 CASH FLOW FROM INVESTING ACTIVITIES Proceeds from disposal of property, plant and equipment (879,070) (573,021) Intangible assets (2,464,028) (2,222,721) NET CASH (FOR)/FROM INVESTING ACTIVITIES (3,106,399) (2,688,742) CASH FLOW FROM INVESTING ACTIVITIES (3,106,399) (2,688,742) CASH FLOW FROM FINANCING ACTIVITIES (2,747,710) (2,700,754) Repayment of hire purchase creditors (406,485) (282,952) Proceeds from issuance of ordinary shares under ESOS 500,864 188,640 NET CASH (FOR)/FROM FINANCING ACTIVITIES (2,653,331) (2,795,066) NET CASH (FOR)/FROM FINANCING ACTIVITIES (2,653,331) (
Inventories	Operating profit/(loss) before working capital changes	8,854,123	8,369,040
Receivables (2,864,002) 851,852 Payables 1,255,546 (228,341) CASH (FOR)/FROM OPERATIONS 5,319,803 9,273,848 Tax (paid)/refund (934,403) (1,637,564) Interest paid (70,597) (65,160) Interest income 62,661 54,325 NET CASH (FOR)/FROM OPERATING ACTIVITIES 8,377,464 7,625,449 CASH FLOW FROM INVESTING ACTIVITIES 236,699 107,000 Purchase of property, plant and equipment (879,070) (573,021) Purchase of property, plant and equipment (879,070) (573,021) Intangible assets (2,464,028) (2,222,721) NET CASH (FOR)/FROM INVESTING ACTIVITIES (3,106,399) (2,688,742) Dividend paid (2,747,710) (2,700,754) Repayment of hire purchase creditors (406,485) (282,952) Proceeds from issuance of ordinary shares under ESOS 500,864 188,640 NET CASH (FOR)/FROM FINANCING ACTIVITIES (2,653,331) (2,795,066) Net increase/(decrease) in cash and cash equivalents (1,382,266) 2,141,641 </td <td>Changes in working capital:-</td> <td></td> <td></td>	Changes in working capital:-		
Payables 1,255,546 (228,341) CASH (FOR)/FROM OPERATIONS 5,319,803 9,273,848 Tax (paid)/refund (934,403) (1,637,564) Interest paid (70,597) (65,160) Interest income 62,661 54,325 NET CASH (FOR)/FROM OPERATING ACTIVITIES 4,377,464 7,625,449 CASH FLOW FROM INVESTING ACTIVITIES 236,699 107,000 Purchase of property, plant and equipment (879,070) (573,021) Intangible assets (2,464,028) (2,222,721) NET CASH (FOR)/FROM INVESTING ACTIVITIES (3,106,399) (2,688,742) CASH FLOW FROM FINANCING ACTIVITIES (3,106,399) (2,688,742) CASH FLOW FROM FINANCING ACTIVITIES (2,747,710) (2,700,754) Repayment of hire purchase creditors (406,485) (282,952) Proceeds from issuance of ordinary shares under ESOS 500,864 188,640 NET CASH (FOR)/FROM FINANCING ACTIVITIES (2,653,331) (2,795,066) Net increase/(decrease) in cash and cash equivalents (1,382,266) 2,141,641 Effect of exchange rate fluctuations on cash and cash equ	Inventories	(1,925,864)	281,297
CASH (FOR)/FROM OPERATIONS 5,319,803 9,273,848 Tax (paid)/refund (934,403) (1,637,564) Interest paid (70,597) (65,160) Interest income 62,661 54,325 NET CASH (FOR)/FROM OPERATING ACTIVITIES 377,464 7,625,449 CASH FLOW FROM INVESTING ACTIVITIES 879,070 (573,021) Proceeds from disposal of property, plant and equipment (879,070) (573,021) Intangible assets (2,464,028) (2,222,721) NET CASH (FOR)/FROM INVESTING ACTIVITIES (3,106,399) (2,688,742) Dividend paid (2,747,710) (2,700,754) Repayment of hire purchase creditors (406,485) (282,952) Proceeds from issuance of ordinary shares under ESOS 500,864 188,640 NET CASH (FOR)/FROM FINANCING ACTIVITIES (2,653,331) (2,795,066) NET CASH (FOR)/FROM FINANCING ACTIVITIES (2,653,331) (2,795,066) Net increase/(decrease) in cash and cash equivalents (1,382,266) 2,141,641 Effect of exchange rate fluctuations on cash and cash equivalents 201,505 102,575 Cash an	Receivables	(2,864,002)	851,852
Tax (paid)/refund (934,403) (1,637,564) Interest paid (70,597) (65,160) Interest income 62,661 54,325 NET CASH (FOR)/FROM OPERATING ACTIVITIES 4,377,464 7,625,449 CASH FLOW FROM INVESTING ACTIVITIES Proceeds from disposal of property, plant and equipment 236,699 107,000 Purchase of property, plant and equipment (879,070) (573,021) Intangible assets (2,464,028) (2,222,721) NET CASH (FOR)/FROM INVESTING ACTIVITIES (3,106,399) (2,688,742) CASH FLOW FROM FINANCING ACTIVITIES (3,106,399) (2,688,742) Dividend paid (2,747,710) (2,700,754) Repayment of hire purchase creditors (406,485) (282,952) Proceeds from issuance of ordinary shares under ESOS 500,864 188,640 NET CASH (FOR)/FROM FINANCING ACTIVITIES (2,653,331) (2,795,066) Net increase/(decrease) in cash and cash equivalents (1,382,266) 2,141,641 Effect of exchange rate fluctuations on cash and eash equivalents 201,505 102,575 Cash and cash equivalents at end of financial year 5,	Payables	1,255,546	(228,341)
Interest paid (70,597) (65,160) Interest paid (70,597) (65,160) Interest income 62,661 54,325 NET CASH (FOR)/FROM OPERATING ACTIVITIES 4,377,464 7,625,449	CASH (FOR)/FROM OPERATIONS	5,319,803	9,273,848
Interest income 62,661 54,325 NET CASH (FOR)/FROM OPERATING ACTIVITIES 4,377,464 7,625,449	Tax (paid)/refund	(934,403)	(1,637,564)
NET CASH (FOR)/FROM OPERATING ACTIVITIES 4,377,464 7,625,449 CASH FLOW FROM INVESTING ACTIVITIES Proceeds from disposal of property, plant and equipment (879,070) (573,021) (57	*		
CASH FLOW FROM INVESTING ACTIVITIES Proceeds from disposal of property, plant and equipment 236,699 107,000 Purchase of property, plant and equipment (879,070) (573,021) Intangible assets (2,464,028) (2,222,721) NET CASH (FOR)/FROM INVESTING ACTIVITIES (3,106,399) (2,688,742) CASH FLOW FROM FINANCING ACTIVITIES (2,747,710) (2,700,754) Repayment of hire purchase creditors (406,485) (282,952) Proceeds from issuance of ordinary shares under ESOS 500,864 188,640 NET CASH (FOR)/FROM FINANCING ACTIVITIES (2,653,331) (2,795,066) Net increase/(decrease) in cash and cash equivalents (1,382,266) 2,141,641 Effect of exchange rate fluctuations on cash and cash equivalents 201,505 102,575 Cash and cash equivalents at beginning of financial year 5,078,931 2,834,715 Cash and cash equivalents at end of financial year 3,898,170 5,078,931 NOTES TO CASH FLOW STATEMENT 2 Cash and be quivalents comprise of: 2 Deposits with licensed banks 1,519,628 1,319,628 Cash and			
Proceeds from disposal of property, plant and equipment 236,699 107,000 Purchase of property, plant and equipment (879,070) (573,021) Intangible assets (2,464,028) (2,222,721) NET CASH (FOR)/FROM INVESTING ACTIVITIES (3,106,399) (2,688,742) CASH FLOW FROM FINANCING ACTIVITIES (2,747,710) (2,700,754) Repayment of hire purchase creditors (406,485) (282,952) Proceeds from issuance of ordinary shares under ESOS 500,864 188,640 NET CASH (FOR)/FROM FINANCING ACTIVITIES (2,653,331) (2,795,066) Net increase/(decrease) in cash and cash equivalents (1,382,266) 2,141,641 Effect of exchange rate fluctuations on cash and cash equivalents 201,505 102,575 Cash and cash equivalents at beginning of financial year 5,078,931 2,834,715 Cash and cash equivalents at end of financial year 3,898,170 5,078,931 NOTES TO CASH FLOW STATEMENT Cash and cash equivalents comprise of: Deposits with licensed banks 1,519,628 1,319,628 Cash and bank balances 2,378,542 4,065,509 Bank overdrafts	NET CASH (FOR)/FROM OPERATING ACTIVITIES	4,377,464	7,625,449
Purchase of property, plant and equipment (879,070) (573,021) Intangible assets (2,464,028) (2,222,721) NET CASH (FOR)/FROM INVESTING ACTIVITIES (3,106,399) (2,688,742) CASH FLOW FROM FINANCING ACTIVITIES (2,747,710) (2,700,754) Repayment of hire purchase creditors (406,485) (282,952) Proceeds from issuance of ordinary shares under ESOS 500,864 188,640 NET CASH (FOR)/FROM FINANCING ACTIVITIES (2,653,331) (2,795,066) Net increase/(decrease) in cash and cash equivalents (1,382,266) 2,141,641 Effect of exchange rate fluctuations on cash and cash equivalents 201,505 102,575 Cash and cash equivalents at beginning of financial year 5,078,931 2,834,715 Cash and cash equivalents at end of financial year 3,898,170 5,078,931 NOTES TO CASH FLOW STATEMENT Cash and cash equivalents comprise of: Deposits with licensed banks 1,519,628 1,319,628 Cash and bank balances 2,378,542 4,065,509 Bank overdrafts - (306,206)	CASH FLOW FROM INVESTING ACTIVITIES		
Intangible assets	Proceeds from disposal of property, plant and equipment	236,699	107,000
NET CASH (FOR)/FROM INVESTING ACTIVITIES (3,106,399) (2,688,742) CASH FLOW FROM FINANCING ACTIVITIES (2,747,710) (2,700,754) Repayment of hire purchase creditors (406,485) (282,952) Proceeds from issuance of ordinary shares under ESOS 500,864 188,640 NET CASH (FOR)/FROM FINANCING ACTIVITIES (2,653,331) (2,795,066) Net increase/(decrease) in cash and cash equivalents (1,382,266) 2,141,641 Effect of exchange rate fluctuations on cash and cash equivalents 201,505 102,575 Cash and cash equivalents at beginning of financial year 5,078,931 2,834,715 Cash and cash equivalents at end of financial year 3,898,170 5,078,931 NOTES TO CASH FLOW STATEMENT Cash and cash equivalents comprise of: 5,078,931 1,519,628 1,319,628 Cash and bank balances 2,378,542 4,065,509 4,065,509 Bank overdrafts - (306,206)		(879,070)	(573,021)
CASH FLOW FROM FINANCING ACTIVITIES Dividend paid (2,747,710) (2,700,754) Repayment of hire purchase creditors (406,485) (282,952) Proceeds from issuance of ordinary shares under ESOS 500,864 188,640 NET CASH (FOR)/FROM FINANCING ACTIVITIES (2,653,331) (2,795,066) Net increase/(decrease) in cash and cash equivalents (1,382,266) 2,141,641 Effect of exchange rate fluctuations on cash and cash equivalents 201,505 102,575 Cash and cash equivalents at beginning of financial year 5,078,931 2,834,715 Cash and cash equivalents at end of financial year 3,898,170 5,078,931 NOTES TO CASH FLOW STATEMENT Cash and cash equivalents comprise of: 5,078,931 1,519,628 1,319,628 Deposits with licensed banks 1,519,628 1,319,628 2,378,542 4,065,509 Bank overdrafts - (306,206)	Intangible assets	(2,464,028)	(2,222,721)
Dividend paid (2,747,710) (2,700,754) Repayment of hire purchase creditors (406,485) (282,952) Proceeds from issuance of ordinary shares under ESOS 500,864 188,640 NET CASH (FOR)/FROM FINANCING ACTIVITIES (2,653,331) (2,795,066) Net increase/(decrease) in cash and cash equivalents (1,382,266) 2,141,641 Effect of exchange rate fluctuations on cash and cash equivalents 201,505 102,575 Cash and cash equivalents at beginning of financial year 5,078,931 2,834,715 Cash and cash equivalents at end of financial year 3,898,170 5,078,931 NOTES TO CASH FLOW STATEMENT Cash and cash equivalents comprise of: 5,078,931 1,519,628 1,319,628 Cash and bank balances 2,378,542 4,065,509 4,065,509 Bank overdrafts - (306,206)	NET CASH (FOR)/FROM INVESTING ACTIVITIES	(3,106,399)	(2,688,742)
Repayment of hire purchase creditors (406,485) (282,952) Proceeds from issuance of ordinary shares under ESOS 500,864 188,640 NET CASH (FOR)/FROM FINANCING ACTIVITIES (2,653,331) (2,795,066) Net increase/(decrease) in cash and cash equivalents (1,382,266) 2,141,641 Effect of exchange rate fluctuations on cash and cash equivalents 201,505 102,575 Cash and cash equivalents at beginning of financial year 5,078,931 2,834,715 Cash and cash equivalents at end of financial year 3,898,170 5,078,931 NOTES TO CASH FLOW STATEMENT Cash and cash equivalents comprise of: 1,519,628 1,319,628 Deposits with licensed banks 1,519,628 1,319,628 Cash and bank balances 2,378,542 4,065,509 Bank overdrafts - (306,206)	CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of ordinary shares under ESOS 500,864 188,640 NET CASH (FOR)/FROM FINANCING ACTIVITIES (2,653,331) (2,795,066) Net increase/(decrease) in cash and cash equivalents (1,382,266) 2,141,641 Effect of exchange rate fluctuations on cash and cash equivalents 201,505 102,575 Cash and cash equivalents at beginning of financial year 5,078,931 2,834,715 Cash and cash equivalents at end of financial year 3,898,170 5,078,931 NOTES TO CASH FLOW STATEMENT Cash and cash equivalents comprise of: 1,519,628 1,319,628 Deposits with licensed banks 1,519,628 1,319,628 4,065,509 Bank overdrafts - (306,206)	Dividend paid	(2,747,710)	(2,700,754)
NET CASH (FOR)/FROM FINANCING ACTIVITIES (2,653,331) (2,795,066) Net increase/(decrease) in cash and cash equivalents (1,382,266) 2,141,641 Effect of exchange rate fluctuations on cash and cash equivalents 201,505 102,575 Cash and cash equivalents at beginning of financial year 5,078,931 2,834,715 Cash and cash equivalents at end of financial year 3,898,170 5,078,931 NOTES TO CASH FLOW STATEMENT Cash and cash equivalents comprise of: 1,519,628 1,319,628 Deposits with licensed banks 1,519,628 1,319,628 4,065,509 Bank overdrafts - (306,206)	Repayment of hire purchase creditors	(406,485)	(282,952)
Net increase/(decrease) in cash and cash equivalents (1,382,266) 2,141,641 Effect of exchange rate fluctuations on cash and cash equivalents 201,505 102,575 Cash and cash equivalents at beginning of financial year 5,078,931 2,834,715 Cash and cash equivalents at end of financial year 3,898,170 5,078,931 NOTES TO CASH FLOW STATEMENT Cash and cash equivalents comprise of: Deposits with licensed banks 1,519,628 1,319,628 Cash and bank balances 2,378,542 4,065,509 Bank overdrafts - (306,206)	Proceeds from issuance of ordinary shares under ESOS	500,864	188,640
Effect of exchange rate fluctuations on cash and cash equivalents 201,505 102,575 Cash and cash equivalents at beginning of financial year 5,078,931 2,834,715 Cash and cash equivalents at end of financial year 3,898,170 5,078,931 NOTES TO CASH FLOW STATEMENT Cash and cash equivalents comprise of: Deposits with licensed banks 1,519,628 1,319,628 Cash and bank balances 2,378,542 4,065,509 Bank overdrafts - (306,206)	NET CASH (FOR)/FROM FINANCING ACTIVITIES	(2,653,331)	(2,795,066)
Cash and cash equivalents at beginning of financial year 5,078,931 2,834,715 Cash and cash equivalents at end of financial year 3,898,170 5,078,931 NOTES TO CASH FLOW STATEMENT Cash and cash equivalents comprise of: Deposits with licensed banks 1,519,628 1,319,628 Cash and bank balances 2,378,542 4,065,509 Bank overdrafts - (306,206)	Net increase/(decrease) in cash and cash equivalents	(1,382,266)	2,141,641
Cash and cash equivalents at end of financial year 3,898,170 5,078,931 NOTES TO CASH FLOW STATEMENT Cash and cash equivalents comprise of: Deposits with licensed banks 1,519,628 1,319,628 Cash and bank balances 2,378,542 4,065,509 Bank overdrafts - (306,206)	Effect of exchange rate fluctuations on cash and cash equivalents	201,505	102,575
NOTES TO CASH FLOW STATEMENT Cash and cash equivalents comprise of: Deposits with licensed banks 1,519,628 1,319,628 Cash and bank balances 2,378,542 4,065,509 Bank overdrafts - (306,206)	Cash and cash equivalents at beginning of financial year	5,078,931	2,834,715
Cash and cash equivalents comprise of: 1,519,628 1,319,628 Deposits with licensed banks 2,378,542 4,065,509 Bank overdrafts - (306,206)	Cash and cash equivalents at end of financial year	3,898,170	5,078,931
Cash and bank balances 2,378,542 4,065,509 Bank overdrafts - (306,206)	Cash and cash equivalents comprise of:	1,519,628	1,319,628
	•		
3,898,170 5,078,931	Bank overdrafts	-	
		3,898,170	5,078,931

The consolidated statements of cash flow should be read in conjunction with the Group's audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.