

RAPID SYNERGY BERHAD

(Company No. 325935-U)

(Incorporated in Malaysia)

NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

Selected explanatory notes pursuant to Malaysian Financial Reporting Standards ("MFRS")

134 Interim Financial Reporting

A1 Basis of preparation

These condensed consolidated interim financial reports, for the period ended 31 March 2016, have been prepared in accordance with MFRS 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited annual financial statement of the Group for the financial year ended 31 December 2015. The explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2015.

A2 Significant Accounting Policies

The significant accounting policies and methods of computation applied in the interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2015 except for the adoption of the following with effect from 1 January 2016:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016

- Amendments to MFRS 5, Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements to MFRSs 2012-2014 Cycle)
- Amendments to MFRS 7, Financial Instruments; Disclosures (Annual Improvements 2012-2014 Cycle)
- Amendments to MFRS 10, Consolidated Financial Statements, MFRS 12, Disclosure of Interests in Other Entities and MFRS 128, Investments in Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception
- Amendments to MFRS 11, Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations
- Amendments MFRS 101, Presentation of Financial Statements: Disclosures Initiative
- Amendments to MFRS 116, Property, Plant and Equipment and MFRS 138, Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to MFRS 119, Employee Benefits (Annual Improvements 2012 – 2014 Cycle)
- Amendments to MFRS 127, Separate Financial Statements – Equity Method in Separate Financial Statements
- Amendments to MFRS 134, Interim Financial Reporting (Annual Improvements 2012 – 2014 Cycle)

The following are the accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2017

- Amendments to MFRS 107, Statement of Cash Flows - Disclosure Initiative
- Amendments to MFRS 112, Income Taxes - Recognition of Deferred Tax Assets for Unrealised losses

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018

- MFRS 9, Financial Instruments (IFRS 9 as issued by IASB in July 2014)
- MFRS 15, Revenue from Contracts with Customers

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019

- MFRS 16, Leases

The adoption of the above standards and amendments are not expected to have any material financial impact to the Group upon their first adoption other than MFRS9, Financial Instruments, MFRS 15, Revenue from Contracts with Customers and MFRS 16, Leases which the Group is currently assessing the financial impact.

- A3 Auditors' Report on Preceding Annual Financial Statements
The auditors' report on the audited financial statements for the financial year ended 31 December 2015 was not qualified.
- A4 Seasonal or cyclical factors
The Group's operations were not affected by any significant seasonal or cyclical factors in the current quarter.
- A5 Unusual items Due to Their Nature, Size or Incidence
Other than disclosed in the financial statements there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group in the current quarter ended 31 March 2016.
- A6 Change in Estimates
There were no significant changes in estimates of amounts reported in prior financial years which have a material effect in the current quarter ended 31 March 2016.
- A7 Debts and equity securities
Save as disclosed below, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter.

Issuance of Shares

For the current quarter ended 31 March 2016, the issued and paid up share capital has increased from 87,445,500 ordinary shares of RM1.00 each in Rapid Synergy Berhad to 87,451,850 shares by conversion of warrants to shares as follows:

<u>Number of Shares Issued</u>	<u>Price per share (RM)</u>
6,350	1.00

- A8 Dividend
There was no dividend payment made for the current quarter under review.
- A9 Segmental Reporting

The segment information for business segments predominantly conducted in Malaysia for the financial period ended 31 March 2016 and 31 March 2015 are as follows:-

Business Segment

3 Months ended 31 Mar 2016	Manufacturing RM'000	Investment Holding RM'000	Restaurant RM'000	Consolidated RM'000
Revenue	1,367	4,252	22	5,641
Result				
Segment results	(385)	2,028	(40)	1,603
Interest expense				(2,585)
Loss before taxation				(982)

3 Months ended 31 Mar 2015	Manufacturing RM'000	Investment Holding RM'000	Restaurant RM'000	Consolidated RM'000
Revenue	3,051	4,215	32	7,298
Result				
Segment results	40	901	(63)	878
Interest expense				(2,483)
Loss before taxation				(1,605)

- A10 Valuations of property, plant and equipment
The valuations of property, plant and equipment have been brought forward without amendments from the financial statements for the year ended 31 December 2015.
- A11 Material events subsequent to balance sheet date
There were no material events subsequent to the end of the period under review to 11 May 2016.
- A12 Changes in the composition of the Group
There were no changes to the composition of the Group for the current quarter under review.
- A13 Changes in contingent liabilities or contingent assets as at 31 March 2016
- Unsecured:
Corporate guarantee issued to banks for credit facilities granted to subsidiary companies
- | | |
|--|---------|
| | RM'000 |
| | 101,000 |
- A14 Property, plant and equipment
There were no significant acquisitions for the current quarter ended 31 March 2016.
- A15 Capital commitments
There was no capital commitments during the current quarter ended 31 March 2016.

Additional information required by the Listing Requirements of Bursa Malaysia Securities Berhad

B1 Review of the performance of the company and its principal subsidiaries

Segment	3 months ended		Period ended	
	31.03.2016 RM'000	31.03.2015 RM'000	31.03.2016 RM'000	31.03.2015 RM'000
Manufacturing division				
Revenue	1,367	3,051	1,367	3,051
Loss before taxation	(538)	(141)	(538)	(141)
Investment holding division				
Revenue	4,252	4,215	4,252	4,215
Loss before taxation	(404)	(1,401)	(404)	(1,401)
Restaurant division				
Revenue	22	32	22	32
Loss before taxation	(40)	(63)	(40)	(63)
Total				
Revenue	5,641	7,298	5,641	7,298
Loss before taxation	(982)	(1,605)	(982)	(1,605)

For the current financial quarter, the group recorded revenue of RM5.64 million, a decrease of RM1.66 million as compared to RM7.30 million in the preceding year corresponding quarter. The Group recorded loss before tax of RM0.98 million in the current quarter as compared to loss before tax of RM1.61 million in the previous year corresponding quarter. The contributory factors to the above performances are explained in the respective operating business segments as follows:

The manufacturing division recorded revenue of RM1.37 million in the current financial quarter, a decrease of RM1.68 million as compared to RM3.05 million recorded in the preceding year corresponding quarter. The pretax loss recorded in the current quarter was RM0.54 million compared to loss before tax of RM0.14 million in the preceding year corresponding quarter. The decreased in revenue and increased loss before tax were mainly contributed by lower orders from customers in the current quarter.

The investment holding division recorded a revenue of RM4.25 million for the current quarter against RM4.22 million in the preceding year corresponding quarter. The increase in revenue recorded in the current quarter was mainly due to increase in rental received. The division recorded loss before tax of RM0.40 million in the current financial quarter against loss before tax of RM1.40 million in preceding year corresponding quarter. The higher loss before tax recorded in the preceding year corresponding quarter was mainly due to impairment on investment in quoted securities.

The restaurant division recorded about the same revenue of RM0.02 million in the current quarter as to the preceding year corresponding quarter. The loss before tax recorded in the current quarter was RM0.04 million compared to loss before tax of RM0.06 million recorded in the preceding year corresponding quarter. The management has decided to cease the restaurant business in May 2016 as the performance of the restaurant division has not improved.

B2 Material changes in loss before tax for the current quarter compared to immediate preceding quarter

For the current financial quarter the group recorded revenue of RM5.64 million, a decrease of RM0.92 million compared to RM6.56 million recorded in the immediate preceding quarter. The group recorded loss before tax of RM0.98 million compared to loss before tax of RM1.08 million in the immediate preceding quarter. The contributory factors to the above performances are explained in the respective operating business segments as follows :

Segment	3 months ended	
	31.03.2016 RM '000	31.12.2015 RM '000
Manufacturing division		
Revenue	1,367	2,504
(Loss)/Profit before taxation	(538)	374
Investment holding division		
Revenue	4,252	4,027
Loss before taxation	(404)	(1,191)
Restaurant division		
Revenue	22	26
Loss before taxation	(40)	(262)
Total		
Revenue	5,641	6,557
Loss before taxation	(982)	(1,079)

The manufacturing division recorded a revenue RM1.37 million in the current quarter compared to RM2.50 million in the immediate preceding quarter. The manufacturing division recorded loss before tax of RM0.54 million in the current quarter compared to profit before tax of RM0.37 million in the immediate preceding quarter. The loss before tax recorded in current quarter was mainly due to the decrease in order from existing customers.

The investment holding division recorded revenue of RM4.25 million in the current quarter compared to RM4.03 million in the immediate preceding quarter. The higher revenue recorded in the current quarter compared to the immediate preceding quarter was mainly due to increase in rental received. The investment holding division recorded loss before tax of RM0.40 million compared to loss before tax of RM1.19 million in the immediate preceding quarter. The higher loss before tax recorded in the immediate preceding quarter was mainly due to impairment of investment in quoted securities.

The restaurant division recorded a revenue RM0.02 million in the current quarter and loss before tax of RM0.04 million. The management has decided to cease the restaurant business in May 2016 as the performance of the restaurant division has not improved.

B3 Prospects for the year 2016

The business environment for 2016 remains challenging given the intensifying competition and prevailing global economic condition. The manufacturing division performance would be dependent on the orders from existing customers and the expected gradual recovery of the global economy.

The retail business in Malaysia remains challenging due to unfavorable global economic condition coupled with depreciation of the Malaysian Ringgit which resulted increase of costs of imported material. This has reduced the power of consumer spending and if the situation does not improve it would have impact on the rental income received by the investment holding division.

B4 Profit forecast Not applicable as no profit forecast was published.

B5 Profit/(Loss) before taxation

Profit/(Loss) before taxation is arrived at after crediting/ (charging) the following income/ (expenses):

	3 months ended		Period ended	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	RM'000	RM'000	RM'000	RM'000
(a) Profit on disposal of investment properties	-	5,445	-	5,445
(b) Interest expense	(2,585)	(2,483)	(2,585)	(2,483)
(c) Interest income	-	13	-	13
(d) Allowance for write (down)/back of inventories	(11)	(210)	(11)	(210)
(e) (Loss)/Profit on foreign exchange-realised	2	17	2	17
-unrealised	(131)	(179)	(131)	(179)
(f) Depreciation and amortisation	(1,273)	(1,286)	(1,273)	(1,286)
(g) Impairment of other investment	-	(6,222)	-	(6,222)

B6 Tax expense

	3 months ended		Period ended	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	RM'000	RM'000	RM'000	RM'000
Income tax expense				
-Current	385	260	385	260
-Prior year	-	(62)	-	(62)
Deferred tax expense				
-Current	3	3	3	3
	<u>388</u>	<u>201</u>	<u>388</u>	<u>201</u>

The effective tax rates for the current quarter is higher than the statutory tax rate mainly due to unqualified expenses being disallowed for taxation purposes.

B7 Profits/ (Losses) on sale of unquoted investments and/or properties

There were no profits/losses on sale of unquoted investment and/or properties in the current quarter ended 31 March 2016.

B8 Marketable securities

There were no purchase or disposal of quoted securities for the current quarter ended 31 March 2016.

B9 Status of corporate proposals

There were no corporate proposals for the current quarter ended 31 March 2016.

B10 Borrowing and debts securities

	31 March 2016
	RM'000
Current	
Overdraft	20,982
Term loan - secured	11,698
Non-current	
Term loan - secured	113,000

The above borrowings are denominated in Ringgit Malaysia.

B11 Off balance sheet financial instruments

The Group does not have any financial instruments with off balance sheet risk as at 11 May 2016.

B12 Changes in material litigation

On 6 January 2003, Rapid Mall Sdn Bhd (RM) and Rapid Precision Technologies Sdn Bhd (RPT), both wholly owned subsidiaries of RSB had served summons on Nychem Technologies Sdn Bhd (Nychem) and two guarantors for the amount of RM450,000 and RM641,908 respectively in respect of outstanding amount due on the sale of equipment accessories goodwill, rent and lease of fixtures. On 14 August 2014, RPT had entered into Deed of Settlement with one of the guarantors for the indebted sum of RM1.84 million to be settled in full by 12 instalments and the final instalment to be paid on or before 14 September 2015. The guarantor had paid RM919,000 part payment of the amount owing and had defaulted by failing to make the monthly payment of RM100,000 per month from 14 December 2014 onwards. Following which RPT has issued a notice of demand and shall continue the bankruptcy proceeding against the guarantor. On 18 February 2016, the court has instructed the guarantor and RPT to file and serve Written Submission simultaneously by 23 March 2016. The hearing for the appeal by one of the guarantor to set aside the bankruptcy notice has been fixed on 5 July 2016.

B13 Dividends

No dividend has been recommended for the quarter under review;

B14 Basis of calculation of earnings per share

The basic earnings per share for the current quarter and cumulative year to date are computed as follows:

	3 months ended		Period ended	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Net loss for the period attributable to owners of the Company (RM'000)	(1,370)	(1,806)	(1,370)	(1,806)
Weighted average number of ordinary shares in issue	87,450,762	87,335,487	87,450,762	87,335,487
Basic earnings/(loss) per share (sen)	(1.57)	(2.07)	(1.57)	(2.07)

The diluted earnings per share for the current quarter and cumulative year to date are computed as follows:

	3 months ended		Period ended	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Net loss for the period attributable to owners of the Company (RM'000)	(1,370)	(1,806)	(1,370)	(1,806)
Weighted average number of ordinary shares in issue	87,450,762	87,335,487	87,450,762	87,335,487
Adjustments for warrants granted	16,898,182	16,734,726	16,898,182	16,734,726
Adjusted weighted average number of ordinary shares in issue	104,348,944	104,070,213	104,348,944	104,070,213
Diluted earnings/(loss) per share (sen)	(1.31)	(1.74)	(1.31)	(1.74)

B15 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors.

B16 Realised & Unrealised Profit/Losses Disclosure

The retained profits as at 31 March 2016 and 31 December 2015 is analysed as follows:

	31.03.2016 RM'000	31.12.2015 RM'000
The retained profits of RSB and its subsidiaries:		
- Realised	36,146	37,231
-Unrealised	(389)	136
	<u>35,757</u>	<u>37,367</u>
Less: Consolidation adjustments	(8,314)	(8,554)
	<u>27,443</u>	<u>28,813</u>
Total Group retained profits as per consolidated financial statements	<u>27,443</u>	<u>28,813</u>

By order of the Board
LEE CHIEW HIANG
Executive Director
Penang
Date: 18 May 2016

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2016

Condensed Consolidated Statement of Financial Position

	UNAUDITED AS AT 31/03/2016 RM'000	AUDITED AS AT 31/12/2015 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	5,241	5,536
Investment properties	247,431	248,368
Prepaid lease payments	2,464	2,482
Other investments	7,077	7,077
Deferred tax assets	292	295
	<u>262,505</u>	<u>263,758</u>
Current Assets		
Inventories	808	648
Receivables, deposits and prepayment	9,957	8,197
Current tax assets	418	341
Cash & bank balances	3,814	3,508
	<u>14,997</u>	<u>12,694</u>
TOTAL ASSETS	<u>277,502</u>	<u>276,452</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	87,451	87,445
Reserves	27,867	29,237
Total equity	<u>115,318</u>	<u>116,682</u>
Non-current liabilities		
Loan and borrowings	113,000	116,468
Deferred income	1,113	1,127
Deferred tax liabilities	758	694
	<u>114,871</u>	<u>118,289</u>
Current liabilities		
Loan and borrowings	32,680	26,563
Payables and accruals	14,450	14,813
Provision for taxation	128	50
Deferred income	55	55
	<u>47,313</u>	<u>41,481</u>
Total liabilities	<u>162,184</u>	<u>159,770</u>
TOTAL EQUITY AND LIABILITIES	<u>277,502</u>	<u>276,452</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.32	1.33

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements).

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2016

The Board of directors is pleased to submit its quarterly report on the consolidated results of the group for the first quarter ended 31 March 2016. The figures have not been audited.

Condensed Consolidated Statement of Comprehensive Income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31/03/2016 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2015 RM'000	CURRENT YEAR TO DATE 31/03/2016 RM'000	PRECEDING YEAR TO DATE 31/03/2015 RM'000
Continuing Operations				
Revenue	5,641	7,298	5,641	7,298
Cost of sales	(1,436)	(2,016)	(1,436)	(2,016)
Gross profit	<u>4,205</u>	<u>5,282</u>	<u>4,205</u>	<u>5,282</u>
Interest income	-	13	-	13
Gain on disposal of investment properties	-	5,445	-	5,445
Other income	30	72	30	72
Administrative and Distribution expenses	(770)	(1,740)	(770)	(1,740)
Depreciation of investment properties and PPE	(1,273)	(1,286)	(1,273)	(1,286)
Other expenses	(589)	(6,908)	(589)	(6,908)
Finance costs	(2,585)	(2,483)	(2,585)	(2,483)
Loss before tax	<u>(982)</u>	<u>(1,605)</u>	<u>(982)</u>	<u>(1,605)</u>
Income tax expense	(388)	(201)	(388)	(201)
Loss for the period	<u>(1,370)</u>	<u>(1,806)</u>	<u>(1,370)</u>	<u>(1,806)</u>
Other comprehensive income, net of tax - fair value of available-for-sale financial assets	-	-	-	-
	<u>(1,370)</u>	<u>(1,806)</u>	<u>(1,370)</u>	<u>(1,806)</u>
Attributable to:				
Shareholders of the parent	(1,370)	(1,806)	(1,370)	(1,806)
minority interests	-	-	-	-
	<u>(1,370)</u>	<u>(1,806)</u>	<u>(1,370)</u>	<u>(1,806)</u>
Earning/(Loss) per share attributable to shareholders of the parent:				
Basic earnings/(loss) per ordinary share (sen)	(1.57)	(2.07)	(1.57)	(2.07)
Diluted earnings/(loss) per ordinary share (sen)	(1.31)	(1.74)	(1.31)	(1.74)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statement for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements).

RAPID SYNERGY BERHAD
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INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2016

Condensed Consolidated Statement of Changes in Equity

	<-----Attributable to shareholders of the parent----->				
	<----- Non-distributable----->		Distributable		
	Share Capital RM'000	Share Premium RM'000	Fair Value Reserve RM'000	Retained Earnings RM'000	Total RM'000
At 1 January 2015	87,432	595	357	45,413	133,797
Fair value of available-for-sale financial assets	-	-	(357)	-	(357)
Profit for the period	-	-	-	(1,806)	(1,806)
Total comprehensive income for the period	-	-	(357)	(1,806)	(2,163)
Shares Issued pursuant to exercise of warrant at RM1.00 per share	1	-	-	-	1
At 31 March 2015	<u>87,433</u>	<u>595</u>	<u>-</u>	<u>43,607</u>	<u>131,635</u>
At 1 January 2016	87,445	595	(171)	28,813	116,682
Fair value of available-for-sale financial assets	-	-	-	-	-
Loss for the period	-	-	-	(1,370)	(1,370)
Total comprehensive income for the period	-	-	-	(1,370)	(1,370)
Shares Issued pursuant to exercise of warrant at RM1.00 per share	6	-	-	-	6
At 31 March 2016	<u>87,451</u>	<u>595</u>	<u>(171)</u>	<u>27,443</u>	<u>115,318</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements).

RAPID SYNERGY BERHAD

(Company No. 325935-U)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2016**Condensed Consolidated Statement of Cash Flows**

	3 months period ended 31 March	
	2016 RM'000	2015 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss before tax	(982)	(1,605)
Adjustment for:-		
Depreciation and amortisation	1,273	1,286
Interest income	-	(13)
Interest expense	2,585	2,483
Impairment of other investment	-	6,222
Gain on disposal of Investment properties	-	(5,445)
Operating profit before working capital changes	2,876	2,928
Decrease/(Increase) in:		
Inventories	(160)	(89)
Receivables	(1,760)	(453)
Increase/(Decrease) in:		
Deferred income	(14)	(14)
Payables	(363)	(4,449)
Cash generated from/(used in) operating activities	579	(2,077)
Tax (paid)/refund	(320)	(163)
Net cash generated from/(used in) operating activities	259	(2,240)
CASH FLOW FROM INVESTING ACTIVITIES		
Additional to properties, plant & equipment	(3)	(22)
Additional to investment properties	(20)	(272)
Interest received	-	13
Acquisition of other investment	-	(18,148)
Proceeds from disposal of other investment	-	7,192
Proceeds from disposal of investment properties	-	8,700
Net cash (used in) investing activities	(23)	(2,537)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of finance lease liability	(68)	(71)
Drawdown term loan	-	4,270
Redeem term loan	-	(564)
Interest paid	(2,585)	(2,483)
Repayment of term loan	(2,698)	(2,501)
Proceeds from conversion of warrants to shares	6	1
Net cash (used in) financing activities	(5,345)	(1,348)
Net decrease in cash and cash equivalents	(5,109)	(6,125)
Cash and cash equivalents at 1 January	(13,099)	(12,011)
Cash and cash equivalents at 31 March	(18,208)	(18,136)

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements).

RAPID SYNERGY BERHAD

(Company No. 325935-U)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2016**Condensed Consolidated Statement of Cash Flows**

	3 months period ended 31 March	
	2016 RM'000	2015 RM'000
Net Cash Generated From/(Used In) Operating Activities	259	(2,240)
Net Cash Used In Investing Activities	(23)	(2,537)
Net Cash Used In Financing Activities	(5,345)	(1,348)
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(5,109)</u>	<u>(6,125)</u>
CASH AND CASH EQUIVALENTS AT 1 JANUARY	(13,099)	(12,011)
CASH AND CASH EQUIVALENTS AT 31 MARCH	<u><u>(18,208)</u></u>	<u><u>(18,136)</u></u>
Cash and Cash Equivalents at 31 March consist of:-		
Cash and bank balances	3,814	4,485
Deposit with a licensed bank		-
Bank overdrafts	(20,982)	(21,830)
Less: Deposit pledged to the financial institutions	<u>(1,040)</u>	<u>(791)</u>
	<u><u>(18,208)</u></u>	<u><u>(18,136)</u></u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements).