

RAPID SYNERGY BERHAD

(Company No. 325935-U)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2006**Condensed Consolidated Cash Flow Statement**

	3 months period ended	
	2006	2005
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax	846	370
Adjustment for:-		
Depreciation	271	306
Interest expense	54	77
Interest income	(163)	(125)
Gain on disposal of fixed assets	(11)	-
Operating profit before working capital changes	997	628
Decrease/(Increase) in:		
Inventories	(501)	(96)
Receivables	(2,908)	1,599
Decrease in development expenditure	331	374
(Decrease)/Increase in payables	(375)	(367)
Cash generated from/(used in) operating activities	(2,456)	2,138
Tax paid	(546)	(575)
Interest paid	(54)	(77)
Net cash generated from/(used in) operating activities	(3,056)	1,486
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	163	125
Purchase of development land, plant & equipment	(138)	(1,451)
Proceeds from disposal of fixed assets	49	-
Proceeds from share premium	27	-
Addition to development expenditure	(55)	-
Net cash generated used in investing activities	46	(1,326)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of term loan	(284)	(337)
Net cash generated used in financing activities	(284)	(337)
Net decrease in cash and cash equivalents	(3,294)	(177)
Cash and cash equivalents at 1 January	31,902	23,904
Cash and cash equivalents at 31 March	28,608	23,727

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements).