

**RAPID SYNERGY BERHAD**

(Company No. 325935-U)

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2007****Condensed Consolidated Balance Sheet**

	UNAUDITED AS AT 30/6/2007 RM'000	AUDITED AS AT 31/12/2006 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	9,791	6,973
Investment properties	44,681	33,545
Prepaid lease payments	3,103	3,139
Land held for development	21,520	20,840
Other investments	285	285
	<u>79,380</u>	<u>64,782</u>
<b>Current Assets</b>		
Inventories	3,244	3,809
Receivables, deposits and prepayments	16,550	9,051
Current tax assets	1,503	1,359
Cash & cash equivalents	37,582	6,927
	<u>58,879</u>	<u>21,146</u>
<b>TOTAL ASSETS</b>	<u><b>138,259</b></u>	<u><b>85,928</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	85,404	41,998
Reserves	22,695	28,100
<b>Total equity</b>	<u>108,099</u>	<u>70,098</u>
<b>Non-current liabilities</b>		
Loans and borrowings	13,610	357
Deferred tax liabilities	1,363	1,284
	<u>14,973</u>	<u>1,641</u>
<b>Current liabilities</b>		
Loans and borrowings	2,093	1,501
Payables and accruals	12,344	12,187
Current tax payable	750	501
	<u>15,187</u>	<u>14,189</u>
<b>Total liabilities</b>	<u>30,160</u>	<u>15,830</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>138,259</b></u>	<u><b>85,928</b></u>

(The condensed consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements).

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(Company No. 325935-U)

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2007****Condensed Consolidated Income Statement**

	3 MONTHS ENDED		CUMULATIVE 6 MONTHS ENDED	
	CURRENT QUARTER ENDED 30/6/2007 RM'000	COMPARATIVE QUARTER ENDED 30/6/2006 RM'000	CURRENT QUARTER ENDED 30/6/2007 RM'000	COMPARATIVE QUARTER ENDED 30/6/2006 RM'000
<b>Continuing Operations</b>				
Revenue	7,065	8,841	14,744	13,229
Cost of sales	(3,345)	(5,919)	(7,725)	(8,834)
<b>Gross profit</b>	<u>3,720</u>	<u>2,922</u>	<u>7,019</u>	<u>4,395</u>
Other income	660	559	1,127	722
Administrative and Distribution expenses	(692)	(597)	(1,110)	(1,109)
Other expenses	(553)	(658)	(1,067)	(882)
Finance costs	(307)	(46)	(340)	(100)
<b>Profit before tax</b>	<u>2,828</u>	<u>2,180</u>	<u>5,629</u>	<u>3,026</u>
Income tax expense	(678)	(507)	(1,090)	(634)
<b>Profit for the period</b>	<u>2,150</u>	<u>1,673</u>	<u>4,539</u>	<u>2,392</u>
Attributable to:				
Shareholders of the parent	2,150	1,673	4,539	2,392
Minority interests	-	-	-	-
	<u>2,150</u>	<u>1,673</u>	<u>4,539</u>	<u>2,392</u>
<b>Earning per share attributable to shareholders of the parent:</b>				
Basic earnings per ordinary share (sen)	2.70	3.98	8.23	5.70
Diluted earnings per ordinary share (sen)	2.68	3.98	8.16	5.70

(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statement for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements).

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**INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2007****Condensed Consolidated Statement of Changes in Equity**

	<-----Attributable to equity holders of the parent----->					Total RM'000
	<-----Non-distributable ----->			Distributable		
	Share Capital RM'000	Share Premium RM'000	Property Revaluation Reserve RM'000	Share Option Reserve RM'000	Retained Earnings RM'000	
<b>At 1 January 2006, restated</b>	41,998	1,511	75	-	20,400	63,984
Profit for the period	-	-	-	-	2,392	2,392
Total recognised income and expense for the period	41,998	1,511	75	-	22,792	66,376
Dividend	-	-	-	-	(840)	(840)
Share-based payment under ESOS	-	-	-	27	-	27
<b>At 30 June 2006</b>	<b>41,998</b>	<b>1,511</b>	<b>75</b>	<b>27</b>	<b>21,952</b>	<b>65,563</b>
<b>At 1 January 2007</b>						
As previously stated	41,998	1,511	75	186	26,328	70,098
Profit for the period	-	-	-	-	4,539	4,539
Total recognised income and expense for the period	41,998	1,511	75	186	30,867	74,637
Issue of ordinary shares pursuant to ESOS	1,114	169	-	-	-	1,283
Capitalisation for the second call (right issue)	-	(1,664)	-	-	(6,794)	(8,458)
Issue of ordinary shares pursuant to Right Issue	42,292	-	-	-	-	42,292
Dividend paid	-	-	-	-	(1,697)	(1,697)
Share-based payment under ESOS	-	-	-	42	-	42
<b>At 30 June 2007</b>	<b>85,404</b>	<b>16</b>	<b>75</b>	<b>228</b>	<b>22,376</b>	<b>108,099</b>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements).

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**INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2007****Condensed Consolidated Cash Flow Statement**

	6 months period ended 30 June	
	2007 RM'000	2006 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	5,629	3,026
Adjustment for:-		
Depreciation	852	583
Interest expense	340	100
Interest income	(664)	(722)
Share-based payments	42	27
Gain on disposal of fixed assets	(10)	(11)
Operating profit before working capital changes	6,189	3,003
Decrease/(Increase) in:		
Inventories	565	(1,876)
Receivables	(7,499)	(3,117)
Decrease in development expenditure	-	2,382
(Decrease)/Increase in payables	157	2,663
Cash generated (used in)/from operating activities	(588)	3,055
Tax paid	(905)	(1,243)
Interest paid	(340)	(100)
Net cash generated (used in)/from operating activities	(1,833)	1,712
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest received	664	285
Additions to properties, plant & equipment & land held for development	(4,340)	(875)
Purchase of investment property	(11,111)	(14,784)
Proceeds from disposal of fixed assets	10	50
Proceeds from ESOS Subscription	1,283	-
Proceeds from Rights Issue Subscription	33,834	-
Purchase of subsidiary (Note A)	-	(266)
Net cash generated from/(used in) investing activities	20,340	(15,590)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of term loan	(866)	(574)
Dividend paid	(1,697)	(840)
Drawdown term loan	15,000	-
Net cash generated from/(used in) financing activities	12,437	(1,414)
Net increase/(decrease) in cash and cash equivalents	30,944	(15,292)
Cash and cash equivalents at 1 January	6,638	31,902
Cash and cash equivalents at 30 June	<u>37,582</u>	<u>16,610</u>

Note A:

Purchase of subsidiary

Property

Other receivable

Payables

Net assets acquired

Cash outflow on purchase of subsidiary

RM'000

3,279

10

(3,023)

266

266

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements).