

**RAPID SYNERGY BERHAD**

(Company No. 325935-U)

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2008****Condensed Consolidated Balance Sheet**

	UNAUDITED AS AT 30/9/2008 RM'000	AUDITED AS AT 31/12/2007 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	8,819	9,368
Investment properties	126,815	77,944
Prepaid lease payments	33,925	34,261
Other investments	2,085	2,085
	<u>171,644</u>	<u>123,658</u>
<b>Current Assets</b>		
Inventories	4,628	3,872
Receivables, deposits and prepayments	6,897	16,650
Current tax assets	1,648	5,907
Cash & cash equivalents	3,241	12,631
	<u>16,414</u>	<u>39,060</u>
<b>TOTAL ASSETS</b>	<u><b>188,058</b></u>	<u><b>162,718</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	86,271	85,666
Reserves	38,797	38,110
<b>Total equity</b>	<u>125,068</u>	<u>123,776</u>
<b>Non-current liabilities</b>		
Loans and borrowings	35,863	22,457
Deferred tax liabilities	1,498	1,598
	<u>37,361</u>	<u>24,055</u>
<b>Current liabilities</b>		
Loans and borrowings	17,667	2,189
Payables and accruals	7,962	12,524
Current tax payable	-	174
	<u>25,629</u>	<u>14,887</u>
<b>Total liabilities</b>	<u>62,990</u>	<u>38,942</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>188,058</b></u>	<u><b>162,718</b></u>

(The condensed consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.)

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(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2008**

**Condensed Consolidated Income Statement**

	3 MONTHS ENDED		CUMULATIVE 9 MONTHS ENDED	
	CURRENT QUARTER ENDED 30/9/2008 RM'000	COMPARATIVE QUARTER ENDED 30/9/2007 RM'000	CURRENT QUARTER ENDED 30/9/2008 RM'000	COMPARATIVE QUARTER ENDED 30/9/2007 RM'000
<b>Continuing Operations</b>				
Revenue	4,235	6,996	16,910	21,740
Cost of sales	(2,157)	(3,441)	(8,108)	(11,166)
<b>Gross profit</b>	<b>2,078</b>	<b>3,555</b>	<b>8,802</b>	<b>10,574</b>
Other income	8	490	124	1,617
Administrative and Distribution expenses	(548)	(440)	(1,376)	(1,550)
Other expenses	(743)	(815)	(2,533)	(1,882)
Finance costs	(680)	(286)	(1,579)	(626)
<b>Profit before tax</b>	<b>115</b>	<b>2,504</b>	<b>3,438</b>	<b>8,133</b>
Income tax expense	(102)	(679)	(1,121)	(1,769)
<b>Profit for the period</b>	<b>13</b>	<b>1,825</b>	<b>2,317</b>	<b>6,364</b>
Attributable to:				
Equitable holders of the parent	13	1,825	2,317	6,364
Minority interests	-	-	-	-
	<b>13</b>	<b>1,825</b>	<b>2,317</b>	<b>6,364</b>
<b>Earning per share attributable to shareholders of the parents:</b>				
Basic earnings per ordinary share (sen)	0.02	2.28	2.69	10.77
Diluted earnings per ordinary share (sen)	0.01	2.26	2.41	10.68

(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statement for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements).

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**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2008**

**Condensed Consolidated Statement of Changes in Equity**

	<-----Attributable to equity holders of the parent----->					
	<-----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	Total RM'000
<b>At 1 January 2006, restated</b>	41,998	1,511	75	186	26,328	70,098
Profit for the period	-	-	-	-	6,364	6,364
Total recognised income and expense for the period	41,998	1,511	75	186	32,692	76,462
Issue of ordinary shares pursuant to ESOS	1,258	171	-	-	-	1,429
Capitalisation for the second call (right issue)	-	(1,664)	-	-	(6,793)	(8,457)
Issue of ordinary shares pursuant to Right Issue	42,292	-	-	-	-	42,292
Dividend	-	-	-	-	(1,697)	(1,697)
Share-based payment under ESOS	-	-	-	63	-	63
<b>At 30 September 2007</b>	<b>85,548</b>	<b>18</b>	<b>75</b>	<b>249</b>	<b>24,202</b>	<b>110,092</b>
<b>At 1 January 2007</b> As previously stated	85,666	169	75	293	37,572	123,775
Profit for the period	-	-	-	-	2,317	2,317
Total recognised income and expense for the period	85,666	169	75	293	39,889	126,092
Issue of ordinary shares pursuant to ESOS	376	8	-	-	-	384
Issue Conversion warrant to share	229	-	-	-	-	229
Dividend paid	-	-	-	-	(1,723)	(1,723)
Share-based payment under ESOS	-	-	-	86	-	86
<b>At 30 September 2008</b>	<b>86,271</b>	<b>177</b>	<b>75</b>	<b>379</b>	<b>38,166</b>	<b>125,068</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 2007 and the accompanying explanatory notes attached to the interim financial statements).

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**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2008**

**Condensed Consolidated Cash Flow Statement**

	9 months period ended 30 September	
	2008 RM'000	2007 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	3,438	8,133
Adjustment for -		
Depreciation	1,902	1,389
Interest expense	1,579	626
Interest income	(124)	(1,167)
Share-based payments	86	63
Gain on disposals of fixed assets	(40)	(10)
Operating profit before working capital changes	<u>6,841</u>	<u>9,034</u>
Decrease/(Increase) in:		
Inventories	(756)	137
Receivables	9,753	(9,265)
(Decrease)/Increase in payables	(4,562)	(1,393)
Cash generated from operating activities	<u>11,276</u>	<u>(1,487)</u>
Tax paid	2,864	(2,088)
Interest paid	(1,579)	(626)
Net cash generated (used in)/from operating activities	<u>12,561</u>	<u>(4,201)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest received	124	1,167
Additions to properties, plant & equipment	(376)	(11,318)
Purchase of investment property	(49,512)	(11,412)
Purchase of marketable securities	-	(1,800)
Proceeds from disposal of fixed assets	40	10
Proceeds from ESOS Subscription	384	1,430
Proceeds from Rights Issue Subscription	-	33,834
Proceeds from conversion warrant to share	229	-
Net cash generated from/(used in) investing activities	<u>(49,111)</u>	<u>11,911</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of term loan	(1,719)	(1,446)
Dividend paid	(1,723)	(1,697)
Drawdown term loan	16,144	15,000
Net cash generated from/(used in) financing activities	<u>12,702</u>	<u>11,857</u>
Net increase/(decrease) in cash and cash equivalents	<u>(23,848)</u>	<u>19,567</u>
Cash and cash equivalents at 1 January	<u>12,631</u>	<u>6,638</u>
Cash and cash equivalents at 30 September	<u>(11,217)</u>	<u>26,205</u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements).