

RAPID SYNERGY BERHAD

(Company No. 325935-U)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2009**Condensed Consolidated Balance Sheet**

	UNAUDITED AS AT 30/6/2009 RM'000	AUDITED AS AT 31/12/2008 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	7,932	8,553
Investment properties	164,585	149,070
Prepaid lease payments	43,167	37,889
Other investments	1,544	1,351
Deferred tax assets	392	392
	<u>217,620</u>	<u>197,255</u>
Current Assets		
Inventories	3,678	3,646
Receivables, deposits and prepayment	3,658	6,237
Current tax assets	1,964	1,288
Assets classified as held for sale	5,366	5,493
Cash & cash equivalents	1,643	1,640
	<u>16,309</u>	<u>18,304</u>
TOTAL ASSETS	<u>233,929</u>	<u>215,559</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	87,001	86,468
Reserves	33,384	36,635
Total equity	<u>120,385</u>	<u>123,103</u>
Non-current liabilities		
Loan and borrowings	84,766	54,663
Deferred income	1,485	1,513
Deferred tax liabilities	1,428	1,428
	<u>87,679</u>	<u>57,604</u>
Current liabilities		
Loan and borrowings	16,730	21,596
Payables and accruals	8,954	13,075
Liabilities classified as held for sale	126	126
Deferred income	55	55
	<u>25,865</u>	<u>34,852</u>
Total liabilities	<u>113,544</u>	<u>92,456</u>
TOTAL EQUITY AND LIABILITIES	<u>233,929</u>	<u>215,559</u>

(The condensed consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements).

RAPID SYNERGY BERHAD

(Company No. 325935-U)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2009**Condensed Consolidated Income Statement**

	3 MONTHS ENDED		CUMULATIVE 6 MONTHS ENDED	
	CURRENT QUARTER ENDED 30/6/2009 RM'000	COMPARATIVE QUARTER ENDED 30/6/2008 RM'000	CURRENT QUARTER ENDED 30/6/2009 RM'000	COMPARATIVE QUARTER ENDED 30/6/2008 RM'000
Continuing Operations				
Revenue	3,452	7,194	5,482	12,675
Cost of sales	(1,989)	(3,183)	(3,344)	(5,951)
Gross profit	<u>1,463</u>	<u>4,011</u>	<u>2,138</u>	<u>6,724</u>
Other income	261	19	328	117
Administrative and Distribution expenses	(455)	(362)	(1,056)	(829)
Other expenses	(1,039)	(937)	(1,980)	(1,790)
Finance costs	(1,046)	(453)	(2,553)	(899)
(Loss)/Profit before tax	<u>(816)</u>	<u>2,278</u>	<u>(3,123)</u>	<u>3,323</u>
Income tax expense	(80)	(611)	(133)	(1,019)
(Loss)/Profit for the period	<u>(896)</u>	<u>1,667</u>	<u>(3,256)</u>	<u>2,304</u>
Attributable to:				
Shareholders of the parent	(896)	1,667	(3,256)	2,304
Minority interests	-	-	-	-
	<u>(896)</u>	<u>1,667</u>	<u>(3,256)</u>	<u>2,304</u>
Earning per share attributable to shareholders of the parent:				
Basic, for profit for the period (sen)	(1.03)	1.93	(3.75)	2.68
Diluted, for profit for the period (sen)	(0.92)	1.73	(3.36)	2.39

(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statement for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements).

RAPID SYNERGY BERHAD

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INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2009**Condensed Consolidated Statement of Changes in Equity**

	<-----Attributable to shareholders of the parent----->					Total RM'000
	<-----Non-distributable----->		Distributable			
	Share Capital RM'000	Share Premium RM'000	Property Revaluation Reserves RM'000	Share Option Reserve RM'000	Retained Earnings RM'000	
At 1 January 2008	85,666	169	75	293	37,572	123,775
Profit for the period	-	-	-	-	2,304	2,304
Total recognised income and expense for the period	85,666	169	75	293	39,876	126,079
Issue of ordinary shares pursuant to ESOS	364	8	-	-	-	372
Issue Conversion warrant to share	179	-	-	-	-	179
Dividend paid	-	-	-	-	(1,723)	(1,723)
Share-based payment under ESOS	-	-	-	57	-	57
At 30 June 2008	86,209	177	75	350	38,153	124,964
At 1 January 2009	86,468	336	75	283	35,941	123,103
Loss for the period	-	-	-	-	(3,256)	(3,256)
Total recognised income and expense for the period	86,468	336	75	283	32,685	119,847
Issue of ordinary shares pursuant to ESOS	271	5	-	-	-	276
Issue Conversion warrant to share	262	-	-	-	-	262
At 30 June 2009	87,001	341	75	283	32,685	120,385

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2008 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 2008**Condensed Consolidated Cash Flow Statement**

	6 months period ended 30 June	
	2009	2008
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (Loss)/Profit before tax	(3,123)	3,323
Adjustment for:-		
Depreciation	1,457	1,252
Interest expense	2,553	899
Interest income	(3)	(117)
Loss on valuation short term investment	(193)	-
Share base payment	-	57
Operating profit before working capital changes	<u>691</u>	<u>5,414</u>
Decrease/(Increase) in:		
Inventories	(32)	(531)
Receivables	2,579	3,012
Deferred income	(28)	-
(Decrease)/Increase in payables	(4,121)	(3,592)
Cash generated from operating activities	<u>(911)</u>	<u>4,303</u>
Tax (paid)/refund	(814)	3,382
Interest paid	(2,553)	(899)
Net cash generated from operating activities	<u>(4,278)</u>	<u>6,786</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	3	117
Additional to properties, plant & equipment	(3)	(250)
Additional to investment properties	(21,630)	(18,950)
Proceeds from Esos subscription	276	371
Proceeds from conversion warrant to share	262	179
Net cash used in investing activities	(21,092)	(18,533)
CASH FLOW FROM FINANCING ACTIVITIES		
Drawdown term loan	36,009	-
Dividend paid	-	(1,723)
Repayment of term loan	(3,217)	(1,260)
Net cash used in financing activities	32,792	(2,983)
Net (decrease)/increase in cash and cash equivalents	<u>7,422</u>	<u>(14,730)</u>
Cash and cash equivalents at 1 January	<u>(15,276)</u>	<u>12,631</u>
Cash and cash equivalents at 30 June	<u><u>(7,854)</u></u>	<u><u>(2,099)</u></u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements).