

RAPID SYNERGY BERHAD

(Company No. 325935-U)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013**Condensed Consolidated Statement of Financial Position**

	UNAUDITED AS AT 31/03/2013 RM'000	AUDITED AS AT 31/12/2012 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	45,589	44,985
Investment properties	212,809	216,061
Prepaid lease payments	2,683	2,701
Other investments	260	260
Deferred tax assets	334	337
	<u>261,675</u>	<u>264,344</u>
Current Assets		
Inventories	10,270	9,190
Receivables, deposits and prepayment	8,308	4,511
Assets classified as held for sale	-	1,491
Current tax assets	1,041	858
Cash & bank balances	4,409	5,098
	<u>24,028</u>	<u>21,148</u>
TOTAL ASSETS	<u>285,703</u>	<u>285,492</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	87,334	87,334
Reserves	32,156	32,050
Total equity	<u>119,490</u>	<u>119,384</u>
Non-current liabilities		
Loan and borrowings	101,628	104,922
Deferred income	1,278	1,292
Deferred tax liabilities	972	972
	<u>103,878</u>	<u>107,186</u>
Current liabilities		
Loan and borrowings	42,367	38,960
Payables and accruals	19,842	19,840
Provision for taxation	71	67
Deferred income	55	55
	<u>62,335</u>	<u>58,922</u>
Total liabilities	<u>166,213</u>	<u>166,108</u>
TOTAL EQUITY AND LIABILITIES	<u>285,703</u>	<u>285,492</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.37	1.37

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements).

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INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013

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 2013. The figures have not been audited.

Condensed Consolidated Statement of Comprehensive Income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31/03/2013 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2012 RM'000	CURRENT YEAR TO DATE 31/03/2013 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2012 RM'000
Continuing Operations				
Revenue	10,300	5,317	10,300	5,317
Cost of sales	(5,616)	(2,033)	(5,616)	(2,033)
Gross profit	<u>4,684</u>	<u>3,284</u>	<u>4,684</u>	<u>3,284</u>
Interest income	2	6	2	6
Profit on disposal of investment properties	2,037	42	2,037	42
Other income	104	20	104	20
Administrative and Distribution expenses	(822)	(1,008)	(822)	(1,008)
Depreciation of investment properties and PPE	(1,432)	(1,114)	(1,432)	(1,114)
Other expenses	(1,715)	(483)	(1,715)	(483)
Finance costs	(2,466)	(1,917)	(2,466)	(1,917)
Profit/(Loss) before tax	<u>392</u>	<u>(1,170)</u>	<u>392</u>	<u>(1,170)</u>
Income tax expense	(286)	(195)	(286)	(195)
Profit/(Loss) for the period	<u>106</u>	<u>(1,365)</u>	<u>106</u>	<u>(1,365)</u>
Other comprehensive Income	-	-	-	-
Total comprehensive Income	<u>106</u>	<u>(1,365)</u>	<u>106</u>	<u>(1,365)</u>
Attributable to:				
Shareholders of the parent	106	(1,365)	106	(1,365)
Minority interests	-	-	-	-
	<u>106</u>	<u>(1,365)</u>	<u>106</u>	<u>(1,365)</u>
Earning/(Loss) per share attributable to shareholders of the parent:				
Basic earnings/(loss) per ordinary share (sen)	0.12	(1.56)	0.12	(1.56)
Diluted earnings/(loss) per ordinary share (sen)	0.11	(1.39)	0.11	(1.39)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statement for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements).

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INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013**Condensed Consolidated Statement of Changes in Equity**

	<-----Attributable to shareholders of the parent----->			
	<-----Non-distributable----->		Distributable	
	Share Capital RM'000	Share Premium RM'000	Retained Earnings RM'000	Total RM'000
At 1 January 2012 (Restated)	87,279	595	38,975	126,849
Total comprehensive income for the period	-	-	(1,365)	(1,365)
Issue Conversion warrant to share	54	-	-	54
At 31 March 2012	<u>87,333</u>	<u>595</u>	<u>37,610</u>	<u>125,538</u>
At 1 January 2013	87,333	595	31,456	119,384
Total comprehensive expense for the period	-	-	106	106
Issue Conversion warrant to share	-	-	-	-
At 31 March 2013	<u><u>87,333</u></u>	<u><u>595</u></u>	<u><u>31,562</u></u>	<u><u>119,490</u></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 2012 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 2013**Condensed Consolidated Statement of Cash Flows**

	3 months period ended 31 March	
	2013 RM'000	2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax	392	(1,170)
Adjustment for:-		
Depreciation and amortisation	1,432	1,114
Interest income	(2)	(6)
Interest expense	2,466	1,917
Gain on disposal of Investment properties	(2,037)	(42)
Operating profit before working capital changes	<u>2,251</u>	<u>1,813</u>
Decrease/(Increase) in:		
Inventories	(1,080)	(88)
Receivables	(3,797)	2,103
Increase/(Decrease) in:		
Deferred income	(14)	(14)
Payables	2	(8,489)
Cash used in operating activities	<u>(2,638)</u>	<u>(4,675)</u>
Tax (paid)/refund	(462)	(305)
Interest paid	(2,466)	(1,917)
Net cash used in operating activities	<u>(5,566)</u>	<u>(6,897)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Additional to properties, plant & equipment	(1,173)	(19)
Additional to investment properties	(55)	-
Interest received	2	6
Proceeds from disposal of investment properties	5,990	430
Net cash generated from investing activities	4,764	417
CASH FLOW FROM FINANCING ACTIVITIES		
Drawdown term loan	-	6,998
Repayment of term loan	(3,528)	(2,033)
Placement of pledged deposits with a licensed bank	-	(791)
Proceeds from conversion of warrants to shares	-	54
Net cash (used in)/generated from financing activities	(3,528)	4,228
Net decrease in cash and cash equivalents	<u>(4,330)</u>	<u>(2,252)</u>
Cash and cash equivalents at 1 January	<u>(8,439)</u>	<u>9,964</u>
Cash and cash equivalents at 31 March	<u><u>(12,769)</u></u>	<u><u>7,712</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 2012 and the accompanying explanatory notes attached to the interim financial statements).

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INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013**Condensed Consolidated Statement of Cash Flows**

	3 months period ended 31 March 2013	
	2013 RM'000	2012 RM'000
Net Cash Used In Operating Activities	(5,566)	(6,897)
Net Cash Generated From Investing Activities	4,764	417
Net Cash (Used in)/Generated From Financing Activities	(3,528)	4,228
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(4,330)</u>	<u>(2,252)</u>
CASH AND CASH EQUIVALENTS AT 1 JANUARY	(8,439)	9,964
CASH AND CASH EQUIVALENTS AT 31 MARCH	<u><u>(12,769)</u></u>	<u><u>7,712</u></u>
Cash and Cash Equivalents at 31 March consist of:-		
Cash and bank balances	4,409	8,503
Bank overdrafts	(16,387)	-
Less: Deposit pledged to the financial institutions	(791)	(791)
	<u><u>(12,769)</u></u>	<u><u>7,712</u></u>

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