

**RAPID SYNERGY BERHAD**

(Company No. 325935-U)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2013****Condensed Consolidated Statement of Financial Position**

	UNAUDITED AS AT 30/09/2013 RM'000	AUDITED AS AT 31/12/2012 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	40,826	44,985
Investment properties	207,907	216,061
Prepaid lease payments	2,646	2,701
Other investments	260	260
Deferred tax assets	327	337
Receivables, deposits and prepayment	7,299	-
	<u>259,265</u>	<u>264,344</u>
<b>Current Assets</b>		
Inventories	2,537	9,190
Receivables, deposits and prepayment	8,777	4,511
Assets classified as held for sale	-	1,491
Current tax assets	1,177	858
Cash & bank balances	3,943	5,098
	<u>16,434</u>	<u>21,148</u>
<b>TOTAL ASSETS</b>	<u><b>275,699</b></u>	<u><b>285,492</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	87,334	87,334
Reserves	34,641	32,050
<b>Total equity</b>	<u>121,975</u>	<u>119,384</u>
<b>Non-current liabilities</b>		
Loan and borrowings	116,250	121,206
Deferred income	1,251	1,292
Deferred tax liabilities	972	972
	<u>118,473</u>	<u>123,470</u>
<b>Current liabilities</b>		
Loan and borrowings	21,510	22,676
Payables and accruals	13,435	19,840
Provision for taxation	251	67
Deferred income	55	55
	<u>35,251</u>	<u>42,638</u>
<b>Total liabilities</b>	<u>153,724</u>	<u>166,108</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>275,699</b></u>	<u><b>285,492</b></u>
<b>Net assets per share attributable to ordinary equity holders of the parent (RM)</b>	<b>1.40</b>	<b>1.37</b>

(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 THIRD QUARTER ENDED 30 SEPTEMBER 2013**

The Board of directors is pleased to submit its quarterly report on the consolidated results of the group for the third quarter ended 30 September 2013. The figures have not been audited.

**Condensed Consolidated Statement of Comprehensive Income**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 30/09/2013 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2012 RM'000 (Restated)	CURRENT YEAR TO DATE 30/09/2013 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2012 RM'000 (Restated)
<b>Continuing Operations</b>				
Revenue	6,161	6,992	17,130	20,484
Cost of sales	(3,150)	(3,048)	(6,207)	(7,725)
<b>Gross profit</b>	<u>3,011</u>	<u>3,944</u>	<u>10,923</u>	<u>12,759</u>
Interest income	1	1	1	12
Profit on disposal of investment properties	1,053	73	3,423	115
Other income	24	27	57	70
Administrative and Distribution expenses	(371)	(1,721)	(1,216)	(3,453)
Depreciation of investment properties and PPE	(1,236)	(1,169)	(3,701)	(3,392)
Other expenses	(701)	(19)	(1,271)	(1,366)
Finance costs	(2,294)	(2,296)	(7,134)	(6,324)
<b>Profit/(Loss) before tax</b>	<u>(513)</u>	<u>(1,160)</u>	<u>1,082</u>	<u>(1,579)</u>
Income tax expense	(466)	(34)	(878)	(917)
<b>Profit/(Loss) from continuing operations</b>	<u>(979)</u>	<u>(1,194)</u>	<u>204</u>	<u>(2,496)</u>
<b>Profit/(Loss) from discontinued operations, net of tax</b>	<u>5,366</u>	<u>(1,684)</u>	<u>2,387</u>	<u>(2,171)</u>
<b>Profit/(Loss) for the period</b>	<u><u>4,387</u></u>	<u><u>(2,878)</u></u>	<u><u>2,591</u></u>	<u><u>(4,667)</u></u>
<b>Profit/(Loss) attributable to:</b>				
- from continuing operations	(979)	(1,194)	204	(2,496)
- from discontinued operations	5,366	(1,684)	2,387	(2,171)
<b>Profit/(Loss) for the period</b>	<u><u>4,387</u></u>	<u><u>(2,878)</u></u>	<u><u>2,591</u></u>	<u><u>(4,667)</u></u>
<b>Earning/(Loss) per share attributable to shareholders of the parent:</b>				
- from continuing operations	(1.12)	(1.37)	0.23	(2.86)
- from discontinued operations	6.14	(1.93)	2.73	(2.49)
Basic earnings/(loss) per ordinary share (sen)	<u><u>5.02</u></u>	<u><u>(3.30)</u></u>	<u><u>2.96</u></u>	<u><u>(5.35)</u></u>
- from continuing operations	(0.97)	(1.37)	0.20	(2.86)
- from discontinued operations	5.30	(1.93)	2.36	(2.49)
Diluted earnings/(loss) per ordinary share (sen)	<u><u>4.33</u></u>	<u><u>(3.30)</u></u>	<u><u>2.56</u></u>	<u><u>(5.35)</u></u>

(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 THIRD QUARTER ENDED 30 SEPTEMBER 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
<b>At 1 January 2012 (Restated)</b>	87,279	595	38,975	126,849
Total comprehensive expense for the period	-	-	(4,667)	(4,667)
Issue Conversion warrant to share	55	-	-	55
<b>At 30 September 2012</b>	<u>87,334</u>	<u>595</u>	<u>34,308</u>	<u>122,237</u>
<b>At 1 January 2013</b>	87,334	595	31,455	119,384
Total comprehensive income for the period	-	-	2,591	2,591
Issue Conversion warrant to share	-	-	-	-
<b>At 30 September 2013</b>	<u>87,334</u>	<u>595</u>	<u>34,046</u>	<u>121,975</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).

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**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2013****Condensed Consolidated Statement of Cash Flows**

	9 months period ended 30 September	
	2013	2012
	RM'000	RM'000 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax		
- continuing operations	1,082	(1,579)
- discontinuing operations	(4,450)	(2,171)
	<u>(3,368)</u>	<u>(3,750)</u>
Adjustment for:-		
Depreciation and amortisation	4,343	3,464
Interest income	-	(17)
Interest expense	7,134	6,324
Gain on disposal of Investment properties	(3,423)	(115)
	<u>4,686</u>	<u>5,906</u>
Operating profit before working capital changes		
Decrease/(Increase) in:		
Inventories	(306)	(8,607)
Receivables	(12,502)	271
Increase/(Decrease) in:		
Deferred income	(41)	(41)
Payables	11,712	5,803
	<u>3,549</u>	<u>3,332</u>
Cash generated from operating activities		
Tax (paid)/refund	(1,002)	(717)
Interest paid	(7,134)	(6,324)
	<u>(4,587)</u>	<u>(3,709)</u>
Net cash used in operating activities		
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additional to properties, plant & equipment	(793)	(2,440)
Additional to investment properties	(55)	(14,648)
Interest received	-	17
Disposal of discontinued operation	187	-
Proceeds from disposal of investment properties	10,695	890
	<u>10,034</u>	<u>(16,181)</u>
Net cash generated from/(used in) investing activities		
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Drawdown term loan	3,527	8,279
Drawdown hire purchase	(115)	-
Redeem term loan	(1,090)	-
Repayment of term loan	(7,220)	(5,710)
Placement of pledged deposits with a licensed bank	-	(791)
Proceeds from conversion of warrants to shares	-	55
	<u>(4,898)</u>	<u>1,833</u>
Net cash (used in)/generated from financing activities		
Net increase/(decrease) in cash and cash equivalents	<u>549</u>	<u>(18,057)</u>
Cash and cash equivalents at 1 January	(8,439)	9,964
Cash and cash equivalents at 30 September	<u>(7,890)</u>	<u>(8,093)</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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	9 months period ended 30 September	
	2013	2012
	RM'000	RM'000
		(Restated)
Net Cash (Used In)/Generated From Operating Activities	(4,587)	(3,709)
Net Cash Generated From/(Used In) Investing Activities	10,034	(16,181)
Net Cash (Used In)/Generated From Financing Activities	(4,898)	1,833
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>549</u>	<u>(18,057)</u>
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>	(8,439)	9,964
<b>CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER</b>	<u><u>(7,890)</u></u>	<u><u>(8,093)</u></u>
<b>Cash and Cash Equivalents at 30 September consist of:-</b>		
Cash and bank balances	3,943	4,237
Bank overdrafts	(11,042)	(11,539)
Less: Deposit pledged to the financial institutions	(791)	(791)
	<u><u>(7,890)</u></u>	<u><u>(8,093)</u></u>

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