

**RAPID SYNERGY BERHAD**

(Company No. 325935-U)

(Incorporated in Malaysia)

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

	UNAUDITED AS AT 31/12/2013 RM'000	AUDITED AS AT 31/12/2012 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	7,372	44,985
Investment properties	238,949	216,061
Prepaid lease payments	2,628	2,701
Other investments	260	260
Deferred tax assets	323	337
	<u>249,532</u>	<u>264,344</u>
<b>Current Assets</b>		
Inventories	2,071	9,190
Receivables, deposits and prepayment	16,431	4,511
Assets classified as held for sale	2,408	1,491
Current tax assets	1,189	858
Cash & bank balances	4,889	5,098
	<u>26,988</u>	<u>21,148</u>
<b>TOTAL ASSETS</b>	<b><u>276,520</u></b>	<b><u>285,492</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	87,334	87,334
Reserves	34,671	32,050
<b>Total equity</b>	<b><u>122,005</u></b>	<b><u>119,384</u></b>
<b>Non-current liabilities</b>		
Loan and borrowings	114,290	104,922
Deferred income	1,237	1,292
Deferred tax liabilities	650	972
	<u>116,177</u>	<u>107,186</u>
<b>Current liabilities</b>		
Loan and borrowings	23,009	38,960
Payables and accruals	15,136	19,840
Current tax liabilities	138	67
Deferred income	55	55
	<u>38,338</u>	<u>58,922</u>
<b>Total liabilities</b>	<b><u>154,515</u></b>	<b><u>166,108</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>276,520</u></b>	<b><u>285,492</u></b>
<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).

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013**

The Board of directors is pleased to submit its quarterly report on the consolidated results of the group for the fourth quarter ended 31 December 2013. The figures have not been audited.

**Condensed Consolidated Statement of Comprehensive Income**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31/12/2013 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2012 RM'000 (Restated)	CURRENT YEAR TO DATE 31/12/2013 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2012 RM'000 (Restated)
<b>Continuing Operations</b>				
Revenue	8,344	4,984	26,185	25,895
Cost of sales	(3,869)	(2,060)	(10,076)	(9,785)
<b>Gross profit</b>	<u>4,475</u>	<u>2,924</u>	<u>16,109</u>	<u>16,110</u>
Interest income	-	3	1	20
Profit on disposal of investment properties	-	-	3,423	115
Other income	-	23	-	88
Administrative and Distribution expenses	(636)	(1,016)	(4,631)	(5,107)
Depreciation of investment properties and PPE	(1,238)	(1,242)	(4,940)	(4,634)
Other expenses	-	(335)	(1,343)	(1,700)
Finance costs	(2,569)	(2,422)	(9,694)	(8,744)
<b>Profit/(Loss) before tax</b>	<u>32</u>	<u>(2,065)</u>	<u>(1,075)</u>	<u>(3,852)</u>
Income tax expense	-	-	(785)	(917)
<b>Profit/(Loss) for continuing operations</b>	<u>32</u>	<u>(2,065)</u>	<u>(1,860)</u>	<u>(4,769)</u>
<b>Discontinued operations</b>				
<b>Profit/(Loss) from discontinued operations</b>	-	(788)	4,481	(2,751)
	<u>32</u>	<u>(2,853)</u>	<u>2,621</u>	<u>(7,520)</u>
<b>Profit/(Loss) attributable to:</b>				
- from continuing operations	32	(2,065)	(1,860)	(4,769)
- from discontinued operations	-	(788)	4,481	(2,751)
	<u>32</u>	<u>(2,853)</u>	<u>2,621</u>	<u>(7,520)</u>
<b>Earning/(Loss) per share attributable to shareholders of the parent:</b>				
- from continuing operations	0.04	(2.37)	(2.13)	(5.46)
- from discontinued operations	-	(0.90)	5.13	(3.15)
Basic earnings/(loss) per ordinary share (sen)	<u>0.04</u>	<u>(3.27)</u>	<u>3.00</u>	<u>(8.61)</u>
- from continuing operations	0.03	(2.37)	(1.83)	(5.46)
- from discontinued operations	-	(0.90)	4.41	(3.15)
Diluted earnings/(loss) per ordinary share (sen)	<u>0.03</u>	<u>(3.27)</u>	<u>2.58</u>	<u>(8.61)</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 FOURTH QUARTER ENDED 31 DECEMBER 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	-	-	(7,520)	(7,520)
Issue Conversion warrant to share	55	-	-	55
<b>At 31 December 2012</b>	<u>87,334</u>	<u>595</u>	<u>31,455</u>	<u>119,384</u>
<b>At 1 January 2013</b>	87,334	595	31,455	119,384
Total comprehensive income for the period	-	-	2,621	2,621
Issue Conversion warrant to share	-	-	-	-
<b>At 31 December 2013</b>	<u>87,334</u>	<u>595</u>	<u>34,076</u>	<u>122,005</u>

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

	12 months period ended 31 December	
	2013	2012
	RM'000	RM'000 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax		
- continuing operations	(1,075)	(3,851)
- discontinued operations	4,481	(2,751)
	<u>3,406</u>	<u>(6,602)</u>
Adjustment for:-		
Depreciation and amortisation	5,582	4,949
Interest income	(1)	(20)
Interest expense	9,694	8,744
Gain on disposal of Investment properties	(3,423)	(115)
Gain on disposal of subsidiary company	(6,837)	-
Impairment of Property, plant and equipment	263	-
Unrealised loss/(gain) on foreign exchange	-	22
	<u>8,684</u>	<u>6,978</u>
Operating profit before working capital changes		
Decrease/(Increase) in:		
Inventories	160	(6,763)
Receivables	(12,856)	1,550
Increase/(Decrease) in:		
Deferred income	(55)	(55)
Payables	13,412	(9,051)
	<u>9,345</u>	<u>(7,341)</u>
Cash generated from/(used in) operating activities		
Tax paid	(1,354)	(1,391)
	<u>7,991</u>	<u>(8,732)</u>
Net cash generated from/(used in) operating activities		
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additional to properties, plant & equipment	(1,085)	(5,920)
Additional to investment properties	(794)	(8,740)
Interest received	1	20
Proceeds from sales of discontinued operation net of cash and cash equivalents disposed	187	-
Proceeds from disposal of investment properties	10,695	890
	<u>9,004</u>	<u>(13,750)</u>
Net cash generated from/(used in) investing activities		
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Drawdown term loan	4,419	20,952
Repayment of term loan	(11,563)	(7,392)
Repayment of finance liabilities	(222)	-
Interest paid	(9,694)	(8,744)
Proceeds from conversion of warrants to shares	-	55
	<u>(17,060)</u>	<u>4,871</u>
Net cash (used in)/generated from financing activities		
Net decrease in cash and cash equivalents	(65)	(17,611)
Cash and cash equivalents at 1 January	(8,439)	9,172
Cash and cash equivalents at 31 December	<u>(8,504)</u>	<u>(8,439)</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 FOURTH QUARTER ENDED 31 DECEMBER 2013****Condensed Consolidated Statement of Cash Flows**

	12 months period ended 31 December 2013 RM'000	2012 RM'000 (Restated)
Net Cash (Used In)/Generated From Operating Activities	7,991	(8,732)
Net Cash Generated From/(Used In) Investing Activities	9,004	(13,750)
Net Cash (Used In)/Generated From Financing Activities	(17,060)	4,871
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>(65)</u>	<u>(17,611)</u>
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>	(8,439)	9,172
<b>CASH AND CASH EQUIVALENTS AT 31 December</b>	<u><u>(8,504)</u></u>	<u><u>(8,439)</u></u>
<b>Cash and Cash Equivalents at 31 December consist of:-</b>		
Cash and bank balances	4,889	5,098
Bank overdrafts	(12,602)	(12,746)
Less: Deposit pledged to the financial institutions	<u>(791)</u>	<u>(791)</u>
	<u><u>(8,504)</u></u>	<u><u>(8,439)</u></u>

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