

RAPID SYNERGY BERHAD

(Company No. 325935-U)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2014**Condensed Consolidated Statement of Financial Position**

	UNAUDITED AS AT 30/06/2014 RM'000	AUDITED AS AT 31/12/2013 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	7,100	7,372
Investment properties	236,124	238,950
Prepaid lease payments	2,592	2,628
Other investments	260	260
Deferred tax assets	316	323
	<u>246,392</u>	<u>249,533</u>
Current Assets		
Inventories	1,589	2,071
Receivables, deposits and prepayment	17,150	16,430
Assets classified as held for sale	258	2,408
Current tax assets	512	1,351
Cash & bank balances	10,499	4,889
	<u>30,008</u>	<u>27,149</u>
TOTAL ASSETS	<u>276,400</u>	<u>276,682</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	87,358	87,334
Reserves	42,647	34,671
Total equity	<u>130,005</u>	<u>122,005</u>
Non-current liabilities		
Loan and borrowings	112,692	114,311
Deferred income	1,209	1,237
Deferred tax liabilities	892	812
	<u>114,793</u>	<u>116,360</u>
Current liabilities		
Loan and borrowings	16,634	22,988
Payables and accruals	14,634	15,136
Provision for taxation	279	138
Deferred income	55	55
	<u>31,602</u>	<u>38,317</u>
Total liabilities	<u>146,395</u>	<u>154,677</u>
TOTAL EQUITY AND LIABILITIES	<u>276,400</u>	<u>276,682</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.49	1.40

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements).

RAPID SYNERGY BERHAD

(Company No. 325935-U)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2014

The Board of directors is pleased to submit its quarterly report on the consolidated results of the group for the second quarter ended 30 June 2014. The figures have not been audited.

Condensed Consolidated Statement of Comprehensive Income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 30/06/2014 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/06/2013 RM'000 (Restated)	CURRENT YEAR TO DATE 30/06/2014 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/06/2013 RM'000 (Restated)
Continuing Operations				
Revenue	7,168	5,475	14,816	11,589
Cost of sales	(2,565)	(2,052)	(5,270)	(3,557)
Gross profit	4,603	3,423	9,546	8,032
Interest income	-	-	13	-
Profit on disposal of investment properties	5,206	333	9,961	2,370
Other income	32	11	62	115
Administrative and Distribution expenses	(1,205)	(392)	(2,375)	(1,552)
Depreciation of investment properties and PPE	(1,244)	(1,244)	(2,485)	(2,465)
Other expenses	(666)	(380)	(1,310)	(565)
Finance costs	(2,186)	(2,374)	(4,523)	(4,840)
Profit / (Loss) before tax	4,540	(623)	8,889	1,095
Income tax expense	(461)	(126)	(914)	(412)
Profit / (Loss) for continuing operations	4,079	(749)	7,975	683
Discontinued operations				
- Loss from discontinued operations	-	(1,653)	-	(2,979)
	4,079	(2,402)	7,975	(2,296)
Profit/(Loss) attributable to:				
- from continuing operations	4,079	(749)	7,975	683
- from discontinued operations	-	(1,653)	-	(2,979)
	4,079	(2,402)	7,975	(2,296)
Earning/(Loss) per share attributable to shareholders of the parent:				
- from continuing operations	4.67	(0.86)	9.13	0.78
- from discontinuing operations	-	(1.89)	-	(3.41)
Basic earnings/(loss) per ordinary share (sen)	4.67	(2.75)	9.13	(2.63)
- from continuing operations	3.96	(0.74)	7.74	0.68
- from discontinued operations	-	(1.64)	-	(2.95)
Diluted earnings/(loss) per ordinary share (sen)	3.96	(2.38)	7.74	(2.27)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statement for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements).

RAPID SYNERGY BERHAD

(Company No. 325935-U)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2014**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 2013	87,334	595	31,456	119,385
Total comprehensive expense for the period	-	-	(2,296)	(2,296)
Shares Issued pursuant to exercise of warrant at RM1.00 per share	-	-	-	-
At 30 June 2013	<u>87,334</u>	<u>595</u>	<u>29,160</u>	<u>117,089</u>
At 1 January 2014	87,334	595	34,077	122,006
Total comprehensive income for the period	-	-	7,975	7,975
Shares Issued pursuant to exercise of warrant at RM1.00 per share	24	-	-	24
At 30 June 2014	<u>87,358</u>	<u>595</u>	<u>42,052</u>	<u>130,005</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 2013 and the accompanying explanatory notes attached to the interim financial statements).

RAPID SYNERGY BERHAD

(Company No. 325935-U)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2014**Condensed Consolidated Statement of Cash Flows**

	6 months period ended 30 June	
	2014 RM'000	2013 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax		
- continuing operations	8,889	1,095
- discontinued operations	-	(2,979)
	<u>8,889</u>	<u>(1,884)</u>
Adjustment for:-		
Depreciation and amortisation	2,485	2,894
Interest income	(13)	-
Interest expense	4,523	4,840
Gain on disposal of Investment properties	(9,961)	(2,370)
	<u>5,923</u>	<u>3,480</u>
Operating profit before working capital changes		
Decrease/(Increase) in:		
Inventories	482	(399)
Receivables	(719)	(506)
Increase/(Decrease) in:		
Deferred income	(28)	(28)
Payables	(501)	(332)
	<u>5,157</u>	<u>2,215</u>
Cash generated from operating activities		
Tax (paid)/refund	153	(785)
Interest paid	(4,523)	(4,840)
	<u>787</u>	<u>(3,410)</u>
Net cash generated from/(used in) operating activities		
CASH FLOW FROM INVESTING ACTIVITIES		
Additional to properties, plant & equipment	(900)	(1,214)
Additional to investment properties	(20)	(55)
Interest received	13	-
Proceeds from disposal of investment properties	13,680	6,625
	<u>12,773</u>	<u>5,356</u>
Net cash generated from investing activities		
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of finance lease liability	(93)	-
Drawdown hire purchase	-	384
Drawdown term loan	5,440	-
Redeem term loan	(794)	(1,090)
Repayment of term loan	(5,610)	(4,931)
Proceeds from conversion of warrants to shares	24	-
	<u>(1,033)</u>	<u>(5,637)</u>
Net cash used in financing activities		
Net increase/(decrease) in cash and cash equivalents	<u>12,527</u>	<u>(3,691)</u>
Cash and cash equivalents at 1 January	<u>(8,504)</u>	<u>(8,439)</u>
Cash and cash equivalents at 30 June	<u>4,023</u>	<u>(12,130)</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements).

RAPID SYNERGY BERHAD

(Company No. 325935-U)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2014**Condensed Consolidated Statement of Cash Flows**

	6 months period ended 30 June	
	2014 RM'000	2013 RM'000
Net Cash Generated From/(Used In) Operating Activities	787	(3,410)
Net Cash Generated From Investing Activities	12,773	5,356
Net Cash Used In Financing Activities	(1,033)	(5,637)
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>12,527</u>	<u>(3,691)</u>
CASH AND CASH EQUIVALENTS AT 1 JANUARY	(8,504)	(8,439)
CASH AND CASH EQUIVALENTS AT 30 JUNE	<u><u>4,023</u></u>	<u><u>(12,130)</u></u>
Cash and Cash Equivalents at 30 June consist of:-		
Cash and bank balances	10,499	4,370
Bank overdrafts	(5,685)	(15,709)
Less: Deposit pledged to the financial institutions	(791)	(791)
	<u><u>4,023</u></u>	<u><u>(12,130)</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 2013 and the accompanying explanatory notes attached to the interim financial statements).