

RAPID SYNERGY BERHAD

(Company No. 325935-U)

(Incorporated in Malaysia)

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

	UNAUDITED AS AT 30/09/2014 RM'000	AUDITED AS AT 31/12/2013 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	8,807	7,372
Investment properties	239,692	238,950
Prepaid lease payments	2,573	2,628
Other investments	15,098	260
Deferred tax assets	313	323
	<u>266,483</u>	<u>249,533</u>
Current Assets		
Inventories	1,602	2,071
Receivables, deposits and prepayment	10,500	16,430
Assets classified as held for sale	1,731	2,408
Current tax assets	495	1,351
Cash & bank balances	15,400	4,889
	<u>29,728</u>	<u>27,149</u>
TOTAL ASSETS	<u>296,211</u>	<u>276,682</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	87,432	87,334
Reserves	50,707	34,672
Total equity	<u>138,139</u>	<u>122,006</u>
Non-current liabilities		
Loan and borrowings	109,187	114,311
Deferred income	1,195	1,237
Deferred tax liabilities	634	812
	<u>111,016</u>	<u>116,360</u>
Current liabilities		
Loan and borrowings	30,958	22,987
Payables and accruals	15,780	15,136
Provision for taxation	263	138
Deferred income	55	55
	<u>47,056</u>	<u>38,316</u>
Total liabilities	<u>158,072</u>	<u>154,676</u>
TOTAL EQUITY AND LIABILITIES	<u>296,211</u>	<u>276,682</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.58	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).

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2014

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 2014. The figures have not been audited.

Condensed Consolidated Statement of Comprehensive Income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 30/09/2014 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2013 RM'000 (Restated)	CURRENT YEAR TO DATE 30/09/2014 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2013 RM'000 (Restated)
Continuing Operations				
Revenue	5,940	6,161	20,706	17,130
Cost of sales	(1,996)	(3,150)	(7,267)	(6,207)
Gross profit	<u>3,944</u>	<u>3,011</u>	<u>13,439</u>	<u>10,923</u>
Interest income	1	-	14	-
Profit on disposal of investment properties	7,945	1,053	17,906	3,423
Other income	785	25	847	58
Administrative and Distribution expenses	(761)	(371)	(3,137)	(1,216)
Depreciation of investment properties and PPE	(1,270)	(1,236)	(3,755)	(3,701)
Other expenses	(168)	(701)	(1,476)	(1,271)
Finance costs	(2,432)	(2,294)	(6,955)	(7,134)
Profit/(Loss) before tax	<u>8,044</u>	<u>(513)</u>	<u>16,883</u>	<u>1,082</u>
Income tax expense	(117)	(466)	(1,031)	(878)
Profit/(Loss) for continuing operations	<u>7,927</u>	<u>(979)</u>	<u>15,852</u>	<u>204</u>
Discontinued operations				
- Profit from discontinued operations	-	5,366	-	2,387
Profit for the period	<u>7,927</u>	<u>4,387</u>	<u>15,852</u>	<u>2,591</u>
Other comprehensive income, net of tax				
- fair value of available-for-sale financial assets	183	-	183	-
Total comprehensive income for the year	<u>8,110</u>	<u>4,387</u>	<u>16,035</u>	<u>2,591</u>
Profit/(Loss) attributable to:				
- from continuing operations	8,110	(979)	16,035	204
- from discontinued operations	-	5,366	-	2,387
	<u>8,110</u>	<u>4,387</u>	<u>16,035</u>	<u>2,591</u>
Earning/(Loss) per share attributable to shareholders of the parent:				
- from continuing operations	9.07	(1.12)	18.14	0.23
- from discontinuing operations	-	6.14	-	2.73
Basic earnings/(loss) per ordinary share (sen)	<u>9.07</u>	<u>5.02</u>	<u>18.14</u>	<u>2.96</u>
- from continuing operations	7.66	(0.97)	15.32	0.20
- from discontinued operations	-	5.30	-	2.36
Diluted earnings/(loss) per ordinary share (sen)	<u>7.66</u>	<u>4.33</u>	<u>15.32</u>	<u>2.56</u>

(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).

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 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	Fair Value Reserve RM'000	Retained Earnings RM'000	Total RM'000
At 1 January 2013	87,334	595	-	31,455	119,384
Total comprehensive income for the period	-	-	-	2,591	2,591
Shares Issued pursuant to exercise of warrant at RM1.00 per share	-	-	-	-	-
At 30 September 2013	<u>87,334</u>	<u>595</u>	<u>-</u>	<u>34,046</u>	<u>121,975</u>
At 1 January 2014	87,334	595	-	34,077	122,006
Fair value of available-for-sale financial assets	-	-	183	-	183
Profit for the period	-	-	-	15,852	15,852
Total comprehensive income for the period	-	-	183	15,852	16,035
Shares Issued pursuant to exercise of warrant at RM1.00 per share	98	-	-	-	98
At 30 September 2014	<u><u>87,432</u></u>	<u><u>595</u></u>	<u><u>183</u></u>	<u><u>49,929</u></u>	<u><u>138,139</u></u>

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

	9 months period ended 30 September	
	2014	2013
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax		
- continuing operations	16,883	1,082
- discontinued operations	-	(4,450)
	<u>16,883</u>	<u>(3,368)</u>
Adjustment for:-		
Depreciation and amortisation	3,755	4,343
Interest income	(14)	-
Interest expense	6,955	7,134
Gain on disposal of property, plant & equipment	(742)	-
Gain on disposal of Investment properties	(17,906)	(3,423)
	<u>8,931</u>	<u>4,686</u>
Operating profit before working capital changes		
Decrease/(Increase) in:		
Inventories	469	(306)
Receivables	5,930	(12,502)
Increase/(Decrease) in:		
Deferred income	(41)	(41)
Payables	644	11,712
	<u>15,933</u>	<u>3,549</u>
Cash generated from operating activities		
Tax (paid)/refund	(217)	(1,002)
Interest paid	(6,955)	(7,134)
	<u>8,761</u>	<u>(4,587)</u>
Net cash generated from/(used in) operating activities		
CASH FLOW FROM INVESTING ACTIVITIES		
Additional to properties, plant & equipment	(1,447)	(793)
Additional to investment properties	(13,890)	(55)
Interest received	14	-
Disposal of discontinued operation	-	187
Acquisition of other investment	(14,654)	-
Proceeds from disposal of property, plant & equipment	1,000	-
Proceeds from disposal of investment properties	27,784	10,695
	<u>(1,193)</u>	<u>10,034</u>
Net cash (used in)/generated from investing activities		
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of finance lease liability	(139)	-
Drawdown hire purchase	-	(115)
Drawdown term loan	5,440	3,527
Redeem term loan	(1,704)	(1,090)
Repayment of term loan	(8,152)	(7,220)
Proceeds from conversion of warrants to shares	98	-
	<u>(4,457)</u>	<u>(4,898)</u>
Net cash used in financing activities		
Net (decrease)/increase in cash and cash equivalents	<u>3,111</u>	<u>549</u>
Cash and cash equivalents at 1 January	<u>(8,504)</u>	<u>(8,439)</u>
Cash and cash equivalents at 30 September	<u><u>(5,393)</u></u>	<u><u>(7,890)</u></u>

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

	9 months period ended 30 September	
	2014	2013
	RM'000	RM'000
Net Cash Generated From/(Used In) Operating Activities	8,761	(4,587)
Net Cash (Used In)/Generated From Investing Activities	(1,193)	10,034
Net Cash Used In Financing Activities	(4,457)	(4,898)
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>3,111</u>	<u>549</u>
CASH AND CASH EQUIVALENTS AT 1 JANUARY	(8,504)	(8,439)
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	<u><u>(5,393)</u></u>	<u><u>(7,890)</u></u>
Cash and Cash Equivalents at 30 September consist of:-		
Cash and bank balances	15,400	3,943
Bank overdrafts	(20,002)	(11,042)
Less: Deposit pledged to the financial institutions	<u>(791)</u>	<u>(791)</u>
	<u><u>(5,393)</u></u>	<u><u>(7,890)</u></u>

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