

RAPID SYNERGY BERHAD

(Company No. 325935-U)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2015**Condensed Consolidated Statement of Financial Position**

| | UNAUDITED AS AT 31/03/2015 RM'000 | AUDITED AS AT 31/12/2014 RM'000 |
|--|--|--|
| ASSETS | | |
| Non-current assets | | |
| Property, plant & equipment | 5,173 | 6,977 |
| Investment properties | 243,993 | 243,162 |
| Prepaid lease payments | 2,536 | 2,555 |
| Other investments | 25,668 | 21,291 |
| Deferred tax assets | 306 | 156 |
| | <u>277,676</u> | <u>274,141</u> |
| Current Assets | | |
| Inventories | 1,333 | 1,244 |
| Receivables, deposits and prepayment | 11,520 | 11,067 |
| Assets classified as held for sale | 2,905 | 6,160 |
| Current tax assets | 461 | 509 |
| Cash & bank balances | 4,485 | 4,766 |
| | <u>20,704</u> | <u>23,746</u> |
| TOTAL ASSETS | <u>298,380</u> | <u>297,887</u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the parent | | |
| Share capital | 87,434 | 87,432 |
| Reserves | 44,201 | 46,365 |
| Total equity | <u>131,635</u> | <u>133,797</u> |
| Non-current liabilities | | |
| Loan and borrowings | 111,427 | 108,615 |
| Deferred income | 1,168 | 1,182 |
| Deferred tax liabilities | 621 | 468 |
| | <u>113,216</u> | <u>110,265</u> |
| Current liabilities | | |
| Loan and borrowings | 31,825 | 27,659 |
| Payables and accruals | 21,571 | 26,020 |
| Provision for taxation | 78 | 91 |
| Deferred income | 55 | 55 |
| | <u>53,529</u> | <u>53,825</u> |
| Total liabilities | <u>166,745</u> | <u>164,090</u> |
| TOTAL EQUITY AND LIABILITIES | <u>298,380</u> | <u>297,887</u> |
| Net assets per share attributable to ordinary equity holders of the parent (RM) | 1.51 | 1.53 |

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 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 FIRST QUARTER ENDED 31 MARCH 2015

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 2015. The figures have not been audited.

Condensed Consolidated Statement of Comprehensive Income

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|---|--|---|---|
| | CURRENT QUARTER 31/03/2015 RM'000 | PRECEDING YEAR CORRESPONDING QUARTER 31/03/2014 RM'000 | CURRENT YEAR TO DATE 31/03/2015 RM'000 | PRECEDING YEAR CORRESPONDING PERIOD 31/03/2014 RM'000 |
| Continuing Operations | | | | |
| Revenue | 7,298 | 7,647 | 7,298 | 7,647 |
| Cost of sales | (2,016) | (2,705) | (2,016) | (2,705) |
| Gross profit | 5,282 | 4,942 | 5,282 | 4,942 |
| Interest income | 13 | 13 | 13 | 13 |
| Profit on disposal of investment properties | 5,445 | 4,755 | 5,445 | 4,755 |
| Other income | 72 | 30 | 72 | 30 |
| Administrative and Distribution expenses | (1,740) | (1,168) | (1,740) | (1,168) |
| Depreciation of investment properties and PPE | (1,286) | (1,241) | (1,286) | (1,241) |
| Other expenses | (6,908) | (644) | (6,908) | (644) |
| Finance costs | (2,483) | (2,337) | (2,483) | (2,337) |
| Profit before tax | (1,605) | 4,350 | (1,605) | 4,350 |
| Income tax expense | (201) | (454) | (201) | (454) |
| Total comprehensive income for the year | (1,806) | 3,896 | (1,806) | 3,896 |
| Attributable to: | | | | |
| Shareholders of the parent | (1,806) | 3,896 | (1,806) | 3,896 |
| minority interests | - | - | - | - |
| | (1,806) | 3,896 | (1,806) | 3,896 |
| Earning/(Loss) per share attributable to shareholders of the parent: | | | | |
| Basic earnings/(loss) per ordinary share (sen) | (2.07) | 4.46 | (2.07) | 4.46 |
| Diluted earnings/(loss) per ordinary share (sen) | (1.73) | 3.79 | (1.73) | 3.79 |

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statement for the year ended 31 December 2014 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 FIRST QUARTER ENDED 31 MARCH 2015**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 2014 | 87,334 | 595 | - | 34,076 | 122,005 |
| Total comprehensive income for the period | - | - | - | 3,896 | 3,896 |
| Shares Issued pursuant to exercise of warrant at RM1.00 per share | 18 | - | - | - | 18 |
| At 31 March 2014 | <u>87,352</u> | <u>595</u> | <u>-</u> | <u>37,972</u> | <u>125,919</u> |
| At 1 January 2015 | 87,432 | 595 | 357 | 45,413 | 133,797 |
| Fair value of available-for-sale financial assets | - | - | (357) | - | (357) |
| Profit for the period | - | - | - | (1,806) | (1,806) |
| Total comprehensive income for the period | - | - | (357) | (1,806) | (2,163) |
| Shares Issued pursuant to exercise of warrant at RM1.00 per share | 1 | - | - | - | 1 |
| At 31 March 2015 | <u>87,433</u> | <u>595</u> | <u>-</u> | <u>43,607</u> | <u>131,635</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 2014 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 FIRST QUARTER ENDED 31 MARCH 2015**Condensed Consolidated Statement of Cash Flows**

| | 3 months period ended 31 March | |
|--|--------------------------------|---------|
| | 2015 | 2014 |
| | RM'000 | RM'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net(Loss)/ Profit before tax | (1,605) | 4,350 |
| Adjustment for:- | | |
| Depreciation and amortisation | 1,286 | 1,241 |
| Interest income | (13) | (13) |
| Interest expense | 2,483 | 2,326 |
| Impairment of other investment | 6,222 | - |
| Gain from disposal of Investment properties | (5,445) | (4,755) |
| Operating (loss)/profit before working capital changes | 2,928 | 3,149 |
| Decrease/(Increase) in: | | |
| Inventories | (89) | 132 |
| Receivables | (453) | 1,514 |
| Increase/(Decrease) in: | | |
| Deferred income | (14) | (27) |
| Payables | (4,449) | (444) |
| Cash (used in)/generated from operating activities | (2,077) | 4,324 |
| Tax (paid)/refund | (163) | 217 |
| Net cash (used in)/generated from operating activities | (2,240) | 4,541 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Additional to properties, plant & equipment | (22) | (548) |
| Additional to investment properties | (272) | (20) |
| Interest received | 13 | 13 |
| Acquisition of other investment | (18,148) | - |
| Proceeds from disposal of other investment | 7,192 | - |
| Proceeds from disposal of investment properties | 8,700 | 6,900 |
| Net cash generated from investing activities | (2,537) | 6,345 |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Repayment of finance lease liability | (71) | (46) |
| Drawdown term loan | 4,270 | - |
| Redeem term loan | (564) | (250) |
| Interest paid | (2,483) | (2,326) |
| Repayment of term loan | (2,501) | (2,517) |
| Proceeds from conversion of warrants to shares | 1 | 18 |
| Net cash used in financing activities | (1,348) | (5,121) |
| Net (decrease)/increase in cash and cash equivalents | (6,125) | 5,765 |
| Cash and cash equivalents at 1 January | (12,011) | (8,504) |
| Cash and cash equivalents at 31 March | (18,136) | (2,739) |

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2014 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 FIRST QUARTER ENDED 31 MARCH 2015**Condensed Consolidated Statement of Cash Flows**

| | 3 months period ended 31 March | |
|---|--------------------------------|-----------------------|
| | 2015 RM'000 | 2014 RM'000 |
| Net Cash (Used In)/Generated From Operating Activities | (2,240) | 4,541 |
| Net Cash Generated From Investing Activities | (2,537) | 6,345 |
| Net Cash Used In Financing Activities | (1,348) | (5,121) |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | <u>(6,125)</u> | <u>5,765</u> |
| CASH AND CASH EQUIVALENTS AT 1 JANUARY | (12,011) | (8,504) |
| CASH AND CASH EQUIVALENTS AT 31 MARCH | <u><u>(18,136)</u></u> | <u><u>(2,739)</u></u> |
| Cash and Cash Equivalents at 31 March consist of:- | | |
| Cash and bank balances | 4,485 | 4,467 |
| Bank overdrafts | (21,830) | (6,415) |
| Less: Deposit pledged to the financial institutions | <u>(791)</u> | <u>(791)</u> |
| | <u><u>(18,136)</u></u> | <u><u>(2,739)</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 2014 and the accompanying explanatory notes attached to the interim financial statements).