RAPID SYNERGY BERHAD
[REGISTRATION NO. 199401040248 (325935-U)]
- DISPOSAL OF LANDS BY RAPID PRECISION TECHNOLOGIES SDN. BHD., A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY

Further to RSB announcement dated 21 October 2025 and Bursa Malaysia Securities Berhad's ("**Bursa Securities**") query letter reference number IQL-23102025-00001, we set out our responses to the same:

No.	**Additional Information required by Bursa Securities**

<u>Section 1</u>

Question To state the mode of settlement for the Sale Consideration totalling RM35 million.

Answer By Cash

<u>Section 3</u>

Question Please name the Appropriate Authority mentioned under items (a)(ii) and (a)(iii) respectively.

Answer
1) Penang Development Corporation (PDC)
2) Penang State Government

Question To tabulate details on the payment terms/schedule for ams-OSRAM to settle the Sale Consideration whereby the amount of initial deposit, Balance Deposit, Retention Sum, balance payment etc. and the agreed payment date(s)/timeline must be clearly stated. For payments already made by ams-OSRAM to RPTSB/Rapid, please specify the exact payment dates accordingly.

Answer

Section	Payment	RM	Timeline
1	Purchase Price	35,000,000	-
2	Retention (3% of Purchase Price)	1,050,000	on or before 30 October 2025
3	Balance Deposit (7% of Purchase Price)	2,450,000	on or before 30 October 2025
4	Balance Purchase Price (90% of Purchase Price	31,500,000	14 days after the date the transfer is presented to Land Registry for registration. Estimated to be completed within 9 to 12 months from the SPA.

Question To provide the termination and applicable penalty clauses as well as the warranty clause relating to rectification/repair of the factories, if any.

Answer RPTSB ("**Seller**") is deemed to committed a seller's default if the seller commits any of the following:

a) Commits any breach of the material terms or conditions contained in the SPA or fail to perform or observe or any of the terms or covenants herein contained and fail to remedy them within thirty (30) days from the date receipt of a notice in writing from ams- OSRAM ("**buyer**") to the seller requiring the seller to remedy such breach;

b) Before the registration of the transfer, commits an act of bankruptcy or enters into any composition or arrangement with his creditors or being a company enters into liquidation whether compulsory or voluntary; or

c) Fails or refuses to transfer the titles of the property to the buyer.

In the event of the seller's default, the buyer shall be entitled to:

a) Seek for specific performance as damages shall not be an adequate remedy wherein the costs and expenses incurred by the buyer, including but not limited to solicitor's fees on a solicitor and client basis, shall be borne by the seller or

b) Terminate or rescind the SPA by a notice in writing to the seller and with a copy to the stakeholder whereupon the following shall ensue:

(i) within fourteen (14) days from the date of notice of termination, the Seller shall refund or cause to be refunded to the Buyer all monies whatsoever paid by the Buyer under this Agreement towards the Purchase Price (together with all interest earned thereon) and in such event, if any part of the Purchase Price is held by the Stakeholder and the Buyer's Solicitors as stakeholders at such point in time in accordance with the terms herein, then the Stakeholder and the Buyer's Solicitors are authorised and directed by the Parties hereto to release such monies to the Buyer, in exchange for the following:

(aa) if already delivered, the Buyer shall return or cause to be returned to the Seller the Titles with the Seller's interest intact and the Transfer, but if the Transfer has been stamped, the Buyer shall be authorised to retain and use the same for cancellation and refund of the adjudicated stamp duty paid. For the purposes of facilitating the refund, the Seller undertakes to render reasonable assistance and deliver the requisite documents required by the Appropriate Authority for the Buyer's application for the refund of stamp duty to the Collector of Stamp Duty;

(ab) the Buyer shall at their own costs and expense withdraw any of the Buyer's Encumbrances and shall forward or cause to be forwarded the presentation receipt of the withdrawal and/or discharge of Buyer's Encumbrances to the Seller; and

(ac) the Buyer shall return vacant possession of the Property to the Seller, if the same has been received by the Buyer, in the same state and condition the Property was delivered to the Buyer to the reasonable satisfaction of the Seller;

(ii) in addition thereto and simultaneous with the aforesaid refund, pay to the Buyer a sum equivalent to the Deposit as agreed liquidated damages; and

(iii) if the Retention Sum has been remitted to the Director General of Inland Revenue of Malaysia ("**DGIR**"), such Retention Sum shall be refunded to the Buyer once it is being refunded by the DGIR in accordance with the SPA;

AND if the Buyer has terminated or rescinded this Agreement, the Seller shall be entitled to deal with or otherwise dispose of the Property in such manner as the Seller shall see fit as if this Agreement had not been entered into.

At any time before the Completion Date, the Buyer is deemed to have committed a "Buyer's Default" if the Buyer commits any of the following:

(a) commits any breach of the material terms or conditions contained in this Agreement or fails to perform or observe all or any of the Buyer's material covenants herein contained; or

(b) before payment in full of the Purchase Price, commits an act of bankruptcy or enters into any composition or arrangement with its creditors or being a company enters into liquidation whether compulsory or voluntary,

then in any of the above circumstances and if the breach is not remedied within thirty (30) days after the date of receipt of a notice in writing from the Seller to the Buyer of such breach, the Seller shall have the right to terminate this Agreement by serving a notice in writing to the Buyer and with copy to the Stakeholder.

In the event the Seller serves a notice of termination pursuant to the SPA, the following shall occur:

(a) as the sole and exclusive remedy of the Seller, the Deposit shall be paid by the Buyer to the Seller as agreed liquidated damages. In connection therewith:

(i) if the Balance Deposit (held by the Stakeholder) has yet to be released to the Seller and the Retention Sum (held by the Buyer's Solicitors) has yet to be released to the DGIR pursuant to the SPA, then the Stakeholder and the Buyer's Solicitors are unconditionally and irrevocably authorised and directed by the Parties to release the Deposit (together with interest earned thereon) to the Seller within fourteen (14) days from the date of the notice of termination thereof;

(ii) if the Balance Deposit has been released to the Seller by the Stakeholder pursuant to the SPA, then the Seller shall retain the Deposit absolutely as part of the agreed liquidated damages;

(iii) if the Retention Sum has been remitted to the DGIR, such Retention Sum shall be retained and forfeited by the Seller once it is being refunded by the DGIR in accordance with the SPA; and

(iv) save and except for the Deposit and its interest earned thereon, the Stakeholder is authorised and directed by the Parties to release to the Buyer all other monies that the Buyer has paid to the Stakeholder towards the Purchase Price (held by the Stakeholder) together with all interest earned thereon within fourteen (14) days from the date of the notice of termination thereof;

(b) the Balance Purchase Price or any part thereof shall be refunded to the Buyer by the Seller and in such event, if any part of the Purchase Price is held by the Stakeholder and the Buyer's Solicitors as stakeholders at such point in time in accordance with the terms herein, then the Stakeholder and the Buyer's Solicitors are authorised by the Parties hereto to release such monies to the Buyer, within fourteen (14) days from the date of notice of termination thereof (if any), in exchange of the following:

(i) if already delivered, the Buyer shall return or cause to be returned to the Seller the Titles with the Seller's interest intact and the Transfer, but if the Transfer has been stamped, the Buyer shall be authorised to retain and use the same for cancellation and refund of the adjudicated stamp duty paid. For the purposes of facilitating the refund, the Seller undertakes to render reasonable assistance and deliver the requisite documents required by the Appropriate Authority for the Buyer's application for the refund of stamp duty to the Collector of Stamp Duty;

(ii) the Buyer shall at their own costs and expense withdraw any of the Buyer's Encumbrances and shall forward or cause to be forwarded the presentation receipt of the withdrawal and/or the discharge of the Buyer's Encumbrances to the Seller; and

(iii) the Buyer shall return vacant possession of the Property to the Seller, if the same has been received by the Buyer, in the same state and condition the Property was delivered to the Buyer to the reasonable satisfaction of the Seller,

AND THEREAFTER, the Seller shall be entitled to deal with or otherwise dispose of the Property including the Property in such manner as the Seller shall see fit as if this Agreement had not been entered into.

Section 4

Question Please quantify the outstanding amount of the legal charge as at to-date and to indicate the timeline for the discharge of such legal charge.

Answer The legal charge i.e. amount owing to CIMB Islamic Bank Berhad is RM6.5 million. Timeline for the discharge such legal charge approximately 7 to 8 months

Question For clarity, please explain whether the Factory A and Factory B are for own use or rented out to third party. If they are used for operations of Rapid and/or its subsidiaries ("**the Group**"), please clarify how such operations are impacted by the Proposed Disposal.

If the factories are occupied by third-party tenant(s), for each of the factories, please name the tenant(s), the rental per annum/ per month, tenancy duration and expiry date of the tenancy. Please also clarify how such tenancies are impacted by the Proposed Disposal.

Answer

Tenant	Rental/Annum (RM)	Rental/Month (RM)	Tenancy duration	Expiry date of the Tenancy
ams-Osram	575,254	47,938	3 years	30/9/2026
Premec Asia Pacific Sdn. Bhd.	670,300	55,858	3 years	31/12/2025

Question To state the NBV of each Land and each Building.

Answer

<u>Land</u>
PT 1485 - RM1,453,070
PT 1486 - RM1,956,368

Total -RM3,409,438
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<u>Building</u>
PT 1485 - RM 828,823
PT 1486 - RM 427,988

Total RM1,256,811
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<u>Section 7</u>

Question To provide a separate cost of investment for each Land and Building together with the respective dates of investment.

Answer

<u>Land</u>	<u>Cost Of Investment</u>	<u>Date of Investment</u>
PT 1485	- RM3,624,941	3rd November 1989
PT 1486	- RM4,880,508	3rd November 1989

Total	RM8,505,449	
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<u>Building</u>	<u>Cost of Investment</u>	<u>Year of Investment</u>
PT 1485	- RM1,967,738	1991
PT 1486	- RM1,016,102	1991

Total	RM2,983,840	
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Section 9

Question To provide the detailed breakdown of the utilisation for ‘Other expenses’ and ‘Working capital’. To also check whether the expected utilisation timeline i.e. 6 months from date of SPA is accurate and realistic by taking into account the agreed payment terms/schedule and the expected completion timeline of 9 to 12 months from the date of the Agreement.

Answer Other expenses

- Legal fee	– RM 800,000
- Assessment & quit rent	- RM 200,000
- Other disbursements	- RM 500,000
	RM 1,500,000

Working capital RM24,000,000 for salary and other business activities

The Board wishes to clarify that the expected utilisation timeline 6 months from date of the completion of the SPA.

Section 10

Question Please comment on the loss of rental income upon completion of the Proposed Disposal and the measure(s) to address such loss.

Answer The disposal will result in a loss of rental income, however, the disposal is a timely opportunity for the company to unlock the value of its investment on the land at an attractive value which would be beneficial to the company.

This announcement is dated 24 October 2025.