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

Further to RSB announcement dated 7 November 2025 and Bursa Malaysia Securities Berhad's ("**Bursa Securities**") query letter reference number IQL-11112025-00001, we set out our responses to the same:

No.	Additional Information required by Bursa Securities

<u>Section 3.1</u>

Question 1) To quantify the number of the Existing Tenancies/Existing Tenants and clarify if the existing tenants are those listed under Section 3.4.

Answer There are only five (5) existing Tenants and as listed under section 3.4.

<u>Section 3.2</u>

Question 2) To state the date of the Earnest Deposit paid by Lotuss.

Answer The payment was made on 18 April 2025.

<u>Section 3.3</u>

Question 3) To clarify if the market value of the Property is the same under both the Cost Approach and Comparison Approach i.e. RM50 million. In this respect, to also provide a brief description to explain the respective concept/methodology of the two valuation approaches.

Answer The Company is only able to utilize the Cost Approach when determining the value of the Property as a Comparison Approach is not applicable.

The Cost Approach is usually adopted when there are insufficient market data for undertaking valuations by the Comparison Approach; usually for properties that are specialized in nature or when there are no clear supporting market sale evidences of properties having similar characteristics.

The subject property is a commercial building, which is the one and only type/design found within the close proximity of the property. There are no other similar property having similar characteristics as the Property. Hence, we are of the view that the best approach to access the Market Value of the Property is the Cost Approach.

In the Cost Approach, the value of the land is added to the replacement cost of the building and other site improvements. The value of the site is determined by comparison with similar lands that have been sold recently and those that are currently being offered for sale in the vicinity with appropriate adjustments made to reflect improvements and other dissimilarities and to arrive at the value of the subject land as an improved site.

The replacement cost of the building is derived from the estimation of reconstructing a building of same kind and design as when new based on current market prices for materials, labour and present construction techniques and deducting there from the accrued depreciation due to use and disrepair, age and obsolescence through technology and market changes.

The Comparison Approach entails comparing the subject property with similar properties that have been sold recently and those that are currently being offered for sale in the vicinity or other comparable localities. The characteristics, merits and demerits of these properties are noted and appropriate adjustments thereof are then made to arrive at the value of the subject property. Some of the sales from the selected list of evidences are provided herein whilst the others will be furnished upon request.

Question 4) To provide details of the comparable transactions/properties used by PA International Property Consultants Sdn Bhd in valuing the Property, of which the information shall include the location/postal address of the land/properties, the tenure and size (in square metres) of the land/properties, the category of land use and the appraised value for the land/properties.

Answer The Valuer had provided transactions of vacant commercial lands within the vicinity as follows:

Property/ Locality	**Plot Size (sq. ft)**	**Consideration (RM)**	**Date**	**Vendor(s) / Purchaser(s)**
Jalan Maharajalela, Teluk Intan				
Lot No. 2441	26,156	2,042,480/- (RM78.09 psf)	27/06/2022	Ong Cheng Leng/ LLY Engineering Sdn Bhd
Lot No. 2859, Jalan Maharajalela	48,976	2,150,000/- (RM43.90 psf)	10/02/2021	Symphony Paradigm Sdn Bhd / Bestech Industries Sdn Bhd
Lot No. 5394	56,575	2,263,000/- (RM40.00 psf)	13/01/2021	Kraf Matrix Sdn Bhd / Watumas Enterpise Sdn Bhd
Lot No. 926	84,400	4,010,000/- (RM47.51 psf)	15/12/2020	Lower Perak Motor Service Co Bhd / SGT Food Industries Sdn Bhd
Jalan Changkat Jong, Teluk Intan				
Lot No. 8594	23,498	1,650,000/- (RM70.22 psf)	02/09/2021	Naresh Kumar A/L Rameshchandran / BP Diagnostic Centre Sdn Bhd

Additionally, the valuer also noted some transaction of shopping complexes within the larger vicinity are as follows:

Property/ Locality	**Plot Size (sq. ft)**	**Consideration (RM)**	**Date**	**Vendor(s) / Purchaser(s)**
Wall Street@ Jalan Sultan Azlan Shah				
Lot No. 320549, Jalan The Lean Swee	648,310	208,000,000/-	30/11/2018	Kinta City Sdn Bhd / Pacific Trustess Berhad - P.A
Medan Meru Bistari				
Lot No. PT 229142, Jalan Meru Bistari B5	696,963	190,000,000/-	09/05/2014	Mydin Wholesale Cash and Carry Sdn Bhd / Lembaga Tabung Haji

Question 5) To state the particulars of all liabilities, including contingent liabilities which remain with PESB/the Company and guarantees given by the Company to Lotuss, if any.

Answer There is no liability including contingent liabilities which remain with PESB and the Company and no guarantees is given by the Company to Lotuss.

Section 3.4

Question 6) To provide the actual name of Tenants A, B, C, D, E where possible. For the non-disclosed tenant(s), to include the reason for the non-disclosure accordingly.

Answer The Company is not able to disclose the actual name of tenants A, B, C, D and E without the consent of the Tenants, the Company is not able to disclose their name.

Question 7) To further justify how the Proposed Disposal is deemed a timely opportunity to unlock the value of the investment on the land at an attractive value which would be beneficial to PESB/RAPID considering that the market value of the Property is already RM50 million but PESB is disposing of the Property for only RM41 million, which represents a discount of 18% to the said market value. In this respect, please also provide a detailed illustration on the expected disposal gain to be derived from the Proposed Disposal.

Answer The Proposed Disposal represents a timely opportunity for the Group to unlock and realise the value of its investment in the Property. Although the disposal consideration of RM41.0 million reflects a discount of approximately 18% to the appraised market value of RM50.00 million, it is deemed reasonable in view of the prevailing soft property market conditions, limited demand for comparable assets, and the absence of other offers to purchase the property.

The Proposed Disposal will enable the Group to monetise the asset, strengthen its liquidity position, and eliminate ongoing holding and maintenance costs associated with the Property. The proceeds from the disposal will be utilised to support the Company's working capital requirements and/or other business opportunities.

Section 4

Question 8) To clarify whether there is any warranty clause(s) relating to rectification/repair of the Property. If yes, please provide the clause(s) accordingly.

Answer The disposal is at is where is basis. The seller is still obligated to the tenancy agreement until the completion of the disposal.

Section 5

Question 9) To provide further justification/explanation on why the Board only considered the NBV of the Property of RM38.8 million which would result in a net disposal gain of RM2 million to form its view that the Sale Consideration is justifiable, without taking into account the market value of the Property of RM50 million whereby the Sale Consideration represents a discount of 18% to the said market value.

Answer The Board is of the opinion that the building maintenance will increase in time and with prevailing soft property market conditions, the sale consideration is justifiable. It is also not easy to obtain a buyer to purchase the building for the said consideration price due to the location of the property.

Section 7

Question 10) For item 6 of the table with an intended utilisation amount of RM14.659 million (accounting for approximately 35.75% of the sale proceeds of RM41 million), to clarify what is meant by 'Other business' by providing a clear description on the nature of such business together with its indicative utilisation amount accordingly.

Answer Other business means for working capital.

Section 8

Question 11) Please provide a write up on the expected loss of rental income amounting to approximately RM2.54 million per annum (derived based on the disclosure in Section 3.4) together with 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 property. Which in return, allows the Company to invest into other properties/business to generate returns for the Company in the future.

Section 9.3

Question 12) To show the financial effect on the gearing assuming the Proposed Disposal has been completed.

Answer Net Debt/Equity

Before Disposal	Proposed Disposal has been completed
50.35%	35.44%

Section 15

Question 13) To make the valuation report for the Property available for inspection.

Answer The valuation report issued by PA International Property Consultants Sdn Bhd dated 17 July 2024 is available for inspection by the shareholders of RSB at the registered office of the company at E-10-4 Megan Avenue 1, 189 Jalan Tun Razak, 50400 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia, during the normal business hours from Mondays to Fridays (except for Public Holiday) for a period of three (3) months from the date of this announcement.

This announcement is dated 12 November 2025.