

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015**

**Condensed Consolidated Statement of Financial Position**

	UNAUDITED AS AT 31/12/2015 RM'000	AUDITED AS AT 31/12/2014 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	5,537	6,977
Investment properties	248,367	243,162
Prepaid lease payments	2,482	2,555
Other investments	7,077	21,291
Deferred tax assets	295	156
	<u>263,758</u>	<u>274,141</u>
<b>Current Assets</b>		
Inventories	648	1,244
Receivables, deposits and prepayment	8,197	11,067
Assets classified as held for sale	-	6,160
Current tax assets	341	509
Cash & bank balances	3,508	4,766
	<u>12,694</u>	<u>23,746</u>
<b>TOTAL ASSETS</b>	<b><u>276,452</u></b>	<b><u>297,887</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	87,445	87,432
Reserves	29,237	46,365
<b>Total equity</b>	<u>116,682</u>	<u>133,797</u>
<b>Non-current liabilities</b>		
Loan and borrowings	116,468	108,615
Deferred income	1,127	1,182
Deferred tax liabilities	694	468
	<u>118,289</u>	<u>110,265</u>
<b>Current liabilities</b>		
Loan and borrowings	26,563	27,659
Payables and accruals	14,813	26,020
Provision for taxation	50	91
Deferred income	55	55
	<u>41,481</u>	<u>53,825</u>
<b>Total liabilities</b>	<u>159,770</u>	<u>164,090</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>- <u>276,452</u></b>	<b><u>297,887</u></b>
<b>Net assets per share attributable to ordinary equity holders of the parent (RM)</b>	<b>1.33</b>	<b>1.53</b>

(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).

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015**

The Board of directors is pleased to submit its quarterly report on the consolidated results of the group for the fourth quarter ended 31 December 2015. The figures have not been audited.

**Condensed Consolidated Statement of Comprehensive Income**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 31/12/2015 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2014 RM'000	CURRENT YEAR TO DATE 31/12/2015 RM'000	PRECEDING YEAR TO DATE 31/12/2014 RM'000
<b>Continuing Operations</b>				
Revenue	6,557	8,111	27,715	28,584
Cost of sales	(1,863)	(2,773)	(8,341)	(9,540)
<b>Gross profit</b>	<u>4,694</u>	<u>5,338</u>	<u>19,374</u>	<u>19,044</u>
Interest income	34	-	48	15
Gain on disposal of investment properties	-	-	10,476	14,427
Other income	248	140	427	1,289
Administrative and Distribution expenses	(2,116)	(5,475)	(28,074)	(5,671)
Depreciation of investment properties and PPE	(1,256)	(1,327)	(5,076)	(5,077)
Other expenses	(146)	(732)	(2,167)	(2,213)
Finance costs	(2,537)	(2,472)	(10,051)	(9,418)
<b>(Loss)/Profit before tax</b>	<u>(1,079)</u>	<u>(4,528)</u>	<u>(15,043)</u>	<u>12,396</u>
Income tax expense	(426)	(31)	(1,557)	(1,059)
<b>(Loss)/Profit for the period</b>	<u>(1,505)</u>	<u>(4,559)</u>	<u>(16,600)</u>	<u>11,337</u>
Other comprehensive income, net of tax - fair value of available-for-sale financial assets	(528)	174	(528)	357
	<u>(2,033)</u>	<u>(4,385)</u>	<u>(17,128)</u>	<u>11,694</u>
Attributable to:				
Shareholders of the parent	(2,033)	(4,385)	(17,128)	11,694
minority interests	-	-	-	-
	<u>(2,033)</u>	<u>(4,385)</u>	<u>(17,128)</u>	<u>11,694</u>
<b>Earning/(Loss) per share attributable to shareholders of the parent:</b>				
Basic earnings/(loss) per ordinary share (sen)	(1.72)	(5.22)	(18.99)	12.97
Diluted earnings/(loss) per ordinary share (sen)	(1.44)	(4.40)	(15.92)	10.93

(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 FOURTH QUARTER ENDED 31 DECEMBER 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
<b>At 1 January 2014</b>	87,334	595	-	34,076	122,005
Fair value of available-for-sale financial assets	-	-	357	-	357
Profit for the period	-	-	-	11,337	11,337
<b>Total comprehensive income for the period</b>	-	-	357	11,337	11,694
Shares Issued pursuant to exercise of warrant at RM1.00 per share	98	-	-	-	98
<b>At 31 December 2014</b>	<u>87,432</u>	<u>595</u>	<u>357</u>	<u>45,413</u>	<u>133,797</u>
<b>At 1 January 2015</b>	87,432	595	357	45,413	133,797
Fair value of available-for-sale financial assets	-	-	(528)	-	(528)
Loss for the period	-	-	-	(16,600)	(16,600)
<b>Total comprehensive income for the period</b>	-	-	(528)	(16,600)	(17,128)
Shares Issued pursuant to exercise of warrant at RM1.00 per share	13	-	-	-	13
<b>At 31 December 2015</b>	<u>87,445</u>	<u>595</u>	<u>(171)</u>	<u>28,813</u>	<u>116,682</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 FOURTH QUARTER ENDED 31 DECEMBER 2015****Condensed Consolidated Statement of Cash Flows**

	12 months period ended 31 December	
	2015	2014
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net (Loss)/Profit before tax	(15,043)	12,396
Adjustment for:-		
Depreciation and amortisation	5,076	5,077
Interest income	(48)	(15)
Interest expense	10,051	9,418
Dividend income	(206)	(97)
Impairment of other investment	22,830	-
Gain on disposal of assets held for sale	(10,476)	(5,492)
Gain on disposal of Investment properties	-	(8,935)
Loss/(Gain) on disposal of other investments	44	(115)
Property, plant and equipment written off	-	4
Unrealised (gain)/loss on foreign exchange	(213)	7
Impairment of office equipment	227	-
Operating profit before working capital changes	12,242	12,248
Decrease/(Increase) in:		
Inventories	596	827
Receivables	3,083	5,356
Increase/(Decrease) in:		
Deferred income	(55)	(55)
Payables	(11,207)	10,446
Cash generated from operating activities	4,659	28,822
Tax (paid)/refund	(1,344)	(441)
Net cash generated from operating activities	3,315	28,381
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additional to properties, plant & equipment	(40)	(433)
Additional to investment properties	(8,956)	(17,269)
Interest received	48	15
Dividend received	206	97
Acquisition of other investment	(18,148)	(29,115)
Proceeds from disposal of assets held for sale	16,636	7,900
Proceeds from disposal of other investment	8,961	8,556
Proceeds from disposal of investment properties	-	12,581
Net cash (used in) investing activities	(1,293)	(17,668)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of finance lease liability	(268)	(166)
Drawdown term loan	18,498	8,099
Redeem term loan	(1,617)	-
Interest paid	(10,051)	(9,418)
Repayment of term loan	(9,437)	(12,833)
Increase/(Decrease) in placement of deposit pledged	164	(413)
Proceeds from conversion of warrants to shares	13	98
Net cash (used in) financing activities	(2,698)	(14,633)
Net decrease in cash and cash equivalents	(676)	(3,920)
Cash and cash equivalents at 1 January	(12,424)	(8,504)
Cash and cash equivalents at 31 December	(13,100)	(12,424)

(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 FOURTH QUARTER ENDED 31 DECEMBER 2015****Condensed Consolidated Statement of Cash Flows**

	12 months period ended 31 December	
	2015	2014
	RM'000	RM'000
Net Cash Generated From Operating Activities	3,315	28,381
Net Cash Generated From/(Used In) Investing Activities	(1,293)	(17,668)
Net Cash Used In Financing Activities	(2,698)	(14,633)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>(676)</u>	<u>(3,920)</u>
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>	(12,424)	(8,504)
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<u><u>(13,100)</u></u>	<u><u>(12,424)</u></u>
<b>Cash and Cash Equivalents at 31 December consist of:-</b>		
Cash and bank balances	3,069	4,353
Deposit with a licensed bank	439	413
Bank overdrafts	(15,568)	(15,986)
Less: Deposit pledged to the financial institutions	<u>(1,040)</u>	<u>(1,204)</u>
	<u><u>(13,100)</u></u>	<u><u>(12,424)</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).

## **RAPID SYNERGY BERHAD**

(Company No. 325935-U)

(Incorporated in Malaysia)

### **NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**

#### **Selected explanatory notes pursuant to Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting**

**A1 Basis of preparation**

These condensed consolidated interim financial reports, for the period ended 31 December 2015, have been prepared in accordance with MFRS 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 31 December 2014. The explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2014.

**A2 Significant Accounting Policies**

The significant accounting policies and methods of computation applied in the interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2014 except for the adoption of the following with effect from 1 January 2015:

#### **MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2014**

- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2011-2013 Cycle)
- Amendments to MFRS 3, Business Combinations (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)
- Amendments to MFRS 8, Operating Segments (Annual Improvements 2010-2012 Cycle)
- Amendments to MFRS 13, Fair Value Measurement (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)
- Amendments to MFRS 116, Property, Plant and Equipment (Annual Improvements 2010-2012 Cycle)
- Amendments to MFRS 119, Employee Benefits – Defined Benefit Plans: Employee Contributions
- Amendments to MFRS 124, Related Party disclosures (Annual Improvements 2010-2012 Cycle)
- Amendments to MFRS 138, Intangible Assets (Annual Improvements 2010-2012 Cycle)
- Amendments to MFRS 140, Investment Property (Annual Improvements 2011-2013 Cycle)

The following revised MFRSs and Amendments to MFRSs applicable to the Group have been issued by the MASB and are not yet effective for adoption by the Group.

#### **MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016**

- Amendments to MFRS 5, Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements to MFRSs 2012-2014 Cycle)
- Amendments to MFRS 7, Financial Instruments; Disclosures (Annual Improvements 2012-2014 Cycle)

- Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to MFRS 10, Consolidated Financial Statements, MFRS 12, Disclosure of Interests in Other Entities and MFRS 128, Investments in Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception
- Amendments to MFRS 11, Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations
- MFRS 14, Regulatory Deferral Accounts#
- Amendments MFRS 101, Presentation of Financial Statements: Disclosures Initiative
- Amendments to MFRS 116 and MFRS 138, Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to MFRS 119, Employee Benefits (Annual Improvements 2012 – 2014 Cycle)
- Amendments to MFRS 127, Separate Financial Statements – Equity Method in Separate Financial Statements
- Amendments to MFRS 134, Interim Financial Reporting (Annual Improvements 2012 – 2014 Cycle)

**MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018**

- MFRS 9, Financial Instruments (IFRS 9 as issued by IASB in July 2014)
- MFRS 15, Revenue from Contracts with Customers

The adoption of the above standards and amendments are not expected to have any material financial impact to the Group upon their first adoption other than MFRS 9, Financial Instruments and MFRS 15, Revenue from Contracts with Customers.

- A3 Auditors' Report on Preceding Annual Financial Statements  
The auditors' report on the audited financial statements for the financial year ended 31 December 2014 was not qualified.
- A4 Seasonal or cyclical factors  
The Group's operations were not affected by any significant seasonal or cyclical factors in the current quarter.
- A5 Unusual items Due to Their Nature, Size or Incidence  
Other than disclosed in the financial statements there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group in the current quarter ended 31 December 2015.
- A6 Change in Estimates  
There were no significant changes in estimates of amounts reported in prior financial years which have a material effect in the current quarter ended 31 December 2015.
- A7 Debts and equity securities  
Save as disclosed below, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter.

Issuance of Shares

For the current quarter ended 31 December 2015, the issued and paid up share capital has increased from 87,440,400 ordinary shares of RM1.00 each in Rapid Synergy Berhad to 87,445,500 shares by conversion of warrants to shares as follows:

<u>Number of Shares Issued</u>	<u>Price per share (RM)</u>
5,100	1.00

A8 Dividend  
There was no dividend payment made for the current quarter under review.

A9 Segmental Reporting

The segment information for business segments predominantly conducted in Malaysia for the financial period ended 31 December 2015 and 31 December 2014 are as follows:-

**Business Segment**

<b>12 Months ended 31 Dec 2015</b>	<b>Manufacturing RM'000</b>	<b>Investment Holding RM'000</b>	<b>Restaurant RM'000</b>	<b>Consolidated RM'000</b>
Revenue	10,910	16,679	126	27,715
<b>Result</b>				
Segment results	651	(5,131)	(512)	(4,992)
Interest expense				(10,051)
Loss before taxation				(15,043)

<b>12 Months ended 31 Dec 2014</b>	<b>Manufacturing RM'000</b>	<b>Investment Holding RM'000</b>	<b>Restaurant RM'000</b>	<b>Consolidated RM'000</b>
Revenue	10,936	17,464	184	28,584
<b>Result</b>				
Segment results	(583)	23,348	(951)	21,814
Interest expense				(9,418)
Profit before taxation				12,396

A10 Valuations of property, plant and equipment  
The valuations of property, plant and equipment have been brought forward without amendments from the financial statements for the year ended 31 December 2014.

A11 Material events subsequent to balance sheet date  
There were no material events subsequent to the end of the period under review to 15 February 2016.

A12 Changes in the composition of the Group  
There were no changes to the composition of the Group for the current quarter under review.

A13 Changes in contingent liabilities or contingent assets as at 31 December 2015

Unsecured:

Corporate guarantee issued to banks for credit facilities granted to subsidiary companies	RM'000 101,000
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A14 Property, plant and equipment  
There were no significant acquisitions for the current quarter ended 31 December 2015 except for the acquisition of investment properties with costs of RM6.16 million.



A15 Capital commitments

There was no capital commitments during the current quarter ended 31 December 2015.

Additional information required by the Listing Requirements of Bursa Malaysia Securities Berhad

B1 Review of the performance of the company and its principal subsidiaries

Segment	3 months ended		12 months ended	
	31.12.2015 RM'000	31.12.2014 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
Manufacturing division				
Revenue	2,504	2,913	10,910	10,936
Profit/(Loss) before taxation	374	(441)	22	(1,039)
Investment holding division				
Revenue	4,027	5,168	16,679	17,464
(Loss)/Profit before taxation	(1,191)	(3,692)	(14,618)	14,386
Restaurant division				
Revenue	26	30	126	184
Loss before taxation	(262)	(395)	(447)	(951)
Total				
Revenue	6,557	8,111	27,715	28,584
(Loss)/Profit before taxation	(1,079)	(4,528)	(15,043)	12,396

For the current financial quarter, the group recorded revenue of RM6.56 million, a decrease of RM1.55 million as compared to RM8.11 million in the preceding year corresponding quarter. The Group recorded loss before tax of RM1.08 million in the current quarter as compared to loss before tax of RM4.53 million in the previous year corresponding quarter. The contributory factors to the above performances are explained in the respective operating business segments as follows:

Manufacturing division recorded revenue of RM2.50 million in the current financial quarter, a decrease of RM0.41 million as compared to RM2.91 million recorded in the preceding year corresponding quarter. The pretax profit recorded in the current quarter was RM0.37 million compared to loss before tax of RM0.44 million in the preceding year corresponding quarter. The decreased in revenue were mainly contributed by lower orders from customers. The improvement result was mainly due to increase efficiency of production processes.

The investment holding division recorded revenue of RM4.03 million for the current quarter against RM5.17 million in the preceding year corresponding quarter. Despite the lower revenue recorded which was mainly due to decrease in rental received, the division achieved slight improvement to the results. The division recorded loss before tax of RM1.19 million in the current financial quarter against loss before tax of RM3.69 million in preceding year corresponding quarter. The higher loss before tax recorded in the preceding year corresponding quarter was mainly due to no recognition of gain in the disposal of properties.

The restaurant division recorded about the same revenue of RM0.03 million in the current quarter compared to the preceding year corresponding quarter. The loss before tax recorded in the current quarter was RM0.26 million compared to loss before tax of RM0.40 million recorded in the preceding year corresponding quarter. The slight improved to the loss before tax in the current quarter compared to the preceding year corresponding quarter was mainly due to lower operating expenses.

B2 Material changes in profit before tax for the current quarter compared to immediate preceding quarter

For the current financial quarter the group recorded revenue of RM6.56 million, a decrease of RM0.1 million compared to RM6.66 million recorded in the immediate preceding quarter. The group recorded loss before tax of RM1.08 million compared to profit before tax of RM1.35 million in the immediate preceding quarter. The contributory factors to the above performances are explained in the respective operating business segments as follows :

Segment	3 months ended	
	31.12.2015 RM '000	30.09.2015 RM '000
Manufacturing division		
Revenue	2,504	2,452
Profit/(Loss) before taxation	374	(60)
Investment holding division		
Revenue	4,027	4,177
(Loss)/Profit before taxation	(1,191)	1,468
Restaurant division		
Revenue	26	34
Loss before taxation	(262)	(62)
Total		
Revenue	6,557	6,663
(Loss)/Profit before taxation	(1,079)	1,346

Manufacturing division recorded a revenue RM2.50 million in the current quarter compared to RM2.45 million in the immediate preceding quarter. The manufacturing division recorded profit before tax of RM0.37 million in the current quarter compared to loss before tax of RM0.06 million in the immediate preceding quarter. The improvement result was mainly due to increase in order from customers coupled with increase in production efficiencies.

The investment holding division recorded revenue of RM4.03 million in the current quarter compared to RM4.18 million in the immediate preceding quarter. The lower revenue recorded in the current quarter compared to the immediate preceding quarter was mainly due to decrease in rental received. The investment holding division recorded loss before tax of RM1.19 million compared to profit before tax of RM1.47 million in the immediate preceding quarter. The profit before tax recorded in the immediate preceding quarter was mainly due to gain in disposal of properties.

The restaurant division recorded a revenue RM0.03 million in the current quarter and loss before tax of RM0.26 million. The increase loss before tax recorded in the current quarter was mainly due to impairment of equipment.

B3 Prospects for the year 2016

The business environment for 2016 remains challenging given the intensifying competition and prevailing global economic condition. The manufacturing division performance would be dependent on the orders from existing customers and the expected gradual recovery of the global economy.

The retail business in Malaysia remains challenging due to unfavorable global economic condition coupled with depreciation of the Malaysian Ringgit which resulted increase of costs of imported material and implementation of goods and service tax in April 2015 has reduced the power of consumer spending. The above situation would have impact on the rental income received by the investment holding division.

B4 Profit forecast

Not applicable as no profit forecast was published.

B5 Profit/(Loss) before taxation  
Profit/(Loss) before taxation is arrived at after crediting/ (charging) the following income/ (expenses):

	3 months ended		12 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RM'000	RM'000	RM'000	RM'000
(a) Profit on disposal of investment properties	-	-	10,476	14,427
(b) Interest expense	(2,537)	(2,472)	(10,051)	(9,418)
(c) Interest income	34	-	48	15
(d) Allowance for write (down)/back of inventories	424	8	(85)	8
(e) (Loss)/Profit on foreign exchange-realised	108	(5)	213	-
-unrealised	119	59	213	(7)
(f) Depreciation and amortisation	(1,256)	(1,327)	(5,076)	(5,077)
(g) Impairment of other investment	(501)	-	(22,830)	-

B6 Tax expense

	3 months ended		12 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RM'000	RM'000	RM'000	RM'000
Income tax expense				
-Current	321	186	1,244	1,212
-Prior year	3	16	226	24
Deferred tax expense				
-Current	(17)	(52)	(32)	(58)
-Prior year	119	(119)	119	(119)
	<u>426</u>	<u>31</u>	<u>1,557</u>	<u>1,059</u>

The effective tax rates for the current quarter is higher than the statutory tax rate mainly due to unqualified expenses being disallowed for taxation purposes.

B7 Profits/ (Losses) on sale of unquoted investments and/or properties  
There were no profits/losses on sale of unquoted investment and/or properties in the current quarter ended 31 December 2015.

B8 Marketable securities

Total acquisition and disposal of quoted shares for the current quarter and financial year to date ended 31 December 2015 are as follows:-

	Current Quarter	Year to date
	RM'000	RM'000
Total acquisition	Nil	18,148
Total disposal	Nil	(9,004)

Investments in quoted securities as at 31 December 2015 were as follows:

	RM'000
Shares quoted in Malaysia:-	
Balance at 1 January 2015	21,031
Acquisition	18,148
Disposal	(9,004)
Impairment loss	(22,570)
Fair value adjustment	(528)
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Balance at 31 December 2015	7,077

B9 Status of corporate proposals  
There were no corporate proposals for the current quarter ended 31 December 2015.

B10	Borrowing and debts securities		31 December 2015
			RM'000
	Current		
	Overdraft		15,567
	Term loan - secured		10,996
	Non-current		
	Term loan - secured		116,468

The above borrowings are denominated in Ringgit Malaysia.

B11 Off balance sheet financial instruments  
The Group does not have any financial instruments with off balance sheet risk as at 15 February 2016.

B12 Changes in material litigation

On 6 January 2003, Rapid Mall Sdn Bhd (RM) and Rapid Precision Technologies Sdn Bhd (RPT), both wholly owned subsidiaries of RSB had served summons on Nychem Technologies Sdn Bhd (Nychem) and two guarantors for the amount of RM450,000 and RM641,908 respectively in respect of outstanding amount due on the sale of equipment accessories goodwill, rent and lease of fixtures. On 14 August 2014, RPT had entered into Deed of Settlement with one of the guarantors for the indebted sum of RM1.84 million to be settled in full by 12 instalments and the final instalment to be paid on or before 14 September 2015. The guarantor had paid RM919,000 part payment of the amount owing and had defaulted by failing to make the monthly payment of RM100,000 per month from 14 December 2014 onwards. Following which RPT has issued a notice of demand and shall continue the bankruptcy proceeding against the guarantor. On 18 February 2016, the court has instructed the guarantor and RPT to file and serve Written Submission simultaneously by 23-03-2016.

B13 Dividends  
No dividend has been recommended for the quarter under review;

B14 Basis of calculation of earnings per share

The basic earnings per share for the current quarter and cumulative year to date are computed as follows:

	3 months ended		12 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Net profit/(loss) for the period attributable to owners of the Company (RM'000)	(1,505)	(4,559)	(16,600)	11,337
Weighted average number of ordinary shares in issue	87,436,732	87,334,350	87,436,732	87,383,254
Basic earnings/(loss) per share (sen)	(1.72)	(5.22)	(18.99)	12.97

The diluted earnings per share for the current quarter and cumulative year to date are computed as follows:

	3 months ended		12 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Net profit/(loss) for the period attributable to owners of the Company (RM'000)	(1,505)	(4,559)	(16,600)	11,337
Weighted average number of ordinary shares in issue	87,436,732	87,334,350	87,436,732	87,383,254
Adjustments for warrants granted	16,808,047	16,341,776	16,808,047	16,341,776
Adjusted weighted average number of ordinary shares in issue	104,244,779	103,676,126	104,244,779	103,725,030
Diluted earnings/(loss) per share (sen)	(1.44)	(4.40)	(15.92)	10.93

B15 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors.

B16 Realised & Unrealised Profit/Losses Disclosure

The retained profits as at 31 December 2015 and 31 December 2014 is analysed as follows:

	31.12.2015 RM'000	31.12.2014 RM'000
The retained profits of RSB and its subsidiaries:		
- Realised	37,231	54,757
-Unrealised	136	300
	<u>37,367</u>	<u>55,057</u>
Less: Consolidation adjustments	(8,554)	(9,644)
Total Group retained profits as per consolidated financial statements	<u>28,813</u>	<u>45,413</u>

By order of the Board  
LEE CHIEW HIANG  
Executive Director  
Penang  
Date: 22 February 2016