



RAPID SYNERGY BERHAD (Company No. 325935-U)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2016

Condensed Consolidated Statement of Financial Position

	Unaudited as at 30/06/2016	Audited as at 31/12/2015
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	4,949	5,536
Investment properties	246,880	248,368
Prepaid lease payments	2,446	2,482
Other investments	7,077	7,077
Deferred tax assets	289	295
	261,641	263,758
Current Assets		
Inventories	819	648
Receivables, deposits and prepayment	6,222	8,197
Current tax assets	677	341
Asset held for sale	568	-
Cash & bank balances	6,574	3,508
	14,860	12,694
TOTAL ASSETS	276,501	276,452
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	87,456	87,445
Reserves	28,233	29,237
Total equity	115,689	116,682
Non-current liabilities		
Loan and borrowings	110,036	116,468
Deferred income	1,099	1,127
Deferred tax liabilities	686	694
	111,821	118,289
Current liabilities		
Loan and borrowings	34,027	26,563
Payables and accruals	14,755	14,813
Provision for taxation	154	50
Deferred income	55	55
	48,991	41,481
Total liabilities	160,812	159,770
TOTAL EQUITY AND LIABILITIES	276,501	276,452
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.32	1.33

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2016
Condensed Consolidated Statement of Comprehensive Income

	Individual Quarter		Cumulative Quarter	
	Current Quarter	Preceding Year Quarter	Current Year-to-Date	Preceding Year-to-Date
	30/06/2016	30/06/2015	30/06/2016	30/06/2015
	RM'000	RM'000	RM'000	RM'000
Continuing Operations				
Revenue	6,669	7,195	12,310	14,495
Cost of sales	(2,108)	(2,324)	(3,544)	(4,340)
Gross profit	4,561	4,871	8,766	10,155
Interest income	-	-	-	13
Gain on disposal of investment properties	1,562	3,103	1,562	8,548
Other income	42	50	72	123
Administrative and Distribution expenses	(1,248)	(17,239)	(2,024)	(25,201)
Depreciation of investment properties and PPE	(1,237)	(1,265)	(2,510)	(2,550)
Other expenses	(512)	(737)	(1,094)	(1,427)
Finance costs	(2,568)	(2,487)	(5,153)	(4,970)
Profit/(Loss) before tax	600	(13,704)	(381)	(15,309)
Income tax expense	(233)	(471)	(623)	(672)
Profit/(Loss) for the period	367	(14,175)	(1,004)	(15,981)
Other comprehensive income, net of tax				
- fair value of available-for-sale financial assets	-	-	-	-
	367	(14,175)	(1,004)	(15,981)
Attributable to:				
Shareholders of the parent	367	(14,175)	(1,004)	(15,981)
Minority interests	-	-	-	-
	367	(14,175)	(1,004)	(15,981)
Earning/(Loss) per share attributable to shareholders of the parent:				
Basic earnings/(loss) per ordinary share (sen)	0.42	(16.21)	(1.15)	(18.28)
Diluted earnings/(loss) per ordinary share (sen)	0.35	(13.61)	(0.96)	(15.34)

The Condensed Consolidated Statement of Income Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2016
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 2015	87,433	595	357	45,413	133,798
Fair value of available-for-sale financial assets	-	-	(357)	-	(357)
Loss for the period	-	-	-	(15,981)	(15,981)
Total comprehensive income for the period	-	-	(357)	(15,981)	(16,338)
Shares Issued pursuant to exercise of warrant at RM1.00 per share	1	-	-	-	1
At 30 June 2015	<u>87,434</u>	<u>595</u>	<u>-</u>	<u>29,432</u>	<u>117,461</u>
At 1 January 2016	87,445	595	(171)	28,813	116,682
Fair value of available-for-sale financial assets	-	-	-	-	-
Loss for the period	-	-	-	(1,004)	(1,004)
Total comprehensive income for the period	-	-	-	(1,004)	(1,004)
Shares Issued pursuant to exercise of warrant at RM1.00 per share	11	-	-	-	11
At 30 June 2016	<u>87,456</u>	<u>595</u>	<u>(171)</u>	<u>27,809</u>	<u>115,689</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 2015 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2016
Condensed Consolidated Statement of Cash Flows

	6 months period ended	
	30/06/2016	30/06/2015
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss before tax	(381)	(15,309)
Adjustment for:-		
Depreciation and amortisation	2,510	2,550
Dividend received	(18)	-
Interest income	-	(13)
Interest expense	5,153	4,970
Impairment of other investment	-	22,219
Gain on disposal of Investment properties	(1,562)	(8,548)
Operating profit before working capital changes	5,702	5,869
Decrease/(Increase) in Inventories	(171)	266
Decrease/(Increase) in Receivables	1,975	(1,201)
Increase/(Decrease) in Deferred income	(28)	(28)
Increase/(Decrease) in Payables	(58)	(7,039)
Cash generated from/(used in) operating activities	7,420	(2,133)
Tax (paid)/refund	(794)	(492)
Net cash generated from/(used in) operating activities	6,626	(2,625)
CASH FLOW FROM INVESTING ACTIVITIES		
Additional to properties, plant & equipment	(3)	(26)
Additional to investment properties	(2,020)	(272)
Dividend received	18	-
Interest received	-	13
Acquisition of other investment	-	(18,148)
Proceeds from disposal of other investment	-	9,117
Proceeds from disposal of investment properties	2,603	12,136
Net cash generated from investing activities	598	2,820

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2016
Condensed Consolidated Statement of Cash Flows

	6 months period ended	
	30/06/2016 RM'000	30/06/2015 RM'000
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of finance lease liability	(138)	(135)
Drawdown term loan	-	11,455
Redeem term loan	-	(615)
Interest paid	(5,153)	(4,970)
Repayment of term loan	(5,557)	(5,019)
Proceeds from conversion of warrants to shares	11	1
Net cash (used in)/generated from financing activities	(10,837)	717
Net (decrease)/increase in cash and cash equivalents	(3,613)	912
Cash and cash equivalents at 1 January	(13,099)	(12,424)
Cash and cash equivalents at 30 June	(16,712)	(11,512)
Net Cash Generated From/(Used In) Operating Activities	6,626	(2,625)
Net Cash Generated From Investing Activities	598	2,820
Net Cash (Used In)/Generated From Financing Activities	(10,837)	717
NET CHANGE IN CASH AND CASH EQUIVALENTS	(3,613)	912
CASH AND CASH EQUIVALENTS AT 1 JANUARY	(13,099)	(12,424)
CASH AND CASH EQUIVALENTS AT 30 JUNE	(16,712)	(11,512)
Cash and Cash Equivalents at 30 June consist of:-		
Cash and bank balances	6,574	4,404
Deposit with a licensed bank	-	-
Bank overdrafts	(22,246)	(14,712)
Less: Deposit pledged to the financial institutions	(1,040)	(1,204)
	(16,712)	(11,512)

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.