



**SUMMARY OF KEY FINANCIAL INFORMATION FOR THE FINANCIAL PERIOD  
ENDED 31 MARCH 2014**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>31.03.2014</b>	<b>31.03.2013</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
1. Revenue	<b>29,951</b>	33,442	<b>130,261</b>	166,653
2. Profit/(Loss) before tax	<b>18,584</b>	(22,176)	<b>14,225</b>	34,210
3. Profit/(Loss) for the financial period	<b>15,020</b>	(28,520)	<b>12,513</b>	9,719
4. Profit/(Loss) attributable to ordinary equity holders of the Company <sup>1</sup>	<b>15,020</b>	(28,520)	<b>3,124</b>	9,719
5. Basic earnings/(loss) per ordinary share (sen)	<b>1.29</b>	(2.43)	<b>0.27</b>	0.83
6. Proposed/Declared dividend per share (sen)	<b>1.50</b>	1.50	<b>1.50</b>	1.50
		<b>AS AT END OF CURRENT QUARTER</b>		<b>AS AT PRECEDING FINANCIAL YEAR END</b>
7. Net assets per share attributable to ordinary equity holders of the Company (RM)		0.55		0.56
		<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>
		<b>31.03.2014</b>		<b>31.03.2014</b>
		<b>RM'000</b>		<b>RM'000</b>
		<b>31.03.2013</b>		<b>31.03.2013</b>
		<b>RM'000</b>		<b>RM'000</b>
8. Gross interest income	<b>2,100</b>	3,000	<b>9,719</b>	11,567
9. Gross interest expense	<b>7</b>	12	<b>38</b>	38

<sup>1</sup> The profit/(loss) attributable to ordinary equity holders of the Company for the financial year ended 31 March 2014 is after taking into consideration the preference share dividends paid as disclosed in Note 8 attached to the interim financial report.



**CONDENSED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
	RM'000	RM'000	RM'000	RM'000
Revenue	29,951	33,442	130,261	166,653
Other income	3,435	4,435	16,044	17,723
Interest expense applicable to revenue	(8,892)	(11,361)	(39,674)	(53,425)
Staff costs and directors' remuneration	(3,007)	(3,355)	(14,658)	(14,245)
Depreciation of plant and equipment and investment properties	(555)	(482)	(1,932)	(1,696)
Other expenses	(2,341)	(44,843)	(75,778)	(80,762)
Finance costs	(7)	(12)	(38)	(38)
<b>Profit/(Loss) before tax</b>	<b>18,584</b>	<b>(22,176)</b>	<b>14,225</b>	<b>34,210</b>
Taxation	(3,564)	(6,344)	(1,712)	(24,491)
<b>Total comprehensive income/(loss) for the financial period</b>	<b>15,020</b>	<b>(28,520)</b>	<b>12,513</b>	<b>9,719</b>
<b>Attributable to:</b>				
Owners of the Company	15,020	(28,520)	12,513	9,719
<b>Earnings/(Loss) per ordinary share:</b>				
Basic (sen)	1.29	(2.43)	0.27	0.83
Diluted (sen)	0.92	(2.43)	0.27	0.73

The Condensed Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial report.



**CONDENSED STATEMENT OF FINANCIAL POSITION**

	AS AT 31.03.2014 RM'000	AS AT 31.03.2013 RM'000	AS AT 01.04.2012 RM'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Plant and equipment	10,516	7,900	3,139
Investment properties	2,543	2,604	2,664
Goodwill on consolidation	28,677	28,677	28,677
Loans and receivables	786,156	811,364	802,327
Trade receivables	1,565	3,206	-
Deferred tax assets	21,898	16,479	20,792
<b>Total Non-Current Assets</b>	<b>851,355</b>	<b>870,230</b>	<b>857,599</b>
<b>Current Assets</b>			
Loans and receivables	138,830	119,622	149,329
Trade receivables	19,576	24,914	34,420
Other receivables, deposits and prepaid expenses	16,355	11,453	27,207
Deposits with licensed financial institutions	288,310	414,281	386,709
Cash and bank balances	2,771	5,021	7,047
<b>Total Current Assets</b>	<b>465,842</b>	<b>575,291</b>	<b>604,712</b>
<b>TOTAL ASSETS</b>	<b>1,317,197</b>	<b>1,445,521</b>	<b>1,462,311</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital			
- Ordinary shares	117,359	117,359	78,240
- Redeemable convertible non-cumulative preference shares ("RCPS")	46,944	46,944	-
Treasury shares	(4,580)	(2)	-
Reserves	525,527	539,951	450,982
<b>Total Equity</b>	<b>685,250</b>	<b>704,252</b>	<b>529,222</b>
<b>Non-Current Liabilities</b>			
Hire-purchase payables	404	652	512
Borrowings	360,627	503,139	449,515
Deferred tax liabilities	30,577	36,557	41,420
<b>Total Non-Current Liabilities</b>	<b>391,608</b>	<b>540,348</b>	<b>491,447</b>
<b>Current Liabilities</b>			
Payables and accrued expenses	14,065	22,195	23,752
Hire-purchase payables	233	243	206
Borrowings	221,707	177,364	414,431
Tax liabilities	4,334	1,119	3,253
<b>Total Current Liabilities</b>	<b>240,339</b>	<b>200,921</b>	<b>441,642</b>
<b>Total Liabilities</b>	<b>631,947</b>	<b>741,269</b>	<b>933,089</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,317,197</b>	<b>1,445,521</b>	<b>1,462,311</b>
<b>NET ASSETS PER SHARE (RM)</b>	<b>0.55</b>	<b>0.56</b>	<b>0.68</b>

The Condensed Statement of Financial Position should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial report.

**CONDENSED STATEMENT OF CHANGES IN EQUITY**

	Share Capital		Total Share Capital RM'000	Treasury Shares RM'000	Reserves			Total Reserves RM'000	Total RM'000
	Ordinary Shares RM'000	RCPS RM'000			Share Premium RM'000	Share Options RM'000	Retained Earnings RM'000		
<b>As at 1 April 2012</b>	78,240	-	78,240	-	58,584	5,634	386,764	450,982	529,222
<b>Total comprehensive income</b>	-	-	-	-	-	-	9,719	9,719	9,719
<b>Transactions with owners</b>									
Issuance of RCPS	-	46,944	46,944	-	131,442	-	-	131,442	178,386
Issuance of bonus shares	39,119	-	39,119	-	(39,119)	-	-	(39,119)	-
Dividends	-	-	-	-	-	-	(11,736)	(11,736)	(11,736)
Cancellation of share options	-	-	-	-	-	(413)	413	-	-
Share repurchased	-	-	-	(2)	-	-	-	-	(2)
Share issuance expenses	-	-	-	-	(1,337)	-	-	(1,337)	(1,337)
Total transactions with owners	39,119	46,944	86,063	(2)	90,986	(413)	(11,323)	79,250	165,311
<b>As at 31 March 2013</b>	117,359	46,944	164,303	(2)	149,570	5,221	385,160	539,951	704,252
<b>As at 1 April 2013</b>	117,359	46,944	164,303	(2)	149,570	5,221	385,160	539,951	704,252
<b>Total comprehensive income</b>	-	-	-	-	-	-	12,513	12,513	12,513
<b>Transactions with owners</b>									
Dividends	-	-	-	-	-	-	(26,937)	(26,937)	(26,937)
Cancellation of share options	-	-	-	-	-	(437)	437	-	-
Share repurchased	-	-	-	(4,578)	-	-	-	-	(4,578)
Total transactions with owners	-	-	-	(4,578)	-	(437)	(26,500)	(26,937)	(31,515)
<b>As at 31 March 2014</b>	117,359	46,944	164,303	(4,580)	149,570	4,784	371,173	525,527	685,250

The Condensed Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial report.



**CONDENSED STATEMENT OF CASH FLOWS**

	CUMULATIVE QUARTER 31.03.2014 RM'000	CUMULATIVE QUARTER 31.03.2013 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	14,225	34,210
Adjustments for:		
Allowance for impairment loss on receivables, net	64,024	58,500
Depreciation of plant and equipment and investment properties	1,932	1,696
Amortisation of discount on Fixed Rate Medium Term Notes ("MTNs")	648	832
Plant and equipment written off	132	-
Finance costs	38	38
Loss on early redemption of Asset-Backed Securities ("ABS")	-	5,594
Interest income	(9,719)	(11,567)
Gain on disposal of plant and equipment	(32)	(103)
Operating profit before working capital changes	<u>71,248</u>	<u>89,200</u>
(Increase)/Decrease in working capital:		
Loans and receivables	(57,168)	(41,001)
Trade receivables	6,123	9,471
Other receivables, deposits and prepaid expenses	(4,479)	11,035
(Decrease)/Increase in working capital:		
Payables and accrued expenses	(10,274)	(4,525)
Cash generated from operations	<u>5,450</u>	<u>64,180</u>
Taxes paid	(16,779)	(26,895)
Taxes refunded	6,520	4,500
Net cash (used in)/generated from operating activities	<u>(4,809)</u>	<u>41,785</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	9,719	11,567
Proceeds from disposal of plant and equipment	182	104
Additions to plant and equipment	(4,181)	(5,974)
Net cash generated from investing activities	<u>5,720</u>	<u>5,697</u>



**CONDENSED STATEMENT OF CASH FLOWS (CONT'D)**

	CUMULATIVE QUARTER 31.03.2014 RM'000	CUMULATIVE QUARTER 31.03.2013 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of revolving credits	225,720	56,024
Drawdown of other borrowings	45,499	59,667
Withdrawal of deposits and cash and bank balances, net:		
- assigned in favour of the trustees	11,368	94,006
- pledged to licensed financial institutions	9,829	3,073
Drawdown of term loan	-	290,380
Proceeds from issuance of RCPS	-	178,386
Repayment of revolving credits	(172,300)	(158,375)
Repayment of term loans	(72,073)	(195,751)
Repayment of other borrowings	(49,037)	(58,313)
Redemption of ABS	(40,000)	(140,594)
Redemption of MTNs	(35,000)	(40,000)
Dividends paid	(26,937)	(11,736)
Share repurchased	(4,578)	(2)
Repayment of hire-purchase payables	(388)	(247)
Finance costs paid	(38)	(38)
Share issuance expenses	-	(1,337)
Net cash (used in)/generated from financing activities	<u>(107,935)</u>	<u>75,143</u>
Net change in cash and cash equivalents	(107,024)	122,625
Cash and cash equivalents at beginning of financial year	124,773	2,148
Cash and cash equivalents at end of financial year	<u>17,749</u>	<u>124,773</u>

**CASH AND CASH EQUIVALENTS AS AT END OF FINANCIAL PERIOD COMPRISE THE FOLLOWING:**

Deposits with licensed financial institutions	288,310	414,281
Cash and bank balances	2,771	5,021
	<u>291,081</u>	<u>419,302</u>
Less: Deposits and cash and bank balances		
- assigned in favour of the trustees	(264,260)	(275,628)
- pledged to licensed financial institutions	(9,072)	(18,901)
	<u>17,749</u>	<u>124,773</u>

The Condensed Statement of Cash Flows should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial report.



---

## **NOTES TO THE INTERIM FINANCIAL REPORT**

---

### **1 BASIS OF PREPARATION**

The interim financial report is unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134 (Interim Financial Reporting) issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB"). The interim financial report also complies with IAS 34 (Interim Financial Reporting) issued by the International Accounting Standards Board ("IASB"). The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2013.

### **2 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the financial year ended 31 March 2013, except for the adoption of the following standards, amendments to published standards and interpretations to existing standards which are effective for the financial year commencing 1 April 2013:

MFRS 10	:	Consolidated Financial Statements
MFRS 12	:	Disclosure of Interests in Other Entities
MFRS 13	:	Fair Value Measurement
MFRS 119	:	Employee Benefits (2011)
MFRS 127	:	Separate Financial Statements (2011)

Amendments to:

MFRS 7	:	Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities
MFRS 10	:	Consolidated Financial Statements: Transition Guidance
MFRS 12	:	Disclosure of Interests in Other Entities: Transition Guidance
MFRS 101	:	Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income

Amendments to MFRSs classified as “Annual Improvements 2009 – 2011 Cycle”



---

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

---

**2 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

The adoption of the above does not give rise to any material financial effects to the Group. However, the adoption of MFRS 13 (Fair Value Measurement) requires fair value disclosures for financial instruments to be included in the interim financial report as disclosed in Note 27. It also resulted in more extensive disclosures in the annual financial statements for the financial year ended 31 March 2014.

**3 AUDITORS' REPORT ON PRECEDING ANNUAL AUDITED FINANCIAL STATEMENTS**

The auditors' report on the preceding annual audited financial statements was not subject to any qualification.

**4 SEASONAL OR CYCLICAL FACTORS**

The Group's operations were not significantly affected by any seasonal or cyclical factors.

**5 UNUSUAL ITEMS**

There were no unusual items for the current quarter and financial year, except for the loan impairment incurred in the first quarter ended 30 June 2013 amounting to RM60.8 million in relation to the valuation and impairment of non-performing loans ("NPLs").

**6 CHANGES IN ESTIMATES**

There were no changes in estimates that have a material effect for the current quarter and financial year.





---

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

---

**7 DEBT AND EQUITY SECURITIES**

There were no issuance, repurchase and repayment of debt and equity securities for the financial year except for the following:

- (a) Redemption of the ABS by Tresor Assets Berhad, a subsidiary of the Company, as follows:

	<b>CURRENT QUARTER RM'000</b>	<b>CUMULATIVE QUARTER RM'000</b>
Redemption of ABS upon maturity	10,000	40,000

- (b) Redemption of the MTNs by RCE Advance Sdn Bhd, a subsidiary of the Company, as follows:

	<b>CURRENT QUARTER RM'000</b>	<b>CUMULATIVE QUARTER RM'000</b>
Redemption of MTNs upon maturity	15,000	35,000

- (c) During the financial year, the Company repurchased 16,391,900 of its issued ordinary shares of RM0.10 each from the open market. The total consideration paid including transaction costs of RM4,578,384 was financed by internally generated funds and the shares repurchased were held as treasury shares. The Company has the right to cancel, resell and/or distribute the treasury shares as dividends at a later date. None of the treasury shares repurchased have been sold or cancelled during the financial year.



---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

**8 DIVIDENDS**

**31.03.2014**   **31.03.2013**  
**RM'000**       **RM'000**

**Recognised during the financial year:**

- Preference share dividend:

20.0% (2.00 sen) under single-tier system on 469,436,998 redeemable convertible non-cumulative preference shares ("RCPS"), paid on 4 December 2013 to RCPS holders whose names appear in the record of depositors on 27 November 2013

9,389       -

- Final dividend for 2013:

15.0% (1.50 sen) under single-tier system on 1,169,859,595 ordinary shares, paid on 9 October 2013 to shareholders whose names appear in the record of depositors on 27 September 2013

17,548       -

- Final dividend for 2012:

15.0% (1.50 sen) under single-tier system on 782,395,174 ordinary shares, paid on 10 October 2012

-	11,736
<u>26,937</u>	<u>11,736</u>

A final single-tier dividend of 15.0% (1.50 sen) on 1,157,190,595 ordinary shares amounting to RM17,357,859, in respect of the financial year ended 31 March 2014 will be proposed for shareholders' approval. Such dividend, if approved by the shareholders, will be accounted for in equity as appropriation of retained earnings in the financial year ending 31 March 2015.



---

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

---

**9 SEGMENTAL INFORMATION**

Segmental revenue and results for the financial year were as follows:

	Loan Financing RM'000	Investment Holding & Mgmt Services RM'000	Factoring, Confirming & Industrial Hire Purchase RM'000	Group RM'000
<b>Segment Revenue</b>				
Total revenue	124,014	6,027	4,706	134,747
Inter-segment revenue	-	(4,486)	-	(4,486)
External revenue	124,014	1,541	4,706	130,261
<b>Segment Results</b>				
Segment results	17,905	(3,668)	26	14,263
Finance costs	(33)	-	(5)	(38)
Profit/Loss before tax	17,872	(3,668)	21	14,225
Taxation	(150)	(1,372)	(190)	(1,712)
Profit/(Loss) for the financial year	17,722	(5,040)	(169)	12,513
Interest income including investment income	133,691	274	2,996	136,961
Interest expense applicable to revenue	(38,708)	(339)	(627)	(39,674)



---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

**10 PROFIT/(LOSS) BEFORE TAX**

	<b>INDIVIDUAL QUARTER 31.03.2014 RM'000</b>	<b>CUMULATIVE QUARTER 31.03.2014 RM'000</b>
Interest income including investment income	31,395	136,961
(Write-back)/Allowance for impairment loss on receivables, net	(854)	64,024
Amortisation of discount on MTNs	151	648
Gain on foreign exchange, net:		
- Realised	3	17
- Unrealised	-	-

There were no exceptional items, inventories written down and written off, allowance for impairment loss on investment properties and gain or loss on disposal of quoted or unquoted investments or properties for the current quarter and financial year.

**11 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD**

As at the date of this announcement, there were no material events subsequent to the end of the interim period that affect the results of the Group.

**12 CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group during the financial year.



---

## NOTES TO THE INTERIM FINANCIAL REPORT

---

### 13 REVIEW OF PERFORMANCE

The Group posted a revenue of RM30.0 million for the fourth quarter ended 31 March 2014 as compared to the corresponding quarter of RM33.4 million. The decrease was primarily due to lower interest income by RM3.4 million from the loan financing segment arising from lower early settlement income as well as lower loan base.

Notwithstanding that, the Group recorded a RM40.8 million improvement from a pre-tax loss of RM22.2 million in the corresponding quarter to a pre-tax profit of RM18.6 million in the current quarter. This is mainly due to lower loan impairment by RM41.9 million arising from our close monitoring of loans portfolio.

Meanwhile, the Group registered a pre-tax profit of RM14.2 million for the financial year ended 31 March 2014 as compared to RM34.2 million in the last financial year, mainly due to lower net interest income by RM22.9 million.

Notwithstanding the above, the Group posted a higher profit after tax of RM12.5 million for the financial year ended 31 March 2014 as compared to RM9.7 million in the last financial year arising from lower tax expense.

The performance of the respective operating business segments for the financial year ended 31 March 2014 as compared to the last financial year is as follows:

#### Loan financing segment

Pre-tax profit for the segment was RM17.9 million as compared to RM33.6 million in the last financial year. This was mainly attributable to lower net interest income by RM22.7 million, offset by lower operating expenses.

#### Investment holding and management services segment

Pre-tax loss for this segment increased marginally from RM3.6 million in the last financial year to RM3.7 million in this financial year mainly due to higher operating expenses.

#### Factoring, confirming and industrial hire purchase segment

This segment recorded a pre-tax profit of RM0.02 million as compared to RM4.2 million in the last financial year. This was mainly contributed by loan impairment amounting to RM0.9 million in this financial year as compared to a net write back of RM3.2 million in the last financial year.



---

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

---

**14 MATERIAL CHANGE IN RESULTS OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER**

The Group's pre-tax profit for the current quarter ended 31 March 2014 was RM18.6 million, RM2.1 million or 12.9% higher as compared to the preceding quarter of RM16.5 million. This was mainly attributable to a net write back of RM0.9 million loan impairment in the current quarter coupled with higher net interest income by RM0.7 million.

**15 CURRENT YEAR PROSPECTS**

As the Group continues to maintain its focus in the underserved niche market sector in its personal financing segment, the loan disbursements are expected to grow moderately. Apart from that, various initiatives have been put in place to improve delivery turnaround time, better client service and systems enhancements in order to strengthen the Group's loans portfolio.

The Group will also continue to adopt the guidelines and prudential standards governing the industry, to meet the challenges ahead besides closely monitoring the conduct of its receivables.

Meanwhile, for factoring, confirming and industrial hire-purchase segment, the Group remains cautious on its performance in anticipation of slower growth for business loans. This is mainly due to tougher operating environment and cooling consumer spending due to rising costs of living.

Barring any unforeseen circumstances, the Group is expected to register improved profits for the next financial year.

**16 PROFIT FORECAST**

There were no profit forecast prepared or profit guarantee made by the Group.



---

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

---

**17 TAXATION**

	<b>INDIVIDUAL QUARTER 31.03.2014 RM'000</b>	<b>CUMULATIVE QUARTER 31.03.2014 RM'000</b>
Taxation:		
Current period	4,489	13,890
Overprovision in prior year	-	(779)
	<hr/> 4,489	<hr/> 13,111
Deferred taxation:		
Current period	(925)	(15,187)
Underprovision in prior year	-	3,788
	<hr/> (925)	<hr/> (11,399)
	<hr/> <hr/> 3,564	<hr/> <hr/> 1,712

The effective tax rate of the Group in the current quarter and financial year ended 31 March 2014 is lower than the statutory tax rate as a result of realisation of deferred tax assets not recognised previously in respect of unabsorbed business losses.

**18 STATUS OF CORPORATE PROPOSALS ANNOUNCED**

There were no corporate proposals announced or pending completion as at the date of this report.



---

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

---

**19 GROUP BORROWINGS AND DEBT SECURITIES**

Total borrowings and debt securities (all denominated in Ringgit Malaysia) of the Group as at 31 March 2014 are as follows:

	<b>Short Term RM'000</b>	<b>Long Term RM'000</b>	<b>Total RM'000</b>
<b>At amortised cost</b>			
Secured:			
- Term loans	13,019	201,368	214,387
- Asset-backed securities	42,255	95,000	137,255
- Revolving credits	110,197	-	110,197
- Fixed rate medium term notes	41,863	64,259	106,122
- Bank overdrafts	5,327	-	5,327
	<u>212,661</u>	<u>360,627</u>	<u>573,288</u>
Unsecured:			
- Bankers' acceptances	8,704	-	8,704
- Trust receipts	342	-	342
	<u>9,046</u>	<u>-</u>	<u>9,046</u>
	<u>221,707</u>	<u>360,627</u>	<u>582,334</u>





---

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

---

**20 CAPITAL COMMITMENTS**

**31.03.2014**  
**RM'000**

Capital expenditure in respect of plant  
and equipment not provided for:

Approved and contracted for	2,101
Approved but not contracted for	-
	<u>2,101</u>

Other than as disclosed in this report, there were no other material capital commitments as at the date of this report.

**21 CHANGES IN CONTINGENT LIABILITIES AND ASSETS**

There were no contingent liabilities and assets since the last financial year ended 31 March 2013.

**22 DERIVATIVES AND FAIR VALUE CHANGES OF FINANCIAL LIABILITIES**

- (a) There were no derivatives as at 31 March 2014.
- (b) There were no fair value gain/(loss) on fair value changes of financial liabilities as all financial liabilities were measured at amortised cost.

**23 CHANGES IN MATERIAL LITIGATION**

There were no pending material litigation for the Group as at the date of this report.



---

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

---

**24 EARNINGS/(LOSS) PER SHARE ("EPS/(LPS)")**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		31.03.2014	31.03.2013	31.03.2014	31.03.2013
<b>(a) Basic EPS/(LPS):</b>					
Profit/(Loss) for the period attributable to owners of the Company	(RM'000)	15,020	(28,520)	12,513	9,719
Preference share dividends on RCPS	(RM'000)	-	-	(9,389)	-
Profit/(Loss) for the period attributable to ordinary equity holders of the Company	(RM'000)	15,020	(28,520)	3,124	9,719
Weighted average number of ordinary shares in issue	(unit'000)	1,160,148	1,173,588	1,168,244	1,173,591
Basic EPS/(LPS)	(sen)	1.29	(2.43)	0.27	0.83

Basic EPS/(LPS) for the current quarter and financial year are calculated by dividing the net profit/(loss) attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

The computation of the weighted average number of ordinary shares in issue is net of treasury shares.

The weighted average number of ordinary shares in issue for the corresponding quarter and financial year ended 31 March 2013 take into account the weighted average effect of shares issued pursuant to the Bonus Issue which was completed on 1 November 2012.



---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

**24 EPS/(LPS) (CONT'D)**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		31.03.2014	31.03.2013	31.03.2014	31.03.2013
<b>(b) Diluted EPS/(LPS):</b>					
Profit/(Loss) for the period attributable to ordinary equity holders of the Company	(RM'000)	15,020	(28,520)	3,124	9,719
Weighted average number of ordinary shares in issue	(unit'000)	1,160,148	1,173,588	1,168,244	1,173,591
Effects of dilution of RCPS	(unit'000)	469,437	-	-	159,480
Adjusted weighted average number of ordinary shares in issue	(unit'000)	1,629,585	1,173,588	1,168,244	1,333,071
Diluted EPS/(LPS)	(sen)	0.92	(2.43)	0.27	0.73

Diluted EPS/(LPS) for the current quarter and financial year are calculated by dividing the net profit/(loss) attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares adjusted for dilutive effects of RCPS.

The incremental shares from assumed conversions of the RCPS are not included in the calculation of diluted EPS for the financial year ended 31 March 2014 as they are anti-dilutive.

The Employees' Share Option Scheme ("ESOS") options are anti-dilutive for the current quarter and financial year as the options exercise price exceeds the average market price of the Company ordinary shares during the period. Accordingly, the options are assumed not to be exercised in the calculation of diluted EPS/(LPS).



---

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

---

**25 DISCLOSURE OF REALISED AND UNREALISED PROFITS**

The breakdown of the retained earnings of the Group as at 31 March 2014, into realised and unrealised profits, pursuant to BMSB's directive dated 20 December 2010, is as follows:

	<b>INDIVIDUAL QUARTER</b>	
	<b>31.03.2014</b>	<b>31.03.2013</b>
	<b>RM'000</b>	<b>RM'000</b>
Total retained earnings of the Group:		
- Realised	379,852	405,238
- Unrealised	(8,679)	(20,078)
	<u>371,173</u>	<u>385,160</u>

**26 DISCLOSURE PURSUANT TO MALAYSIAN CODE ON TAKE-OVERS AND MERGERS 2010 ("CODE")**

As announced on 2 October 2012, the Securities Commission Malaysia has, vide its letter dated 1 October 2012, approved the exemption for Cempaka Empayar Sdn Bhd ("Cempaka") and persons acting in concert with Cempaka ("PACs") from the obligation to undertake a take-over offer for all the remaining shares and convertible securities in the Company not already owned by them under Paragraph 16.1(c) of Practice Note 9 of the Code ("Exemption").

The following are the relevant disclosures made in compliance with Paragraph 16.13(b) of Practice Note 9 of the Code:

- (i) The validity period for the Exemption is from 1 October 2012 up to 27 November 2019;



**NOTES TO THE INTERIM FINANCIAL REPORT**

**26 DISCLOSURE PURSUANT TO MALAYSIAN CODE ON TAKE-OVERS AND MERGERS 2010 ("CODE") (CONT'D)**

(ii) The number and percentage of voting shares or voting rights and the conversion or subscription rights or options in the Company held by Cempaka and PACs as at 31 March 2014 are as follows:

	Number of Ordinary Shares		Number of RCPS		Number of ESOS		Number of ESOS Option	
	(Direct)	% <sup>(1)</sup>	(Direct)	% <sup>(2)</sup>	Options	% <sup>(3)</sup>	Shares	% <sup>(4)</sup>
Cempaka	509,140,753	44.00	451,024,881	96.08	-	-	-	-
Ancorp Group								
Berhad	-	-	-	-	-	-	-	-
Clear Goal								
Sdn Bhd	-	-	-	-	-	-	-	-
Tan Sri Azman								
Hashim	-	-	-	-	2,000,000	15.36	3,000,000	15.36
Soo Kim Wai	-	-	-	-	1,500,000	11.52	2,250,000	11.52
Shalina								
Azman	-	-	-	-	1,200,000	9.21	1,800,000	9.21
Shahman								
Azman	-	-	-	-	900,000	6.91	1,350,000	6.91
<b>Total</b>	<b>509,140,753</b>	<b>44.00</b>	<b>451,024,881</b>	<b>96.08</b>	<b>5,600,000</b>	<b>43.00</b>	<b>8,400,000</b>	<b>43.00</b>

Notes:

- (1) Based on the issued and paid-up share capital of the Company of 1,157,190,595 ordinary shares (excluding a total of 16,401,900 treasury shares) as at 31 March 2014.
- (2) Based on the total of 469,436,998 RCPS outstanding as at 31 March 2014.
- (3) Based on the total of 13,024,200 ESOS options outstanding as at 31 March 2014.
- (4) Based on 1.5 times subscription rights per ESOS option, resulting in a total of 19,536,300 ESOS option shares as at 31 March 2014.



---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

**26 DISCLOSURE PURSUANT TO MALAYSIAN CODE ON TAKE-OVERS AND MERGERS 2010 ("CODE") (CONT'D)**

- (iii) The maximum potential voting shares of Cempaka and PACs in the Company, if only Cempaka and PACs (but not other holders) exercise the conversion of RCPS or options in full is 968,565,634 shares representing 59.91% of the resulting enlarged issued and paid-up share capital of the Company;
- (iv) Cempaka and PACs shall not undertake the acquisition of voting shares or voting rights or acquisition of the conversion of RCPS or subscription rights or options of the Company (excluding issuance of new shares following the exercise of the conversion or subscription rights or options, or where all shareholders of the Company are entitled to new shares, rights, conversion or subscription rights or options on a pro-rata basis) throughout the validity period of the Exemption; and
- (v) A mandatory offer obligation by Cempaka and PACs to acquire all the remaining shares and convertible securities in the Company not already owned by them will not arise following the full conversion of RCPS and the exercise of existing ESOS options by Cempaka and PACs as the Exemption has been granted.

**27 FAIR VALUE OF FINANCIAL INSTRUMENTS**

The carrying amount of financial assets and liabilities of the Group for the financial year approximate their fair values except for the following:

	<b>31.03.2014</b>	
	<b>Carrying amount RM'000</b>	<b>Fair value RM'000</b>
<b>Financial liabilities</b>		
Borrowings		
- MTNs	106,122	111,148
- ABS	137,255	142,171
	<u>                    </u>	<u>                    </u>



---

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

---

**28 RECLASSIFICATION OF PRIOR YEARS' COMPARATIVES**

Certain comparative figures have been reclassified for consistency with current year's presentation:

**(i) Statement of Comprehensive Income**

	<b>Previously Stated RM'000</b>	<b>Reclassification RM'000</b>	<b>After Reclassification RM'000</b>
<b>Individual Quarter</b>			
Revenue	33,687	(245)	33,442
Other expenses	(45,088)	245	(44,843)
<b>Cumulative Quarter</b>			
Revenue	167,832	(1,179)	166,653
Other expenses	(81,941)	1,179	(80,762)

**(ii) Statement of Financial Position**

	<b>Previously Stated RM'000</b>	<b>Reclassification RM'000</b>	<b>After Reclassification RM'000</b>
<b>As at 31 March 2013</b>			
<b>Non-Current Assets</b>			
Loans and receivables	860,877	(49,513)	811,364
<b>Current Assets</b>			
Loans and receivables	94,368	25,254	119,622
Other receivables, deposits and prepaid expenses	25,339	(13,886)	11,453



---

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

---

**28 RECLASSIFICATION OF PRIOR YEARS' COMPARATIVES (CONT'D)**

**(ii) Statement of Financial Position (Cont'd)**

	<b>Previously Stated RM'000</b>	<b>Reclassification RM'000</b>	<b>After Reclassification RM'000</b>
<b>As at 31 March 2013 (Cont'd)</b>			
<b>Current Liabilities</b>			
Payables and accrued expenses	60,340	(38,145)	22,195
<hr/>			
<b>As at 1 April 2012</b>			
<b>Non-Current Assets</b>			
Loans and receivables	877,209	(74,882)	802,327
<b>Current Assets</b>			
Loans and receivables	105,867	43,462	149,329
Other receivables, deposits and prepaid expenses	32,633	(5,426)	27,207
<b>Current Liabilities</b>			
Payables and accrued expenses	60,598	(36,846)	23,752
<hr/>			





RCE Capital Berhad (Company No. 2444-M)  
Incorporated in Malaysia

Interim Financial Report  
for 4<sup>th</sup> Quarter Ended 31 March 2014

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

**28 RECLASSIFICATION OF PRIOR YEARS' COMPARATIVES (CONT'D)****(iii) Statement of Cash Flows**

	<b>Previously Stated RM'000</b>	<b>Reclassification RM'000</b>	<b>After Reclassification RM'000</b>
<b>Cumulative Quarter</b>			
Cash flows from financing activities	(21,936)	97,079	75,143
Cash and cash equivalents at beginning of financial year	393,756	(391,608)	2,148
Cash and cash equivalents at end of financial year	419,302	(294,529)	124,773

**BY ORDER OF THE BOARD**  
**JOHNSON YAP CHOON SENG**  
Company Secretary  
21 May 2014