



**SUMMARY OF KEY FINANCIAL INFORMATION FOR THE FINANCIAL PERIOD
ENDED 30 JUNE 2015**

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|------------------------------|---|---|----------------------|
| | 30.06.2015 RM'000 | 30.06.2014 RM'000 | 30.06.2015 RM'000 | 30.06.2014 RM'000 |
| 1. Revenue | 37,489 | 30,411 | 37,489 | 30,411 |
| 2. Profit before tax | 12,384 | 8,676 | 12,384 | 8,676 |
| 3. Profit for the financial period | 9,437 | 6,876 | 9,437 | 6,876 |
| 4. Profit attributable to ordinary equity holders of the Company | 9,437 | 6,876 | 9,437 | 6,876 |
| 5. Basic earnings per ordinary share (sen) | 0.74 | 0.60 | 0.74 | 0.60 |
| 6. Proposed/Declared dividend per share (sen) | - | - | - | - |
| | | AS AT END OF CURRENT QUARTER | AS AT PRECEDING FINANCIAL YEAR END | |
| 7. Net assets per share attributable to ordinary equity holders of the Company (RM) | | 0.45 | 0.44 | |
| | | INDIVIDUAL QUARTER | CUMULATIVE QUARTER | |
| | 30.06.2015 RM'000 | 30.06.2014 RM'000 | 30.06.2015 RM'000 | 30.06.2014 RM'000 |
| 8. Gross interest income | 257 | 1,793 | 257 | 1,793 |
| 9. Gross interest expense | 3 | 7 | 3 | 7 |



CONDENSED STATEMENT OF COMPREHENSIVE INCOME

| | INDIVIDUAL QUARTER 3 MONTHS ENDED | | CUMULATIVE QUARTER 3 MONTHS ENDED | |
|--|--------------------------------------|----------------------|--------------------------------------|----------------------|
| | 30.06.2015 RM'000 | 30.06.2014 RM'000 | 30.06.2015 RM'000 | 30.06.2014 RM'000 |
| Revenue | 37,489 | 30,411 | 37,489 | 30,411 |
| Other income | 1,934 | 3,770 | 1,934 | 3,770 |
| Interest expense applicable to revenue | (9,516) | (8,188) | (9,516) | (8,188) |
| Staff costs and directors' remuneration | (4,403) | (4,092) | (4,403) | (4,092) |
| Depreciation of plant and equipment and investment properties | (987) | (692) | (987) | (692) |
| Other expenses | (12,130) | (12,526) | (12,130) | (12,526) |
| Finance costs | (3) | (7) | (3) | (7) |
| Profit before tax | 12,384 | 8,676 | 12,384 | 8,676 |
| Taxation | (2,947) | (1,800) | (2,947) | (1,800) |
| Total comprehensive income for the financial period | 9,437 | 6,876 | 9,437 | 6,876 |
| Attributable to: | | | | |
| Owners of the Company | 9,437 | 6,876 | 9,437 | 6,876 |
| Earnings per ordinary share: | | | | |
| Basic (sen) | 0.74 | 0.60 | 0.74 | 0.60 |
| Diluted (sen) | 0.73 | 0.43 | 0.73 | 0.43 |

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 2015 and the accompanying explanatory notes attached to the interim financial report.



CONDENSED STATEMENT OF FINANCIAL POSITION

| | AS AT 30.06.2015 RM'000 | AS AT 31.03.2015 RM'000 |
|---|-------------------------------|-------------------------------|
| ASSETS | | |
| Non-Current Assets | | |
| Plant and equipment | 10,629 | 10,929 |
| Investment properties | 2,467 | 2,482 |
| Goodwill on consolidation | 47,666 | 47,666 |
| Loans and receivables | 964,308 | 920,162 |
| Deferred tax assets | 18,453 | 17,660 |
| Total Non-Current Assets | 1,043,523 | 998,899 |
| Current Assets | | |
| Loans and receivables | 150,676 | 149,755 |
| Trade receivables | 16,600 | 17,885 |
| Other receivables, deposits and prepaid expenses | 19,107 | 16,817 |
| Deposits with licensed financial institutions | 79,505 | 40,576 |
| Cash and bank balances | 7,235 | 11,012 |
| Total Current Assets | 273,123 | 236,045 |
| TOTAL ASSETS | 1,316,646 | 1,234,944 |
| EQUITY AND LIABILITIES | | |
| Equity attributable to owners of the Company | | |
| Share capital | 133,400 | 133,400 |
| Treasury shares | (19,615) | (16,784) |
| Reserves | 459,035 | 449,598 |
| Total Equity | 572,820 | 566,214 |
| Non-Current Liabilities | | |
| Hire-purchase payables | 225 | 177 |
| Borrowings | 320,423 | 336,145 |
| Deferred tax liabilities | 1,808 | 1,910 |
| Total Non-Current Liabilities | 322,456 | 338,232 |
| Current Liabilities | | |
| Payables and accrued expenses | 32,622 | 27,523 |
| Hire-purchase payables | 273 | 125 |
| Borrowings | 383,861 | 295,550 |
| Tax liabilities | 4,614 | 7,300 |
| Total Current Liabilities | 421,370 | 330,498 |
| Total Liabilities | 743,826 | 668,730 |
| TOTAL EQUITY AND LIABILITIES | 1,316,646 | 1,234,944 |
| NET ASSETS PER SHARE (RM) | 0.45 | 0.44 |

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 2015 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 | Capital Redemption Reserve RM'000 | Share Options RM'000 | Retained Earnings RM'000 | | |
| As at 1 April 2014 | 117,359 | 46,944 | 164,303 | (4,580) | 149,570 | - | 4,784 | 371,173 | 525,527 | 685,250 |
| Total comprehensive income | - | - | - | - | - | - | - | 6,876 | 6,876 | 6,876 |
| Transactions with owners | | | | | | | | | | |
| Cancellation of share options | - | - | - | - | - | - | (62) | 62 | - | - |
| Shares repurchased | - | - | - | (6,125) | - | - | - | - | - | (6,125) |
| Total transactions with owners | - | - | - | (6,125) | - | - | (62) | 62 | - | (6,125) |
| As at 30 June 2014 | 117,359 | 46,944 | 164,303 | (10,705) | 149,570 | - | 4,722 | 378,111 | 532,403 | 686,001 |
| As at 1 April 2015 | 133,400 | - | 133,400 | (16,784) | 63,041 | 30,903 | 5,385 | 350,269 | 449,598 | 566,214 |
| Total comprehensive income | - | - | - | - | - | - | - | 9,437 | 9,437 | 9,437 |
| Transactions with owners | | | | | | | | | | |
| Cancellation of share options | - | - | - | - | - | - | (110) | 110 | - | - |
| Shares repurchased | - | - | - | (2,831) | - | - | - | - | - | (2,831) |
| Total transactions with owners | - | - | - | (2,831) | - | - | (110) | 110 | - | (2,831) |
| As at 30 June 2015 | 133,400 | - | 133,400 | (19,615) | 63,041 | 30,903 | 5,275 | 359,816 | 459,035 | 572,820 |

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 2015 and the accompanying explanatory notes attached to the interim financial report.



CONDENSED STATEMENT OF CASH FLOWS

| | CUMULATIVE QUARTER 30.06.2015 RM'000 | CUMULATIVE QUARTER 30.06.2014 RM'000 |
|--|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before tax | 12,384 | 8,676 |
| Adjustments for: | | |
| Allowance for impairment loss on receivables, net | 7,973 | 5,962 |
| Depreciation of plant and equipment and investment properties | 987 | 692 |
| Amortisation of discount on Fixed Rate Medium Term Notes ("MTNs") | 82 | 128 |
| Finance costs | 3 | 7 |
| Interest income | (257) | (1,793) |
| Loss on early redemption of Asset-Backed Securities ("ABS") | - | 2,596 |
| Operating profit before working capital changes | <u>21,172</u> | <u>16,268</u> |
| (Increase)/Decrease in working capital: | | |
| Loans and receivables | (53,040) | (31,391) |
| Trade receivables | 1,285 | (2,360) |
| Other receivables, deposits and prepaid expenses | (1,848) | (2,621) |
| Decrease in working capital: | | |
| Payables and accrued expenses | 5,230 | 3,117 |
| Cash used in operations | <u>(27,201)</u> | <u>(16,987)</u> |
| Taxes paid | (6,970) | (2,726) |
| Net cash used in operating activities | <u>(34,171)</u> | <u>(19,713)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest income | 257 | 1,793 |
| Additions to plant and equipment | (492) | (563) |
| Net cash (used in)/generated from investing activities | <u>(235)</u> | <u>1,230</u> |



CONDENSED STATEMENT OF CASH FLOWS (CONT'D)

| | CUMULATIVE QUARTER 30.06.2015 RM'000 | CUMULATIVE QUARTER 30.06.2014 RM'000 |
|---|---|---|
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Drawdown of term loans | 80,000 | - |
| Drawdown of revolving credits | 9,943 | 47,924 |
| Drawdown of other borrowings | 6,109 | 7,744 |
| Repayment of revolving credits | (12,123) | (44,200) |
| Repayment of term loans | (5,797) | (2,980) |
| Repayment of other borrowings | (5,696) | (10,026) |
| Shares repurchased | (2,831) | (6,125) |
| (Placements)/Withdrawal of deposits and cash and bank balances, net: | | |
| - assigned in favour of the trustees | (2,502) | 67,031 |
| - pledged to licensed financial institutions | 1,557 | 817 |
| Repayment of hire-purchase payables | (44) | (57) |
| Finance costs paid | (3) | (7) |
| Redemption of ABS | - | (42,596) |
| Redemption of MTNs | - | (10,000) |
| Net cash generated from financing activities | <u>68,613</u> | <u>7,525</u> |
| Net change in cash and cash equivalents | 34,207 | (10,958) |
| Cash and cash equivalents at beginning of financial period | 23,147 | 17,749 |
| Cash and cash equivalents at end of financial period | <u><u>57,354</u></u> | <u><u>6,791</u></u> |

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

| | | |
|---|----------------------|---------------------|
| Deposits with licensed financial institutions | 79,505 | 209,554 |
| Cash and bank balances | 7,235 | 2,721 |
| | <u>86,740</u> | <u>212,275</u> |
| Less: Deposits and cash and bank balances | | |
| - assigned in favour of the trustees | (19,945) | (197,229) |
| - pledged to licensed financial institutions | (9,441) | (8,255) |
| | <u><u>57,354</u></u> | <u><u>6,791</u></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 2015 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 2015.

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 2015, except for the adoption of the following standards, amendments to published standards and interpretation to existing standards which are effective for the financial period commencing 1 April 2015:

Amendments to:

MFRS 119 Employee Benefits - Defined Benefit Plans: Employee Contributions

Amendments to MFRSs classified as "Annual Improvements to MFRSs 2010 - 2012 Cycle"

Amendments to MFRSs classified as "Annual Improvements to MFRSs 2011 - 2013 Cycle"

The adoption of the above does not give rise to any material financial effects to the Group.

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.



NOTES TO THE INTERIM FINANCIAL REPORT

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 period.

6 CHANGES IN ESTIMATES

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

7 DEBT AND EQUITY SECURITIES

There were no issuance, repurchase and repayment of debt and equity securities for the financial period except for the repurchase of 8,370,000 of its issued ordinary shares of RM0.10 each by the Company from the open market. The total consideration paid (including transaction costs) of RM2,830,297 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 period.

8 DIVIDENDS

A final single-tier dividend of 15.0% (1.50 sen) on 1,271,122,095 ordinary shares amounting to RM19,066,831, in respect of the financial year ended 31 March 2015 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 2016.



NOTES TO THE INTERIM FINANCIAL REPORT

8 DIVIDENDS (CONT'D)

On 6 August 2015, a special interim single-tier dividend of 105.0% (10.5 sen) on 1,271,122,095 ordinary shares amounting to RM133,467,820, in respect of the financial year ending 31 March 2016 has been approved by the directors, payable on 8 October 2015. Such dividend will be accounted for in equity as appropriation of retained earnings in the financial year ending 31 March 2016.

9 SEGMENT INFORMATION

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

| | Loan Financing RM'000 | Investment Holding & Mgmt Services RM'000 | Factoring, Confirming & Industrial Hire Purchase RM'000 | Group RM'000 |
|---------------------------------|-----------------------------|---|--|-----------------|
| Segment Revenue | | | | |
| Total revenue | 36,545 | 309 | 774 | 37,628 |
| Inter-segment revenue | - | (139) | - | (139) |
| External revenue | <u>36,545</u> | <u>170</u> | <u>774</u> | <u>37,489</u> |
| Segment Results | | | | |
| Segment results | 12,432 | (379) | 334 | 12,387 |
| Finance costs | (3) | - | - | (3) |
| Profit before tax | <u>12,429</u> | <u>(379)</u> | <u>334</u> | <u>12,384</u> |
| Taxation | (2,577) | (292) | (78) | (2,947) |
| Profit for the financial period | <u>9,852</u> | <u>(671)</u> | <u>256</u> | <u>9,437</u> |
| Interest income | | | | |
| including investment income | 36,184 | 68 | 578 | 36,830 |
| Interest expense | | | | |
| applicable to revenue | (9,255) | (59) | (202) | (9,516) |



NOTES TO THE INTERIM FINANCIAL REPORT

10 PROFIT BEFORE TAX

| | INDIVIDUAL QUARTER 30.06.2015 RM'000 | CUMULATIVE QUARTER 30.06.2015 RM'000 |
|--|---|---|
| Interest income including investment income | 36,830 | 36,830 |
| Allowance for impairment loss on receivables, net | 7,973 | 7,973 |
| Amortisation of discount on MTNs | 82 | 82 |
| Gain on foreign exchange, net: | | |
| - Realised | 2 | 2 |
| - 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 period.

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 except for the special interim single-tier dividend as disclosed in Note 8.

12 CHANGES IN THE COMPOSITION OF THE GROUP

On 25 June 2015, the Company announced the incorporation of a wholly-owned subsidiary, RCE Dynamics Sdn Bhd ("RCE Dynamics"), a company incorporated in Malaysia with an authorised share capital of RM400,000 divided into 400,000 ordinary shares of RM1 each and issued and paid-up share capital of RM2 comprising 2 ordinary shares of RM1 each.

RCE Dynamics is established as a special purpose vehicle to acquire a pool of eligible receivables. The incorporation has no material financial effect to the Group.



NOTES TO THE INTERIM FINANCIAL REPORT

13 REVIEW OF PERFORMANCE

The Group posted revenue of RM37.5 million for the first quarter ended 30 June 2015 as compared to RM30.4 million in the corresponding quarter. The increase was primarily due to higher interest income by RM6.7 million from the loan financing segment arising from higher loan base.

This resulted in a higher pre-tax profit of RM12.4 million as compared to RM8.7 million in the corresponding quarter.

Arising thereof, the Group recorded a higher post-tax profit of RM9.4 million as compared to RM6.9 million in the corresponding quarter.

The performance of the respective operating business segments for the first quarter ended 30 June 2015 as compared to corresponding quarter was as follows:

Loan financing segment

Pre-tax profit for the segment improved by RM2.0 million from RM10.4 million in the corresponding quarter to RM12.4 million. This was mainly attributable to higher net interest income by RM5.5 million offset with higher loan impairment by RM1.9 million and lower investment income by RM1.5 million.

Investment holding and management services segment

Pre-tax loss for this segment decreased from RM1.5 million to RM0.4 million mainly arising from lower other operating expenses and staff cost by RM0.5 million and RM0.4 million respectively.

Factoring, confirming and industrial hire purchase segment

This segment recorded a pre-tax profit of RM0.3 million as compared to a pre-tax loss of RM0.2 million in the corresponding quarter. This was mainly due to lower staff cost.



NOTES TO THE INTERIM FINANCIAL REPORT

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

The Group recorded a pre-tax profit of RM12.4 million for the current quarter ended 30 June 2015 as compared to the preceding quarter of RM16.0 million. This was mainly due to lower loan impairment by RM4.7 million in the preceding quarter offset with higher net interest income by RM1.1 million.

15 CURRENT YEAR PROSPECTS

With the moderation in domestic consumption, the Group expects to report modest growth in its loan financing segment. The Group targets its asset quality to be maintained at current level if not further improved, and does not expect any significant changes to the Group's risk appetite with its continuing effort in strengthening and refining its credit criteria.

As for the factoring, confirming and industrial hire-purchase segment, the Group remains cautious on its financial performance.

The Group is optimistic that, barring any unforeseen circumstances, the financial performance for the remaining quarters of the financial year ending 31 March 2016 remains profitable.

16 PROFIT FORECAST

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



NOTES TO THE INTERIM FINANCIAL REPORT

17 TAXATION

| | INDIVIDUAL QUARTER 30.06.2015 RM'000 | CUMULATIVE QUARTER 30.06.2015 RM'000 |
|--------------------|---|---|
| Taxation: | | |
| Current period | (3,842) | (3,842) |
| Deferred taxation: | | |
| Current period | 895 | 895 |
| | <u>(2,947)</u> | <u>(2,947)</u> |

The effective tax rate of the Group in the current quarter and financial period approximated the statutory tax rate.



NOTES TO THE INTERIM FINANCIAL REPORT

18 STATUS OF CORPORATE PROPOSALS

There were no corporate proposals announced but not completed as at the date of this report except that on 15 July 2015, the Company announced its proposal to undertake the following:

- i) to terminate the Company's existing Employees' Share Option Scheme ("ESOS"); and
- ii) to establish a new Employees' Share Scheme ("Proposed ESS") which comprises:
 - a) a new ESOS which will entitle the eligible persons, upon exercise, to subscribe for new ordinary shares of RM0.10 each in the Company ("RCE Shares or Shares") at a specified future date at a pre-determined price; and
 - b) a restricted share grant which entitles the eligible persons to receive fully paid RCE Shares and/or the equivalent cash value of such Shares or combination thereof

collectively, of up to fifteen percent (15%) of the issued and paid-up ordinary share capital of the Company (excluding treasury shares) at any point in time.

(collectively referred to as the "Proposals").

BMSB has vide its letter dated 3 August 2015 approved the listing of such number of new ordinary shares of RM0.10 each in the Company, representing up to fifteen percent (15%) of the issued and paid-up ordinary share capital of the Company (excluding treasury shares), to be issued pursuant to the exercise of options or shares granted under the Proposed ESS which is subject to conditions set by BMSB as stated in the announcement dated 3 August 2015.

Barring any unforeseen circumstances, the Company expects to complete the Proposals by the fourth quarter of the financial year ending 31 March 2016.



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 30 June 2015 are as follows:

| | Short Term RM'000 | Long Term RM'000 | Total RM'000 |
|--------------------------------|----------------------------------|---------------------------------|-------------------------|
| At amortised cost | | | |
| Secured: | | | |
| - Term loans | 123,752 | 295,694 | 419,446 |
| - Revolving credits | 199,731 | - | 199,731 |
| - Fixed rate medium term notes | 41,152 | 24,729 | 65,881 |
| - Bank overdrafts | 5,359 | - | 5,359 |
| | <u>369,994</u> | <u>320,423</u> | <u>690,417</u> |
| Unsecured: | | | |
| - Revolving credits | 7,954 | - | 7,954 |
| - Bankers' acceptances | 5,839 | - | 5,839 |
| - Trust receipts | 74 | - | 74 |
| | <u>13,867</u> | <u>-</u> | <u>13,867</u> |
| | <u>383,861</u> | <u>320,423</u> | <u>704,284</u> |



NOTES TO THE INTERIM FINANCIAL REPORT

20 CAPITAL COMMITMENTS

30.06.2015
RM'000

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

Approved and contracted for

522

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 changes in contingent liabilities and assets since the last financial year ended 31 March 2015.

22 DERIVATIVES AND FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

(a) There were no derivatives as at 30 June 2015.

(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 PER SHARE ("EPS")

| | | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|------------|-----------------------|-------------|-----------------------|-------------|
| | | 30.06.2015 | 30.06.2014 | 30.06.2015 | 30.06.2014 |
| (a) Basic EPS: | | | | | |
| Profit for the period attributable to ordinary equity holders of the Company | (RM'000) | 9,437 | 6,876 | 9,437 | 6,876 |
| Weighted average number of ordinary shares in issue | (unit'000) | 1,274,816 | 1,145,057 | 1,274,816 | 1,145,057 |
| Basic EPS | (sen) | <u>0.74</u> | <u>0.60</u> | <u>0.74</u> | <u>0.60</u> |

Basic EPS for the current quarter and financial period are calculated by dividing the net profit 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.



NOTES TO THE INTERIM FINANCIAL REPORT

24 EPS (CONT'D)

| | | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|------------|-----------------------|------------|-----------------------|------------|
| | | 30.06.2015 | 30.06.2014 | 30.06.2015 | 30.06.2014 |
| (b) Diluted EPS: | | | | | |
| Profit for the period attributable to ordinary equity holders of the Company | (RM'000) | 9,437 | 6,876 | 9,437 | 6,876 |
| Weighted average number of ordinary shares in issue | (unit'000) | 1,274,816 | 1,145,057 | 1,274,816 | 1,145,057 |
| Effects of dilution of: | | | | | |
| ESOS | (unit'000) | 24,028 | - | 24,028 | - |
| Redeemable convertible non-cumulative preference shares ("RCPS") | (unit'000) | - | 469,437 | - | 469,437 |
| Adjusted weighted average number of ordinary shares in issue | (unit'000) | 1,298,844 | 1,614,494 | 1,298,844 | 1,614,494 |
| Diluted EPS | (sen) | 0.73 | 0.43 | 0.73 | 0.43 |

Diluted EPS are calculated by dividing the net profit attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares adjusted for dilutive effects of ESOS and RCPS respectively.



NOTES TO THE INTERIM FINANCIAL REPORT

24 EPS (CONT'D)

(b) Diluted EPS (CONT'D):

The ESOS options are anti-dilutive for the corresponding quarter and financial period ended 30 June 2014 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.

25 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

| | 30.06.2015 | |
|------------------------------|---------------------------------------|------------------------------|
| | Carrying amount RM'000 | Fair value RM'000 |
| Financial assets | | |
| Loans and receivables | <u>1,114,984</u> | <u>1,109,713</u> |
| Financial liabilities | | |
| Borrowings - MTNs | <u>65,881</u> | <u>67,537</u> |



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

Interim Financial Report
for 1st Quarter Ended 30 June 2015

NOTES TO THE INTERIM FINANCIAL REPORT

26 DISCLOSURE OF REALISED AND UNREALISED PROFITS

The breakdown of the retained earnings of the Group as at 30 June 2015 pursuant to BMSB's directive dated 20 December 2010, is as follows:

| | INDIVIDUAL QUARTER | |
|---------------------------------------|---------------------------|-------------------|
| | 30.06.2015 | 31.03.2015 |
| | RM'000 | RM'000 |
| Total retained earnings of the Group: | | |
| - Realised | 343,171 | 334,519 |
| - Unrealised | 16,645 | 15,750 |
| | <u>359,816</u> | <u>350,269</u> |

BY ORDER OF THE BOARD
JOHNSON YAP CHOON SENG
Company Secretary
6 August 2015