



**SUMMARY OF KEY FINANCIAL INFORMATION FOR THE FINANCIAL PERIOD  
ENDED 31 MARCH 2019**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31.03.2019 RM'000	31.03.2018 RM'000	31.03.2019 RM'000	31.03.2018 RM'000
1. Revenue	<b>67,395</b>	63,242	<b>262,570</b>	245,906
2. Profit before tax	<b>33,248</b>	30,073	<b>131,089</b>	117,373
3. Profit for the financial period	<b>23,727</b>	23,022	<b>95,533</b>	88,681
4. Profit attributable to ordinary equity holders of the Parent	<b>23,727</b>	23,022	<b>95,533</b>	88,681
5. Basic earnings per ordinary share (sen)	<b>6.94</b>	6.73	<b>28.02</b>	26.03
6. Proposed/Declared dividend per share (sen)	<b>5.00</b>	4.00	<b>9.00</b>	7.00
		<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 Parent (RM)		1.71		1.52
		<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>
		<b>31.03.2019</b>		<b>31.03.2019</b>
		<b>RM'000</b>		<b>RM'000</b>
		31.03.2018		31.03.2018
		RM'000		RM'000
8. Gross interest income	<b>1,967</b>	1,363	<b>7,984</b>	5,013
9. Gross interest expense	<b>13</b>	16	<b>56</b>	55



**CONDENSED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 MONTHS ENDED	3 MONTHS ENDED	12 MONTHS ENDED	12 MONTHS ENDED
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	RM'000	RM'000	RM'000	RM'000
Interest income	60,205	55,202	234,266	213,535
Other revenue	7,190	8,040	28,304	32,371
Revenue	67,395	63,242	262,570	245,906
Other income	3,866	3,040	15,493	11,715
Interest expense applicable to revenue	(20,069)	(17,896)	(78,019)	(69,313)
Staff costs and directors' remuneration	(4,989)	(5,879)	(21,378)	(22,409)
Allowances for impairment loss on receivables, net	(6,186)	(7,689)	(23,725)	(29,595)
Depreciation of plant and equipment	(474)	(448)	(2,630)	(3,378)
Other expenses	(6,282)	(4,281)	(21,166)	(15,498)
Finance costs	(13)	(16)	(56)	(55)
<b>Profit before tax</b>	<b>33,248</b>	<b>30,073</b>	<b>131,089</b>	<b>117,373</b>
Taxation	(9,521)	(7,051)	(35,556)	(28,692)
<b>Total comprehensive income for the financial period</b>	<b>23,727</b>	<b>23,022</b>	<b>95,533</b>	<b>88,681</b>
<b>Other comprehensive income that may be reclassified subsequently to profit or loss:</b>				
Foreign currency translations	1	-	1	-
Other comprehensive income for the financial period, net of tax	1	-	1	-
<b>Total comprehensive income for the financial period</b>	<b>23,728</b>	<b>23,022</b>	<b>95,534</b>	<b>88,681</b>
<b>Attributable to:</b>				
Owners of the Parent	23,727	23,022	95,533	88,681
<b>Earnings per ordinary share (sen):</b>				
Basic	6.94	6.73	28.02	26.03
Diluted	6.91	6.73	27.95	25.98

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 2018 and the accompanying explanatory notes attached to the interim financial report.

**CONDENSED STATEMENT OF FINANCIAL POSITION**

	AS AT 31.03.2019 RM'000	AS AT 31.03.2018 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Plant and equipment	4,543	6,212
Goodwill on consolidation	47,333	47,333
Loans and receivables	1,447,009	1,384,993
Deferred tax assets	41,977	39,482
<b>Total Non-Current Assets</b>	<b>1,540,862</b>	<b>1,478,020</b>
<b>Current Assets</b>		
Loans and receivables	151,698	139,714
Trade receivables	3,669	3,795
Other receivables, deposits and prepaid expenses	37,536	40,045
Deposits with licensed financial institutions	275,808	169,581
Cash and bank balances	216,570	27,635
<b>Total Current Assets</b>	<b>685,281</b>	<b>380,770</b>
<b>TOTAL ASSETS</b>	<b>2,226,143</b>	<b>1,858,790</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	154,454	44,676
Treasury shares	(19,945)	(13,353)
Reserves	449,007	487,950
<b>Total Equity</b>	<b>583,516</b>	<b>519,273</b>
<b>Non-Current Liabilities</b>		
Payables	718	-
Hire-purchase payables	714	959
Borrowings	1,029,203	981,608
Deferred tax liabilities	164	325
<b>Total Non-Current Liabilities</b>	<b>1,030,799</b>	<b>982,892</b>
<b>Current Liabilities</b>		
Payables and accrued expenses	26,257	33,019
Hire-purchase payables	372	329
Borrowings	575,657	316,882
Tax liabilities	9,542	6,395
<b>Total Current Liabilities</b>	<b>611,828</b>	<b>356,625</b>
<b>Total Liabilities</b>	<b>1,642,627</b>	<b>1,339,517</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,226,143</b>	<b>1,858,790</b>
<b>NET ASSETS PER SHARE (RM)</b>	<b>1.71</b>	<b>1.52</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 2018 and the accompanying explanatory notes attached to the interim financial report.

**CONDENSED STATEMENT OF CHANGES IN EQUITY**

	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Capital Redemption Reserve RM'000	Reserves Employees' Share Scheme RM'000	Exchange Translation Reserve RM'000	Retained Earnings RM'000	Total Reserves RM'000	Total RM'000
<b>As at 1 April 2017</b>	38,064	(13,353)	72,592	30,903	2,127	-	311,028	416,650	441,361
<b>Total comprehensive income</b>	-	-	-	-	-	-	88,681	88,681	88,681
<b>Transactions with owners</b>									
Dividends	-	-	-	-	-	-	(20,488)	(20,488)	(20,488)
Share options granted under Employees' Share Scheme ("ESS")	-	-	-	-	3,107	-	-	3,107	3,107
Issuance of shares pursuant to ESS exercised	6,612	-	-	-	(1,682)	-	1,682	-	6,612
Cancellation of share options	-	-	-	-	(76)	-	76	-	-
Total transactions with owners	6,612	-	-	-	1,349	-	(18,730)	(17,381)	(10,769)
<b>As at 31 March 2018</b>	44,676	(13,353)	72,592	30,903	3,476	-	380,979	487,950	519,273
<b>As at 1 April 2018</b>	44,676	(13,353)	72,592	30,903	3,476	-	380,979	487,950	519,273
Effects of adopting MFRS 9	-	-	-	-	-	-	(6,146)	(6,146)	(6,146)
<b>Restated as at 1 April 2018</b>	44,676	(13,353)	72,592	30,903	3,476	-	374,833	481,804	513,127
<b>Total comprehensive income</b>	-	-	-	-	-	1	95,533	95,534	95,534
<b>Transaction with owners</b>									
Dividends	-	-	-	-	-	-	(27,306)	(27,306)	(27,306)
Share options granted under ESS	-	-	-	-	2,470	-	-	2,470	2,470
Issuance of shares pursuant to ESS exercised	6,283	-	-	-	(1,421)	-	1,421	-	6,283
Cancellation of share options	-	-	-	-	(465)	-	465	-	-
Shares repurchased	-	(6,592)	-	-	-	-	-	-	(6,592)
Transfer arising from "no par value" regime	103,495	-	(72,592)	(30,903)	-	-	-	(103,495)	-
Total transaction with owners	109,778	(6,592)	(72,592)	(30,903)	584	-	(25,420)	(128,331)	(25,145)
<b>As at 31 March 2019</b>	154,454	(19,945)	-	-	4,060	1	444,946	449,007	583,516

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 2018 and the accompanying explanatory notes attached to the interim financial report.

**CONDENSED STATEMENT OF CASH FLOWS**

	<b>CUMULATIVE QUARTER 31.03.2019 RM'000</b>	<b>CUMULATIVE QUARTER 31.03.2018 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	<b>131,089</b>	117,373
Adjustments for:		
Allowances for impairment loss on receivables, net	<b>23,725</b>	29,595
Depreciation of plant and equipment	<b>2,630</b>	3,378
Share options granted	<b>2,470</b>	3,107
Finance costs	<b>56</b>	55
Plant and equipment written off	<b>-</b>	22
Interest income from deposits with licensed financial institutions	<b>(7,984)</b>	(5,013)
Net gain on disposal of plant and equipment	<b>(92)</b>	(141)
Operating profit before working capital changes	<b>151,894</b>	148,376
(Increase)/Decrease in working capital:		
Loans and receivables	<b>(105,968)</b>	(142,661)
Trade receivables	<b>282</b>	1,681
Other receivables, deposits and prepaid expenses	<b>(3,995)</b>	(4,415)
Decrease in working capital:		
Payables and accrued expenses	<b>(3,546)</b>	(11,091)
Cash generated from/(used in) operations	<b>38,667</b>	(8,110)
Taxes paid	<b>(33,160)</b>	(30,151)
Taxes refunded	<b>3,045</b>	562
Net cash generated from/(used in) operating activities	<b>8,552</b>	(37,699)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income from deposits with licensed financial institutions	<b>7,984</b>	5,013
Net proceeds from disposal of plant and equipment	<b>92</b>	168
Additions to plant and equipment	<b>(626)</b>	(1,305)
Net cash generated from investing activities	<b>7,450</b>	3,876

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

	CUMULATIVE QUARTER 31.03.2019 RM'000	CUMULATIVE QUARTER 31.03.2018 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of revolving credits	380,800	697,300
Issuance of Sukuk Murabahah ("Sukuk")	240,000	340,000
Drawdown of term loans	120,000	100,000
Proceeds from issuance of shares	6,283	6,612
Drawdown of other borrowings	3,450	3,031
Repayment of revolving credits	(328,800)	(739,800)
Placements of deposits, cash and bank balances, net:		
- assigned in favour of the trustees	(140,158)	(99,530)
- pledged to licensed financial institutions	(9,457)	(10,017)
Repayment of term loans	(104,820)	(310,870)
Dividends paid	(27,306)	(20,488)
Shares repurchased	(6,592)	-
Repayment of other borrowings	(3,450)	(3,643)
Repayment of hire-purchase payables	(349)	(347)
Finance costs paid	(56)	(55)
Net cash generated from/(used in) financing activities	<u>129,545</u>	<u>(37,807)</u>
Net change in cash and cash equivalents	145,547	(71,630)
Cash and cash equivalents at beginning of financial year	14,204	85,834
Cash and cash equivalents at end of financial year	<u>159,751</u>	<u>14,204</u>
<b>CASH AND CASH EQUIVALENTS AS AT END OF FINANCIAL PERIOD COMPRISE THE FOLLOWING:</b>		
Deposits with licensed financial institutions	275,808	169,581
Cash and bank balances	<u>216,570</u>	<u>27,635</u>
	492,378	197,216
Less: Deposits, cash and bank balances		
- assigned in favour of the trustees	(284,550)	(144,392)
- pledged to licensed financial institutions	<u>(48,077)</u>	<u>(38,620)</u>
	<u>159,751</u>	<u>14,204</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 2018 and the accompanying explanatory notes attached to the interim financial report.

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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**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. The interim financial report also complies with IAS 34 (Interim Financial Reporting) issued by the International Accounting Standards Board. The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2018.

**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 2018, 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 2018:

MFRS 9      Financial Instruments  
MFRS 15     Revenue from Contracts with Customers

Amendments to:

MFRS 2      Share-based Payment - Classification and Measurement of Share-based Payment Transactions

Clarifications to:

MFRS 15     Revenue from Contracts with Customers

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## NOTES TO THE INTERIM FINANCIAL REPORT

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

The adoption of the above standards and amendments does not give rise to any material financial effects to the Group other than the effects and changes as disclosed below:

#### (a) MFRS 9, Financial Instruments (“MFRS 9”)

MFRS 9 replaces MFRS 139, Financial Instruments: Recognition and Measurement (“MFRS 139”) and introduces new requirements for classification and measurement of financial instruments, impairment and disclosure requirements. Retrospective application is required, but restatement of comparative information is not compulsory.

##### (i) Classification and measurement of financial instruments:

MFRS 9 requires financial assets to be classified into three measurement categories: amortised cost, fair value through other comprehensive income and fair value through profit and loss. The classification depends on the entity’s business model for managing its financial instruments and the contractual cash flow characteristics of the instruments.

For financial liabilities, the standard retains most of MFRS 139's requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity’s own credit risk is to be recorded in other comprehensive income rather than profit or loss, unless this creates an accounting mismatch.

The application of the classification and measurement requirements is not expected to have any impact on the financial instruments, other than reclassification of certain financial assets of the Group.

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## NOTES TO THE INTERIM FINANCIAL REPORT

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

#### (a) MFRS 9 (Cont'd)

##### (ii) Impairment:

For loans and receivables, MFRS 9 requirements are based on changes in the expected credit loss (“ECL”) at each reporting date to reflect the changes in credit risk since initial recognition as opposed to an incurred credit loss model under MFRS 139. Accordingly, the ECL allowances which is more forward looking under MFRS 9 is expected to be higher and more volatile than MFRS 139.

For trade receivables, the Group applies the simplified approach under MFRS 9 which requires expected lifetime losses to be recognised from initial recognition.

Upon initial adoption of MFRS 9 on 1 April 2018, an adjustment of RM6.1 million was made to the opening retained earnings of the Group, thereby decreasing the equity and net assets of the Group.

The Group applies a three-stage approach to measure ECL on financial assets measured at amortised cost. Financial assets migrate through the following three stages based on the change in credit quality since initial recognition:

- Stage 1: 12-months ECL - not credit impaired

For financial assets where there have not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised.

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## NOTES TO THE INTERIM FINANCIAL REPORT

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

#### (a) MFRS 9 (Cont'd)

##### (ii) Impairment (Cont'd):

- Stage 2: Lifetime ECL - not credit impaired

For financial assets where there have been a significant increase in credit risk since initial recognition but that are not credit impaired and not originated credit-impaired financial assets, a lifetime ECL is recognised.

- Stage 3: Lifetime ECL - credit impaired

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial assets that have become credit impaired but not originated credit-impaired financial assets, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

##### (iii) Disclosure:

MFRS 9 requires more extensive disclosures and therefore will change the nature and extent of the financial instruments' disclosures of the Group.

**NOTES TO THE INTERIM FINANCIAL REPORT****2 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(a) MFRS 9 (Cont'd)**

As at 1 April 2018, there were no changes to the classification and measurement of financial assets and liabilities except for the following:

<b>Financial assets</b>	<b>Original measurement category under MFRS 139</b>	<b>New measurement category under MFRS 9</b>
Loans and receivables	Loans and receivables	Amortised cost
Trade receivables	Loans and receivables	Amortised cost

The following table summarises the financial effects as at 1 April 2018:

	As at 1 April 2018 RM'000	Effects of MFRS 9 adoption Reclassification and remeasurement RM'000	Impairment RM'000	Restated as at 1 April 2018 RM'000
Effects on:				
Loans and receivables	1,524,707	-	(8,019)	1,516,688
Trade receivables	3,795	-	(68)	3,727
Deferred tax assets	39,482	-	1,941	41,423
Effects on:				
Retained earnings	380,979	-	(6,146)	374,833



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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**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.

**6 CHANGES IN ESTIMATES**

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

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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**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) Issuance of the Sukuk by Zamarad Assets Berhad, a subsidiary of the Company, via a RM2.0 billion Sukuk Murabahah Asset-Backed Securitisation Programme, as follows:

	<b>CURRENT QUARTER RM'000</b>	<b>CUMULATIVE QUARTER RM'000</b>
Issuance of Sukuk	240,000	240,000

Out of the issuance of RM265.0 million Sukuk, RM25.0 million was subscribed internally by a subsidiary of the Company.

- (b) ESS and issuance of shares pursuant to ESS exercised
- (i) the Company granted 8,516,000 options to its eligible employees of the Group at an option price of RM1.37 per share in accordance with the Bylaws of the ESS; and
- (ii) the total number of issued shares of the Company was increased from 355,994,636 to 360,555,536 by way of the issuance of 4,560,900 new ordinary shares pursuant to share options exercised.

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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**7 DEBT AND EQUITY SECURITIES (CONT'D)**

(c) Treasury shares

During the financial year ended 31 March 2019, the Company repurchased 4,674,500 of its issued ordinary shares from the open market. The total consideration paid of RM6,591,651 (including transaction costs) 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 and/or transfer the treasury shares for the purpose of an ESS or as purchase consideration at a later date.

None of the treasury shares repurchased have been sold, cancelled or transferred during the financial year.

As at 31 March 2019, the number of ordinary shares in issue after new ordinary shares issued and deducting the treasury shares is 341,908,311 shares.

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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**8 DIVIDENDS**

	<b>31.03.2019</b>	<b>31.03.2018</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Recognised during the financial year:</b>		
- Final dividend for 2017: 3.00 sen per ordinary share under single-tier system, paid on 20 September 2017 to shareholders whose names appeared in the record of depositors on 7 September 2017	-	10,228
- Interim dividend for 2018: 3.00 sen per ordinary share under single-tier system, paid on 30 January 2018 to shareholders whose names appeared in the record of depositors on 17 January 2018	-	10,260
- Final dividend for 2018: 4.00 sen per ordinary share under single-tier system, paid on 4 October 2018 to shareholders whose names appeared in the record of depositors on 18 September 2018	13,659	-
- Interim dividend for 2019: 4.00 sen per ordinary share under single-tier system, paid on 13 December 2018 to shareholders whose names appeared in the record of depositors on 29 November 2018	13,647	-
	<u>27,306</u>	<u>20,488</u>

A final single-tier dividend of 5.00 sen per ordinary share, amounting to RM17,095,416 in respect of the financial year ended 31 March 2019 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 2020.



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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**9 SEGMENT INFORMATION**

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

	Consumer Financing RM'000	Investment Holding, Management Services & Others RM'000	Group RM'000
<b>Segment Revenue</b>			
Total revenue	261,956	20,975	282,931
Inter-segment revenue	-	(20,361)	(20,361)
External revenue	261,956	614	262,570
<b>Segment Results</b>			
Segment results	132,179	(1,034)	131,145
Finance costs	(56)	-	(56)
Profit/(loss) before tax	132,123	(1,034)	131,089
Taxation	(34,926)	(630)	(35,556)
Profit/(loss) for the financial year	97,197	(1,664)	95,533
Interest income including interest income from deposits with licensed financial institutions	241,740	510	242,250
Interest expense applicable to revenue	78,003	16	78,019
<b>Segment assets</b>	2,173,340	52,803	2,226,143
<b>Segment liabilities</b>	1,641,834	793	1,642,627



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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**10 PROFIT BEFORE TAX**

	<b>INDIVIDUAL QUARTER 31.03.2019 RM'000</b>	<b>CUMULATIVE QUARTER 31.03.2019 RM'000</b>
Interest income including interest income from deposits with licensed financial institutions	62,172	242,250
Allowances for impairment loss on receivables, net	6,186	23,725
Gain on foreign exchange, net:		
- Realised	1	4
- Unrealised	-	-

There were no exceptional items, amortisation, inventories written down and written off, allowance for impairment loss on investment properties, gain or loss on disposal of quoted or unquoted investments or properties and gain or loss on derivatives 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**

On 19 December 2018, the Company announced the incorporation of a wholly-owned subsidiary company, RCE Credit Pte. Ltd., a company incorporated in Singapore with an issued and paid-up share capital of SGD1.00 comprising one (1) ordinary share. The intended principal activity of RCE Credit Pte. Ltd is investment holding.

The incorporation has no material financial effect to the Group.



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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**13 REVIEW OF PERFORMANCE**

	INDIVIDUAL QUARTER				CUMULATIVE QUARTER			
	31.03.2019	31.03.2018	Variance		31.03.2019	31.03.2018	Variance	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	67,395	63,242	4,153	6.6	262,570	245,906	16,664	6.8
Profit before tax	33,248	30,073	3,175	10.6	131,089	117,373	13,716	11.7
Profit for the financial period	23,727	23,022	705	3.1	95,533	88,681	6,852	7.7
Profit attributable to ordinary equity holders of the Parent	23,727	23,022	705	3.1	95,533	88,681	6,852	7.7

The Group's revenue continued to grow healthily from RM63.2 million in the corresponding quarter to RM67.4 million in the current quarter, mainly contributed by higher interest income from stable growth of loan base in its consumer financing segment. Meanwhile, the higher early settlement interest income reported was mitigated by the lower fee income generated in the current quarter.

The Group's pre-tax profit rose from RM30.1 million in the corresponding quarter to RM33.2 million in the current quarter, mainly led by higher net interest income. With this, the Group registered a 10.6% solid increase in its pre-tax profit.

For the financial year ended 31 March 2019, the Group recorded a pre-tax profit of RM131.1 million as compared to RM117.4 million a year ago, largely supported by higher net interest income arising from the enlarged loan base of its consumer loan financing segment.

Accordingly, the Group registered an improvement of 7.7% in its post-tax profit amounting to RM95.5 million for the current financial year.

**NOTES TO THE INTERIM FINANCIAL REPORT****13 REVIEW OF PERFORMANCE (CONT'D)**

The performance of the respective operating business segments for the financial year ended 31 March 2019 as compared to the previous financial year was as follows:

Consumer financing segment

Pre-tax profit was RM132.1 million, representing a growth of 11.6% against RM118.4 million in the previous financial year. This was mainly contributed by higher net interest income arising from the enlarged loan base.

Investment holding, management services and others segment

This segment recorded a pre-tax loss of RM1.0 million, which approximates the previous financial year.

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

	INDIVIDUAL QUARTER			
	31.03.2019	31.12.2018	Variance	
	RM'000	RM'000	RM'000	%
Revenue	67,395	66,976	419	0.6
Profit before tax	33,248	35,475	(2,227)	(6.3)
Profit for the financial period	23,727	25,155	(1,428)	(5.7)
Profit attributable to ordinary equity holders of the Parent	23,727	25,155	(1,428)	(5.7)

The Group registered a lower pre-tax profit of RM33.2 million in the current quarter from RM35.5 million in the preceding quarter, primarily due to higher impairment loss on receivables offset with higher fee income from its consumer financing segment.



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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**15 CURRENT YEAR PROSPECTS**

The Group is expected to report another profitable financial year arising from our focus on asset quality supported by risk-based pricing strategy and active cost management initiatives. On-going process improvements and technological enhancements will continue.

**16 PROFIT FORECAST**

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

**17 TAXATION**

	<b>INDIVIDUAL QUARTER 31.03.2019 RM'000</b>	<b>CUMULATIVE QUARTER 31.03.2019 RM'000</b>
Taxation:		
Current period	8,821	35,116
Under provision in prior year	-	1,155
	<hr/> 8,821	<hr/> 36,271
Deferred taxation:		
Current period	700	(721)
Under provision in prior year	-	6
	<hr/> 700	<hr/> (715)
	<hr/> <hr/> 9,521	<hr/> <hr/> 35,556

The effective tax rate of the Group in the current quarter and financial year is higher than the statutory tax rate due to non-deductibility of certain expenses for taxation purposes.



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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**18 STATUS OF CORPORATE PROPOSAL**

There was no corporate proposal announced or pending completion as at the date of this report.

**19 LOANS AND RECEIVABLES**

	<b>31.03.2019</b> <b>RM'000</b>
Loans and receivables, gross	1,729,097
Less: Allowance for impairment	(130,390)
Loans and receivables, net	<u>1,598,707</u>
Amount receivable within one year	(151,698)
Non-current portion	<u><u>1,447,009</u></u>

The profile of loans and receivables of the Group is as follows:

	<b>31.03.2019</b> <b>RM'000</b>
Performing	1,358,348
1 to 150 days past due but performing	294,996
Non-performing	75,753
	<u><u>1,729,097</u></u>

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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**19 LOANS AND RECEIVABLES (CONT'D)***Loans and receivables that are performing*

Loans and receivables that are performing are neither past due nor impaired, are newly disbursed and/or having months-in-arrear less than a month.

None of these have been renegotiated during the financial year.

*Loans and receivables that are past due but performing*

All loans and receivables that are past due but performing are loans that are under the salary deduction scheme and subject to administrative/technical delay due to logistic considerations.

*Loans and receivables that are non-performing*

The Group's loans and receivables that are non-performing are as follows:

	<b>31.03.2019</b>
	<b>RM'000</b>
Loans and receivables, non-performing	75,753
Less: Allowance for impairment	<u>(75,753)</u>
	<u><u>-</u></u>

There are no loans and receivables arising from transaction with related parties during the financial year.



**NOTES TO THE INTERIM FINANCIAL REPORT**

**19 LOANS AND RECEIVABLES (CONT'D)**

Movement in allowance for impairment:

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Collective</b>	<b>Individual</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>assessment</b>	<b>assessment</b>	<b>RM'000</b>
				<b>RM'000</b>	<b>RM'000</b>	
Balance as at 1 April 2018	-	-	-	52,003	66,679	118,682
Restated for adoption of MFRS 9	46,904	5,099	66,679	(52,003)	(66,679)	-
Effects of adopting MFRS 9	4,022	3,997	-	-	-	8,019
Restated as at 1 April 2018	50,926	9,096	66,679	-	-	126,701
Changes in the ECL:						
- Transfer to stage 1	1,076	(3,225)	(6,449)	-	-	(8,598)
- Transfer to stage 2	(803)	4,795	(4,777)	-	-	(785)
- Transfer to stage 3	(1,579)	(2,485)	46,594	-	-	42,530
Net adjustment of allowance for impairment	(1,306)	(915)	35,368	-	-	33,147
New financial assets originated or purchased	7,198	-	-	-	-	7,198
Financial assets derecognised	(789)	(110)	(1,744)	-	-	(2,643)
Changes in risk parameters	(7,756)	(1,707)	(4,290)	-	-	(13,753)
Written off	-	-	(20,260)	-	-	(20,260)
Balance as at 31 March 2019	48,273	6,364	75,753	-	-	130,390

**NOTES TO THE INTERIM FINANCIAL REPORT****20 GROUP BORROWINGS AND DEBT SECURITIES**

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

	← As at 31.03.2019 →		
	<b>Short Term RM'000</b>	<b>Long Term RM'000</b>	<b>Total RM'000</b>
<b>At amortised cost</b>			
Secured:			
- Sukuk	172,751	832,471	1,005,222
- Term loans	123,232	196,732	319,964
- Revolving credits	279,674	-	279,674
	<u>575,657</u>	<u>1,029,203</u>	<u>1,604,860</u>
	← As at 31.03.2018 →		
	<b>Short Term RM'000</b>	<b>Long Term RM'000</b>	<b>Total RM'000</b>
<b>At amortised cost</b>			
Secured:			
- Sukuk	2,412	764,515	766,927
- Term loans	85,371	217,093	302,464
- Revolving credits	229,099	-	229,099
	<u>316,882</u>	<u>981,608</u>	<u>1,298,490</u>



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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**20 GROUP BORROWINGS AND DEBT SECURITIES (CONT'D)**

The weighted average interest rate of the Group borrowing categories as at 31 March 2019 ranges from 5.1% to 6.3% (31.03.2018: 5.1% to 6.2%) per annum.

The Group borrowings consist of:

	<b>31.03.2019</b>	<b>31.03.2018</b>
	<b>RM'000</b>	<b>RM'000</b>
Fixed rate	1,023,578	787,332
Floating rate	581,282	511,158
	<u>1,604,860</u>	<u>1,298,490</u>

As at 31 March 2019, the Group borrowings stood at RM1.6 billion, an increase of RM306.4 million as compared to RM1.3 billion a year ago. This included first issuance of the Group's new RM2.0 billion Sukuk Murabahah Asset-Backed Securitisation Programme amounting to RM240.0 million on 27 March 2019.

The proceeds from the Sukuk issuance were utilised for working capital purposes and repayment of short term borrowings.

Meanwhile, the positive response garnered by our RM2.0 billion Sukuk Murabahah Asset-Backed Securitisation ("ABS") Programme and the recent upgrading of RM900.0 million ABS Programme for the existing 5 tranches by RAM Ratings Services Berhad demonstrate our commitment in actively managing our loans portfolio.



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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**21 CAPITAL COMMITMENTS**

**31.03.2019**  
**RM'000**

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

Approved and contracted for

1,129

**22 CHANGES IN CONTINGENT LIABILITIES AND ASSETS**

There were no changes in contingent liabilities and assets since the last financial year ended 31 March 2018.

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

- (a) There were no derivatives as at 31 March 2019.
- (b) There were no fair value gain/(loss) on fair value changes of financial liabilities as all financial liabilities were measured at amortised cost.

**24 CHANGES IN MATERIAL LITIGATION**

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



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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**25 EARNINGS PER SHARE ("EPS")**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		31.03.2019	31.03.2018	31.03.2019	31.03.2018
<b>(a) Basic EPS:</b>					
Profit for the period attributable to ordinary equity holders of the Parent	(RM'000)	23,727	23,022	95,533	88,681
Weighted average number of ordinary shares in issue	(unit'000)	341,756	341,970	340,888	340,703
Basic EPS	(sen)	<u>6.94</u>	<u>6.73</u>	<u>28.02</u>	<u>26.03</u>

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

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



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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**25 EPS (CONT'D)**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		31.03.2019	31.03.2018	31.03.2019	31.03.2018
<b>(b) Diluted EPS:</b>					
Profit for the period attributable to ordinary equity holders of the Parent	(RM'000)	23,727	23,022	95,533	88,681
Weighted average number of ordinary shares in issue	(unit'000)	341,756	341,970	340,888	340,703
Effects of dilution of ESS	(unit'000)	1,532	164	957	672
Adjusted weighted average number of ordinary shares in issue	(unit'000)	343,288	342,134	341,845	341,375
Diluted EPS	(sen)	6.91	6.73	27.95	25.98

Diluted EPS are calculated by dividing the net profit attributable to ordinary equity holders of the Parent by the weighted average number of ordinary shares adjusted for dilutive effects of ESS.



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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**26 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>31.03.2019</b>	
	<b>Carrying amount RM'000</b>	<b>Fair value RM'000</b>
<b>Financial assets</b>		
Loans and receivables	<u>1,598,707</u>	<u>1,621,574</u>
<b>Financial liabilities</b>		
Borrowings - Sukuk	<u>1,005,222</u>	<u>1,055,696</u>

**BY ORDER OF THE BOARD**  
**JOHNSON YAP CHOON SENG**  
Company Secretary  
28 May 2019