



SUMMARY OF KEY FINANCIAL INFORMATION FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2014

	INDIVIDUAL QUARTER		9 MONTHS ENDED	
	31.12.2014 RM'000	31.12.2013 RM'000	31.12.2014 RM'000	31.12.2013 RM'000
1. Revenue	33,540	29,676	96,302	100,310
2. Profit/(Loss) before tax	13,596	16,467	29,766	(4,359)
3. Profit/(Loss) for the financial period	12,520	14,872	25,041	(2,507)
4. Profit/(Loss) attributable to ordinary equity holders of the Company ¹	3,131	5,483	15,652	(11,896)
5. Basic earnings/(loss) per ordinary share (sen)	0.27	0.47	1.36	(1.02)
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)		0.50	0.55	
	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31.12.2014 RM'000	31.12.2013 RM'000	31.12.2014 RM'000	31.12.2013 RM'000
8. Gross interest income	465	2,226	3,108	7,619
9. Gross interest expense	7	11	21	31

¹ 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	
	3 MONTHS ENDED	3 MONTHS ENDED	9 MONTHS ENDED	9 MONTHS ENDED
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	RM'000	RM'000	RM'000	RM'000
Revenue	33,540	29,676	96,302	100,310
Other income	2,843	3,937	9,189	12,609
Interest expense applicable to revenue	(7,094)	(9,272)	(22,251)	(30,782)
Staff costs and directors' remuneration	(3,639)	(3,559)	(12,659)	(11,651)
Depreciation of plant and equipment and investment properties	(711)	(450)	(2,026)	(1,377)
Other expenses	(11,336)	(3,854)	(38,768)	(73,437)
Finance costs	(7)	(11)	(21)	(31)
Profit/(Loss) before tax	13,596	16,467	29,766	(4,359)
Taxation	(1,076)	(1,595)	(4,725)	1,852
Total comprehensive income/(loss) for the financial period	12,520	14,872	25,041	(2,507)
Attributable to:				
Owners of the Company	12,520	14,872	25,041	(2,507)
Earnings/(Loss) per ordinary share:				
Basic (sen)	0.27	0.47	1.36	(1.02)
Diluted (sen)	0.27	0.47	1.36	(1.02)

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 2014 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED STATEMENT OF FINANCIAL POSITION

	AS AT 31.12.2014 RM'000	AS AT 31.03.2014 RM'000
ASSETS		
Non-Current Assets		
Plant and equipment	11,452	10,516
Investment properties	2,498	2,543
Goodwill on consolidation	47,666	28,677
Loans and receivables	892,674	786,156
Trade receivables	-	1,565
Deferred tax assets	17,810	21,898
Total Non-Current Assets	972,100	851,355
Current Assets		
Loans and receivables	141,361	138,830
Trade receivables	22,620	19,576
Other receivables, deposits and prepaid expenses	23,648	16,355
Deposits with licensed financial institutions	55,537	288,310
Cash and bank balances	1,685	2,771
Total Current Assets	244,851	465,842
TOTAL ASSETS	1,216,951	1,317,197
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital		
- Ordinary shares	133,359	117,359
- Redeemable convertible non-cumulative preference shares ("RCPS")	30,944	46,944
Treasury shares	(15,110)	(4,580)
Reserves	524,963	525,527
Total Equity	674,156	685,250
Non-Current Liabilities		
Hire-purchase payables	180	404
Borrowings	305,939	360,627
Deferred tax liabilities	1,354	30,577
Total Non-Current Liabilities	307,473	391,608
Current Liabilities		
Payables and accrued expenses	24,601	14,065
Hire-purchase payables	212	233
Borrowings	186,303	221,707
Tax liabilities	24,206	4,334
Total Current Liabilities	235,322	240,339
Total Liabilities	542,795	631,947
TOTAL EQUITY AND LIABILITIES	1,216,951	1,317,197
NET ASSETS PER SHARE (RM)	0.50	0.55

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 2014 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		
As at 1 April 2013	117,359	46,944	164,303	(2)	149,570	5,221	385,160	539,951	704,252
Total comprehensive loss	-	-	-	-	-	-	(2,507)	(2,507)	(2,507)
Transactions with owners									
Dividends	-	-	-	-	-	-	(26,937)	(26,937)	(26,937)
Cancellation of share options	-	-	-	-	-	(281)	281	-	-
Share repurchased	-	-	-	(2,245)	-	-	-	-	(2,245)
Total transactions with owners	-	-	-	(2,245)	-	(281)	(26,656)	(26,937)	(29,182)
As at 31 December 2013	117,359	46,944	164,303	(2,247)	149,570	4,940	355,997	510,507	672,563
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	-	-	-	-	-	-	25,041	25,041	25,041
Transactions with owners									
Dividends	-	-	-	-	-	-	(26,444)	(26,444)	(26,444)
Share options granted under Employees' Share Option Scheme ("ESOS")	-	-	-	-	-	839	-	839	839
Cancellation of share options	-	-	-	-	-	(171)	171	-	-
Share repurchased	-	-	-	(10,530)	-	-	-	-	(10,530)
Issuance of shares pursuant to conversion of RCPS	16,000	(16,000)	-	-	-	-	-	-	-
Total transactions with owners	16,000	(16,000)	-	(10,530)	-	668	(26,273)	(25,605)	(36,135)
As at 31 December 2014	133,359	30,944	164,303	(15,110)	149,570	5,452	369,941	524,963	674,156

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 2014 and the accompanying explanatory notes attached to the interim financial report.



CONDENSED STATEMENT OF CASH FLOWS

	CUMULATIVE QUARTER 31.12.2014 RM'000	CUMULATIVE QUARTER 31.12.2013 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	29,766	(4,359)
Adjustments for:		
Allowance for impairment loss on receivables, net	20,690	64,878
Loss on early redemption of Asset-Backed Securities ("ABS")	7,285	-
Depreciation of plant and equipment and investment properties	2,026	1,377
Share options granted under ESOS	839	-
Amortisation of discount on Fixed Rate Medium Term Notes ("MTNs")	365	497
Finance costs	21	31
Plant and equipment written off	3	-
Interest income	(3,108)	(7,619)
Gain on disposal of plant and equipment	(2)	(32)
Operating profit before working capital changes	<u>57,885</u>	<u>54,773</u>
(Increase)/Decrease in working capital:		
Loans and receivables	(126,164)	(43,735)
Trade receivables	(5,054)	(3,066)
Other receivables, deposits and prepaid expenses	(4,217)	2,671
Increase/(Decrease) in working capital:		
Payables and accrued expenses	5,874	(4,692)
Cash (used in)/generated from operations	<u>(71,676)</u>	<u>5,951</u>
Taxes paid	(13,109)	(14,703)
Taxes refunded	-	516
Net cash used in operating activities	<u>(84,785)</u>	<u>(8,236)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	3,108	7,619
Proceeds from disposal of plant and equipment	90	182
Acquisition of subsidiary companies, net	(16,590)	-
Additions to plant and equipment	(3,511)	(3,894)
Net cash (used in)/generated from investing activities	<u>(16,903)</u>	<u>3,907</u>



CONDENSED STATEMENT OF CASH FLOWS (CONT'D)

	CUMULATIVE QUARTER 31.12.2014 RM'000	CUMULATIVE QUARTER 31.12.2013 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of revolving credits	245,690	176,100
Withdrawal of deposits and cash and bank balances, net:		
- assigned in favour of the trustees	245,116	5,274
- pledged to licensed financial institutions	1,510	9,076
Drawdown of term loans	75,620	-
Drawdown of other borrowings	29,017	37,802
Repayment of revolving credits	(234,342)	(151,280)
Redemption of ABS	(142,285)	(30,000)
Dividends paid	(26,444)	(26,937)
Repayment of other borrowings	(28,534)	(37,023)
Redemption of MTNs	(30,000)	(20,000)
Share repurchased	(10,530)	(2,245)
Repayment of term loans	(10,097)	(69,183)
Repayment of hire-purchase payables	(245)	(347)
Finance costs paid	(21)	(31)
Net cash generated from/(used in) financing activities	<u>114,455</u>	<u>(108,794)</u>
Net change in cash and cash equivalents	12,767	(113,123)
Cash and cash equivalents at beginning of financial period	17,749	124,773
Cash and cash equivalents at end of financial period	<u>30,516</u>	<u>11,650</u>

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

Deposits with licensed financial institutions	55,537	285,012
Cash and bank balances	1,685	6,817
	<u>57,222</u>	<u>291,829</u>
Less: Deposits and cash and bank balances		
- assigned in favour of the trustees	(19,144)	(270,354)
- pledged to licensed financial institutions	(7,562)	(9,825)
	<u>30,516</u>	<u>11,650</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 2014 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 2014.

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 2014, except for the adoption of the following amendments to published standards, standards and interpretation to existing standards which are effective for the financial period commencing 1 April 2014:

Amendments to:

MFRS 10	:	Consolidated Financial Statements - Investment Entities
MFRS 12	:	Disclosure of Interests in Other Entities - Investment Entities
MFRS 127	:	Separate Financial Statements (2011) - Investment Entities
MFRS 132	:	Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities
MFRS 136	:	Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets
MFRS 139	:	Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting

IC interpretation 21 : Levies

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



NOTES TO THE INTERIM FINANCIAL REPORT

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 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 following:

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

	CURRENT QUARTER RM'000	CUMULATIVE QUARTER RM'000
Early redemption of ABS	-	105,000
Redemption of ABS upon maturity	-	30,000



NOTES TO THE INTERIM FINANCIAL REPORT

7 DEBT AND EQUITY SECURITIES (CONT'D)

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

	CURRENT QUARTER RM'000	CUMULATIVE QUARTER RM'000
Redemption of MTNs upon maturity	15,000	30,000

- (c) During the financial period, the Company repurchased 32,784,300 of its issued ordinary shares of RM0.10 each from the open market. The total consideration paid (including transaction costs) of RM10,529,484 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.

- (d) Employees' Share Option Scheme ("ESOS")

During the financial period, the Company granted 18,639,000 options to its eligible employees of the Group under ESOS at a subscription price of RM0.32 per share in accordance to the Bylaws of the ESOS. Each option entitles the option holder to subscribe for 1.5 new ordinary shares of the Company.

- (e) Issuance of shares pursuant to conversion of redeemable convertible non-cumulative preference shares ("RCPS")

During the financial period, the issued and paid-up share capital of the Company increased from RM117,359,249 to RM133,359,249 by way of the issuance of 160,000,000 ordinary shares of RM0.10 each pursuant to the conversion of 160,000,000 RCPS of RM0.10 each to ordinary shares.

Accordingly, the Company became a subsidiary company of Cempaka Empayar Sdn Bhd ("Cempaka"). The directors regard Amcorp Group Berhad as the intermediate holding company and Clear Goal Sdn Bhd as the ultimate holding company, both of which are companies incorporated in Malaysia.



NOTES TO THE INTERIM FINANCIAL REPORT

8 DIVIDENDS

	31.12.2014	31.12.2013
	RM'000	RM'000
Recognised during the financial period:		
- Preference share dividend:		
20.0% (2.00 sen) on 469,436,998 RCPS, paid on 4 December 2014 to RCPS holders whose names appear in the record of depositors on 27 November 2014	9,389	-
20.0% (2.00 sen) on 469,436,998 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 2014:		
15.0% (1.50 sen) under single-tier system on 1,137,025,595 ordinary shares, paid on 1 October 2014 to shareholders whose names appear in the record of depositors on 18 September 2014	17,055	-
- 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
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	26,444	26,937

No ordinary share dividend has been recommended by the directors for the financial period ended 31 December 2014.



NOTES TO THE INTERIM FINANCIAL REPORT

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	92,620	81,440	2,825	176,885
Inter-segment revenue	(60)	(80,523)	-	(80,583)
External revenue	92,560	917	2,825	96,302
Segment Results				
Segment results	35,752	(2,090)	(3,875)	29,787
Finance costs	(18)	-	(3)	(21)
Profit/(Loss) before tax	35,734	(2,090)	(3,878)	29,766
Taxation	(4,634)	(974)	883	(4,725)
Profit/(Loss) for the financial period	31,100	(3,064)	(2,995)	25,041
Interest income including investment income	95,485	179	1,792	97,456
Interest expense applicable to revenue	(21,600)	(210)	(441)	(22,251)



NOTES TO THE INTERIM FINANCIAL REPORT

10 PROFIT/(LOSS) BEFORE TAX

	INDIVIDUAL QUARTER 31.12.2014 RM'000	CUMULATIVE QUARTER 31.12.2014 RM'000
Interest income including investment income	33,339	97,456
Allowance for impairment loss on receivables, net	6,878	20,690
Amortisation of discount on MTNs	111	365
Gain on foreign exchange, net:		
- Realised	5	10
- 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.



NOTES TO THE INTERIM FINANCIAL REPORT

12 CHANGES IN THE COMPOSITION OF THE GROUP

On 14 October 2014, the Company announced that it had entered into a share sale and purchase agreement to acquire 100% equity interest in Strategi Interaksi Sdn Bhd ("SISB") comprising a total of 10,000 ordinary shares of RM1.00 each for a total cash consideration of RM20,000 ("Acquisition"). SISB directly owns the entire equity interest of EXP Payment Sdn Bhd ("EXP") comprising 1,800,000 ordinary shares of RM1.00 each.

The acquisition is not expected to have any material effect on the gearing, earnings per share and net assets per share of the Group for the financial year ending 31 March 2015.

On completion of the Acquisition on even date, SISB became a wholly-owned subsidiary of the Company.

The cost of acquisition consisted of the following:

	RM'000
Purchase consideration satisfied by cash	<u>20</u>

The acquired subsidiary companies have contributed the following results to the Group:

	INDIVIDUAL QUARTER RM'000	CUMULATIVE QUARTER RM'000
Revenue	158	158
Profit for the financial period	<u>112</u>	<u>112</u>

Had the acquisition occurred on 1 April 2014, the Group's revenue and profit for the financial period ended 31 December 2014 would have been RM96.5 million and RM25.2 million respectively.



NOTES TO THE INTERIM FINANCIAL REPORT

12 CHANGES IN THE COMPOSITION OF THE GROUP (CONT'D)

The assets and liabilities arising from the acquisition are as follows:

	RM'000
Deposits with licensed financial institution	2,285
Cash and bank balances	315
Borrowings	(19,170)
Payables and accrued expenses	(2,355)
Tax liabilities	(44)
Fair value of total net liabilities	<u>(18,969)</u>
Group's share of net liabilities	(18,969)
Goodwill on acquisition	18,989
Total cost of acquisition	<u>20</u>

The cash outflow on acquisition is as follows:

	RM'000
Purchase consideration satisfied by cash	(20)
Cash and cash equivalents of subsidiary company acquired	2,600
Term loan of subsidiary company assumed	(19,170)
Net cash outflow of the Group	<u>(16,590)</u>



NOTES TO THE INTERIM FINANCIAL REPORT

13 REVIEW OF PERFORMANCE

For the current quarter ended 31 December 2014, the Group posted revenue of RM33.5 million as compared to RM29.7 million in the corresponding quarter. The increase was primarily due to higher interest income by RM4.1 million from the loan financing segment arising from higher loan base.

Nevertheless, higher loan impairment by RM6.6 million offset with higher revenue by RM3.9 million resulted in a lower pre-tax-profit of RM13.6 million during the quarter under review as compared to the corresponding quarter of RM16.5 million.

Notwithstanding the above, the Group registered a pre-tax profit of RM29.8 million for the nine months financial period ended 31 December 2014 as compared to a pre-tax loss of RM4.4 million in the corresponding period. This was contributed primarily by lower loan impairment by RM44.2 million as a result of close monitoring of our loans portfolio offset with a RM7.3 million loss on early redemption of ABS bonds.

Accordingly, the Group recorded a post-tax profit of RM25.0 million as compared to a loss of RM2.5 million in the corresponding period.

The performance of the respective operating business segments for the nine months financial period ended 31 December 2014 as compared to the corresponding period was as follows:

Loan financing segment

Pre-tax profit for the segment was RM35.7 million against a pre-tax loss of RM1.7 million in the corresponding period. This was mainly attributable to lower loan impairment by RM47.2 million offset with RM7.3 million loss on early redemption of ABS bonds and RM3.1 million lower interest income.

Investment holding and management services segment

Pre-tax loss for this segment improved from RM2.7 million to RM2.1 million mainly due to lower staff costs.



NOTES TO THE INTERIM FINANCIAL REPORT

13 REVIEW OF PERFORMANCE (CONT'D)

Factoring, confirming and industrial hire purchase segment

This segment recorded a pre-tax loss of RM3.9 million. This was mainly due to higher loan impairment by RM3.0 million coupled with lower factoring and confirming income by RM0.8 million.

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

The Group recorded a higher pre-tax profit of RM13.6 million for the third quarter ended 31 December 2014 as compared to the preceding quarter of RM7.5 million. This was mainly due to RM4.7 million loss on early redemption of ABS bonds in the preceding quarter.

15 CURRENT YEAR PROSPECTS

The Group remains focused on serving the existing market for its personal financing segment. With the strengthening of its operational and risk management infrastructure including further refinements in its credit criteria, the Group is expected to improve its loan quality portfolio. Accordingly, loan disbursements are expected to continue to grow moderately.

As for factoring, confirming and industrial hire purchase segment, the Group remains conservative on its performance given the moderation in the momentum for business loans.

Barring any unforeseen circumstances, the Group expects the financial performance for the remaining quarter of the financial year ending 31 March 2015 to be 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 31.12.2014 RM'000	CUMULATIVE QUARTER 31.12.2014 RM'000
Taxation:		
Current period	(9,513)	(31,942)
Overprovision in prior year	2,082	2,082
	<u>(7,431)</u>	<u>(29,860)</u>
Deferred taxation:		
Current period	10,020	28,800
Underprovision in prior year	(3,665)	(3,665)
	<u>6,355</u>	<u>25,135</u>
	<u>(1,076)</u>	<u>(4,725)</u>

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

There were no corporate proposals announced but not completed as at the date of this report, except for the announcement that the Company will undertake an early full redemption of all outstanding RCPS on 25 February 2015 at the redemption price of RM0.38 per RCPS which equals to the issue price of the RCPS in accordance with provisions of Article 7A of the Company's Article of Association as per notice dated 26 January 2015.



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 December 2014 are as follows:

	Short Term RM'000	Long Term RM'000	Total RM'000
At amortised cost			
Secured:			
- Term loans	18,521	261,381	279,902
- Revolving credits	118,365	-	118,365
- Fixed rate medium term notes	31,306	44,558	75,864
- Bank overdrafts	4,922	-	4,922
	<u>173,114</u>	<u>305,939</u>	<u>479,053</u>
Unsecured:			
- Bankers' acceptances	9,930	-	9,930
- Revolving credits	3,259	-	3,259
	<u>13,189</u>	<u>-</u>	<u>13,189</u>
	<u>186,303</u>	<u>305,939</u>	<u>492,242</u>



NOTES TO THE INTERIM FINANCIAL REPORT

20 CAPITAL COMMITMENTS

31.12.2014
RM'000

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

Approved and contracted for

644

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 2014.

22 DERIVATIVES AND FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

(a) There were no derivatives as at 31 December 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.



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

Interim Financial Report
for 3rd Quarter Ended 31 December 2014

NOTES TO THE INTERIM FINANCIAL REPORT

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

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		31.12.2014	31.12.2013	31.12.2014	31.12.2013
(a) Basic EPS/(LPS):					
Profit/(Loss) for the period attributable to owners of the Company	(RM'000)	12,520	14,872	25,041	(2,507)
Preference share dividends on RCPS	(RM'000)	(9,389)	(9,389)	(9,389)	(9,389)
Profit/(Loss) for the period attributable to ordinary equity holders of the Company	(RM'000)	3,131	5,483	15,652	(11,896)
Weighted average number of ordinary shares in issue	(unit'000)	1,167,056	1,167,639	1,149,700	1,170,893
Basic EPS/(LPS)	(sen)	0.27	0.47	1.36	(1.02)

Basic EPS/(LPS) for the current quarter and financial period 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.



NOTES TO THE INTERIM FINANCIAL REPORT

24 EPS/(LPS) (CONT'D)**(b) Diluted EPS:**

The Group has no dilution in its EPS in the current quarter and the corresponding quarter.

The incremental shares from assumed conversions of the RCPS are not included in the calculation of diluted EPS as they are anti-dilutive.

The Employees' Share Option Scheme ("ESOS") options are anti-dilutive 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:

	31.12.2014	
	Carrying amount RM'000	Fair value RM'000
Financial assets		
Loans and receivables	<u>1,034,035</u>	<u>1,090,770</u>
Financial liabilities		
Borrowings		
- MTNs	<u>75,864</u>	<u>78,467</u>



NOTES TO THE INTERIM FINANCIAL REPORT

26 DISCLOSURE OF REALISED AND UNREALISED PROFITS

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

	INDIVIDUAL QUARTER	
	31.12.2014	31.03.2014
	RM'000	RM'000
Total retained earnings of the Group:		
- Realised	353,485	379,852
- Unrealised	16,456	(8,679)
	<u>369,941</u>	<u>371,173</u>

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

Following the conversion of 160,000,000 RCPS into 160,000,000 ordinary shares of RM0.10 each in the Company by Cempaka on 10 December 2014, the shareholdings of Cempaka had exceeded 50% of voting shares in the Company. The new ordinary shares were listed on 15 December 2014.

Consequently, the approval from the Securities Commission Malaysia, vide its letter dated 1 October 2012, on the exemption for Cempaka and persons acting in concert with Cempaka 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 is no longer relevant.

BY ORDER OF THE BOARD
JOHNSON YAP CHOON SENG
Company Secretary
9 February 2015