



**SUMMARY OF KEY FINANCIAL INFORMATION FOR THE FINANCIAL PERIOD  
ENDED 31 MARCH 2016**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31.03.2016 RM'000	31.03.2015 RM'000	31.03.2016 RM'000	31.03.2015 RM'000
1. Revenue	<b>44,302</b>	34,884	<b>162,386</b>	131,186
2. Profit before tax	<b>11,101</b>	15,963	<b>54,183</b>	45,729
3. Profit for the financial period	<b>6,916</b>	11,164	<b>39,571</b>	36,205
4. Profit attributable to ordinary equity holders of the Parent <sup>1</sup>	<b>6,916</b>	11,164	<b>39,571</b>	26,816
5. Basic earnings per ordinary share (sen)	<b>0.53</b>	0.87	<b>3.08</b>	2.27
6. Proposed/Declared dividend per share (sen)	<b>3.50</b>	<b>1.50</b>	<b>14.00</b>	<b>1.50</b>
		<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)		0.35		0.44

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31.03.2016 RM'000	31.03.2015 RM'000	31.03.2016 RM'000	31.03.2015 RM'000
8. Gross interest income	<b>675</b>	418	<b>2,131</b>	3,526
9. Gross interest expense	<b>4</b>	4	<b>18</b>	25

<sup>1</sup> The profit attributable to ordinary equity holders of the Parent for the financial year ended 31 March 2015 was after taking into consideration the preference share dividend paid as in Note 8 attached to the interim financial report.



**CONDENSED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 MONTHS ENDED	3 MONTHS ENDED	12 MONTHS ENDED	12 MONTHS ENDED
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	RM'000	RM'000	RM'000	RM'000
Revenue	44,302	34,884	162,386	131,186
Other income	2,700	2,358	11,853	11,547
Interest expense applicable to revenue	(12,989)	(8,107)	(47,856)	(30,358)
Staff costs and directors' remuneration	(3,358)	(4,763)	(15,635)	(17,422)
Depreciation of plant and equipment and investment properties	(964)	(1,039)	(3,898)	(3,065)
Other expenses	(18,586)	(7,366)	(52,649)	(46,134)
Finance costs	(4)	(4)	(18)	(25)
<b>Profit before tax</b>	<b>11,101</b>	15,963	<b>54,183</b>	45,729
Taxation	(4,185)	(4,799)	(14,612)	(9,524)
<b>Total comprehensive income for the financial period</b>	<b>6,916</b>	11,164	<b>39,571</b>	36,205
<b>Attributable to:</b>				
Owners of the Parent	<b>6,916</b>	11,164	<b>39,571</b>	36,205
<b>Earnings per ordinary share:</b>				
Basic/Diluted (sen)	<b>0.53</b>	0.87	<b>3.08</b>	2.27

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 31.03.2016 RM'000	AS AT 31.03.2015 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Plant and equipment	8,367	10,929
Investment properties	-	2,482
Goodwill on consolidation	47,333	47,666
Loans and receivables	1,108,333	920,162
Deferred tax assets	33,031	17,660
<b>Total Non-Current Assets</b>	<b>1,197,064</b>	<b>998,899</b>
<b>Current Assets</b>		
Loans and receivables	152,109	149,755
Trade receivables	8,267	17,885
Other receivables, deposits and prepaid expenses	24,542	16,817
Asset held for sale	1,024	-
Deposits with licensed financial institutions	153,005	40,576
Cash and bank balances	14,580	11,012
<b>Total Current Assets</b>	<b>353,527</b>	<b>236,045</b>
<b>TOTAL ASSETS</b>	<b>1,550,591</b>	<b>1,234,944</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	136,381	133,400
Treasury shares	(20,166)	(16,784)
Reserves	340,322	449,598
<b>Total Equity</b>	<b>456,537</b>	<b>566,214</b>
<b>Non-Current Liabilities</b>		
Hire-purchase payables	247	177
Borrowings	511,634	336,145
Deferred tax liabilities	1,207	1,910
<b>Total Non-Current Liabilities</b>	<b>513,088</b>	<b>338,232</b>
<b>Current Liabilities</b>		
Payables and accrued expenses	44,013	27,523
Hire-purchase payables	137	125
Borrowings	517,684	295,550
Tax liabilities	19,132	7,300
<b>Total Current Liabilities</b>	<b>580,966</b>	<b>330,498</b>
<b>Total Liabilities</b>	<b>1,094,054</b>	<b>668,730</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,550,591</b>	<b>1,234,944</b>
<b>NET ASSETS PER SHARE (RM)</b>	<b>0.35</b>	<b>0.44</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 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
<b>As at 1 April 2014</b>	117,359	46,944	164,303	(4,580)	149,570	-	4,784	371,173	525,527	685,250
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	36,205	36,205	36,205
<b>Transactions with owners</b>										
Dividends	-	-	-	-	-	-	-	(26,444)	(26,444)	(26,444)
Share options granted under Employees' Share Option Scheme ("ESOS")	-	-	-	-	-	-	839	-	839	839
Issuance of shares pursuant to redeemable convertible non-cumulative preference shares ("RCPS") conversion	16,041	(16,041)	-	-	-	-	-	-	-	-
RCPS redemption	-	(30,903)	(30,903)	-	(86,529)	-	-	-	(86,529)	(117,432)
Creation of capital redemption reserve upon RCPS redemption	-	-	-	-	-	30,903	-	(30,903)	-	-
Cancellation of share options	-	-	-	-	-	-	(238)	238	-	-
Shares repurchased	-	-	-	(12,204)	-	-	-	-	-	(12,204)
<b>Total transactions with owners</b>	<b>16,041</b>	<b>(46,944)</b>	<b>(30,903)</b>	<b>(12,204)</b>	<b>(86,529)</b>	<b>30,903</b>	<b>601</b>	<b>(57,109)</b>	<b>(112,134)</b>	<b>(155,241)</b>
<b>As at 31 March 2015</b>	<b>133,400</b>	<b>-</b>	<b>133,400</b>	<b>(16,784)</b>	<b>63,041</b>	<b>30,903</b>	<b>5,385</b>	<b>350,269</b>	<b>449,598</b>	<b>566,214</b>
<b>As at 1 April 2015</b>	<b>133,400</b>	<b>-</b>	<b>133,400</b>	<b>(16,784)</b>	<b>63,041</b>	<b>30,903</b>	<b>5,385</b>	<b>350,269</b>	<b>449,598</b>	<b>566,214</b>
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	39,571	39,571	39,571
<b>Transactions with owners</b>										
Dividends	-	-	-	-	-	-	-	(153,918)	(153,918)	(153,918)
Issuance of shares pursuant to ESOS exercised	2,981	-	2,981	-	5,071	-	(3,186)	3,186	5,071	8,052
Cancellation of share options	-	-	-	-	-	-	(2,199)	2,199	-	-
Shares repurchased	-	-	-	(3,382)	-	-	-	-	-	(3,382)
<b>Total transactions with owners</b>	<b>2,981</b>	<b>-</b>	<b>2,981</b>	<b>(3,382)</b>	<b>5,071</b>	<b>-</b>	<b>(5,385)</b>	<b>(148,533)</b>	<b>(148,847)</b>	<b>(149,248)</b>
<b>As at 31 March 2016</b>	<b>136,381</b>	<b>-</b>	<b>136,381</b>	<b>(20,166)</b>	<b>68,112</b>	<b>30,903</b>	<b>-</b>	<b>241,307</b>	<b>340,322</b>	<b>456,537</b>

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 31.03.2016 RM'000	CUMULATIVE QUARTER 31.03.2015 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	54,183	45,729
Adjustments for:		
Allowance for impairment loss on:		
- receivables, net	30,870	23,937
- goodwill on consolidation	333	-
Depreciation of plant and equipment and investment properties	3,898	3,065
Amortisation of discount on Fixed Rate Medium Term Notes ("MTNs")	295	459
Finance costs	18	25
Plant and equipment written off	4	55
Loss on early redemption of Asset-Backed Securities ("ABS")	-	7,285
Share options granted under ESOS	-	839
Net (gain)/loss on disposal of:		
- investment property	(1,880)	-
- plant and equipment	(1)	40
Interest income	(2,131)	(3,526)
Operating profit before working capital changes	<u>85,589</u>	<u>77,908</u>
(Increase)/Decrease in working capital:		
Loans and receivables	(218,919)	(165,469)
Trade receivables	7,142	(143)
Other receivables, deposits and prepaid expenses	(12,165)	(4,161)
Increase in working capital:		
Payables and accrued expenses	17,206	8,315
Cash used in operations	<u>(121,147)</u>	<u>(83,550)</u>
Taxes paid	(19,542)	(27,516)
Taxes refunded	583	205
Net cash used in operating activities	<u>(140,106)</u>	<u>(110,861)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net proceeds from disposal of an investment property	3,297	-
Interest income	2,131	3,526
Proceeds from disposal of plant and equipment	1	179
Additions to plant and equipment	(1,059)	(3,631)
Acquisition of subsidiary companies, net	-	(16,590)
Net cash generated from/(used in) investing activities	<u>4,370</u>	<u>(16,516)</u>



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

	CUMULATIVE QUARTER 31.03.2016 RM'000	CUMULATIVE QUARTER 31.03.2015 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of revolving credits	700,962	363,011
Drawdown of term loans	402,000	145,620
Drawdown of other borrowings	18,823	35,119
Proceeds from issuance of shares	8,052	-
Repayment of revolving credits	(502,975)	(263,498)
Repayment of term loans	(165,888)	(14,991)
Dividends paid	(153,918)	(26,444)
Redemption of MTNs	(30,000)	(40,000)
Repayment of other borrowings	(21,765)	(38,652)
(Placements)/Withdrawal of deposits and cash and bank balances, net:		
- pledged to licensed financial institutions	(17,109)	(1,926)
- assigned in favour of the trustees	(230)	246,817
Shares repurchased	(3,382)	(12,204)
Repayment of hire-purchase payables	(158)	(335)
Finance costs paid	(18)	(25)
Redemption of ABS	-	(142,285)
Redemption of RCPS	-	(117,432)
Net cash generated from financing activities	<u>234,394</u>	<u>132,775</u>
Net change in cash and cash equivalents	98,658	5,398
Cash and cash equivalents at beginning of financial year	23,147	17,749
Cash and cash equivalents at end of financial year	<u>121,805</u>	<u>23,147</u>

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

Deposits with licensed financial institutions	153,005	40,576
Cash and bank balances	14,580	11,012
	<u>167,585</u>	<u>51,588</u>
Less: Deposits and cash and bank balances		
- pledged to licensed financial institutions	(28,107)	(10,998)
- assigned in favour of the trustees	(17,673)	(17,443)
	<u>121,805</u>	<u>23,147</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.



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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 ("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.



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**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 special interim single-tier dividend as disclosed in Note 8.

**6 CHANGES IN ESTIMATES**

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

**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 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	10,000	30,000



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

(b) During the financial year ended 31 March 2016, the Company repurchased 9,840,000 of its issued ordinary shares of RM0.10 each from the open market. The total consideration paid (including transaction costs) of RM3,381,491 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.

(c) Issuance of shares pursuant to ESOS exercised

During the financial year ended 31 March 2016, the issued and paid-up share capital of the Company was increased from RM133,400,099 to RM136,380,994 by way of the issuance of 29,808,950 ordinary shares of RM0.10 each pursuant to share options exercised.



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**8 DIVIDENDS**

	<b>31.03.2016</b>	<b>31.03.2015</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Recognised during the financial period:</b>		
- Preference share dividend: 20.0% (2.00 sen) per preference share of RM0.10 each, paid on 4 December 2014 to RCPS holders whose names appear in the record of depositors on 27 November 2014	-	9,389
- Final dividend for 2014: 15.0% (1.50 sen) per ordinary share of RM0.10 each under single-tier system, paid on 1 October 2014 to shareholders whose names appeared in the record of depositors on 18 September 2014	-	17,055
- Final dividend for 2015: 15.0% (1.50 sen) per ordinary share of RM0.10 each under single-tier system, paid on 8 October 2015 to shareholders whose names appeared in the record of depositors on 25 September 2015	19,240	-
- Special interim dividend for 2016: 105.0% (10.5 sen) per ordinary share of RM0.10 each under single-tier system, paid on 8 October 2015 to shareholders whose names appeared in the record of depositors on 25 September 2015	134,678	-
	<u>153,918</u>	<u>26,444</u>

A final single-tier dividend of 3.5 sen per ordinary share, amounting to RM11,370,284 in respect of the financial year ended 31 March 2016 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 2017.



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**9 SEGMENT 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	159,250	115,941	2,587	277,778
Inter-segment revenue	-	(115,392)	-	(115,392)
External revenue	159,250	549	2,587	162,386
<b>Segment Results</b>				
Segment results	55,963	(99)	(1,663)	54,201
Finance costs	(18)	-	-	(18)
Profit/(Loss) before tax	55,945	(99)	(1,663)	54,183
Taxation	(13,373)	(1,076)	(163)	(14,612)
Profit/(Loss) for the financial year	42,572	(1,175)	(1,826)	39,571
Interest income including investment income	158,424	243	2,066	160,733
Interest expense applicable to revenue	47,147	230	479	47,856



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**10 PROFIT BEFORE TAX**

	<b>INDIVIDUAL QUARTER 31.03.2016 RM'000</b>	<b>CUMULATIVE QUARTER 31.03.2016 RM'000</b>
Interest income including investment income	44,019	160,733
Allowance for impairment loss on:		
- Receivables, net	9,194	30,870
- Goodwill	333	333
Net gain on disposal of an investment property	-	1,880
Amortisation of discount on MTNs	65	295
Gain on foreign exchange, net:		
- Realised	1	7
- 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 for the current quarter and financial year.



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

On 5 November 2015, the Company announced its proposal to undertake:

- i) a capital repayment to the Company's shareholders of RM0.075 for each ordinary share of RM0.10 each in the Company by way of a proposed share capital reduction; and
- ii) share consolidation involving the consolidation of every four (4) ordinary shares of RM0.025 each into one (1) ordinary share of RM0.10 each after the proposed share capital reduction

(collectively referred to as the "Proposal").

The Proposal was approved by the shareholders at the Extraordinary General Meeting held on 14 January 2016.

On 25 April 2016, the seal order by the High Court of Malaya dated 5 April 2016 confirming the share capital reduction was lodged with the Companies Commission of Malaysia.

The share consolidation was completed on 26 April 2016 upon listing of and quotation for 340,952,486 ordinary shares of RM0.10 each based on the issued and paid-up share capital of the Company of 1,363,809,945 ordinary shares of RM0.025 each (including treasury shares).

Meanwhile, the capital repayment was completed upon RM97,459,577 paid to shareholders on 6 May 2016.

**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. The incorporation has no material financial effect to the Group.



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**13 REVIEW OF PERFORMANCE**

For the fourth quarter ended 31 March 2016, the Group saw higher revenue being registered at RM44.3 million, representing an increase of 26.9% as compared to RM34.9 million in the corresponding quarter. This was mainly contributed by RM9.4 million higher interest income from the loan financing segment, which was backed by higher loan base and introduction of improved risk-based products.

Pre-tax profit for the current quarter under review was RM11.1 million, which was lower than the corresponding quarter of RM16.0 million. This was primarily due to higher loan impairment by RM5.9 million, offset with lower staff costs by RM1.4 million.

Apart from the above, RM4.6 million costs were incurred for securing additional facilities, which has resulted in higher other expenses of RM18.6 million in the current quarter under review.

Notwithstanding the above, the Group's pre-tax profit improved to RM54.2 million for the financial year ended 31 March 2016, representing an increase of RM8.5 million from RM45.7 million a year ago. The increase was largely driven by RM12.7 million higher net interest income and lower staff costs by RM1.8 million offset with higher loan impairment by RM6.9 million.

Arising thereof, the Group registered a higher post-tax profit of RM39.6 million, representing an increase of 9.4% from the previous financial year of RM36.2 million.

The performance of the respective operating business segments for the financial year ended 31 March 2016 as compared to the previous financial year was as follows:

Loan financing segment

Pre-tax profit was RM56.0 million, an increase of RM3.9 million or 7.5% as compared to RM52.1 million in the previous financial year. The increase was mainly led by higher net interest income by RM13.0 million offset with higher loan impairment by RM7.9 million and lower investment income by RM1.4 million.



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### **13 REVIEW OF PERFORMANCE (CONT'D)**

#### Investment holding and management services segment

This segment registered a lower pre-tax loss of RM0.1 million as compared to RM2.4 million recorded last year, mainly arising from RM1.9 million net gain on disposal of an investment property.

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

Pre-tax loss was RM1.7 million, an improvement of RM2.2 million as compared to RM3.9 million in the previous financial year, primarily attributed to lower other operating expenses of RM3.3 million offset with lower revenue by RM1.2 million.

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

The Group posted a higher net interest income of RM30.4 million while recording a pre-tax profit of RM11.1 million for the current quarter ended 31 March 2016 as compared to RM16.8 million in the preceding quarter. Excluding the effect of RM1.9 million net gain on disposal of an investment property in the preceding quarter, the pre-tax profit was RM3.8 million lower in the current quarter under review. This was mainly due to costs incurred for securing additional facilities.



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### **15 CURRENT YEAR PROSPECTS**

The Group's effort in strengthening its asset quality, improving turnaround time for credit assessment and loan disbursement processes as well as prudent cost management have contributed positively to its performance and loan growth.

As for factoring, confirming and industrial hire-purchase segment, the Group remains conservative on its performance in view of the challenging business and economic environment.

Meanwhile, the Group is still working closely with Bank Negara Malaysia to further enhance and fine tune the system requirements of Central Credit Reference Information System ("CCRIS") to ensure its readiness. The Group will continue its efforts to deliver quality loans and is optimistic on its performance for the next financial year in the absence of any unexpected events.

### **16 PROFIT FORECAST**

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



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**17 TAXATION**

	<b>INDIVIDUAL QUARTER 31.03.2016 RM'000</b>	<b>CUMULATIVE QUARTER 31.03.2016 RM'000</b>
Taxation:		
Current period	17,070	30,775
Under/(Over) provision in prior year	93	(89)
	<hr/> 17,163	<hr/> 30,686
Deferred taxation:		
Current period	(12,978)	(15,943)
Over provision in prior year	-	(131)
	<hr/> (12,978)	<hr/> (16,074)
	<hr/> 4,185	<hr/> 14,612

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.

**18 STATUS OF CORPORATE PROPOSALS**

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



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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**19 GROUP BORROWINGS AND DEBT SECURITIES**

Total borrowings and debt securities (all denominated in Ringgit Malaysia) of the Group as at 31 March 2016 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	66,363	511,634	577,997
- Revolving credits	407,675	-	407,675
- Fixed rate medium term notes	35,711	-	35,711
- Bank overdrafts	5,486	-	5,486
	<u>515,235</u>	<u>511,634</u>	<u>1,026,869</u>
Unsecured:			
- Bankers' acceptances	2,449	-	2,449
	<u>517,684</u>	<u>511,634</u>	<u>1,029,318</u>

**20 CAPITAL COMMITMENTS**

**31.03.2016**  
**RM'000**

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

Approved and contracted for 485

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



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**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 31 March 2016.
- (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.



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**NOTES TO THE INTERIM FINANCIAL REPORT**

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

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		31.03.2016	31.03.2015	31.03.2016	31.03.2015
<b>(a) Basic EPS:</b>					
Profit for the period attributable to owners of the Parent	(RM'000)	6,916	11,164	39,571	36,205
Preference share dividends on RCPS	(RM'000)	-	-	-	(9,389)
Profit for the period attributable to ordinary equity holders of the Parent	(RM'000)	6,916	11,164	39,571	26,816
Weighted average number of ordinary shares in issue	(unit'000)	1,299,473	1,282,178	1,284,057	1,182,350
Basic EPS	(sen)	0.53	0.87	3.08	2.27

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

The ESOS options were anti-dilutive for the corresponding quarter and financial year ended 31 March 2015 as the options' exercise price exceeds the average market price of the Company ordinary shares. Accordingly, the options were assumed not to be exercised in the calculation of diluted EPS.

The Group has no dilution in its EPS in the current quarter and financial year as there are no dilutive potential ordinary shares.

**25 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:

	31.03.2016	
	Carrying amount RM'000	Fair value RM'000
<b>Financial assets</b>		
Loans and receivables	<u>1,260,442</u>	<u>1,268,657</u>
<b>Financial liabilities</b>		
Borrowings - MTNs	<u>35,711</u>	<u>36,138</u>



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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**26 DISCLOSURE OF REALISED AND UNREALISED PROFITS**

The breakdown of the retained earnings of the Group as at 31 March 2016 pursuant to BMSB's directive dated 20 December 2010, is as follows:

	<b>INDIVIDUAL QUARTER</b>	
	<b>31.03.2016</b>	<b>31.03.2015</b>
	<b>RM'000</b>	<b>RM'000</b>
Total retained earnings of the Group:		
- Realised	209,483	334,519
- Unrealised	31,824	15,750
	<u>241,307</u>	<u>350,269</u>

**BY ORDER OF THE BOARD**  
**JOHNSON YAP CHOON SENG**  
**Company Secretary**  
**26 May 2016**