

**RCE Capital Berhad**

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report

3rd Quarter Ended 31 December 2024

SUMMARY OF KEY FINANCIAL INFORMATION FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2024

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
1. Revenue	79,325	87,409	238,848	259,202
2. Profit before tax	40,871	45,836	119,293	145,715
3. Profit for the financial period	30,755	34,563	88,905	109,689
4. Profit attributable to ordinary equity holders of the Company	30,755	34,563	88,905	109,689
5. Basic earnings per ordinary share (sen)	2.10	2.36*	6.06	7.48*
6. Proposed/Declared dividend per share (sen)	-	-	3.00	4.00*
	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)		0.56		0.57*
	INDIVIDUAL QUARTER	INDIVIDUAL QUARTER	CUMULATIVE QUARTER	CUMULATIVE QUARTER
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
8. Gross interest income	2	4	4	11
9. Gross interest expense	67	82	202	195

* Restated to reflect the issuance of 741,066,767 new shares ("Bonus Shares") which was completed on 26 September 2024 for comparative purpose.

**RCE Capital Berhad**

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report

3rd Quarter Ended 31 December 2024

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 9 MONTHS ENDED	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Profit income	70,822	74,054	215,799	218,353
Other revenue	8,503	13,355	23,049	40,849
Revenue	79,325	87,409	238,848	259,202
Other income	8,189	10,043	27,455	28,299
Profit expense applicable to revenue	(24,241)	(23,989)	(75,426)	(73,467)
Directors' remuneration and staff costs	(6,561)	(11,333)	(26,256)	(25,315)
Allowances for impairment loss on receivables, net	(8,379)	(8,322)	(22,488)	(19,911)
Depreciation of plant and equipment and right-of-use ("ROU") assets	(1,015)	(951)	(3,098)	(2,766)
Amortisation of intangible asset	(108)	-	(108)	-
Other expenses	(6,272)	(6,939)	(19,432)	(20,132)
Finance costs	(67)	(82)	(202)	(195)
Profit before tax	40,871	45,836	119,293	145,715
Income tax expense	(10,116)	(11,273)	(30,388)	(36,026)
Profit/Total comprehensive income for the financial period	30,755	34,563	88,905	109,689
Attributable to:				
Owners of the Company	30,755	34,563	88,905	109,689
Earnings per ordinary share (sen):				
Basic	2.10	2.36*	6.06	7.48*
Diluted	2.09	2.35*	6.03	7.47*

* Restated to reflect the issuance of 741,066,767 Bonus Shares which was completed on 26 September 2024 for comparative purpose.

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 2024 and the accompanying explanatory notes attached to the interim financial report.

**RCE Capital Berhad**

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report
3rd Quarter Ended 31 December 2024**CONDENSED STATEMENT OF FINANCIAL POSITION**

	AS AT 31.12.2024 RM'000	AS AT 31.03.2024 RM'000
ASSETS		
Non-Current Assets		
Plant and equipment	5,137	7,252
ROU assets	2,905	3,740
Intangible asset	22,179	-
Goodwill on consolidation	47,333	47,333
Financing receivables	1,695,468	1,745,704
Deferred tax assets	60,625	48,401
Total Non-Current Assets	1,833,647	1,852,430
Current Assets		
Financing receivables	224,606	227,015
Trade receivables	53,695	54,609
Other receivables, deposits and prepaid expenses	32,953	21,363
Deposits with licensed financial institutions	693,980	744,951
Cash and bank balances	172,876	95,251
Total Current Assets	1,178,110	1,143,189
TOTAL ASSETS	3,011,757	2,995,619
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	204,792	201,917
Treasury shares	(4,948)	(4,948)
Reserves	623,187	632,804
Total Equity	823,031	829,773
Non-Current Liabilities		
Payables and accrued expenses	4,879	4,910
Hire-purchase payables	624	919
Financing liabilities	1,103,194	1,093,898
Lease liabilities	300	1,060
Deferred tax liabilities	876	981
Total Non-Current Liabilities	1,109,873	1,101,768
Current Liabilities		
Payables and accrued expenses	29,677	29,304
Hire-purchase payables	391	380
Financing liabilities	1,040,174	1,025,686
Lease liabilities	1,006	965
Tax liabilities	7,605	7,743
Total Current Liabilities	1,078,853	1,064,078
Total Liabilities	2,188,726	2,165,846
TOTAL EQUITY AND LIABILITIES	3,011,757	2,995,619
NET ASSETS PER SHARE (RM)	0.56	0.57*

* Restated to reflect the issuance of 741,066,767 Bonus Shares which was completed on 26 September 2024 for comparative purpose.

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 2024 and the accompanying explanatory notes attached to the interim financial report.



RCE Capital Berhad
Registration No: 195301000151 (2444-M)
Incorporated in Malaysia

Interim Financial Report
3rd Quarter Ended 31 December 2024

CONDENSED STATEMENT OF CHANGES IN EQUITY

			← Reserves →			
	Share Capital RM'000	Treasury Shares RM'000	Employees' Share Scheme ("ESS") RM'000	Retained Earnings RM'000	Total Reserves RM'000	Total RM'000
As at 1 April 2023	201,917	(4,948)	1,187	607,503	608,690	805,659
Total comprehensive income	-	-	-	109,689	109,689	109,689
Transactions with owners						
Dividends	-	-	-	(109,928)	(109,928)	(109,928)
Options under ESS:						
- Granted	-	-	4,747	-	4,747	4,747
- Exercised	-	-	(1,139)	(3,122)	(4,261)	(4,261)
Total transactions with owners	-	-	3,608	(113,050)	(109,442)	(109,442)
As at 31 December 2023	201,917	(4,948)	4,795	604,142	608,937	805,906
As at 1 April 2024	201,917	(4,948)	2,941	629,863	632,804	829,773
Total comprehensive income	-	-	-	88,905	88,905	88,905
Transactions with owners						
Dividends	-	-	-	(95,338)	(95,338)	(95,338)
Options under ESS:						
- Granted	-	-	5,372	-	5,372	5,372
- Exercised	2,875	-	(3,371)	(5,185)	(8,556)	(5,681)
- Cancelled	-	-	(89)	89	-	-
Total transactions with owners	2,875	-	1,912	(100,434)	(98,522)	(95,647)
As at 31 December 2024	204,792	(4,948)	4,853	618,334	623,187	823,031

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 2024 and the accompanying explanatory notes attached to the interim financial report.

**RCE Capital Berhad**

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report
for 3rd Quarter Ended 31 December 2024**CONDENSED STATEMENT OF CASH FLOWS**

	CUMULATIVE QUARTER 31.12.2024 RM'000	CUMULATIVE QUARTER 31.12.2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	119,293	145,715
Adjustments for:		
Allowances for impairment loss on receivables, net	22,488	19,911
ESS expense	5,396	4,747
Depreciation of plant and equipment and ROU assets	3,098	2,766
Plant and equipment written off	865	-
Finance costs	202	195
Amortisation of intangible asset	108	-
Profit and interest income from deposits placed with licensed financial institutions	(20,885)	(21,316)
Operating profit before working capital changes	130,565	152,018
Decrease/(Increase) in working capital:		
Financing receivables	30,479	(103,361)
Trade receivables	919	95
Other receivables, deposits and prepaid expenses	(8,361)	(185)
Increase/(Decrease) in working capital:		
Payables and accrued expenses	6,134	(47)
Cash generated from operations	159,736	48,520
Taxes paid	(45,418)	(29,520)
Taxes refunded	378	17
Net cash generated from operating activities	114,696	19,017
CASH FLOWS FROM INVESTING ACTIVITIES		
Profit and interest income from deposits placed with licensed financial institutions received	20,885	21,316
Acquisition of subsidiary company, net of cash acquired	(21,763)	-
Additions to plant and equipment	(1,005)	(1,589)
Deposit payment for asset under hire-purchase	-	(44)
Net cash (used in)/generated from investing activities	(1,883)	19,683

**RCE Capital Berhad**

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report
for 3rd Quarter Ended 31 December 2024**CONDENSED STATEMENT OF CASH FLOWS**

	CUMULATIVE QUARTER 31.12.2024 RM'000	CUMULATIVE QUARTER 31.12.2023 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of:		
- revolving credits	750,400	589,114
- term financings/loans	110,000	169,993
- other financing liabilities	1,484	3,115
Issuance of Sukuk Murabahah ("Sukuk")	125,000	205,000
Proceeds from issuance of shares	2,875	-
Repayments of:		
- revolving credits	(671,400)	(578,826)
- term financings/loans	(116,265)	(109,034)
- other financing liabilities	(1,484)	(2,103)
- lease liabilities	(719)	(682)
- hire-purchase payables	(283)	(298)
Redemptions of Sukuk	(180,000)	(180,000)
Dividends paid	(95,338)	(109,928)
Withdrawal/(placements) of deposits, cash and bank balances, net:		
- assigned in favour of the trustees	55,516	(6,358)
- pledged to licensed financial institutions	644	(10,414)
Cash settlement for ESS	(10,316)	(5,249)
Finance costs paid	(112)	(149)
Net cash used in financing activities	<u>(29,998)</u>	<u>(35,819)</u>
Net change in cash and cash equivalents	82,815	2,881
Cash and cash equivalents at beginning of financial period	47,887	39,497
Cash and cash equivalents at end of financial period	<u>130,702</u>	<u>42,378</u>

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

Deposits with licensed financial institutions	693,980	810,137
Cash and bank balances	<u>172,876</u>	<u>89,183</u>
	866,856	899,320
Less: Deposits, cash and bank balances		
- assigned in favour of the trustees	(695,481)	(818,237)
- pledged to licensed financial institutions	<u>(40,673)</u>	<u>(38,705)</u>
	<u>130,702</u>	<u>42,378</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 2024 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 ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa"). It also complies with IAS 34 (Interim Financial Reporting) issued by the International Accounting Standards Board and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2024.

2. CHANGES IN MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted by the Group in this interim financial report are consistent with those of the annual audited financial statements for the financial year ended 31 March 2024, except for the following amendments to published standards which are effective for the financial period commencing 1 April 2024:

Amendments to:

MFRS 16	Lease Liability in a Sale and Leaseback
MFRS 7 and MFRS 107	Supplier Finance Arrangements
MFRS 101	Classification of Liabilities as Current or Non-current
	Non-current Liabilities with Covenants

The adoption of the above amendments does not have any material effect 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.



RCE Capital Berhad

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report

3rd Quarter Ended 31 December 2024

NOTES TO THE INTERIM FINANCIAL REPORT

4. SEASONAL OR CYCLICAL FACTORS

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

5. UNUSUAL ITEMS

There were no unusual items for the current quarter and financial period.

6. CHANGES IN ESTIMATES

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

7. DEBT AND EQUITY SECURITIES

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

- (a) Issuance and redemption of Sukuk by Zamarad Assets Berhad, an indirect and not a legal subsidiary of the Company, as follow:

	CURRENT QUARTER RM'000	CUMULATIVE QUARTER RM'000
Issuance	125,000	125,000
Redemption upon maturity	30,000	105,000

NOTES TO THE INTERIM FINANCIAL REPORT**7. DEBT AND EQUITY SECURITIES (CONT'D)**

- (b) Redemption of Sukuk by Al Dzahab Assets Berhad, an indirect and not a legal subsidiary of the Company as follow:

	CURRENT QUARTER RM'000	CUMULATIVE QUARTER RM'000
Redemption upon maturity	-	40,000
Early redemption	-	35,000

- (c) ESS

The Company has granted 19,554,000 options to the eligible employees at an option price of RM2.55 in accordance with the By-Laws of the ESS. The number of options and price were subsequently adjusted to 38,770,000 and RM1.27 respectively in accordance with By-Laws 15.1 and 15.5(b) arising from issuance of Bonus Shares.

- (d) Issuance of shares

The total number of issued shares of the Company was increased from 741,066,767 to 1,484,397,534 by way of issuances of:

- (i) 741,066,767 Bonus Shares on the basis of one (1) Bonus Share for every one (1) existing ordinary share; and
- (ii) 2,264,000 new ordinary shares pursuant to options exercised.

- (e) Treasury shares

The total number of treasury shares held by the Company is 16,432,392 following the receipt of 8,216,196 Bonus Shares.

As at 31 December 2024, the number of ordinary shares, net of treasury shares is 1,467,965,142.



RCE Capital Berhad

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report

3rd Quarter Ended 31 December 2024

NOTES TO THE INTERIM FINANCIAL REPORT

8. DIVIDENDS

	31.12.2024 RM'000	31.12.2023 RM'000
Recognised during the financial period:		
- Second interim dividend for 2023: 7.00 sen per ordinary share, paid on 28 June 2023 to shareholders whose names appeared in the record of depositors on 15 June 2023	-	51,300
- First interim dividend for 2024: 8.00 sen per ordinary share, paid on 28 December 2023 to shareholders whose names appeared in the record of depositors on 14 December 2023	-	58,628
- Second interim dividend for 2024: 7.00 sen per ordinary share, paid on 27 June 2024 to shareholders whose names appeared in the record of depositors on 14 June 2024	51,300	-
- First interim dividend for 2025: 3.00 sen per ordinary share, paid on 31 December 2024 to shareholders whose names appeared in the record of depositors on 18 December 2024	44,038	-
	<u>95,338</u>	<u>109,928</u>

9. SEGMENT INFORMATION

Segmental reporting is not presented as the Group is primarily engaged in the provision of shariah-compliant and conventional financing services.

NOTES TO THE INTERIM FINANCIAL REPORT

10. PROFIT BEFORE TAX

The following items have been charged/(credited) in arriving at the profit before tax:

	INDIVIDUAL QUARTER 31.12.2024 RM'000	CUMULATIVE QUARTER 31.12.2024 RM'000
Allowances for impairment loss on receivables, net	8,379	22,488
Income from deposits with licensed financial institutions:		
- profit income	(6,647)	(20,881)
- interest income	(2)	(4)
	<u>(6,649)</u>	<u>(20,885)</u>

There were no exceptional items, 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 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.

[The remaining of this page is intentionally left blank]



RCE Capital Berhad

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report

3rd Quarter Ended 31 December 2024

NOTES TO THE INTERIM FINANCIAL REPORT

12. CHANGES IN THE COMPOSITION OF THE GROUP

On 26 November 2024, the Group completed the acquisition of 100% equity interest in Corewealth Alliance Dynamic Sdn Bhd ("CAD") for a total cash consideration of RM27.0 million.

CAD is presently involved in providing shariah-compliant and conventional financing and financial administrative services.

The acquisition is complementary to the Group's business, representing a strategic opportunity for the Group to expand its reach and consumer base.

The acquired subsidiary company has contributed the following results to the Group:

	INDIVIDUAL QUARTER RM'000	CUMULATIVE QUARTER RM'000
Revenue	43	43
Profit for the financial period	12	12

Had the acquisition occurred on 1 April 2024, the Group's revenue and profit for the financial period ended 31 December 2024 would have been RM238.9 million and RM88.8 million respectively.

[The remaining of this page is intentionally left blank]

NOTES TO THE INTERIM FINANCIAL REPORT

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

The fair values of the identifiable assets and liabilities of CAD arising from the acquisition are as follows:

	RM'000
Other receivable	5,114
Financing receivables	327
Cash and bank balances	123
Financing liability	(401)
Other payables	(450)
Identifiable net assets	<u>4,713</u>
Intangible asset arising on acquisition	<u>22,287</u>
Purchase consideration	<u><u>27,000</u></u>

The fair value of other and financing receivables are estimated to approximate their gross contractual amounts which are expected to be fully collectible at the acquisition date.

The cash outflow arising from the acquisition is as follows:

	RM'000
Purchase consideration	27,000
Settlement of other receivable	(5,114)
Cash and cash equivalents of subsidiary company acquired	(123)
Net cash outflow of the Group	<u><u>21,763</u></u>

Acquisition-related costs of RM0.2 million are included in other expenses in the statement of comprehensive income.

**RCE Capital Berhad**

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report

3rd Quarter Ended 31 December 2024

NOTES TO THE INTERIM FINANCIAL REPORT**13. REVIEW OF PERFORMANCE**

	INDIVIDUAL QUARTER				CUMULATIVE QUARTER			
	31.12.2024	31.12.2023	Variance		31.12.2024	31.12.2023	Variance	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	79,325	87,409	(8,084)	(9.2)	238,848	259,202	(20,354)	(7.9)
Profit before tax	40,871	45,836	(4,965)	(10.8)	119,293	145,715	(26,422)	(18.1)
Profit for the financial period	30,755	34,563	(3,808)	(11.0)	88,905	109,689	(20,784)	(18.9)
Profit attributable to ordinary equity holders of the Company	30,755	34,563	(3,808)	(11.0)	88,905	109,689	(20,784)	(18.9)

In the current quarter, the Group recorded a lower revenue as it tightened its credit policy on disbursements.

This led to the decrease in the Group's pre- and post-tax profit, after accounting for lower other income, staff costs and other expenses in the current quarter.

Correspondingly, the Group's revenue, pre- and post-tax profit for the nine months period ended 31 December 2024 were lower than a year ago.

[The remaining of this page is intentionally left blank]

NOTES TO THE INTERIM FINANCIAL REPORT**14. MATERIAL CHANGE IN RESULTS OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER****INDIVIDUAL QUARTER**

	31.12.2024	30.09.2024	Variance	
	RM'000	RM'000	RM'000	%
Revenue	79,325	80,408	(1,083)	(1.3)
Profit before tax	40,871	37,976	2,895	7.6
Profit for the financial period	30,755	27,826	2,929	10.5
Profit attributable to ordinary equity holders of the Company	30,755	27,826	2,929	10.5

The Group registered a lower revenue as compared to the preceding quarter mainly due to lower profit and early settlement income, notwithstanding a higher fee income generated from increased disbursements in the current quarter.

The Group's pre- and post-tax profit were higher arising from lower staff costs and profit expense applicable to revenue, offset with lower other income and higher allowances for impairment loss on receivables in the current quarter.

15. CURRENT YEAR PROSPECTS

The Group is focusing on operational efficiency and agility in managing the increase in financing demand, fuelled by the first phase of salary adjustment for Malaysian civil servants in December 2024 and upcoming festive season.

Targeted marketing efforts supported by investment in digitalisation and information technology security standards will ensure the Group remains well equipped to meet evolving customers' needs.

The Group expects to be profitable for the financial year ending 31 March 2025.

**RCE Capital Berhad**

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report

3rd Quarter Ended 31 December 2024

NOTES TO THE INTERIM FINANCIAL REPORT

16. PROFIT FORECAST

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

17. INCOME TAX EXPENSE

	INDIVIDUAL QUARTER 31.12.2024 RM'000	CUMULATIVE QUARTER 31.12.2024 RM'000
Income tax payable:		
Current period	14,725	45,239
Over provision in prior years	(48)	(48)
	<hr/> 14,677	<hr/> 45,191
Deferred tax:		
Current period	(4,526)	(14,768)
Over provision in prior years	(35)	(35)
	<hr/> (4,561)	<hr/> (14,803)
	<hr/> 10,116	<hr/> 30,388

The effective tax rate of the Group in the current quarter and financial period 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 but not completed as at the date of this report.

[The remaining of this page is intentionally left blank]

NOTES TO THE INTERIM FINANCIAL REPORT

19. FINANCING RECEIVABLES

	← As at 31.12.2024 →		
	← Receivables →		
	Financing RM'000	Loans RM'000	Total RM'000
At amortised cost, gross	2,047,972	5,177	2,053,149
Less: Allowances for impairment	(131,217)	(1,858)	(133,075)
	1,916,755	3,319	1,920,074
Amount receivable within one year	(224,145)	(461)	(224,606)
Non-current portion	1,692,610	2,858	1,695,468

During the financial period, there was no transaction with related parties in relation to the Group's financing receivables.

Movement in allowances for impairment:

	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
Balance as at 1 April 2024	42,638	1,787	83,278	127,703
Changes in the expected credit loss ("ECL"):				
- Transfer to Stage 1	232	(249)	(6,010)	(6,027)
- Transfer to Stage 2	(132)	959	(1,648)	(821)
- Transfer to Stage 3	(837)	(538)	40,048	38,673
Net adjustment of allowances for impairment	(737)	172	32,390	31,825
New financial assets originated or purchased	7,257	-	-	7,257
Financial assets derecognised	(1,689)	(57)	(2,473)	(4,219)
Changes in risk parameters	(7,840)	(281)	(4,248)	(12,369)
Written off	-	-	(17,122)	(17,122)
Balance as at 31 December 2024	39,629	1,621	91,825	133,075

NOTES TO THE INTERIM FINANCIAL REPORT**19. FINANCING RECEIVABLES (CONT'D)**

The Group applied the latest economic scenarios to reflect an unbiased probability-weighted range of possible future outcome and factor in forecasted Real Gross Domestic Product, a forward looking element used for the ECL calculation. Accordingly, the ECL during the financial period has been adjusted to reflect the impact of latest economic conditions.

20. GROUP FINANCING LIABILITIES AND DEBT SECURITIES

Total financing liabilities and debt securities (all denominated in Ringgit Malaysia) of the Group are as follow:

	← As at 31.12.2024 →		
	Short Term RM'000	Long Term RM'000	Total RM'000
At amortised cost			
<i>Secured:</i>			
Shariah			
- Sukuk	272,141	855,699	1,127,840
- Revolving credits	269,270	-	269,270
- Term financings	72,286	121,033	193,319
	<u>613,697</u>	<u>976,732</u>	<u>1,590,429</u>
Conventional			
- Revolving credits	289,563	-	289,563
- Term loans	66,823	126,462	193,285
	<u>356,386</u>	<u>126,462</u>	<u>482,848</u>
	<u>970,083</u>	<u>1,103,194</u>	<u>2,073,277</u>
<i>Unsecured:</i>			
Shariah			
- Revolving credits	70,091	-	70,091
	<u>1,040,174</u>	<u>1,103,194</u>	<u>2,143,368</u>

NOTES TO THE INTERIM FINANCIAL REPORT

20. GROUP FINANCING LIABILITIES AND DEBT SECURITIES (CONT'D)

	← As at 31.12.2023 →		
	Short Term RM'000	Long Term RM'000	Total RM'000
At amortised cost			
<i>Secured:</i>			
Shariah			
- Sukuk	336,064	984,437	1,320,501
- Term financing	90,224	134,153	224,377
- Revolving credits	96,525	-	96,525
	<u>522,813</u>	<u>1,118,590</u>	<u>1,641,403</u>
Conventional			
- Revolving credits	259,787	-	259,787
- Term loans	59,842	148,535	208,377
	<u>319,629</u>	<u>148,535</u>	<u>468,164</u>
	<u>842,442</u>	<u>1,267,125</u>	<u>2,109,567</u>
<i>Unsecured:</i>			
Shariah			
- Revolving credits	85,126	-	85,126
	<u>927,568</u>	<u>1,267,125</u>	<u>2,194,693</u>

As at 31 December 2024, the Group's weighted average profit rate by categories of financing liabilities ranges from 4.2% to 5.4% (31.12.2023: 4.4% to 5.0%) per annum.

The Group's financing liabilities consist of:

	31.12.2024 RM'000	31.12.2023 RM'000
Fixed rate	1,196,026	1,339,539
Floating rate	947,342	855,154
	<u>2,143,368</u>	<u>2,194,693</u>

NOTES TO THE INTERIM FINANCIAL REPORT

20. GROUP FINANCING LIABILITIES AND DEBT SECURITIES (CONT'D)

The Group's financing liabilities decreased to RM2.14 billion from RM2.19 billion a year ago. The decrease was primarily due to RM315.0m Sukuk redeemed early and upon maturity, offset with RM138.6 million net drawdown of financing liabilities and RM125.0 million issuance of Sukuk respectively.

21. CAPITAL COMMITMENTS

31.12.2024
RM'000

Capital expenditure approved and contracted for

- Other capital expenditure

10,000

- Plant and equipment

491

10,491

Other capital expenditure is in relation to an asset acquisition entered into with an external party, payable upon fulfilment of certain conditions.

22. CHANGES IN CONTINGENT LIABILITIES AND ASSETS

As at 31 December 2024, the letter of credit stood at RM0.3 million, representing a decrease of RM0.3 million as compared to 30 September 2024.

Other than as disclosed above, there were no other changes in contingent liabilities or assets since the last financial year ended 31 March 2024.

23. DERIVATIVES AND FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

(a) There were no derivatives as at 31 December 2024.

(b) There were no fair value gain/loss on fair value changes of financial liabilities as all financial liabilities were measured at amortised cost.

NOTES TO THE INTERIM FINANCIAL REPORT**24. CHANGES IN MATERIAL LITIGATION**

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

25. EARNINGS PER SHARE ("EPS")

For the current quarter and financial period, the weighted average number of ordinary shares in issue take into account the effect of Bonus Shares.

Meanwhile, the weighted average number of ordinary shares in issue for the corresponding quarter and financial period have been restated to reflect the retrospective adjustment arising from the Bonus Shares in accordance with MFRS 133, Earnings per Share.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023

(a) Basic EPS:

Profit for the period attributable to ordinary equity holders of the Company	(RM'000)	30,755	34,563	88,905	109,689
Weighted average number of ordinary shares in issue	(unit'000)	1,466,276	1,465,701	1,465,894	1,465,701
Basic EPS	(sen)	2.10	2.36	6.06	7.48

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

**RCE Capital Berhad**

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report

3rd Quarter Ended 31 December 2024

NOTES TO THE INTERIM FINANCIAL REPORT**25. EPS (CONT'D)**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		31.12.2024	31.12.2023	31.12.2024	31.12.2023
(b) Diluted EPS:					
Profit for the period attributable to ordinary equity holders of the Company	(RM'000)	30,755	34,563	88,905	109,689
Weighted average number of ordinary shares in issue	(unit'000)	1,466,276	1,465,701	1,465,894	1,465,701
Effects of dilution of ESS	(unit'000)	8,460	3,089	8,898	3,235
Adjusted weighted average number of ordinary shares in issue	(unit'000)	1,474,736	1,468,790	1,474,792	1,468,936
Diluted EPS	(sen)	2.09	2.35	6.03	7.47

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



RCE Capital Berhad

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report

3rd Quarter Ended 31 December 2024

NOTES TO THE INTERIM FINANCIAL REPORT

26. 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:

	31.12.2024	
	Carrying amount RM'000	Fair value RM'000
Financial assets		
Financing receivables	<u>1,920,074</u>	<u>1,955,203</u>
Financial liabilities		
Sukuk	<u>1,127,840</u>	<u>1,156,068</u>

BY ORDER OF THE BOARD
JOHNSON YAP CHOON SENG
Company Secretary
24 February 2025