

**RCE Capital Berhad**

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report
for 4th Quarter Ended 31 March 2022**SUMMARY OF KEY FINANCIAL INFORMATION FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
1. Revenue	74,704	74,964	299,457	293,459
2. Profit before tax	41,427	45,800	177,231	167,223
3. Profit for the financial period	31,537	34,061	133,169	124,633
4. Profit attributable to ordinary equity holders of the Parent	31,537	34,061	133,169	124,633
5. Basic earnings per ordinary share (sen)	4.31	4.80*	18.25	17.62*
6. Proposed/Declared dividend per share (sen)	4.00	7.00	11.00	13.00
		AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END
7. Net assets per share attributable to ordinary equity holders of the Parent (RM)		1.19		2.15
		INDIVIDUAL QUARTER		CUMULATIVE QUARTER
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
8. Gross interest income	83	47	294	737
9. Gross interest expense	60	72	263	291

* Restated to reflect retrospective adjustment arising from issuance of 351,470,069 new shares ("Bonus Shares") in accordance with MFRS 133, Earnings Per Share.

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	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 12 MONTHS ENDED	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Profit income	70,370	69,794	274,637	273,029
Other revenue	4,334	5,170	24,820	20,430
Revenue	74,704	74,964	299,457	293,459
Other income	5,742	4,269	20,418	19,044
Profit expense applicable to revenue	(20,050)	(19,933)	(80,234)	(80,398)
Directors' remuneration and staff costs	(5,177)	(6,910)	(26,635)	(26,258)
Allowances for impairment loss on receivables, net	(5,859)	(647)	(11,544)	(15,592)
Depreciation of plant and equipment and right-of-use ("ROU") assets	(950)	(794)	(3,569)	(3,153)
Other expenses	(6,923)	(5,077)	(20,399)	(19,588)
Finance costs	(60)	(72)	(263)	(291)
Profit before tax	41,427	45,800	177,231	167,223
Income tax expense	(9,890)	(11,739)	(44,062)	(42,590)
Total comprehensive income for the financial period	31,537	34,061	133,169	124,633
Other comprehensive income/(loss) that may be reclassified subsequently to profit or loss:				
Foreign currency translations	-	-	1	(2)
Other comprehensive income/(loss) for the financial period, net of tax	-	-	1	(2)
Total comprehensive income for the financial period	31,537	34,061	133,170	124,631
Attributable to:				
Owners of the Parent	31,537	34,061	133,169	124,633
Earnings per ordinary share (sen):				
Basic	4.31	4.80*	18.25	17.62*
Diluted	4.30	4.79*	18.19	17.61*

* Restated to reflect retrospective adjustment arising from issuance of 351,470,069 Bonus Shares in accordance with MFRS 133, Earnings Per Share.

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 2021 and the accompanying explanatory notes attached to the interim financial report.

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	AS AT 31.03.2022 RM'000	AS AT 31.03.2021 RM'000
ASSETS		
Non-Current Assets		
Plant and equipment	6,354	7,316
ROU assets	4,027	4,793
Goodwill on consolidation	47,333	47,333
Financing receivables	1,558,602	1,535,157
Deferred tax assets	40,684	43,181
Total Non-Current Assets	1,657,000	1,637,780
Current Assets		
Financing receivables	205,471	186,023
Trade receivables	53,970	54,207
Other receivables, deposits and prepaid expenses	8,326	14,795
Deposits with licensed financial institutions	647,587	570,983
Cash and bank balances	152,924	26,918
Total Current Assets	1,068,278	852,926
TOTAL ASSETS	2,725,278	2,490,706
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent		
Share capital	200,697	188,026
Treasury shares	(4,948)	(25,911)
Reserves	676,319	611,916
Total Equity	872,068	774,031
Non-Current Liabilities		
Payables and accrued expenses	780	1,695
Hire-purchase payables	338	307
Financing liabilities	1,198,929	1,143,782
Lease liabilities	2,787	3,628
Deferred tax liabilities	1,167	1,221
Total Non-Current Liabilities	1,204,001	1,150,633
Current Liabilities		
Payables and accrued expenses	33,729	29,292
Hire-purchase payables	246	341
Financing liabilities	605,047	526,837
Lease liabilities	840	792
Tax liabilities	9,347	8,780
Total Current Liabilities	649,209	566,042
Total Liabilities	1,853,210	1,716,675
TOTAL EQUITY AND LIABILITIES	2,725,278	2,490,706
NET ASSETS PER SHARE (RM)	1.19	2.15

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 2021 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	Employees' Share Scheme ("ESS") RM'000	Reserves		Total Reserves RM'000	Total RM'000
				Exchange Translation Reserve RM'000	Retained Earnings RM'000		
As at 1 April 2020	172,238	(25,911)	2,006	1	525,030	527,037	673,364
Total comprehensive (loss)/income	-	-	-	(2)	124,633	124,631	124,631
Transactions with owners							
Dividends	-	-	-	-	(42,785)	(42,785)	(42,785)
Options granted under ESS	-	-	3,033	-	-	3,033	3,033
Issuance of shares pursuant to options exercised	15,788	-	(2,759)	-	2,759	-	15,788
Cancellation of options	-	-	(144)	-	144	-	-
Total transactions with owners	15,788	-	130	-	(39,882)	(39,752)	(23,964)
As at 31 March 2021	188,026	(25,911)	2,136	(1)	609,781	611,916	774,031
As at 1 April 2021	188,026	(25,911)	2,136	(1)	609,781	611,916	774,031
Total comprehensive income	-	-	-	1	133,169	133,170	133,170
Transaction with owners							
Dividends	-	-	-	-	(51,069)	(51,069)	(51,069)
Share dividend	-	20,963	-	-	(20,963)	(20,963)	-
Options granted under ESS	-	-	3,326	-	-	3,326	3,326
Issuance of shares pursuant to options exercised	12,671	-	(1,988)	-	1,927	(61)	12,610
Cancellation of options	-	-	(7)	-	7	-	-
Total transaction with owners	12,671	20,963	1,331	-	(70,098)	(68,767)	(35,133)
As at 31 March 2022	200,697	(4,948)	3,467	-	672,852	676,319	872,068

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 2021 and the accompanying explanatory notes attached to the interim financial report.

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	CUMULATIVE QUARTER 31.03.2022 RM'000	CUMULATIVE QUARTER 31.03.2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	177,231	167,223
Adjustments for:		
Allowances for impairment loss on receivables, net	11,544	15,592
Depreciation of plant and equipment and ROU assets	3,569	3,153
Options granted under ESS	3,326	3,033
Finance costs	263	291
Plant and equipment written off	2	7
Profit and interest income from deposits with licensed financial institutions	(12,239)	(12,050)
Gain on disposal of plant and equipment	(176)	(54)
Lease payment incentive	-	(17)
Operating profit before working capital changes	<u>183,520</u>	<u>177,178</u>
(Increase)/Decrease in working capital:		
Financing receivables	(54,449)	(46,868)
Trade receivables	249	(51,185)
Other receivables, deposits and prepaid expenses	7,092	(1,145)
Increase in working capital:		
Payables and accrued expenses	6,515	2,297
Cash generated from operations	<u>142,927</u>	<u>80,277</u>
Taxes paid	(41,153)	(36,840)
Taxes refunded	229	-
Net cash generated from operating activities	<u>102,003</u>	<u>43,437</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Profit and interest income from deposits with licensed financial institutions received	12,239	12,050
Proceeds from disposal of plant and equipment	180	54
Additions to plant and equipment	(2,169)	(1,808)
Deposit payment for asset under hire-purchase	(87)	(41)
Net cash generated from investing activities	<u>10,163</u>	<u>10,255</u>

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	CUMULATIVE QUARTER 31.03.2022 RM'000	CUMULATIVE QUARTER 31.03.2021 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of revolving credits	583,500	736,000
Issuance of Sukuk Murabahah ("Sukuk")	310,000	220,000
Proceeds from issuance of shares	12,671	15,788
Drawdown of other financing liabilities	3,506	3,030
Drawdown of term financing/loans	-	120,000
Repayment of revolving credits	(494,000)	(911,500)
Redemption of Sukuk	(190,000)	(95,000)
(Placements)/withdrawal of deposits, cash and bank balances, net:		
- assigned in favour of the trustees	(114,188)	(183,696)
- pledged to licensed financial institutions	(77,643)	23,548
Repayment of term financing/loans	(79,157)	(117,263)
Dividends paid	(51,069)	(42,785)
Repayments of:		
- other financing liabilities	(3,506)	(3,030)
- lease liabilities	(793)	(732)
- hire-purchase payables	(384)	(206)
Finance costs paid	(263)	(291)
Cash settlement for ESS	(61)	-
Net cash used in financing activities	<u>(101,387)</u>	<u>(236,137)</u>
Net change in cash and cash equivalents	10,779	(182,445)
Cash and cash equivalents at beginning of financial year	30,222	212,667
Cash and cash equivalents at end of financial year	<u>41,001</u>	<u>30,222</u>
CASH AND CASH EQUIVALENTS AS AT END OF FINANCIAL YEAR COMPRISE THE FOLLOWING:		
Deposits with licensed financial institutions	647,587	570,983
Cash and bank balances	152,924	26,918
	<u>800,511</u>	<u>597,901</u>
Less: Deposits, cash and bank balances		
- assigned in favour of the trustees	(652,059)	(537,871)
- pledged to licensed financial institutions	(107,451)	(29,808)
	<u>41,001</u>	<u>30,222</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 2021 and the accompanying explanatory notes attached to the interim financial report.



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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 ("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 2021.

2. CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

The significant 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 2021, except for the following amendments to published standards which are effective for the financial period commencing 1 April 2021:

Amendments to MFRS 16	Interest Rate Benchmark Reform – Phase 2
	COVID-19 – Related Rent Concessions beyond 30 June 2021

The adoption of the above amendments did not have any material effect to the Group.

3. AUDITORS' REPORT ON PRECEDING ANNUAL AUDITED FINANCIAL

The auditors' report on the preceding annual audited financial statements was not subject to any qualification.



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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 year.

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) 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	210,000	310,000
Redemption upon maturity	60,000	90,000

Out of the issuance of RM379.0 million Sukuk, RM69.0 million was subscribed internally by a subsidiary of the Company.



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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	35,000	100,000

- (c) ESS

The Company granted 9,068,000 options to its eligible employees at an option price of RM3.00 in accordance with By-Laws of the ESS. The number of options and price were subsequently adjusted to 17,121,751 and RM1.57 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 382,655,236 to 739,987,032 by way of issuances of:

- (i) 351,470,069 Bonus Shares on the basis of nineteen (19) Bonus Shares for every twenty-one (21) ordinary shares; and
- (ii) 5,861,727 new ordinary shares pursuant to options exercised.

- (e) Treasury shares

The total number of treasury shares held by the Company is 8,216,196 following the distribution of 18,291,722 treasury shares as share dividend and receipt of 3,902,693 Bonus Shares.

As at 31 March 2022, the number of ordinary shares, net of treasury shares is 731,770,836.



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8. DIVIDENDS

31.03.2022	31.03.2021
RM'000	RM'000

Recognised during the financial year:

- Second interim dividend for 2020: 6.00 sen per ordinary share, paid on 27 July 2020 to shareholders whose names appeared in the record of depositors on 16 July 2020	-	21,335
- First interim dividend for 2021: 6.00 sen per ordinary share, paid on 7 December 2020 to shareholders whose names appeared in the record of depositors on 25 November 2020	-	21,450
- Second interim dividend for 2021: 7.00 sen per ordinary share, paid on 29 July 2021 to shareholders whose names appeared in the record of depositors on 16 July 2021	25,489	-
- First interim dividend for 2022: 7.00 sen per ordinary share, paid on 6 December 2021 to shareholders whose names appeared in the record of depositors on 24 November 2021	25,580	-
	<hr/>	<hr/>
	51,069	42,785
- Distribution of 18,291,722 treasury shares as share dividend on the basis of one (1) treasury share for every twenty (20) ordinary shares held on 5 January 2022 and credited on 17 January 2022	20,963	-
	<hr/>	<hr/>
	72,032	42,785
	<hr/> <hr/>	<hr/> <hr/>



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8. DIVIDENDS (CONT'D)

The Board of Directors ("Board") has declared a second interim dividend of 4.00 sen per ordinary share ("2nd interim dividend") in respect of financial year ended 31 March 2022, to be paid on 30 June 2022. The dividend payable is estimated at RM29,278,937 based on the latest number of ordinary shares, net of treasury shares.

The entitlement date for the dividend payment is 17 June 2022.

A depositor shall qualify for entitlement to the dividend only in respect of:

- (a) shares transferred into the depositor's securities account before 4.30 pm on 17 June 2022 in respect of ordinary transfers; and
- (b) shares bought from Bursa on a cum entitlement basis.

This 2nd interim dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 March 2023.

Total dividend declared (excluding share dividend) in respect of the financial year ended 31 March 2022 is 11.00 sen. This translates to a dividend payout ratio of 41.2%.

The Board does not recommend any final dividend for the financial year ended 31 March 2022.

9. SEGMENT INFORMATION

Segmental reporting is not presented as the Group is primarily engaged in the provision of general consumer financing.



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10. PROFIT BEFORE TAX

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

	INDIVIDUAL QUARTER 31.03.2022 RM'000	CUMULATIVE QUARTER 31.03.2022 RM'000
Allowances for impairment loss on receivables, net	5,859	11,544
Income from deposits with licensed financial institutions:		
- profit income	(3,336)	(11,945)
- interest income	(83)	(294)
	(3,419)	(12,239)
Gain on foreign exchange, net:		
- realised	(1)	(3)
- 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.



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12. CHANGES IN THE COMPOSITION OF THE GROUP

- (a) RCE Credit Pte. Ltd., a dormant direct subsidiary of the Company has been struck off and de-registered from the Register of Companies pursuant to Section 344A, Chapter 50 of the Singapore Companies Act on 8 April 2021; and

- (b) Strategi Interaksi Sdn. Bhd., a dormant direct subsidiary company of the Company has been struck off and de-registered from the Companies Commission of Malaysia pursuant to Section 551(3) of the Companies Act 2016 on 21 July 2021.

The above have no material financial effects to the Group.

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13. REVIEW OF PERFORMANCE

	INDIVIDUAL QUARTER				CUMULATIVE QUARTER			
	31.03.2022	31.03.2021	Variance		31.03.2022	31.03.2021	Variance	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	74,704	74,964	(260)	(0.3)	299,457	293,459	5,998	2.0
Profit before tax	41,427	45,800	(4,373)	(9.5)	177,231	167,223	10,008	6.0
Profit for the financial period	31,537	34,061	(2,524)	(7.4)	133,169	124,633	8,536	6.8
Profit attributable to ordinary equity holders of the Parent	31,537	34,061	(2,524)	(7.4)	133,169	124,633	8,536	6.8

In the current quarter, the Group steadily maintained its revenue at RM74.7 million as compared to corresponding quarter of RM75.0 million.

The Group recorded a lower pre-tax profit of RM41.4 million in the current quarter as compared to RM45.8 million in the corresponding quarter. This was primarily due to higher allowances for impairment loss on receivables offset with higher income from placements of deposits with licensed financial institutions.

Arising thereof, the Group registered a lower post-tax profit of RM31.5 million in the current quarter.

For the financial year ended 31 March 2022, the Group posted a higher pre-tax profit of RM177.2 million as compared to RM167.2 million in the previous financial year. This was mainly led by higher profit and fee income as well as lower allowances for impairment loss on receivables.

Accordingly, Group's post-tax profit increased to RM133.2 million in the current financial year as compared to a year ago of RM124.6 million.



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

	INDIVIDUAL QUARTER			%
	31.03.2022	31.12.2021	Variance	
	RM'000	RM'000	RM'000	
Revenue	74,704	76,896	(2,192)	(2.9)
Profit before tax	41,427	46,351	(4,924)	(10.6)
Profit for the financial period	31,537	34,700	(3,163)	(9.1)
Profit attributable to ordinary equity holders of the Parent	31,537	34,700	(3,163)	(9.1)

The Group recorded a lower revenue of RM74.7 million in the current quarter as compared to RM76.9 million in the preceding quarter. This was mainly due to lower fee income offset with higher profit income.

The Group's pre-tax profit decreased from RM46.4 million in the preceding quarter to RM41.4 million in the current quarter, primarily due to higher allowances for impairment loss on receivables.

Overall, the Group posted a lower post-tax profit of RM31.5 million in the current quarter as compared to RM34.7 million in the preceding quarter.

15. CURRENT YEAR PROSPECTS

With the country transitioning into endemicity, the Group's business operations are expected to gain momentum with increased financing demands, mainly driven by easing of restrictions on economic and social activities.

Efforts in aligning the Group's marketing, customer experience and technology for increased customer engagement are continuously reviewed. These includes leveraging online financing application, ChatBot, interactive voice response system and sales campaigns launched to boost disbursements. Accordingly, we expect to remain profitable for next financial year.



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16. PROFIT FORECAST

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

17. INCOME TAX EXPENSE

	INDIVIDUAL QUARTER 31.03.2022 RM'000	CUMULATIVE QUARTER 31.03.2022 RM'000
Income tax payable:		
Current period	11,113	42,256
Over provision in prior years	-	(637)
	<hr/> 11,113	<hr/> 41,619
Deferred tax:		
Current period	(1,223)	2,245
Under provision in prior years	-	198
	<hr/> (1,223)	<hr/> 2,443
	<hr/> 9,890	<hr/> 44,062

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



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18. STATUS OF CORPORATE PROPOSALS

- (a) On 30 June 2021, the Company joined a consortium led by Paramount Corporation Berhad ("Paramount") which has submitted an application to Bank Negara Malaysia for a digital banking license pursuant to the Licensing Framework for Digital Banks And Application Procedures For New Licences under Financial Services Act 2013.

On 29 April 2022, the Company was informed by Paramount that the application was not successful.

- (b) On 9 November 2021, AmInvestment Bank Berhad had on behalf of the Board announced that the Company undertook the following:
- (i) a distribution of up to 18,778,370 Treasury Shares on the basis of 1 Treasury Share for every 20 Shares held on 5 January 2022 ("Entitlement Date"); and
 - (ii) proposed bonus issue of up to 360,251,432 Bonus Shares on the basis of 19 Bonus Shares for every 21 Shares held on the Entitlement Date ("Bonus Issue").

The Bonus Issue was approved by the shareholders at the Extraordinary General Meeting held on 22 December 2021.

The above were implemented concurrently with a single Entitlement Date, whereby the Treasury Shares were distributed to shareholders whose names appeared in the Record of Depositors of the Company on the Entitlement Date ("Entitled Shareholders") before the Bonus Issue. Hence, the entitlement to the Bonus Issue was based on the increased number of Shares held by Entitled Shareholders after the distribution of Treasury Shares.

On 17 January 2022, the Company announced the completion of the distribution of 18,291,722 Treasury Shares and listing of and quotation for 351,470,069 Bonus Shares on the Main Market of Bursa.

Other than the above, there were no other corporate proposals announced but not completed as at the date of this report.

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for 4th Quarter Ended 31 March 2022**NOTES TO THE INTERIM FINANCIAL REPORT****19. FINANCING RECEIVABLES**

	← As at 31.03.2022 →		
	← Receivables →		
	Financing RM'000	Loans RM'000	Total RM'000
At amortised cost, gross	1,857,222	21,958	1,879,180
Less: Allowances for impairment	(109,802)	(5,305)	(115,107)
	1,747,420	16,653	1,764,073
Amount receivable within one (1) year	(198,478)	(6,993)	(205,471)
Non-current portion	1,548,942	9,660	1,558,602

During the financial year, 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 2021	46,402	4,030	73,703	124,135
Changes in the ECL:				
- Transfer to Stage 1	386	(932)	(4,727)	(5,273)
- Transfer to Stage 2	(346)	1,916	(2,097)	(527)
- Transfer to Stage 3	(1,063)	(1,228)	33,881	31,590
Net adjustment of allowances for impairment	(1,023)	(244)	27,057	25,790
New financial assets originated or purchased	9,059	-	-	9,059
Financial assets derecognised	(2,408)	(165)	(4,091)	(6,664)
Changes in risk parameters	(10,445)	(824)	(5,360)	(16,629)
Written off	-	-	(20,584)	(20,584)
Balance as at 31 March 2022	41,585	2,797	70,725	115,107

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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 expected credit loss ("ECL") calculation. Accordingly, the ECL during the financial year 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 31.03.2022 →		
	Short Term RM'000	Long Term RM'000	Total RM'000
At amortised cost			
<i>Secured:</i>			
Shariah			
- Sukuk	211,617	1,098,381	1,309,998
- Term financing	49,669	93,103	142,772
- Revolving credits	46,054	-	46,054
	307,340	1,191,484	1,498,824
Conventional			
- Revolving credits	248,714	-	248,714
- Term loans	5,951	7,445	13,396
	254,665	7,445	262,110
	562,005	1,198,929	1,760,934
<i>Unsecured:</i>			
Shariah			
- Revolving credits	35,026	-	35,026
Conventional			
- Revolving credits	8,016	-	8,016
	43,042	-	43,042
	605,047	1,198,929	1,803,976

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	← As at 31.03.2021 →		
	Short Term RM'000	Long Term RM'000	Total RM'000
At amortised cost			
<i>Secured:</i>			
Shariah			
- Sukuk	199,056	988,352	1,187,408
- Term financing	73,955	142,040	215,995
- Revolving credits	133,555	-	133,555
	406,566	1,130,392	1,536,958
Conventional			
- Revolving credits	114,308	-	114,308
- Term loans	5,963	13,390	19,353
	120,271	13,390	133,661
	526,837	1,143,782	1,670,619

As at 31 March 2022, the Group's weighted average profit rate by categories of financing liabilities ranges from 3.6% to 4.9% (31.03.2021: 2.6% to 5.5%) per annum.

The Group financing liabilities consist of:

	31.03.2022 RM'000	31.03.2021 RM'000
Fixed rate	1,309,998	1,187,408
Floating rate	493,978	483,211
	1,803,976	1,670,619

The Group's financing liabilities increased by RM133.4 million from RM1.67 billion a year ago to RM1.80 billion. The increase was primarily due to issuance of two tranches of Sukuk amounting to RM310.0 million, offset with RM190.0 million redemptions upon maturity.



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21. CAPITAL COMMITMENTS

	31.03.2022
	RM'000
Capital expenditure approved and contracted for	<u>1,412</u>

22. CHANGES IN CONTINGENT LIABILITIES AND ASSETS

As at 31 March 2022 and 31 March 2021, the letter of credit stood at RM0.6 million respectively.

Other than disclosed above, there were no other changes in contingent liabilities or assets since the last financial year ended 31 March 2021.

23. DERIVATIVES AND FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

(a) There were no derivatives as at 31 March 2022.

(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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25. EARNINGS PER SHARE ("EPS")

For the current quarter and financial year, the weighted average number of ordinary shares in issue take into account the effects of the distribution of treasury shares and Bonus Shares.

Meanwhile, the weighted average number of ordinary shares in issue for the corresponding quarter and financial year 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	
		31.03.2022	31.03.2021	31.03.2022	31.03.2021
(a) Basic EPS:					
Profit for the period attributable to ordinary equity holders of the Parent	(RM'000)	31,537	34,061	133,169	124,633
Weighted average number of ordinary shares in issue	(unit'000)	731,742	710,069	729,852	707,238
Basic EPS	(sen)	4.31	4.80	18.25	17.62

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.



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25. EPS (CONT'D)

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		31.03.2022	31.03.2021	31.03.2022	31.03.2021
(b) Diluted EPS:					
Profit for the period attributable to ordinary equity holders of the Parent	(RM'000)	31,537	34,061	133,169	124,633
Weighted average number of ordinary shares in issue	(unit'000)	731,742	710,069	729,852	707,238
Effects of dilution of ESS	(unit'000)	2,266	1,414	2,386	420
Adjusted weighted average number of ordinary shares in issue	(unit'000)	734,008	711,483	732,238	707,658
Diluted EPS	(sen)	4.30	4.79	18.19	17.61

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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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:

	31.03.2022	
	Carrying amount RM'000	Fair value RM'000
Financial assets		
Financing receivables	<u>1,764,073</u>	<u>1,779,749</u>
Financial liabilities		
Financing liabilities - Sukuk	<u>1,309,998</u>	<u>1,359,552</u>

BY ORDER OF THE BOARD
JOHNSON YAP CHOON SENG
Company Secretary
30 May 2022