

**RCE Capital Berhad**

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report
for 1st Quarter Ended 30 June 2022**SUMMARY OF KEY FINANCIAL INFORMATION FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		
	30.06.2022 RM'000	30.06.2021 RM'000	30.06.2022 RM'000	30.06.2021 RM'000	
1. Revenue	77,661	78,035	77,661	78,035	
2. Profit before tax	42,887	47,250	42,887	47,250	
3. Profit for the financial period	32,227	35,387	32,227	35,387	
4. Profit attributable to ordinary equity holders of the Parent	32,227	35,387	32,227	35,387	
5. Basic earnings per ordinary share (sen)	4.40	4.97*	4.40	4.97*	
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 Parent (RM)		1.20		1.19	
		INDIVIDUAL QUARTER	CUMULATIVE QUARTER		
		30.06.2022 RM'000	30.06.2021 RM'000	30.06.2022 RM'000	30.06.2021 RM'000
8. Gross interest income	70	45	70	45	
9. Gross interest expense	57	69	57	69	

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

**RCE Capital Berhad**

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report
for 1st Quarter Ended 30 June 2022**CONDENSED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 3 MONTHS ENDED	
	30.06.2022 RM'000	30.06.2021 RM'000	30.06.2022 RM'000	30.06.2021 RM'000
Profit income	69,227	71,569	69,227	71,569
Other revenue	8,434	6,466	8,434	6,466
Revenue	77,661	78,035	77,661	78,035
Other income	5,611	4,595	5,611	4,595
Profit expense applicable to revenue	(20,339)	(19,835)	(20,339)	(19,835)
Directors' remuneration and staff costs	(6,078)	(6,103)	(6,078)	(6,103)
Allowances for impairment loss on receivables, net	(8,197)	(3,079)	(8,197)	(3,079)
Depreciation of plant and equipment and right-of-use ("ROU") assets	(846)	(830)	(846)	(830)
Other expenses	(4,868)	(5,464)	(4,868)	(5,464)
Finance costs	(57)	(69)	(57)	(69)
Profit before tax	42,887	47,250	42,887	47,250
Income tax expense	(10,660)	(11,863)	(10,660)	(11,863)
Total comprehensive income for the financial period	32,227	35,387	32,227	35,387
Other comprehensive income that may be reclassified subsequently to profit or loss:				
Foreign currency translations	-	1	-	1
Other comprehensive income for the financial period, net of tax	-	1	-	1
Total comprehensive income for the financial period	32,227	35,388	32,227	35,388
Attributable to:				
Owners of the Parent	32,227	35,387	32,227	35,387
Earnings per ordinary share (sen):				
Basic	4.40	4.97*	4.40	4.97*
Diluted	4.39	4.96*	4.39	4.96*

* 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 2022 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 1st Quarter Ended 30 June 2022**CONDENSED STATEMENT OF FINANCIAL POSITION**

	AS AT 30.06.2022 RM'000	AS AT 31.03.2022 RM'000
ASSETS		
Non-Current Assets		
Plant and equipment	6,346	6,354
ROU assets	3,740	4,027
Goodwill on consolidation	47,333	47,333
Financing receivables	1,576,245	1,558,602
Deferred tax assets	39,041	40,684
Total Non-Current Assets	1,672,705	1,657,000
Current Assets		
Financing receivables	210,192	205,471
Trade receivables	53,909	53,970
Other receivables, deposits and prepaid expenses	9,128	8,326
Deposits with licensed financial institutions	694,510	647,587
Cash and bank balances	126,806	152,924
Total Current Assets	1,094,545	1,068,278
TOTAL ASSETS	2,767,250	2,725,278
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent		
Share capital	201,151	200,697
Treasury shares	(4,948)	(4,948)
Reserves	678,822	676,319
Total Equity	875,025	872,068
Non-Current Liabilities		
Payables and accrued expenses	780	780
Hire-purchase payables	291	338
Financing liabilities	1,169,216	1,198,929
Lease liabilities	2,556	2,787
Deferred tax liabilities	1,385	1,167
Total Non-Current Liabilities	1,174,228	1,204,001
Current Liabilities		
Payables and accrued expenses	30,580	33,729
Hire-purchase payables	210	246
Financing liabilities	677,789	605,047
Lease liabilities	838	840
Tax liabilities	8,580	9,347
Total Current Liabilities	717,997	649,209
Total Liabilities	1,892,225	1,853,210
TOTAL EQUITY AND LIABILITIES	2,767,250	2,725,278
NET ASSETS PER SHARE (RM)	1.20	1.19

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 2022 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	Reserves				Total Reserves RM'000	Total RM'000
			Employees' Share Scheme ("ESS") RM'000	Exchange Translation Reserve RM'000	Retained Earnings RM'000			
As at 1 April 2021	188,026	(25,911)	2,136	(1)	609,781	611,916	774,031	
Total comprehensive income	-	-	-	1	35,387	35,388	35,388	
Transactions with owners								
Dividends	-	-	-	-	(25,489)	(25,489)	(25,489)	
Issuance of shares pursuant to options exercised	3,200	-	(487)	-	487	-	3,200	
Cancellation of options	-	-	(3)	-	3	-	-	
Total transactions with owners	3,200	-	(490)	-	(24,999)	(25,489)	(22,289)	
As at 30 June 2021	191,226	(25,911)	1,646	-	620,169	621,815	787,130	
As at 1 April 2022	200,697	(4,948)	3,467	-	672,852	676,319	872,068	
Total comprehensive income	-	-	-	-	32,227	32,227	32,227	
Transaction with owners								
Dividends	-	-	-	-	(29,287)	(29,287)	(29,287)	
Issuance of shares pursuant to options exercised	454	-	(464)	-	27	(437)	17	
Cancellation of options	-	-	(5)	-	5	-	-	
	454	-	(469)	-	(29,255)	(29,724)	(29,270)	
As at 30 June 2022	201,151	(4,948)	2,998	-	675,824	678,822	875,025	

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 2022 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 1st Quarter Ended 30 June 2022

CONDENSED STATEMENT OF CASH FLOWS

	CUMULATIVE QUARTER 30.06.2022 RM'000	CUMULATIVE QUARTER 30.06.2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	42,887	47,250
Adjustments for:		
Allowances for impairment loss on receivables, net	8,197	3,079
Depreciation of plant and equipment and ROU assets	846	830
Finance costs	57	69
Profit and interest income from deposits with licensed financial institutions	(3,550)	(2,724)
Gain on disposal of plant and equipment	-	(54)
Operating profit before working capital changes	<u>48,437</u>	<u>48,450</u>
(Increase)/Decrease in working capital:		
Financing receivables	(30,553)	(11,925)
Trade receivables	53	(1,528)
Other receivables, deposits and prepaid expenses	76	562
Increase in working capital:		
Payables and accrued expenses	7,924	6,508
Cash generated from operations	<u>25,937</u>	<u>42,067</u>
Taxes paid	(9,673)	(8,664)
Taxes refunded	-	130
Net cash generated from operating activities	<u>16,264</u>	<u>33,533</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Profit and interest income from deposits with licensed financial institutions received	3,550	2,724
Proceeds from disposal of plant and equipment	-	54
Additions to plant and equipment	(579)	(605)
Net cash generated from investing activities	<u>2,971</u>	<u>2,173</u>

CONDENSED STATEMENT OF CASH FLOWS (CONT'D)

	CUMULATIVE QUARTER 30.06.2022 RM'000	CUMULATIVE QUARTER 30.06.2021 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of revolving credits	286,500	191,500
Drawdown of other financing liabilities	1,575	1,187
Proceeds from issuance of shares	454	3,200
Repayment of revolving credits	(235,000)	(109,000)
(Placements)/withdrawal of deposits, cash and bank balances, net:		
- assigned in favour of the trustees	(103,627)	(63,875)
- pledged to licensed financial institutions	78,950	3,510
Dividends paid	(29,287)	-
Repayment of term financing/loans	(20,315)	(19,431)
Repayments of:		
- other financing liabilities	(1,575)	(1,187)
- lease liabilities	(205)	(193)
- hire-purchase payables	(83)	(90)
Cash settlement for ESS	(437)	-
Finance costs paid	(57)	(69)
Redemption of Sukuk Murabahah ("Sukuk")	-	(25,000)
Net cash used in financing activities	<u>(23,107)</u>	<u>(19,448)</u>
Net change in cash and cash equivalents	(3,872)	16,258
Cash and cash equivalents at beginning of financial period	41,001	30,222
Cash and cash equivalents at end of financial period	<u>37,129</u>	<u>46,480</u>

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

Deposits with licensed financial institutions	694,510	639,528
Cash and bank balances	126,806	34,996
	<u>821,316</u>	<u>674,524</u>
Less: Deposits, cash and bank balances		
- assigned in favour of the trustees	(755,686)	(601,746)
- pledged to licensed financial institutions	(28,501)	(26,298)
	<u>37,129</u>	<u>46,480</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 2022 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 1st Quarter Ended 30 June 2022

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 2022.

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 2022, except for the following amendments to published standards which are effective for the financial period commencing 1 April 2022:

Amendments to:

MFRS 3	Reference to the Conceptual Framework
MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use
MFRS 137	Onerous Contracts – Costs of Fulfilling a Contract
MFRSs	Annual Improvements to MFRSs 2018-2020 Cycle

The adoption of the above amendments does 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.

4. SEASONAL OR CYCLICAL FACTORS

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



RCE Capital Berhad

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report
for 1st Quarter Ended 30 June 2022

NOTES TO THE INTERIM FINANCIAL REPORT

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 issuance of shares pursuant to options exercised.

During the financial period ended 30 June 2022, the total number of issued shares of the Company was increased from 739,987,032 to 740,388,894 by way of the issuance of 401,862 new ordinary shares pursuant to options exercised.

As at 30 June 2022, the number of ordinary shares, net of treasury shares is 732,172,698.

8. DIVIDENDS

30.06.2022	30.06.2021
RM'000	RM'000

Recognised during the financial period:

Second interim dividend for 2022:

4.00 sen per ordinary share, paid on 30 June 2022 to shareholders whose names appeared in the record of depositors on 17 June 2022

<u>29,287</u>	<u>-</u>
---------------	----------



RCE Capital Berhad

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report
for 1st Quarter Ended 30 June 2022

NOTES TO THE INTERIM FINANCIAL REPORT

9. SEGMENT INFORMATION

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

10. PROFIT BEFORE TAX

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

	INDIVIDUAL QUARTER 30.06.2022 RM'000	CUMULATIVE QUARTER 30.06.2022 RM'000
Allowances for impairment loss on receivables, net	8,197	8,197
Income from deposits with licensed financial institutions:		
- profit income	(3,480)	(3,480)
- interest income	(70)	(70)
	(3,550)	(3,550)
Gain on foreign exchange, net:		
- realised	(2)	(2)
- 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 period.



RCE Capital Berhad

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report
for 1st Quarter Ended 30 June 2022

NOTES TO THE INTERIM FINANCIAL REPORT

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

As at the date of this announcement, there were no material events subsequent to the end of the interim period that affect the results of the Group.

12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the financial period.

13. REVIEW OF PERFORMANCE

	INDIVIDUAL/ CUMULATIVE QUARTER		Variance	
	30.06.2022 RM'000	30.06.2021 RM'000	RM'000	%
Revenue	77,661	78,035	(374)	(0.5)
Profit before tax	42,887	47,250	(4,363)	(9.2)
Profit for the financial period	32,227	35,387	(3,160)	(8.9)
Profit attributable to ordinary equity holders of the Parent	32,227	35,387	(3,160)	(8.9)

For the current quarter ended 30 June 2022, the Group steadily maintained its revenue at RM77.7 million.

The Group's pre-tax profit decreased from RM47.3 million to RM42.9 million in the current quarter primarily due to higher allowances for impairment loss on receivables, offset with higher profit and interest income earned from placements of deposit.

Accordingly, the Group recorded a lower post-tax profit of RM32.2 million in the current quarter.



RCE Capital Berhad

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report
for 1st Quarter Ended 30 June 2022

NOTES TO THE INTERIM FINANCIAL REPORT

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

	INDIVIDUAL QUARTER			%
	30.06.2022	31.03.2022	Variance	
	RM'000	RM'000	RM'000	
Revenue	77,661	74,704	2,957	4.0
Profit before tax	42,887	41,427	1,460	3.5
Profit for the financial period	32,227	31,537	690	2.2
Profit attributable to ordinary equity holders of the Parent	32,227	31,537	690	2.2

The Group's revenue increased from RM74.7 million in the preceding quarter to RM77.7 million in the current quarter. This was mainly contributed by higher fee income, offset with lower early settlement income.

The Group also posted an increase in pre-tax profit of RM42.9 million in the current quarter, primarily led by higher fee income despite a higher allowances for impairment loss on receivables.

Overall, the Group registered a higher post-tax profit of RM32.2 million in the current quarter.

15. CURRENT YEAR PROSPECTS

Following the gradual easing of various restrictions, the Group experiences positive momentum in its business mainly from the increased economic activities and growth prospects.

Nevertheless, the Group remains vigilant in view of more Overnight Policy Rate hikes anticipated ahead. This includes sourcing of competitive financing facilities, maintaining prudence in credit risk management and digital initiatives acceleration to ensure sustainable value creation for all stakeholders.

Following this, the Group is expected to remain profitable for the financial year ending 31 March 2023.



RCE Capital Berhad

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report
for 1st Quarter Ended 30 June 2022

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 30.06.2022 RM'000	CUMULATIVE QUARTER 30.06.2022 RM'000
Income tax payable:		
Current period	8,799	8,799
Deferred tax:		
Current period	1,861	1,861
	<u>10,660</u>	<u>10,660</u>

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

[The remaining of this page is intentionally left blank]

**RCE Capital Berhad**

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report
for 1st Quarter Ended 30 June 2022**NOTES TO THE INTERIM FINANCIAL REPORT****19. FINANCING RECEIVABLES**

← As at 30.06.2022 →

← Receivables →

	Financing RM'000	Loans RM'000	Total RM'000
At amortised cost, gross	1,885,436	19,266	1,904,702
Less: Allowances for impairment	(113,688)	(4,577)	(118,265)
	1,771,748	14,689	1,786,437
Amount receivable within one year	(203,449)	(6,743)	(210,192)
Non-current portion	1,568,299	7,946	1,576,245

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 2022	41,585	2,797	70,725	115,107
Changes in the ECL:				
- Transfer to Stage 1	90	(300)	(908)	(1,118)
- Transfer to Stage 2	(71)	376	(412)	(107)
- Transfer to Stage 3	(369)	(323)	13,400	12,708
Net adjustment of allowances for impairment	(350)	(247)	12,080	11,483
New financial assets originated or purchased	2,757	-	-	2,757
Financial assets derecognised	(644)	(45)	(1,113)	(1,802)
Changes in risk parameters	(2,699)	(189)	(1,361)	(4,249)
Written off	-	-	(5,031)	(5,031)
Balance as at 30 June 2022	40,649	2,316	75,300	118,265

**RCE Capital Berhad**

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report
for 1st Quarter Ended 30 June 2022**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 expected credit loss ("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 30.06.2022 →		
	Short Term RM'000	Long Term RM'000	Total RM'000
At amortised cost			
<i>Secured:</i>			
Shariah			
- Sukuk	242,560	1,078,925	1,321,485
- Revolving credits	138,360	-	138,360
- Term financing	39,562	84,332	123,894
	420,482	1,163,257	1,583,739
Conventional			
- Revolving credits	216,305	-	216,305
- Term loans	5,948	5,959	11,907
	222,253	5,959	228,212
	642,735	1,169,216	1,811,951
<i>Unsecured:</i>			
Shariah			
- Revolving credits	35,054	-	35,054
	677,789	1,169,216	1,847,005

**RCE Capital Berhad**

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report
for 1st Quarter Ended 30 June 2022**NOTES TO THE INTERIM FINANCIAL REPORT****20. GROUP FINANCING LIABILITIES AND DEBT SECURITIES (CONT'D)**

	← As at 30.06.2021 →		
	Short Term RM'000	Long Term RM'000	Total RM'000
At amortised cost			
<i>Secured:</i>			
Shariah			
- Sukuk	182,985	988,846	1,171,831
- Term financing	74,704	123,327	198,031
- Revolving credits	124,091	-	124,091
	381,780	1,112,173	1,493,953
Conventional			
- Revolving credits	171,358	-	171,358
- Term loans	5,955	11,903	17,858
	177,313	11,903	189,216
	559,093	1,124,076	1,683,169
<i>Unsecured:</i>			
Shariah			
- Revolving credits	35,011	-	35,011
	594,104	1,124,076	1,718,180

As at 30 June 2022, the Group's weighted average profit rate by categories of financing liabilities ranges from 2.9% to 4.9% (30.06.2021: 3.2% to 5.1%) per annum.

The Group financing liabilities consist of:

	30.06.2022 RM'000	30.06.2021 RM'000
Fixed rate	1,321,485	1,171,831
Floating rate	525,520	546,349
	1,847,005	1,718,180



RCE Capital Berhad

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report
for 1st Quarter Ended 30 June 2022

NOTES TO THE INTERIM FINANCIAL REPORT

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

The Group's financing liabilities stood at RM1.85 billion, representing an increase of RM128.8 million as compared to a year ago. This was primarily due to issuance of two tranches of Sukuk amounting to RM310.0 million, offset with RM165.0 million redemptions upon maturity and RM20.8 million net repayments of other financing liabilities.

21. CAPITAL COMMITMENTS

	30.06.2022
	RM'000
Capital expenditure approved and contracted for	<u>1,072</u>

22. CHANGES IN CONTINGENT LIABILITIES AND ASSETS

As at 30 June 2022, the letter of credit stood at RM1.0 million, representing an increase of RM0.4 million as compared to 31 March 2022.

Other than disclosed above, there were no other changes in contingent liabilities or assets since the last financial year ended 31 March 2022.

23. DERIVATIVES AND FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

- (a) There were no derivatives as at 30 June 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.



RCE Capital Berhad

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report
for 1st Quarter Ended 30 June 2022

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")

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 issuance in accordance with MFRS 133, Earnings per Share.

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		30.06.2022	30.06.2021	30.06.2022	30.06.2021
(a) Basic EPS:					
Profit for the period attributable to ordinary equity holders of the Parent	(RM'000)	32,227	35,387	32,227	35,387
Weighted average number of ordinary shares in issue	(unit'000)	731,937	712,343	731,937	712,343
Basic EPS	(sen)	4.40	4.97	4.40	4.97

Basic EPS for the current quarter and financial period 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.

**RCE Capital Berhad**

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report
for 1st Quarter Ended 30 June 2022**NOTES TO THE INTERIM FINANCIAL REPORT****25. EPS (CONT'D)**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		30.06.2022	30.06.2021	30.06.2022	30.06.2021
(b) Diluted EPS:					
Profit for the period attributable to ordinary equity holders of the Parent	(RM'000)	32,227	35,387	32,227	35,387
Weighted average number of ordinary shares in issue	(unit'000)	731,937	712,343	731,937	712,343
Effects of dilution of ESS	(unit'000)	2,028	1,717	2,028	1,717
Adjusted weighted average number of ordinary shares in issue	(unit'000)	733,965	714,060	733,965	714,060
Diluted EPS	(sen)	4.39	4.96	4.39	4.96

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.



RCE Capital Berhad

Registration No: 195301000151 (2444-M)

Incorporated in Malaysia

Interim Financial Report
for 1st Quarter Ended 30 June 2022

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:

	30.06.2022	
	Carrying amount RM'000	Fair value RM'000
Financial assets		
Financing receivables	<u>1,786,437</u>	<u>1,801,574</u>
Financial liabilities		
Sukuk	<u>1,321,485</u>	<u>1,348,181</u>

BY ORDER OF THE BOARD
JOHNSON YAP CHOON SENG
Company Secretary
11 August 2022