

9 November, 2017

RCE Capital 2Q net profit up 18.5%, declares three sen dividend

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KUALA LUMPUR (Nov 9): RCE Capital Bhd said its net profit grew 18.5% in its second quarter ended Sept 30, 2017 to RM21.82 million, from RM18.4 million a year ago. Revenue rose 9.6% to RM61.57 million from RM56.16 million.

Cumulative net profit for the first two quarters was 19% higher at RM42.74 million, compared with RM35.93 million in the previous April-September period. Revenue grew 9.8% to RM118.67 million from RM108.1 million.

RCE Capital declared an interim single-tier dividend of three sen per share, payable on Jan 30, 2018.

In a filing with the stock exchange today, the group said the double-digit growth in its profit was driven by higher net interest income and lower operating expenses, partially offset by higher staff costs arising from share options granted under the employee shares scheme.

Its revenue growth, it said, was supported by continued loans growth and stable assets quality from its consumer financing segment.

Going forward, RCE expects modest loans growth from its consumer financing segment.

“Consumer financing products are continuously enhanced to meet market expectations and to ensure the expected yields are justified. Emphasis is also placed on the group’s distribution channels where their performance are tracked closely,” the group said.

RCE Capital slipped two sen or 1.24% to RM1.59 yesterday with 207,200 shares traded, giving it a market capitalisation of RM565.05 million. Year to date, the counter has climbed by nearly 17%.