

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Quarter And Year-to-date Ended 31 March 2014

A EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134 INTERIM FINANCIAL REPORTING**A1 Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134 Interim Financial Reporting and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market ("Listing Requirements"). These financial statements should be read in conjunction with the Group's annual audited financial statements for the year ended 30 June 2013.

A2 The preceding year's annual audited financial statements were not subject to any qualification.

A3 Seasonal or cyclical factors

The Group's operations are not materially affected by seasonal or cyclical factors during the current quarter under review.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group.

A5 Material changes in estimates

There were no changes in estimates of amounts reported in prior financial years, which may have a material effect in the current quarter results.

A6 Debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the current quarter under review save for the following:

The shareholders of Rexit had given their approval for Rexit to buy back its own shares at the Annual General Meeting ("AGM") held on 30 October 2008. The Company had obtained its renewal of authority to buy back its own shares at the Ninth AGM held on 22 November 2013. During the quarter under review, Rexit repurchased a total of 100,000 ordinary shares of its issued share capital from the open market at an average cost of RM0.415 per share. The total consideration paid for the shares bought back, including transaction costs during the current quarter amounted to RM41,495.52 and was financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965. None of the treasury shares held were resold or cancelled during the current financial quarter. As at 31 March 2014, the total number of treasury shares held was 7,363,300 ordinary shares.

A7 Dividends

The Board of Directors had declared First and Second interim tax-exempt dividends of 20% per ordinary share of RM0.10 during the preceding quarters for the financial year ending 30 June 2014, amounting to RM3,641,400.66 (Ringgit Malaysia Three Million Six Hundred Forty One Thousand Four Hundred and Cents Sixty Six only) and RM3,639,400.66 (Ringgit Malaysia Three Million Six Hundred Thirty Nine Thousand Four Hundred and Cents Sixty Six only) respectively. The dividend were paid on 8 January 2014 and 18 March 2014 to shareholders who were registered at the close of business on 10 December 2013 and 3 March 2014 respectively.

In the preceding year corresponding quarter, a tax-exempt interim dividend of 20% per ordinary share of RM0.10 for the financial year ended 30 June 2013, amounting to RM3,689,646.66 (Ringgit Malaysia Three Million Six Hundred Eighty Nine Thousand Six Hundred Forty Six and Cents Sixty Six Only) was paid on 12 March 2013 to shareholders who were registered at the close of business on 26 February 2013.

A EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134 INTERIM FINANCIAL REPORTING (Cont'd)

A8 Segmental information

Segmental information is not presented as the Group is primarily engaged in only one business segment which is to provide information technology ("IT") solutions and related services.

The Group's operations are currently conducted predominantly in Malaysia.

A9 Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment in the current quarter under review.

A10 Material events subsequent to the end of the quarter

There were no material events subsequent to the end of the quarter under review.

A11 Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

A12 Contingent liabilities

The Directors are of the opinion that during the current quarter under review, the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group.

A13 Capital commitments

The Group has no material capital commitments in respect of property, plant and equipment in the current quarter under review.

A14 Significant related party transactions

During the current quarter under review, the Directors are of the opinion that the Group has no related party transactions which would have a significant impact on the financial position and business of the Group.

A15 Cash and cash equivalents

	Quarter Ended	
	31 Mar 2014	31 Mar 2013
	RM'000	RM'000
Fixed deposits with licensed banks	2,080	1,654
Deposits with fund management corporations	10,762	17,892
Cash and bank balances	1,682	1,694
	14,524	21,240

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET

B1 Review of performance

For the financial year to-date ended 31 March 2014, Rexit Group recorded a revenue of RM8.798 million mainly from software sales including subscription and transaction fees, value-added hardware and system software sales. For the financial year to-date, the Group recorded a profit before tax ("PBT") of RM2.490 million and a profit after tax and non-controlling interests ("PAT") of RM2.479 million.

B2 Variation of results against preceding quarter

	Quarter Ended	
	31 Mar 2014	31 Dec 2013
	RM'000	RM'000
Revenue	2,480	3,445
Profit before tax	429	1,043

For the current quarter, Rexit recorded a revenue of RM2.480 million which had declined compared with the previous quarter mainly due to the decrease in subscription and transaction fees. PBT and PAT have also decreased inline with the decrease in revenue.

B3 Prospects

Barring any unforeseen circumstances, the Directors of Rexit believe that the Group's prospects for the financial year ending 30 June 2014 remains challenging.

B4 Variation of actual profit from forecast profit

Not applicable as no profit forecast was published.

B5 Profit before taxation

	Quarter Ended	Year-to-date
	31 Mar 2014	31 Mar 2014
	RM'000	RM'000
Interest income	108	432
Depreciation and amortisation	270	775
Gain/(loss) on foreign exchange:		
- Realised	-	30
- Unrealised	-	5

The other items as required under Appendix 9B, Part A(16) of the Listing Requirements are not applicable to the Group.

B6 Taxation

	Quarter Ended	Year-to-date
	31 Mar 2014	31 Mar 2014
	RM'000	RM'000
Current tax expense:	4	11

The effective tax rate of the Group remained low due to the 100% tax exemption granted to the subsidiary of Rexit i.e. Rexit Software Sdn. Bhd. and based on the Pioneer Status incentive awarded to the said subsidiary as a Multimedia Super Corridor Status companies under Section 4A of the Promotion of Investment Act, 1986.

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET (Cont'd)

B7 Group's borrowings and debt securities

The Group has no borrowings or debts securities for the current quarter and financial year under review.

B8 Disclosure of Realised and Unrealised Profits / (Losses)

The following analysis of realised and unrealised retained profits is prepared in accordance with Guidance on Special matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants. This disclosure is based on the format prescribed by Bursa Malaysia Securities Berhad.

	As at 31 Mar 2014 RM'000	As at 31 Dec 2013 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised gains	10,090	15,201
- Unrealised gains	(36)	5
 Total share of retained profits from associates:		
- Realised gains	510	356
	<u>10,564</u>	<u>15,562</u>
Add: Consolidation adjustments	307	2,165
Total Group retained profits as per consolidated accounts	<u><u>10,871</u></u>	<u><u>17,727</u></u>

B9 Material litigation

Neither the Company nor its subsidiaries is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiaries and the Board does not aware of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiaries.

B10 Dividends

No dividend has been declared in the current quarter under review. The total dividend of the current financial year is 4 sen per ordinary share of RM0.10.

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET (Cont'd)

B11 Earnings per share

	Quarter ended		Year-to-date ended	
	31 Mar 2014	31 Mar 2013	31 Mar 2014	31 Mar 2013
Profit after taxation and non-controlling interests (RM'000)	425	1,254	2,479	3,310
Weighted average number of shares in issue ('000)				
Issued at the beginning of the Treasury Shares	182,070	184,542	183,106	184,965
	(100)	(151)	(1,136)	(574)
	181,970	184,391	181,970	184,391
Basic earnings per share (sen)	0.23	0.68	1.36	1.80

Diluted earnings per share is not disclosed herein as the options under the Employees' Share Option Scheme have not been granted as at the date of this announcement.

B12 Status of corporate proposals

There were no corporate proposals announced but not yet completed as at 10 May 2014.

B13 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 16 May 2014.

Rexit Berhad
16 May 2014