

RALCO CORPORATION BERHAD (333101-V)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For 6 months ended 30 June 2016 - unaudited

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 30/6/2016 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/6/2015 RM'000	CURRENT PERIOD 30/6/2016 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/6/2015 RM'000
Gross revenue	21,882	24,626	42,843	47,382
Cost of sales	(19,786)	(21,853)	(38,634)	(41,722)
Gross profit	2,096	2,773	4,209	5,660
Other operating income	35	71	103	244
Selling & Distribution expenses	(508)	(756)	(1,000)	(1,502)
Administrative and general expenses	(1,485)	(1,262)	(3,014)	(2,627)
Results from operating activities	138	826	298	1,775
Finance costs	(121)	(138)	(242)	(291)
Profit before tax	17	688	56	1,484
Tax expense	(6)	(8)	(9)	(27)
Profit for the period	11	680	47	1,457
Foreign currency translation difference for foreign operation	-	-	-	-
Hedge of net investment	-	-	-	-
Cashflow hedge	-	-	-	-
Other comprehensive income for the period	0	0	0	0
Total comprehensive income for the period	11	680	47	1,457
Attributable to:				
Equity holders of the parent	11	680	47	1,457
Minority interests	-	-	-	-
Profit/(Loss) for the period	11	680	47	1,457
Comprehensive income attributable to :				
Equity holders of the parent	-	-	-	-
Minority interests	-	-	-	-
Total comprehensive income for the period	-	-	-	-
Basic earnings per share (sen)	0.03	1.62	0.11	3.47

RALCO CORPORATION BERHAD (333101-V)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

The figures have not been audited.

	AS AT 30/6/2016 UNAUDITED RM'000	AS AT 31/12/2015 AUDITED RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	24,029	24,749
Prepaid Lease Payment	3,097	3,109
	<u>27,126</u>	<u>27,858</u>
Current Assets		
Inventories	12,457	13,793
Trade and other receivables	22,967	22,176
Tax recoverable	69	53
Cash and bank balances	1,470	3,266
	<u>36,963</u>	<u>39,288</u>
TOTAL ASSETS	<u>64,089</u>	<u>67,146</u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of The Parent		
Share capital	41,981	41,981
Right Issue - warrants	407	407
Unappropriated profit / (loss)	(3,891)	(3,938)
Total Equity	<u>38,497</u>	<u>38,450</u>
Minority Interest	-	-
	<u>38,497</u>	<u>38,450</u>
Non-Current Liabilities		
Term loan	-	236
Hire Purchase	780	1,176
Deferred Tax	1,526	1,526
	<u>2,306</u>	<u>2,938</u>
Current Liabilities		
Trade and other payables	15,739	19,394
Bill payable	5,300	3,395
Hire Purchase	930	1,048
Term loan	1,317	1,921
	<u>23,286</u>	<u>25,758</u>
Total Liabilities	<u>25,592</u>	<u>28,696</u>
TOTAL EQUITY AND LIABILITIES	<u>64,089</u>	<u>67,146</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.92</u>	<u>0.92</u>

(The condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2015 and the accompanying explanatory notes attached to the Interim Financial Statements)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2016

The figures have not been audited.

	CURRENT YEAR TO DATE 30/6/2016 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/6/2015 RM'000
Profit before tax	56	1,484
Adjustment for:		
Depreciation and amortisation of property, plant and equipment	1,754	1,745
Gain on disposal of property, plant and equipment	-	(10)
Interest expenses	242	291
Interest income	(2)	(2)
Operating profit before changes in working capital	2,050	3,508
Changes in working capital		
Decrease/(Increase) in inventories	1,336	(4,004)
Increase in trade & other receivables	(791)	(2,550)
(Decrease)/Increase in trade & other payables	(3,655)	2,672
Cash used in operations	(1,060)	(374)
Interest received	2	2
Interest paid	(242)	(291)
Tax paid	(25)	(38)
Net cash used in operating activities	(1,325)	(701)
Cash Flows from Investing Activities:		
Purchase of property, plant & equipment	(1,022)	(1,187)
Proceed from disposal of PPE	-	27
Net cash used in investing activities	(1,022)	(1,160)
Cash Flows from Financing Activities:		
Net repayment of hire purchase instalments	(514)	(93)
Net repayment of receivable finance	-	(613)
Net drawdown from bills payable	1,905	1,310
Net repayment of term loan	(840)	(871)
Net cash generated from/(used in) financing activities	551	(267)
NET CHANGES IN CASH AND CASH EQUIVALENTS	(1,796)	(2,128)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	3,266	4,470
CASH AND CASH EQUIVALENTS CARRIED FORWARD	1,470	2,342
Represented by:		
FIXED DEPOSIT	-	-
CASH AND BANK BALANCES	1,470	2,342
	1,470	2,342

(The condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2015 and the accompanying explanatory notes attached to the Interim Financial Statements)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2016

The figures have not been audited.

	----- Attributable to equity holders of the parent -----					Minority interest RM'000	Total equity RM'000
	Share capital RM'000	Treasury Share RM'000	Right Issue Warrants RM'000	Inappropriated profit RM'000	Total RM'000		
At 1 January 2015	41,981		407	(6,401)	35,987	-	35,987
Resale of Treasury Shares		-			-		
Right Issue - Warrant 2009/2019					-		
Net profit for the period				2,463	2,463		2,463
Loss on disposal of treasury shares							
Other comprehensive income					-		
Total comprehensive income				2,463	2,463		2,463
At 31 December 2015	41,981		407	(3,938)	38,450	-	38,450
At 1 January 2016	41,981	-	407	(3,938)	38,450	-	38,450
Resale of treasury shares		-					
Right Issue - Warrant 2009/2019							
Net profit for the period				47	47		47
Other comprehensive income					-		-
Loss on disposal of treasury shares					-		-
Total comprehensive income	-	-	-	47	47	-	47
At 30 June 2016	41,981	0	407	(3,891)	38,497	-	38,497

(The condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2015 and the accompanying explanatory notes attached to the Interim Financial Statements)