

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For financial period ended 30 September 2020 - unaudited

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 30/09/2020 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2019 RM'000	CURRENT PERIOD 30/09/2020 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2019 RM'000
Gross revenue	14,679	13,711	37,547	42,144
Cost of sales	(11,640)	(13,164)	(33,507)	(41,058)
Gross profit/(loss)	3,039	547	4,040	1,086
Other operating income	252	2,352	557	2,778
Selling & Distribution expenses	(444)	(475)	(1,114)	(1,372)
Administrative and general expenses	(1,043)	(1,320)	(3,307)	(3,589)
Results from operating activities	1,804	1,104	176	(1,097)
Finance costs	(229)	(181)	(766)	(645)
Profit/(Loss) before tax	1,575	923	(590)	(1,742)
Tax expense	-	9	(4)	4
Profit/(Loss) after taxation	1,575	932	(594)	(1,738)
Other comprehensive Income/(Expenses) for the period	-	-	-	-
Total comprehensive Income/(Expense) for the period	1,575	932	(594)	(1,738)
Profit/(Loss) after taxation attributable to:				
Equity holders of the parent	1,575	932	(594)	(1,738)
Minority interests	-	-	-	-
Profit/(Loss) after taxation	1,575	932	(594)	(1,738)
Total comprehensive/Income/(Expenses) attributable to:				
Equity holders of the parent	1,575	932	(594)	(1,738)
Minority interests	-	-	-	-
Total comprehensive Income/(Expenses) for the period	1,575	932	(594)	(1,738)
Basic earnings/(loss) per share (sen)	3.41	2.02	(1.29)	(3.76)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2019 and the accompanying explanatory notes attached to the Interim Financial Statements.)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2020

The figures have not been audited.

	AS AT 30/09/2020 UNAUDITED RM'000	AS AT 31/12/2019 AUDITED RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	13,199	13,965
Right-of-use assets	40,147	40,640
	<u>53,346</u>	<u>54,605</u>
Current Assets		
Inventories	8,464	10,589
Trade and other receivables	12,843	11,807
Others assets	1,674	531
Tax recoverable	23	26
Cash and bank balances	3,180	2,056
	<u>26,184</u>	<u>25,009</u>
TOTAL ASSETS	<u>79,530</u>	<u>79,614</u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of The Parent		
Share capital	43,576	43,576
Right Issue - warrants	-	-
Revaluation Reserve	20,795	20,795
Accumulated loss	(27,078)	(23,846)
Total Equity	<u>37,293</u>	<u>40,525</u>
Minority Interest	-	-
	<u>37,293</u>	<u>40,525</u>
Non-Current Liabilities		
Lease liability	-	35
Amount Owing To Related Parties	12,276	12,662
Hire Purchase	1,514	2,674
Deferred Tax	5,622	5,621
	<u>19,412</u>	<u>20,992</u>
Current Liabilities		
Lease liability	-	131
Trade and other payables	12,217	11,175
Bill payable	3,728	4,295
Hire Purchase	1,580	1,651
Amount Owing To Related Parties	5,300	800
Amount owing to a Director	-	1
Tax liability	-	44
	<u>22,825</u>	<u>18,097</u>
Total Liabilities	<u>42,237</u>	<u>39,089</u>
TOTAL EQUITY AND LIABILITIES	<u>79,530</u>	<u>79,614</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.81</u>	<u>0.88</u>

(The condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2019 and the accompanying explanatory notes attached to the Interim Financial Statements)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2020

The figures have not been audited.

	----- Attributable to equity holders of the parent -----				Total equity RM'000
	Share capital RM'000	Non-distributable Warrant Reserve RM'000	Revaluation Reserve RM'000	Accumulated Losses RM'000	
At 1 January 2019	43,576	407	21,302	(22,083)	43,202
Realisation of revaluation reserve	-	-	(507)	507	-
Transfer of warrant reserve to accumulated losses upon expiry	-	(407)	-	407	-
Net loss for the period	-	-	-	(2,677)	(2,677)
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	(2,677)	(2,677)
At 31 December 2019	43,576	-	20,795	(23,846)	40,525
Balance as at 31.12.2019, as previously reported	43,576	-	20,795	(23,846)	40,525
Realisation of revaluation reserve	-	-	-	-	-
Fair Value Adjustment	-	-	-	(2,638)	(2,638)
Net loss for the period	-	-	-	(594)	(594)
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	(594)	(594)
At 30 September 2020	43,576	-	20,795	(27,078)	37,293

(The condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2019 and the accompanying explanatory notes attached to the Interim Financial Statements)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2020

The figures have not been audited.

	CURRENT PERIOD ENDED 30/09/2020 RM'000	PRECEDING YEAR ENDED 31/12/2019 RM'000
Loss before tax	(590)	(4,428)
Adjustments for:		
Bad debt written off	-	-
Depreciation of property, plant and equipment	847	2,863
Depreciation of right-of-use assets	989	1,324
Impairment loss on receivables	-	1,565
Loss/(Gain) on disposal of property, plant and equipment	-	558
Interest expenses	766	971
Interest income	(10)	(11)
Inventories written down	-	777
Impairment loss on receivables no longer required	-	-
Fair Value Adjustment on Other Payables	(2,639)	(2,964)
Property, plant and equipment written off	-	122
Operating profit/(loss) before changes in working capital	<u>(637)</u>	<u>777</u>
Changes in working capital		
Decrease in inventories	2,125	1,953
(Increase)/Decrease in trade & other receivables	(1,035)	1,808
(Increase)/Decrease in Others assets	(1,142)	(107)
Increase in amount owing to related parties	-	13,462
Increase/(Decrease) in trade & other payables	<u>4,980</u>	<u>(8,178)</u>
Cash generated from operations	4,291	9,715
Interest received	10	11
Interest paid	(766)	(970)
Tax refund	-	60
Tax paid	<u>(1)</u>	<u>(50)</u>
Net cash generated from operating activities	3,534	8,766
Cash Flows from Investing Activities:		
Purchase of property, plant & equipment	(577)	(1,868)
Proceed from disposal of PPE	<u>-</u>	<u>545</u>
Net cash used in investing activities	(577)	(1,323)
Cash Flows from Financing Activities:		
Net repayment of hire purchase instalments	(1,266)	(1,571)
Net change in capital	-	-
Net repayment of bills payable	(567)	(5,284)
Payment of lease liabilities	<u>-</u>	<u>(140)</u>
Net cash used in financing activities	(1,833)	(6,995)
NET CHANGES IN CASH AND CASH EQUIVALENTS	1,124	448
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	2,056	1,608
CASH AND CASH EQUIVALENTS CARRIED FORWARD	<u>3,180</u>	<u>2,056</u>
Represented by:		
CASH AND BANK BALANCES	<u>3,180</u>	<u>2,056</u>
	<u>3,180</u>	<u>2,056</u>

(The condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2019 and the accompanying explanatory notes attached to the Interim Financial Statements)

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A) NOTES TO THE INTERIM FINANCIAL REPORT FOR FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020: EXPLANATORY NOTES IN COMPLIANCE TO MFRS 134 ON INTERIM FINANCIAL REPORTING

(1) Basis of Preparation

The interim financial statements have been prepared under the historical cost convention unless otherwise stated.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2019. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since financial year ended 31 December 2019.

These are the Group's condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS framework annual financial statements and MFRS 1: First Time Adoption of Malaysia Financial Reporting Standards has been applied.

The transition to MFRS framework does not have any material financial impact to these interim financial statements.

(2) Summary of significant accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the FYE 31 December 2019, except for the adoption of the following MFRSs, amendments to MFRSs and IC Interpretations:

Adoption of New and Revised FRSS, IC Interpretations and Amendments

Effective for financial periods beginning on or after 1 January 2019:

MFRS 16	Leases
IC Interpretation 23	Uncertainty over Income Tax Treatment
Amendments to MFRS 3	Business Combinations – Previously Held Interest in a Joint Operation (Annual Improvements 2015-2017 Cycle)
Amendments to MFRS 11	Joint Arrangements – Previously Held Interest in a Joint Operation (Annual Improvements 2015-2017 Cycle)
Amendments to MFRS 112	Income Taxes – Income Tax Consequences of Payments on Financial Instruments Classified as Equity (Annual Improvements 2015-2017 Cycle)
Amendments to MFRS 123	Borrowing Costs – Borrowing Costs Eligible for Capitalisation (Annual Improvements 2015-2017 Cycle)
Amendments to MFRS 119	Employee Benefits – Plant Amendment, Curtailment or Settlement

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Standards issued but not yet effective

Effective for financial periods beginning on or after 1 January 2020:

Amendments to MFRS 2	Share-Based Payment
Amendments to MFRS 3	Business Combinations
Amendments to MFRS 6	Exploration for and Evaluation of Mineral Resources
Amendments to MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 108	Accounting Policies, Changes in Accountings Estimates and Error
Amendments to MFRS 134	Interim Financial Reporting
Amendments to MFRS 137	Provisions, Contingent Liabilities and Contingent Assets
Amendments to MFRS 138	Intangible Assets
Amendments to IC Interpretation 12	Services Concession Arrangement
Amendments to IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine
Amendments to IC Interpretation 22	Foreign Currency Transactions and Advance Consideration
Amendments to IC Interpretation 132	Intangible Assets – Web Site Costs

Effective for financial periods beginning on or after 1 January 2021:

MFRS 17	Insurance Contracts
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The Group intends to adopt the above MFRSs when they become effective.

The adoption of the abovementioned new and revised MFRSs, IC Interpretations and Amendments have no significant effect to the Group's consolidated financial statements of the current financial period under review or the comparative consolidated financial statements of the prior financial period.

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(3) **Seasonal or Cyclical Factors**

The business operations of the Group were not significantly affected by seasonal or cyclical factors.

(4) **Unusual Items Affecting Financial Statements**

There were no unusual items affecting the financial statements of the Group during the quarterly financial period under review.

(5) **Changes in Accounting Estimates**

There were no changes in accounting estimates for the financial period under review.

(6) **Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities**

There were no issuances, cancellations, repurchase, resale and repayment of debts and equity securities in the current financial period under review.

(7) **Dividend Paid**

No interim dividend has been paid or declared in respect of the financial period under review.

(8) **Segmental Reporting**

9 Months Ended 30.09.2020	Plastic Product RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
<u>REVENUE</u>				
External Sales	37,330	217	-	37,547
Inter-segment sales	-	1,244	(1,244)	-
Total revenue	<u>37,330</u>	<u>1,461</u>	<u>(1,244)</u>	<u>37,547</u>
<u>RESULT</u>				
Segment operating profit/(loss)	<u>289</u>	<u>(112)</u>	<u>-</u>	<u>177</u>
Finance cost	<u>(700)</u>	<u>(66)</u>		<u>(766)</u>
Loss for the financial period				(589)
Tax expense				(4)
Net loss for the financial period				<u>(593)</u>

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Segmental Reporting (continued)

9 Months Ended 30.09.2019	Plastic Product RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
REVENUE				
External Sales	41,800	344	-	42,144
Inter-segment sales	-	1,369	(1,369)	-
Total revenue	41,800	1,713	(1,369)	42,144
RESULT				
Segment operating loss	(361)	(736)		(1,097)
Finance cost	(583)	(62)	-	(645)
Loss for the financial period				(1,742)
Tax income				4
Net loss for the financial period				(1,738)

(9) Valuation of Property, Plant and Equipment

There has been no revaluation of property, plant and equipment during the current quarter.

(10) Material Subsequent Events

There were no changes during the financial period under review.

(11) Changes in Composition of the Group

There were no changes during the financial period under review.

(12) Contingent Liabilities or Contingent Assets

Contingent liabilities as at the reporting date are as follows:

	Financial Period Ended 30.09.2020 RM'000

Approved and contracted for:

- Acquisition of property, plant and equipment

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(13) Material Litigation

- Ralco's wholly-owned subsidiary, Ralco Plastic Sdn Bhd ("RPSB") issued a sealed Writ and Statement of Claim on 7 November 2018 to claim against one of its customers, S & M Edible Oil Sdn Bhd ("S & M") to recover long overdue principal amount of RM708,989 together with interest as at 31.12.2018.

However, the customer filed a counter-claim on 31 December 2018 for quality of goods delivered and relevant damages suffered.

The quantum of claim and counter-claim are subject to dispute and are to be determined by the court upon examination of witnesses and evidences led through trial. The outcome of the claims between the Group and the customer is uncertain.

RPSB had filed its Reply to Defendant and Defendant's Counter Claim on 2 May 2019 and accordingly S & M had filed its reply on 22 May 2019.

RPSB had filed the Summary Judgement Application and Striking Out Application with the High Court on 15 June 19 and accordingly served to S & M solicitors on 15 June 19.

RPSB filed the Plaintiff's Affidavits in Reply for the Summary Judgment Application and Striking Out Applications ("Applications") with the High Court ("Court") on 17 July 2019 and accordingly served to S & M's ("the Defendant") solicitors on 17 July 2019.

On 7 October 2019, the Court dismissed the Plaintiff's Applications for Summary Judgement and Striking Out and directed the Parties to proceed to trial.

RPSB had filed an appeal on the 31 October 2019 against the Learned Judge's decision in dismissing the Plaintiff's Summary Judgment Application.

On 17 June 2020 the Court of Appeal dismissed the appeal in respect of the Summary Judgement at Enclosure 15 with cost and the matter has been reverted to the High Court to proceed to trial.

On 22 June 2020 the High Court has directed all parties to file all pre-trial documents on or before 23 July 2020 and further fixed the next Case Management on 23 July 2020 to update compliance of pre-trial directions and to fix for trial.

On 23 July 2020 the High Court has fixed the next Case Management on 24 August 2020 pending compliance of pre-trial directions and trials between 6th and 10th December 2020.

- Ralco's wholly-owned subsidiary, Ralco Respack Polybag Sdn Bhd (RRPSB) had filed the writ of summons against Respack Manufacturing Sdn Bhd (RMSB) at the Shah Alam High Court on 21 February 2020 to recover long overdue amount of RM1,541,795.35 from RMSB which included the interests at the rate of 1.5% per month until 31 Jan 2020 and interest at the rate of 5% per annum on the amount claimed from the filing date of the writ of summons until the date of full settlement with costs.

On 14 May 2020 the High Court gave a new date for Case Management on 19 June 2020 and RMSB shall file the reply to the Court within two weeks after the end of the Conditional Movement Control Order (CMCO), i.e. on or before 23 June 2020.

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On 23 June 2020 the Court has directed RMSB to file the Statement of Defence on or before 26 June 2020 and RRPSB to file the Statement of Reply to the RMSB on or before 10 July 2020. The next Case Management was postponed to 13 July 2020.

On 13 July 2020 RRPSB has requested for extension of time to file the Statement of Reply on 17 July 2020 and the Case Management was fixed on 23 July 2020.

The Court has further directed RRPSB to file the Statement of Reply on or before 21 August 2020 and the Case Management has been fixed on 24 August 2020.

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NOTES TO THE INTERIM FINANCIAL REPORTING FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2020: EXPLANATORY NOTES IN COMPLIANCE WITH APPENDIX 9B PART A OF THE BMSB LISTING REQUIREMENTS

(1) Performance Review

Performance for the FPE 30 September 2020 versus the corresponding quarter in the FPE 30 September 2019

	Current Quarter				Cumulative Quarter			
	Period Ended 30 September				Period Ended 30 September			
	2020	2019	Var		2020	2019	Var	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	14,679	13,711	968	7%	37,547	42,144	(4,597)	(11%)
Profit/(Loss) Before Taxation	1,575	923	652	(71%)	(590)	(1,742)	1,152	66%

The Group's revenue for the current quarter three (3) months ended 30 September 2020 ("3Q2020") increased by RM0.968 million or 7% compared to the corresponding quarter ended 30 September 2019 ("3Q2019"). The increase in revenue was mainly due to a combination of improved pricing and increased sales to certain customers.

The Group has improved its profit before taxation to RM1.575 million in 3Q2020 as compared to a profit before taxation of RM0.923 million in 3Q2019. While the 3Q2019 profit was mainly due to the one-time fair value adjustment of other payables made during that quarter, the improvement in profit in 3Q2020 can be mainly attributable to improvement in margins and lower general and administrative expenses.

(2) Material Changes In The Quarterly Results Compared to the Results of the Preceding Quarter

	Financial Quarter Ended		Variance	
	30.09.2020	31.06.2020	RM'000	%
	RM'000	RM'000		
Revenue	14,679	9,242	5,437	58.8%
Profit/(Loss) Before Tax	1,575	(1,333)	2,908	218.2%

The Group's revenue increased by RM5.437 million from RM9.242 million in the preceding quarter to RM14,679 million for the current quarter under review. The Group registered a profit before taxation of RM1.575 million in 3Q2020 as compared to a loss before taxation of RM1.333 million in the preceding quarter. The lower sales and loss in the preceding quarter can be mainly attributable to the full impact of the restrictions imposed by the Movement Control Order due to the Covid-19 pandemic that took effect on 18 March 2020 and continued into 2Q2020.

(3) Prospects for Year 2020

Raw material costs will continue to fluctuate in tandem with fluctuations in oil prices and the volatile foreign currency exchange rates. The Group will continue to operate under a challenging and competitive environment, especially due to uncertainties brought about by the Covid-19 pandemic that shows no sign of abating. In this respect the Group will continue to focus its efforts to controlling costs, improving production efficiencies and increasing productivity.

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(4) Variance from profit forecast

No profit forecast was issued during the financial period under review.

(5) Taxation

Tax comprises:

	Current Quarter		Cumulative Quarter	
	Period Ended 30 September	Period Ended 30 September	Period Ended 30 September	Period Ended 30 September
	30/09/2020	30/09/2019	30/09/2020	30/09/2019
	RM'000	RM'000	RM'000	RM'000
Taxation	-	9	(4)	4

The Group's effective tax rate was lower than the statutory tax rate mainly due to the Group unabsorbed tax losses, unutilized capital allowances and reinvestment allowances which are available for set-off against future chargeable income.

(6) Status of Corporate Proposals and Utilisation of Proceeds

On 03 June 2020 the Company announced that it proposes to undertake a private placement of up to 10% of the issued ordinary shares of the Company ("Proposed Private Placement"). M&A Securities Sdn Bhd ("M&A") was appointed by the Company to act as Adviser and Placement Agent for this exercise.

The Proposed Private Placement will be undertaken in accordance with the general mandate pursuant to Section 75 of the Companies Act 2016 obtained from the shareholders of the Company at its 24th Annual General Meeting held on 13 June 2019, whereby the Board has been authorised to allot and issue new ordinary shares in Ralco not exceeding 10% of the issued ordinary shares of the Company (excluding treasury shares).

Bursa Malaysia Securities Berhad ("Bursa Securities") had on 15 June 2020 approved the listing and quotation of up to 4,617,910 new ordinary shares in the Company to be issued pursuant to the Proposed Private Placement subject to the following conditions:-

- The Company and M&A must comply with the relevant provisions under the Main Market Listing Requirements ("MMLR") of Bursa Securities pertaining to the implementation of the Proposed Private Placement;
- The Company and M&A to inform Bursa Securities upon the completion of the Proposed Private Placement;
- The Company to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities; approval one the Proposed Private Placement is completed;
- M&A to furnish Bursa Securities details of the places in accordance with Paragraph 6.15 of the MMLR as soon as practicable after each tranche of placement and before the listing of the new shares to be issued pursuant to the Proposed Private Placement; and
- In the event the Proposed Private Placement is not completed before the next AGM, the Company to furnish a certified true copy of the resolution passed by the Company's shareholders for a general mandate under Sections 75 and 76 of the Companies Act 2016 at the Company's forthcoming AGM.

The shareholders of the Company had at the Twenty-Fifth Annual General Meeting held on 29 July 2020, authorised the Directors to issue and allot shares in the Company pursuant to Section 75 of the Companies Act 2016, at any time upon any such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit or in pursuance of offers, agreements or options to be made or granted

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by the Directors provided that the aggregate number of shares to be issued does not exceed more than twenty percent (20%) of the total number of issued shares (excluding treasury shares) of the Company while this approval is in force until the conclusion of the next Annual General Meeting of the Company pursuant to Section 76 of the Companies Act, 2016.

On 09 November the Company announced that the issue price per Placement Share pursuant to the Private Placement at RM0.30. This issue price represented a discount of approximately 9.64% or RM0.032 to the five (5)-day weighted average market price of Ralco Shares from 02 November 2020 to 06 November 2020.

On 18 November the Company announced that the 4,617,910 shares pursuant to this Private Placement exercise will be listed on 19 November 2020.

(7) Group Borrowings and Debts Securities

Total Group borrowings as at 30 September 2020 are as follows:

	Current Quarter Ended 30.09.2020 RM'000
Short term borrowings	
Secured:	
Bill payable	3,728
Hire purchases	1,580
	<hr/> 5,308 <hr/>
Long term borrowings	
Secured:	
Hire purchases	1,514
	<hr/> 1,514 <hr/>
Total borrowings	<hr/> 6,822 <hr/>

(8) Dividend

No interim dividend has been proposed in the current financial period.

(9) Earnings Per Share

(a) Basic Earnings Per Share

Basic earnings per share of the Group is calculated by dividing the net profit attributable to shareholders of the Group for the financial period under review over the weighted average number of ordinary shares in issue.

(b) Diluted Earnings Per Share

The diluted earnings per share is not disclosed as the potential ordinary shares arising from the full conversion of warrants have an anti-dilutive effect.

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(10) Profit/(Loss) Before Taxation

	Current quarter ended		Cumulative quarter ended	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Profit for the period is arrived at after crediting/(charging)				
Impairment loss on receivables	-	-	-	-
Reversal of impairment loss on receivables	-	-	-	-
Gain/(loss) on disposal of property, plant and equipment	-	(778)	-	(600)
Property, plant & equipment written off	-	-	-	-
Inventory written off	-	-	-	-
Interest income	8	3	10	8
Rental income	122	122	366	366
Realised gain/(loss) on foreign exchange	(20)	(53)	(95)	(130)
Unrealised gain/(loss) on foreign exchange	58	-	18	-
Fair Value Adjustment on other payables	-	2,964	-	2,964
Depreciation	(605)	(1,000)	(1,836)	(3,042)
Amortisation of prepaid lease payments	-	-	-	-
Interest expense	(228)	(181)	(766)	(645)

Save as disclosed above, the other items as required under Appendix 9B, Part A (16) of the Bursa Listing Requirements are not applicable.

(11) Disclosure realised and unrealised profits/(losses)

This disclosure note is no longer applicable.

(12) Derivative Financial Instruments

There were no derivative financial instruments as at 30 September 2020.

(13) Gains/Losses arising from fair value changes of financial liabilities

There were no gains or losses arising from fair value changes of the financial liabilities for the current quarter and financial period ended 30 September 2020.

(14) AUDITORS REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the preceding Audited Financial Statements of the Company and its subsidiaries for the financial year ended 31 December 2019 contain an unqualified report.

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(15) CHANGES IN MATERIAL LITIGATION

- Ralco Plastic Sdn Bhd (“RPSB”) claim against S & M Edible Oil Sdn Bhd (“S & M”)

On 24 August 2020 the Court has maintained trial dates on 6 to 10 December 2020 and fixed 22 November 2020 for Case Management for parties to file and exchange the witness(es) statements.

During the Case Management on 22 November 2020 the Learned Judge has vacated the first day of the trial on 06 December 2020 due to the current Conditional Movement Control Order in place and maintained that parties to proceed with the remaining trial dates on 7th to 10th December 2020.

- Ralco Respack Polybag Sdn Bhd (“RRPSB”) against Respack Manufacturing Sdn Bhd (“RMSB”)

On 4 September 2020 RRPSB has file the reply and Defence to the Counterclaim as directed by the Court.

RMSB has filed an application for leave to file rejoinder and reply to RRPSB’s reply and Defence to Counterclaim pursuant to Order 18 rule 4 Rules of Court 2012. The Court has directed that the Defendant’s Application’s (Enclosure 11) supporting the affidavit is to be filed on or before 24 September 2020 and the hearing for the application was fixed on 29 September 2020 through e-review.

Further Case Management for the main suit was fixed on 15 October 2020 for pre-trial directions.

The Court has since directed that the pre-trial Case Management to be fixed on 03 December 2020.