



CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For financial year ended 31 December 2020 - unaudited

	CURRENT QUARTER ENDED 31-Dec-20 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31-Dec-19 RM'000	CURRENT YEAR TO DATE ENDED 31-Dec-20 RM'000	PRECEDING YEAR TO DATE ENDED 31-Dec-19 RM'000
Turnover	15,643	13,139	53,190	55,283
Cost of sales	(12,668)	(12,190)	(46,175)	(53,248)
Gross profit	2,975	949	7,015	2,035
Other operating income	95	116	652	2,894
Selling & Distribution expenses	(476)	(356)	(1,590)	(1,728)
Administrative and general expenses	(1,281)	(3,069)	(4,588)	(6,658)
Results from operating activities	1,313	(2,360)	1,489	(3,457)
Finance costs	(248)	(326)	(1,014)	(971)
Profit /(Loss) before tax	1,065	(2,686)	475	(4,428)
Tax expense	(120)	(90)	(124)	(86)
Deferred Tax	(219)	1,837	(219)	1,837
Profit / (Loss) after taxation	726	(939)	132	(2,677)
Other comprehensive Income / (Expenses) for the period/year	-	-	-	-
Total comprehensive Income / (Expense) for the period/year	726	(939)	132	(2,677)
Profit / (Loss) after taxation attributable to:				
Equity holders of the parent	726	(939)	132	(2,677)
Minority interests	-	-	-	-
Profit / (Loss) after taxation	726	(939)	132	(2,677)
Total comprehensive Income / (Expenses) attributable to :				
Equity holders of the parent	726	(939)	132	(2,677)
Minority interests	-	-	-	-
Total comprehensive Income / (Expenses) for the period/year	726	(939)	132	(2,677)
Basic earnings / (loss) per share (sen)	1.53	2.02	0.28	(5.80)

(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 Statement.)



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

The figures have not been audited.

	AS AT 31 December 2020 (Unaudited) RM'000	AS AT 31 December 2019 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	13,012	13,965
Right-of-use assets	39,827	40,640
	52,839	54,605
Current Assets		
Inventories	9,449	10,589
Trade and other receivables	13,438	11,807
Others assets	1,565	531
Tax recoverable	20	26
Cash and bank balances	3,875	2,056
	28,347	25,009
TOTAL ASSETS	81,186	79,614
EQUITY AND LIABILITIES		
Share capital	44,962	43,576
Revaluation Reserve	20,795	20,795
Accumulated loss	(26,353)	(23,846)
Total Equity	39,404	40,525
Non-Current Liabilities		
Lease liability	-	35
Amount Owing To Related Parties	12,410	12,662
Hire Purchase	1,352	2,674
Deferred Tax	5,840	5,621
	19,602	20,992
Current Liabilities		
Lease liability	-	131
Trade and other payables	12,303	11,175
Bill payable	3,393	4,295
Hire Purchase	1,322	1,651
Amount Owing To Related Parties	5,050	800
Amount owing to a Director	-	1
Tax liability	112	44
	22,180	18,097
Total Liabilities	41,782	39,089
TOTAL EQUITY AND LIABILITIES	81,186	79,614
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.78	0.88

(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 YEAR ENDED 31 DECEMBER 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 year	-	-	-	(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
Issuance of Shares	1,386	-	-	-	1,386
Fair Value Adjustment	-	-	-	(2,639)	(2,639)
Net profit for the year	-	-	-	132	132
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	132	132
At 31 December 2020	44,962	-	20,795	(26,353)	39,404

(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 YEAR ENDED 31 DECEMBER 2020

The figures have not been audited.

	CURRENT YEAR ENDED 31-Dec-20 (Unaudited) RM'000	PRECEDING YEAR ENDED 31-Dec-19 (Audited) RM'000
Profit/(Loss) before tax	475	(4,428)
Adjustments for:		
Depreciation of property, plant and equipment	1,104	2,863
Depreciation of right-of-use assets	1,309	1,324
Impairment loss on receivables	-	1,565
Loss on disposal of property, plant and equipment	-	558
Interest expenses	1,014	971
Interest income	(15)	(11)
Inventories written down	-	777
Fair Value Adjustment on Other Payables	(2,639)	(2,964)
Property, plant and equipment written off	-	122
Operating profit before changes in working capital	1,248	777
Changes in working capital		
Decrease in inventories	1,140	1,953
(Increase)/Decrease in trade & other receivables	(1,630)	1,808
(Increase) in Others assets	(1,034)	(107)
Increase in amount owing to related parties	-	13,462
Increase/(Decrease) in trade & other payables	4,993	(8,178)
Cash generated from operations	4,717	9,715
Interest received	15	11
Interest paid	(1,014)	(970)
Tax refund	-	60
Tax paid	(50)	(50)
Net cash generated from operating activities	3,668	8,766
Cash Flows from Investing Activities:		
Purchase of property, plant & equipment	(647)	(1,868)
Proceed from disposal of PPE	-	545
Net cash used in investing activities	(647)	(1,323)
Cash Flows from Financing Activities:		
Net repayment of hire purchase instalments	(1,686)	(1,571)
Proceeds from issuance of ordinary shares	1,386	-
Net repayment of bills payable	(902)	(5,284)
Payment of lease liabilities	-	(140)
Net cash used in financing activities	(1,202)	(6,995)
NET CHANGES IN CASH AND CASH EQUIVALENTS	1,819	448
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	2,056	1,608
CASH AND CASH EQUIVALENTS CARRIED FORWARD	3,875	2,056
Represented by:		
CASH AND BANK BALANCES	3,875	2,056

(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)



RALCO CORPORATION BERHAD [199501003907 (333101-V)]

Unaudited Quarterly report on consolidated results for the financial year ended 31 December 2020

A) NOTES TO THE INTERIM FINANCIAL REPORT FOR FINANCIAL YEAR ENDED 31 DECEMBER 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 year 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 financial year ended 31 December 2019, except of the change in accounting estimate on the economic useful live the machineries and mould and the adoption of the following MFRSs, amendments to MFRSs and IC Interpretations:

Change in accounting estimates

During the financial year ended 31 December 2020, the Group conducted an operational efficiency review at the Plant and Machinery in January 2020, which resulted in changes in the expected usage of the injection and blowing machineries and moulds. The machineries and moulds were previously intended to use for 10 years is now expected to use for production for 20 years from the date of purchase. The effect of these changes on depreciation expenses in the current quarter and financial year ended

	4th Quarter RM'000	As At 31 December 2020 RM'000
Decrease in depreciation expenses	<u>374</u>	<u>1,496</u>

RALCO CORPORATION BERHAD [199501003907 (333101-V)]

Unaudited Quarterly report on consolidated results for the financial year ended 31 December 2020

Adoption of New and Revised FRSs, IC Interpretations and Amendments

Effective for financial years 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

Standards issued but not yet effective

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

MFRS 17	Insurance Contracts
---------	---------------------

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 year under review or the comparative consolidated financial statements of the prior financial year.

RALCO CORPORATION BERHAD [199501003907 (333101-V)]

Unaudited Quarterly report on consolidated results for the financial year ended 31 December 2020

(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 year under review.

(5) Changes in Accounting Estimates

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

(7) Dividend Paid

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

(8) Segmental Reporting

12 Months Ended 31.12.2020	Plastic Product RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
<u>REVENUE</u>				
External Sales	52,917	273	-	53,190
Inter-segment sales	-	1,700	(1,700)	-
Total revenue	<u>52,917</u>	<u>1,973</u>	<u>(1,700)</u>	<u>53,190</u>
<u>RESULT</u>				
Segment operating profit/(loss)	<u>1,352</u>	<u>137</u>	<u>-</u>	<u>1,489</u>
Finance cost	<u>(929)</u>	<u>(85)</u>		<u>(1,014)</u>
Profit for the financial year				475
Tax expense				(343)
Net profit for the financial year				<u>132</u>

RALCO CORPORATION BERHAD [199501003907 (333101-V)]

Unaudited Quarterly report on consolidated results for the financial year ended 31 December 2020

Segmental Reporting (cont.....)

12 Months Ended 31.12.2019	Plastic Product RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
<u>REVENUE</u>				
External Sales	54,868	415	-	55,283
Inter-segment sales	-	1,825	(1,825)	-
Total revenue	54,868	2,240	(1,825)	55,283
<u>RESULT</u>				
Segment operating loss	(3,345)	(112)	-	(3,457)
Finance cost	(884)	(87)		(971)
Loss for the financial year				(4,427)
Tax income				1,751
Net loss for the financial year				(2,676)

(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 year under review.

(11) Changes in Composition of the Group

There were no changes during the financial year under review.

(12) Capital Commitment

The group did not have any material commitment for contracted capital expenditure which might have a material impact to the financial position of the Group except as disclosed below:

	As At 31 December 2020 RM'000	As At 31 December 2019 RM'000
Capital Expenditure		
Approved and contracted for :		
Plant and Equipment	495	
Approved and not contracted for :		
Plant and Equipment	5,317	477

(13) Contingent Liabilities or Contingent Assets

There were no significant contingent liabilities or contingent assets for the Group at the end of current financial year.

(14) **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 it 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.

The Court vacated the trial date and fixed 24 January 2021 for parties to submit orally before the Honorable Court. On 31 January 2021, the Court gave its Decision in favour of the Plaintiff's claim and dismissed the Defendant's counterclaim with cost of RM30,000 payable by the Defendant to the Plaintiff.

- 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.

RALCO CORPORATION BERHAD [199501003907 (333101-V)]

Unaudited Quarterly report on consolidated results for the financial year ended 31 December 2020

Material Litigation (Cont....)

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.

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.

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 22 February 2021.

RALCO CORPORATION BERHAD [199501003907 (333101-V)]

Unaudited Quarterly report on consolidated results for the financial year ended 31 December 2020

NOTES TO THE INTERIM FINANCIAL REPORTING FOR THE 4TH QUARTER ENDED 31 DECEMBER 2020: EXPLANATORY NOTES IN COMPLIANCE WITH APPENDIX 9B PART A OF THE BMSB LISTING REQUIREMENTS**(1) Performance Review****Performance for the financial year ended 31 December 2020 as compared with the financial year ended 31 December 2019**

	Current Quarter Ended 31 December				Financial Year Ended 31 December			
	2020 RM'000	2019 RM'000	Var RM'000	%	2020 RM'000	2019 RM'000	Var RM'000	%
Revenue	15,643	13,139	2,504	19%	53,190	55,283	(2,093)	(4%)
Profit/(Loss) Before Taxation	1,065	(2,686)	3,751	140%	475	(4,428)	4,903	111%

The Group's revenue for the 4th Quarter ended 31 December 2020 increased by RM2.504 million or 19% compared to the preceding year corresponding 4th quarter ended 31 December 2019. The increase in revenue was mainly due to higher demand of both injection and blowing moulding products.

In tandem with the increase in Turnover and coupled with lower cost of production, the Group recorded a Profit Before Taxation of RM1.2 million in the current quarter as compared to a Loss Before Taxation of RM2.7 million in the preceding year corresponding 4th Quarter. In addition, the one-time fair value adjustment of other payables was made in the preceding year corresponding 4th Quarter.

The Group's revenue for the current financial year ended 31 December 2020 decreased by RM2.1 million or 4% compared to the previous financial ended 31 December 2019. The decrease in revenue was mainly due to the interruption of business activity during the period of the Movement Control Order ("MCO"). Despite of the decrease in Revenue, The Group achieved a Profit Before Taxation of RM0.5 million for the current financial year ended 31 December 2020 due mainly to lower cost of production and the effect of the change in accounting estimate.

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

	Financial Quarter Ended		Variance	
	31.12.2020 RM'000	30.09.2020 RM'000	RM'000	%
Revenue	15,643	14,679	964	6.6%
Profit Before Tax	1,065	1,575	(510)	(32.4%)

The Group's revenue for the current 4th Quarter ended 31 December 2020 increased by RM1million or 6.6% as compared to the preceding 3rd quarter ended 30 September 2020. The increase in revenue was mainly due to higher demand of both injection and blowing moulding products. However, The Group's Profit Before Tax decreased by RM0.4 million to RM1.2 million in the Current 4th Quarter despite of higher Revenue. This was mainly attributed to higher raw material price in the current 4th Quarter ended 31 December 2020.

RALCO CORPORATION BERHAD [199501003907 (333101-V)]

Unaudited Quarterly report on consolidated results for the financial year ended 31 December 2020

(3) Prospects for Year 2021

The raw material cost is fluctuating on the global market demand and the volatility of foreign currency exchange rates. The raw material price has been increasing since the end of last financial year. The Group will continue to operate under a challenging and competitive environment, especially due to uncertainties brought about by the Covid-19 pandemic. In this respect, the Group will continue to focus its efforts on controlling operational costs, improving production efficiencies and increasing productivity.

(4) Variance from profit forecast

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

(5) Taxation

Tax comprises:

	3 Months Quarter Ended		Financial Year Ended	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
	RM'000	RM'000	RM'000	RM'000
Taxation	120	90	124	86
Deferred Tax	219	(1,837)	219	(1,837)
	339	(1,747)	343	(1,751)

The Group's effective tax rate was higher than the statutory tax rate mainly due to the provision of deferred taxation and taxation of rental income

(6) Status of Corporate Proposals and Utilisation of Proceeds

The utilization of Private Placement proceeds that completed on 19 November 2020 are as follows:

Purpose	Proposed	Actual Utilisation
	Utilisation	up to date of
	RM'000	Announcement
		RM'000
Purchase of Machineries and Toolings	1,285	585
Estimated Expenses	100	100
Total	1,385	685

RALCO CORPORATION BERHAD [199501003907 (333101-V)]

Unaudited Quarterly report on consolidated results for the financial year ended 31 December 2020

(7) Group Borrowings and Debts Securities

Total Group borrowings as at 31 December 2020 are as follows:

	Current Year Ended 31/12/2020 RM'000
Short term borrowings	
Secured:	
Bill payable	3,393
Hire purchases	1,322
	<u>4,715</u>
Long term borrowings	
Secured:	
Hire purchases	1,352
	<u>1,352</u>
Total borrowings	<u><u>6,067</u></u>

(8) Dividend

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

(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 year under review over the weighted average number of ordinary shares in issue.

	Current quarter ended 31 December		Cumulative quarter ended 31 December	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Profit net of tax attributable to Equity Holders of the Parent	726	(939)	132	(2,677)
Weighted average number of Ordinary Shares in issue ('000)	47,340	46,179	47,340	46,179
Basic earnings /(loss) per share (Sen)	<u>1.53</u>	<u>(2.02)</u>	<u>0.28</u>	<u>(5.80)</u>

(b) Diluted Earnings Per Share

The Group has no potential ordinary shares in issue as at the Balance Sheet date and therefore, diluted earnings per share have not been computed.

RALCO CORPORATION BERHAD [199501003907 (333101-V)]

Unaudited Quarterly report on consolidated results for the financial year ended 31 December 2020

(10) Profit/(Loss) Before Taxation

	Current quarter ended 31 December		Cumulative quarter ended 31 December	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Profit for the period/year is arrived at after crediting/(charging)				
Gain/(loss) on disposal of property, plant and equipment	-	(698)	-	(558)
Property, plant & equipment written off	-	-	-	-
Inventory written off	-	-	(155)	-
Interest income	5	3	15	11
Rental income	84	122	450	488
Realised gain/(loss) on foreign exchange	(65)	(618)	(160)	(488)
Unrealised gain/(loss) on foreign exchange	69	-	51	-
Fair Value Adjustment on other payables	-	-	2,639	2,785
Depreciation	(571)	(1,094)	(2,413)	(4,187)
Amortisation of prepaid lease payments	-	-	-	-
Interest expense	(242)	(327)	(1,008)	(971)

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 31 December 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 year ended 31 December 2020.

(14) Authorisation for issue of interim financial statement

The current interim financial statements were authorized to be issued by the Board of Directors in accordance with a resolution of the Board of Directors on 25 February 2021.

By Order of the Board