



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026

The figures have not been audited.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED (Unaudited) 30-Jun-26 RM'000	PRECEDING YEAR QUARTER ENDED (Unaudited) 30-Jun-25 RM'000	CURRENT YEAR QUARTER ENDED (Unaudited) 30-Jun-26 RM'000	PRECEDING YEAR QUARTER ENDED (Unaudited) 30-Jun-25 RM'000
Turnover	5,038	8,653	11,000	17,368
Cost of sales	(3,986)	(9,244)	(9,760)	(18,203)
Gross profit/(loss)	1,052	(591)	1,240	(835)
Other operating income	298	112	601	179
Selling & Distribution expenses	(101)	(508)	(425)	(974)
Administrative and general expenses	(1,255)	(2,115)	(2,580)	(4,387)
Results from operating activities	(6)	(3,103)	(1,164)	(6,018)
Finance costs	(390)	(568)	(835)	(1,168)
Loss before taxation	(396)	(3,671)	(1,999)	(7,186)
Tax expense	(16)	(28)	(29)	(55)
Loss after taxation	(412)	(3,699)	(2,028)	(7,241)
Other comprehensive Income	-	-	-	-
Total comprehensive Income/(Loss)	(412)	(3,699)	(2,028)	(7,241)
Loss attributable to:				
Equity holders of the parent	(412)	(3,699)	(2,028)	(7,241)
Minority interests	-	-	-	-
	(412)	(3,699)	(2,028)	(7,241)
Total comprehensive Loss attributable to :				
Equity holders of the parent	(412)	(3,699)	(2,028)	(7,241)
Minority interests	-	-	-	-
Total comprehensive Loss	(412)	(3,699)	(2,028)	(7,241)
Basic loss per share (sen)	(0.81)	(7.28)	(3.99)	(14.25)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2025 and the accompanying explanatory notes attached to the Interim Financial Statement.



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026

The figures have not been audited.

	As At 30 June 2026 (Unaudited) RM'000	As At 31 December 2025 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	40,349	41,495
Investment properties	23,259	23,259
	63,608	64,754
Current Assets		
Inventories	5,304	4,788
Trade and other receivables	2,904	4,897
Tax recoverable	164	192
Cash and bank balances	976	1,332
	9,348	11,209
TOTAL ASSETS	72,956	75,963
EQUITY AND LIABILITIES		
Share capital	44,962	44,962
Revaluation Reserve	30,075	30,075
Accumulated losses	(34,732)	(32,704)
Total Equity	40,305	42,333
Non-Current Liabilities		
Lease liability	1,097	1,097
Amount Owing To Related Parties	21,565	20,812
Deferred Tax	5,068	5,068
	27,730	26,977
Current Liabilities		
Lease liability	375	790
Trade and other payables	3,709	4,890
Bill payable	826	963
Tax liability	11	10
	4,921	6,653
Total Liabilities	32,651	33,630
TOTAL EQUITY AND LIABILITIES	72,956	75,963
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.79	0.83

The condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2025 and the accompanying explanatory notes attached to the Interim Financial Statements

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2026

The figures have not been audited.

	← Attributable to equity holders of the parent →			
	Share capital RM'000	Revaluation Reserve RM'000	Accumulated Losses RM'000	Total Equity RM'000
At 1 January 2025	44,962	22,205	(26,461)	40,706
Issuance of Shares				
Loss for the financial year	-	-	(7,221)	(7,221)
Other comprehensive income for the financial year	-	8,848	-	8,848
Total comprehensive income/(loss) for the financial year	-	8,848	(7,221)	1,627
Realisation of revaluation reserve upon depreciation 'of revalued assets	-	(978)	978	-
At 31 December 2025	44,962	30,075	(32,704)	42,333
At 1 January 2026	44,962	30,075	(32,704)	42,333
Loss for the financial period	-	-	(2,028)	(2,028)
Other comprehensive income for the financial period	-	-	-	-
Total comprehensive loss for the financial period	-	-	(2,028)	(2,028)
Realisation of revaluation reserve upon depreciation 'of revalued assets	-	-	-	-
At 30 June 2026	44,962	30,075	(34,732)	40,305

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2025 and the accompanying explanatory notes attached to the Interim Financial Statement.



CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2026

The figures have not been audited.

	CURRENT PERIOD ENDED 30-Jun-26 (Unaudited) RM'000	PRECEDING YEAR ENDED 31-Dec-25 (Audited) RM'000
Cash Flows from Operating Activities		
Loss before tax	(1,999)	(8,897)
Adjustments for:		
Allowance for expected credit losses on trade receivables	-	161
Depreciation of property, plant and equipment	1,224	2,532
Deposits received forfeited	-	(10)
Loss on disposal of property, plant and equipment	(1)	350
Fair value gain on investment properties	-	(494)
Discount on non-current financial liabilities	-	(218)
Interest expenses	97	248
Interest income	(7)	(20)
Bad debt written off	58	-
Reversal of allowance for expected credit losses on trade receivables	(58)	-
Provision for obsolete inventories	-	374
Unwinding of discount on non-current financial liabilities	738	2,028
Operating profit/(loss) before changes in working capital	52	(3,946)
Changes in working capital		
Decrease in inventories	(515)	4,012
Decrease in trade & other receivables	1,992	3,662
Decrease in trade & other payables	(1,182)	(2,068)
Cash generated from/(used in) operations	347	1,660
Tax refund	36	33
Tax paid	(36)	(131)
Net cash generated from/(used in) operating activities	347	1,562
Cash Flows from Investing Activities:		
Purchase of property, plant & equipment	(78)	(489)
Interest received	8	20
Proceed from disposal of PPE	1	130
Net cash used in investing activities	(69)	(339)
Cash Flows from Financing Activities:		
Interest paid	(82)	(217)
Repayment of lease liabilities	(415)	(785)
Net repayment of trust receipt	-	(221)
Net drawdown/(repayment) of bankers' acceptances	(137)	(435)
Net Advances from related parties	-	600
Net cash (used in)/generated from financing activities	(634)	(1,058)
NET CHANGES IN CASH AND CASH EQUIVALENTS	(356)	165
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	1,332	1,167
CASH AND CASH EQUIVALENTS CARRIED FORWARD	976	1,332
Represented by:		
CASH AND BANK BALANCES	976	1,332
	976	1,332

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2025 and the accompanying explanatory notes attached to the Interim Financial Statements



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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE 2ND QUARTER ENDED 30 JUNE 2026

A) EXPLANATORY NOTES IN COMPLIANCE TO MFRS 134 ON INTERIM FINANCIAL REPORTING

(1) Basis of Preparation

The interim financial statements of Ralco Corporation (the “Company”) and its subsidiaries (collectively, the “Group”) is unaudited and have been prepared in accordance with the requirements of Malaysia Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board and Paragraph 9.22 and Appendix 9B of the Main Market 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 2025 and the accompanying explanatory notes attached to the interim financial report.

The adoption of the MFRS and Amendments do not have any material financial impact to these interim financial statements.

(2) Summary of Significant Accounting Policies

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2025 except for the adoption of the following new accounting standards, amendments and interpretation:

2.1 New MFRS adopted during the financial period

Title	Effective date
Amendments to MFRS 9 and MFRS 7 Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to MFRS Accounting Standards-Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7 Contracts Referencing Nature-dependent Electricity	1 January 2026

The adoption of the above amendments to MFRS do not have a material impact on the financial statements of the Group.

(3) Audit Report

There was no qualification in the auditors’ report of the preceding annual financial statements for the financial year ended 31 December 2025.

(4) Seasonal or Cyclical Factors

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

(5) Unusual Items affecting Financial Statements

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

(6) Changes in Accounting Estimates

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

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(7) 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.

(8) Segmental Reporting

6 Months Ended 30.06.2026	Plastic Product RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
<u>REVENUE</u>				
External Sales	10,787	213	-	11,000
Inter-segment sales	-	1,080	(1,080)	-
Total revenue	10,787	1,293	(1,080)	11,000

RESULT

Segment operating (loss)/profit	(874)	(290)	-	(1,164)
Finance cost	(808)	(27)	-	(835)
(Loss)/profit for the financial period	(1,683)	(316)	-	(1,999)
Tax expense				(29)
Net loss for the financial period				(2,028)

6 Months Ended 30.06.2025	Plastic Product RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
<u>REVENUE</u>				
External Sales	17,222	146	-	17,368
Inter-segment sales	-	1,384	(1,384)	-
Total revenue	17,222	1,530	(1,384)	17,368

RESULT

Segment operating (loss)/profit	(6,184)	166	-	(6,018)
Finance cost	(1,168)	-	-	(1,168)
(Loss)/profit for the financial period	(7,352)	166	-	(7,186)
Tax expense				(55)
Net loss for the financial period				(7,241)

(9) Valuation of Property, Plant and Equipment

There was no revaluation of property, plant and equipment during the current financial quarter.

(10) Material Subsequent Events

There were no material events arose subsequent from the end of the current financial quarter up to the date of this interim financial report.

(11) Changes in Composition of the Group

There were no changes the composition of the Group during the financial period under review.

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(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 30 JUNE 2026 RM'000
Capital Expenditure	
Approved and contracted for : Plant and Equipment	<u>0</u>
Approved and not contracted for : Plant and Equipment	<u>0</u>

(13) Contingent Liabilities or Contingent Assets

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

(14) Material Litigation

There was no material litigation as at the date of this report.

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENT

(1) Performance Review

Performance for the financial period ended 30 June 2026 as compared with the financial period ended 30 June 2025

	Individual Quarter Ended 30 June				Cumulative Quarter Ended 30 June			
	2026 RM'000	2025 RM'000	Var RM'000	%	2026 RM'000	2025 RM'000	Var RM'000	%
Revenue	5,038	8,653	(3,615)	(42%)	11,000	17,368	(6,368)	(37%)
Loss Before Taxation	(396)	(3,671)	3,275	89%	(1,999)	(7,186)	5,187	72%

Current 2nd Quarter 2026 Vs Previous 2nd Quarter 2025

The Group's Revenue for the 2nd quarter ended 30 June 2026 decreased by RM3.61 million or 42% as compared to the preceding period corresponding 2nd quarter ended 30 June 2025. The decrease in revenue was mainly due to lower demand of both injection and blowing molding products during the current period ended 30 June 2026.

With the decrease in revenue and coupled with a higher cost of production, the Group recorded a Loss Before Taxation of RM0.396 million in the current quarter as compared to a Loss Before Taxation of RM3.67 million in the corresponding 2nd quarter of the preceding year.

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

	Individual Quarter		Variance	
	30/06/2026 RM'000	31/03/2026 RM'000	RM'000	%
Revenue	5,038	5,961	(923)	(15%)
Loss Before Taxation	(396)	(1,603)	1,207	75%

The Group's revenue for the current 2nd quarter ended 30 June 2026 decreased by RM0.92 million or 15% compared to the preceding 1st quarter ended 31 March 2026. The decrease in revenue was mainly attributable to lower demand for both injection and blow molding products during the quarter. The performance of the Group was deteriorated since there were some sales order reduced by certain existing customers. The Group recorded a Loss Before Tax of RM0.39 million in the Current 2nd quarter as compared to a Loss Before Taxation of RM1.6 million for the preceding 1st quarter ended 31 March 2026.

(3) Prospects And Outlook

The global economic uncertainty, fluctuations in raw material prices, rising operating costs, and stiff market competition are expected to remain key factors impacting the Group's performance.

The management team remains focused on strategic cost management and productivity improvement initiatives to enhance operational efficiency and sustain profitability.

On a positive note, overall customer demand remains stable and is expected to gradually improve in the coming quarter.

(4) Variance From Profit Forecast

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

(5) Taxation

Tax comprises:

	Individual Quarter		Cumulative Quarter	
	30/06/2026 RM'000	30/06/2025 RM'000	30/06/2026 RM'000	30/06/2025 RM'000
Taxation	(16)	(28)	(29)	(55)
Deferred Tax	-	-	-	-
	(16)	(28)	(29)	(55)

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

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(6) Corporate Proposals

There was no corporate proposal announced and not completed at the date of this announcement.

(7) Group Borrowings and Lease Liabilities

Total Group borrowings and lease liabilities as at 30 June 2026 are as follows:

	As At 30/06/2026 RM'000
Short term borrowings	
Secured:	
Bill payable	826
Hire purchase and lease liabilities	375
	<u>1,201</u>
Long term borrowings	
Secured:	
Hire purchase and lease liabilities	1,097
	<u>1,097</u>
Total borrowings	<u><u>2,298</u></u>

(8) Dividend

No interim dividend has been proposed by the Board of Director in the current financial period.

(9) Loss Per Share

(a) Basic Loss Per Share

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

	Current Quarter Ended 30 June		Cumulative Quarter Ended 30 June	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit net of tax attributable to Equity Holders of the Parent	(412)	(3,699)	(2,028)	(7,241)
Weighted average number of Ordinary Shares in issue ('000)	50,797	50,797	50,797	50,797
Basic (loss)/Earnings per share (Sen)	<u>(0.81)</u>	<u>(7.28)</u>	<u>(3.99)</u>	<u>(14.25)</u>

(b) Diluted Loss Per Share

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

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(10) Loss Before Taxation

	Current Quarter Ended 30 June		Cumulative Quarter Ended 30 June	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Loss for the period is arrived at after (charging)/crediting:				
Amortisation and Depreciation	(609)	(653)	(1,224)	(1,309)
Reversal of impairment loss on receivables	-	-	58	-
Bad debt written off	-	-	(58)	-
Loss on disposal of property, plant and equipment	(1)	-	(1)	(350)
Interest income	5	18	7	24
Rental income	292	98	586	152
Interest expense	(46)	(67)	(97)	(131)
Unwinding of discount on Non-Current Financial liabilities	(344)	(501)	(738)	(1,037)

(11) Derivative Financial Instruments

There were no derivative financial instruments as at 30 June 2026.

(12) Gains/Loss Arising from Fair Value Changes of Financial Liabilities

There were no material gains or losses arising from fair value changes of the financial liabilities for the current quarter and financial period ended 30 June 2026.

(13) Authorisation For Issue of Interim Financial Statements

The current interim financial statements were authorized for release by the Board of Directors on 17th August 2026.

By Order of the Board