RT PASTRY AT 13.5 SEN

Three Things That Caught My Attention

A layperson's look at the 0.19% online clue, halal/Shariah positioning and what I saw in the shops

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Disclosure: The author holds shares in RT Pastry Holdings Berhad. Personal commentary only - not investment advice.

RT Pastry at 13.5 Sen: Three Things That Caught My Attention

A layperson's look at the 0.19% online clue, halal/Shariah positioning and what I saw in the shops

Final revised commentary - 26 August 2026

The three personal angles that made me look more closely at RT Pastry.

Important disclosure: I currently own shares in RT Pastry Holdings Berhad and therefore have a financial interest in the company. I am not a licensed financial adviser, securities analyst, stockbroker or professional investor. This article records my personal observations and research and is not investment advice or a recommendation to buy, sell or hold RT Pastry shares.

RT Pastry is not the sort of investment idea that needs an elaborate story. It makes bread, cakes and pastries, listed on Bursa Malaysia's ACE Market on 29 June 2026 at 18 sen a share, and closed at 13.5 sen on Monday, 24 August 2026 - 25% below the IPO price. [2] [9]

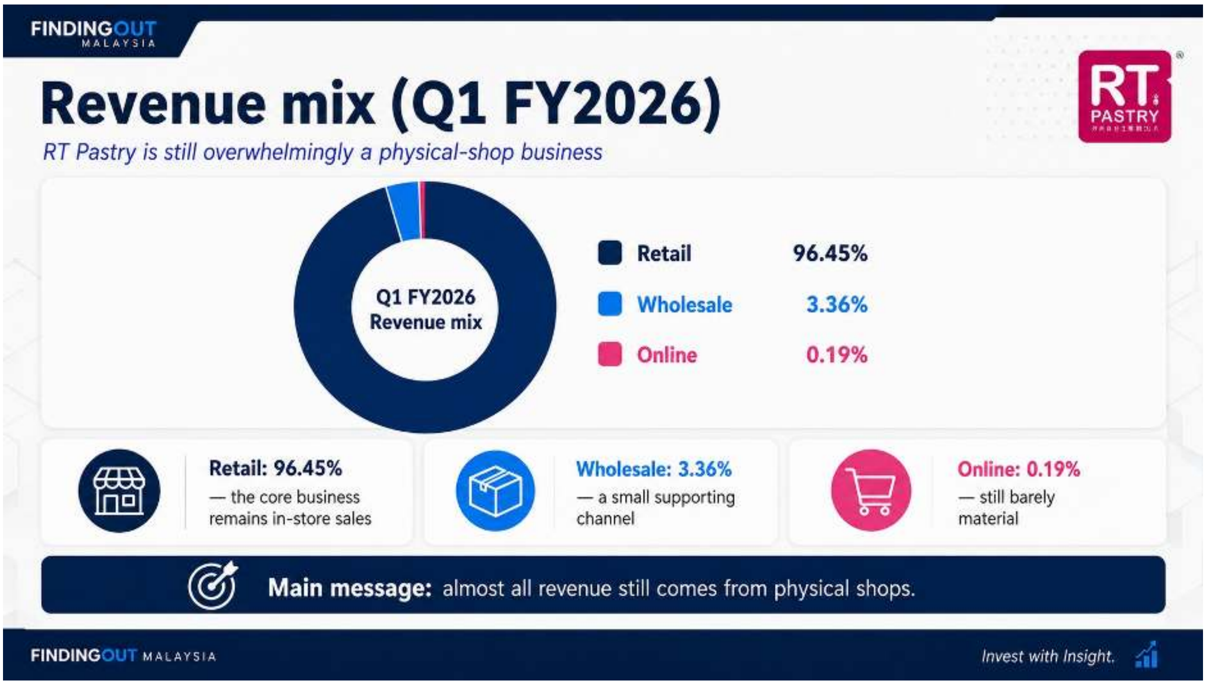
That fall is what makes the stock noticeable, but it is not what makes the story interesting to me. I am more interested in three practical observations: online sales are still almost invisible, the halal position has improved while the shares remain Shariah non-compliant, and I have actually spent time looking at the business in its shops.

Those three angles are the heart of this commentary. The financial accounts and valuation still matter, but I would rather ask whether an established bakery can reach more customers and whether that opportunity starts to show up in sales, margins and cash generation.

1. The 0.19% clue: online sales are still almost invisible

The single number that caught my attention most was not 13.5 sen. It was 0.19%.

For Q1 FY2026, RT Pastry recorded revenue of RM12.657 million. Physical retail outlets contributed 96.45% of total sales, wholesale contributed 3.36%, and the company's own online platform contributed only about RM24,000 - 0.19%. [3]



Q1 FY2026 revenue mix: almost all revenue still came through physical shops.

To me, this is both a weakness and an opportunity. RT Pastry already operates an online shop, so it is not starting from zero. But economically, digital sales are still tiny compared with the physical network. [1]

Could delivery become another shopfront?

An office ordering pastries for a meeting, a family wanting a cake delivered, or someone buying breakfast without travelling to a store are ordinary use cases. If RT Pastry can place more of its range where customers already search for food - through its own shop, delivery partners or larger marketplaces - each outlet could potentially reach beyond its immediate catchment without a new shop for every new customer.

I would not assume this is free growth. Delivery commissions, packaging, promotions, fulfilment and possible cannibalisation of walk-in sales can dilute the benefit. The relevant test is not whether online orders increase; it is whether incremental digital revenue can be earned at a sensible margin.

> What I will watch: online contribution, repeat digital ordering, delivery economics and whether digital reach adds customers rather than simply shifting existing store sales.

2. Halal certification and Shariah status: two different issues, one important checkpoint

My second angle is the Muslim consumer and investor market, but two ideas have to stay separate: halal certification of the food/manufacturing business and Shariah-compliant status of the shares are not the same thing.

RT Pastry's Plant 2 facility in Glenmarie has held JAKIM halal certification since 2023. Plant 1 in Taman Bukit Serdang obtained JAKIM certification effective 1 July 2026, valid until 30 June 2028. That means both central manufacturing plants now have halal certification. [5] [6]

Halal certification addresses products and manufacturing; Shariah share classification is a separate investor screen.

Commercially, I think that matters. Management has talked about broadening market reach beyond the Klang Valley, strengthening wholesale distribution and developing OEM business. A stronger halal platform could help the company reach Muslim consumers and corporate customers with clearer assurance. [4] [6]

But the shares themselves are currently classified as Shariah non-compliant on the Securities Commission Malaysia's pre-listing status page, updated on 11 June 2026. The SC screening process considers business activities as well as financial-ratio benchmarks, so halal certification does not automatically change the share classification. [7] [8]

One outlet-level observation - not a regulatory finding

At the Taman Segar and Taman Desa outlets I visited, I did not see the familiar JAKIM halal logo displayed at the shopfront. I treat that only as a personal observation. Before publication I could verify the central manufacturing certification; I have not independently established separate outlet-level JAKIM certification for those two branches. [11]

The SC says its Shariah-compliant securities list is updated twice a year, in May and November. That makes the next November review - scheduled for 27 November 2026 - a natural checkpoint for me to watch, not something I would predict in advance. [8]

3. What I saw in the shops: anecdotal, but still worth noticing

My third angle is the least scientific, but it is the most personal.

I have visited RT Pastry outlets in Taman Segar and Taman Desa on several occasions. I have not conducted formal customer counts and two branches cannot represent an entire business. Nevertheless, the stores I visited appeared to have a fairly steady flow of customers. I also noticed Muslim customers purchasing products. [11]

Genuine RT Pastry storefronts used in my on-the-ground review. The observations are anecdotal, not measured footfall data.

This does not prove same-store sales are rising or that every outlet is busy. But it gave me a reason to look further. The shops I saw did not feel like a brand customers had deserted. For a consumer business, I think that sort of real-world observation is worth placing beside the accounts - carefully, without pretending it is hard data.

RT Pastry's current website says the brand has 18 outlets across the Klang Valley and more than 500 bakery products. At the IPO it had 17 outlets, so the physical network has already moved forward at least one step. [1] [2]

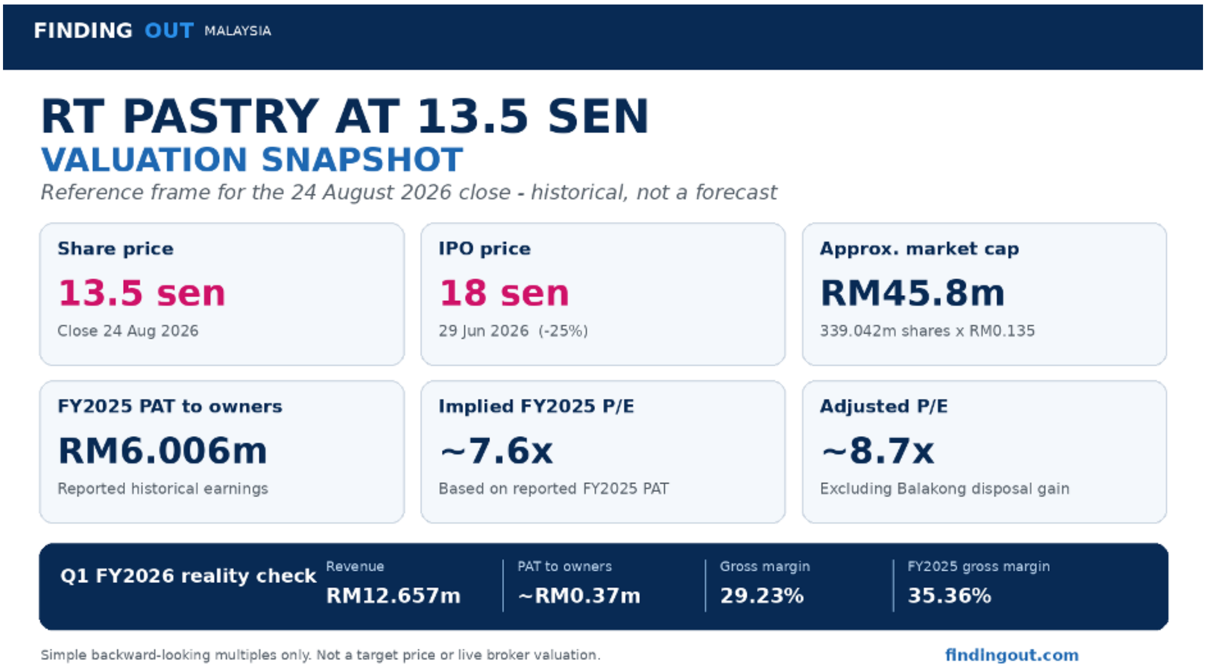
Why the physical network matters

A store-led business has disadvantages - rent, labour and the need to attract local footfall - but it also gives RT Pastry a tangible customer relationship. The investment question is whether that physical base can become a platform for wider distribution rather than remaining the only meaningful channel.

My takeaway: the stores are not proof of growth, but they are evidence worth testing against future revenue, margins and customer reach.

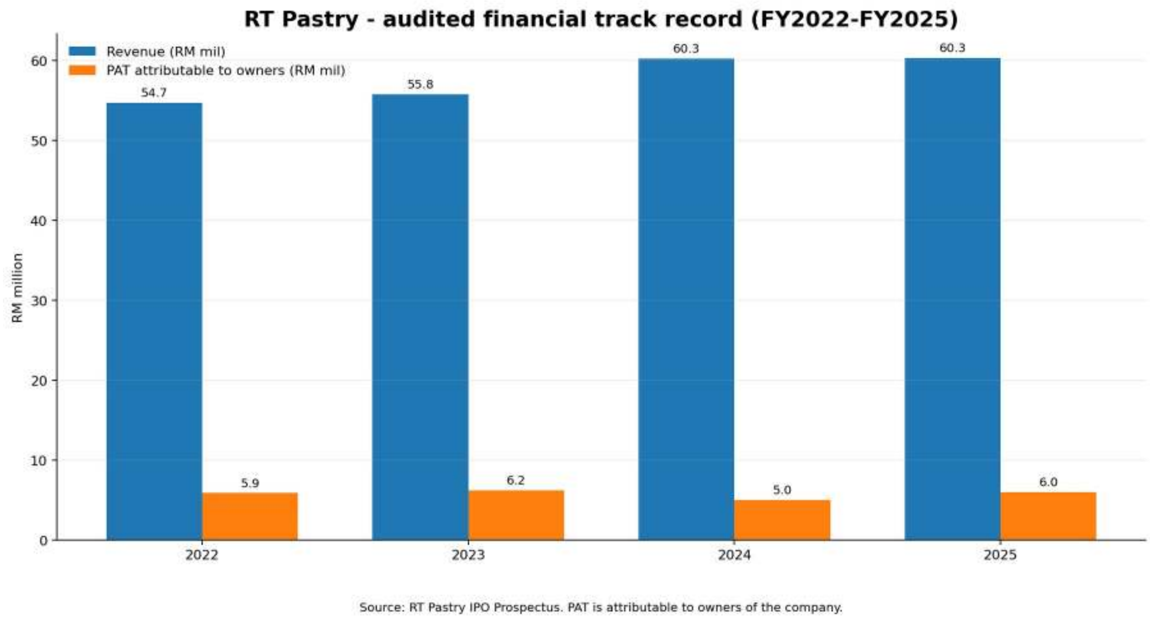
4. What does 13.5 sen actually mean?

A price 25% below the IPO price can look cheap, but a lower share price is not the same thing as a lower-risk investment. I therefore prefer to anchor the valuation to what the company has actually earned.



Simple backward-looking reference calculations using the 24 August 2026 closing price. They are not a target price or broker valuation.

With 339.042 million shares after the IPO, 13.5 sen implies a market capitalisation of roughly RM45.8 million. Against FY2025 profit attributable to owners of RM6.006 million, that is about 7.6 times reported earnings. The prospectus also discloses that FY2025 included a net RM0.746 million gain on the disposal of the Balakong plant; excluding that gain, attributable profit was RM5.260 million and the same 13.5-sen reference price equates to about 8.7 times adjusted earnings. [2]



Audited revenue and profit attributable to owners from FY2022 to FY2025. Source: RT Pastry IPO Prospectus.

The history is steady rather than spectacular. Revenue rose from RM54.747 million in FY2022 to RM60.312 million in FY2025. Attributable profit was RM5.877 million, RM6.234 million, RM5.013 million and RM6.006 million across FY2022-FY2025. [2]

The Q1 reality check

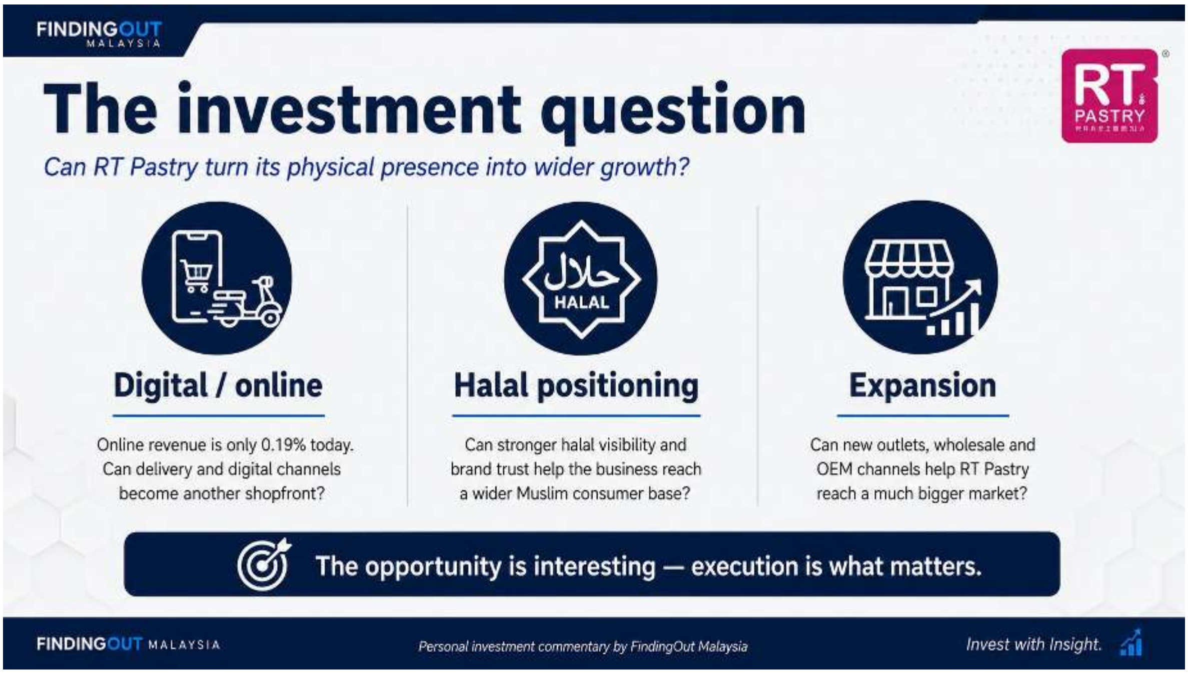
Q1 FY2026 revenue was RM12.657 million, profit attributable to owners was about RM370,000 and gross margin was 29.23%, below FY2025's 35.36%. That is a legitimate reason for caution. [3]

Management later said the lower first-quarter net profit margin was mainly affected by a higher effective tax rate from non-deductible expenses rather than weaker core operations. Even so, I want the next few quarters to show that margins and earnings can improve - not simply assume a low historical P/E makes the shares a bargain. [4]

5. The three angles fit together

This is where the story becomes more interesting to me. The three observations are not separate.

- RT Pastry already has a visible physical customer base and almost all current sales still come through stores.
- Both central manufacturing plants now have halal certification, which may help broaden consumer and commercial reach.
- The digital channel is so small that online distribution remains an under-developed route to reach more customers.



The investment question is whether RT Pastry can turn a physical-shop base into wider, multi-channel growth.

Put differently, the opportunity I am watching is not simply "open more bakeries". It is whether RT Pastry can take an existing product range and brand, broaden its addressable customer base, and distribute those products through more channels.

Management has set a target of at least 10% annual sales growth while expanding beyond the Klang Valley and strengthening wholesale and OEM business. The IPO plan also allocated proceeds to six new outlets - four in the Klang Valley and two in Pahang. Those are company targets and plans, not my forecasts. [2] [4]

What would strengthen the thesis?

- Online revenue becomes meaningful without destroying margin.
- New outlets expand reach while existing outlets remain productive.
- Wholesale and OEM become material contributors rather than side businesses.
- Halal positioning translates into broader consumer or commercial demand.
- Gross margin and cash generation improve as the post-IPO business scales.

The opportunity is interesting. Execution is what matters.

6. My personal plan: Q2, Q3 and the November Shariah review

I already own RT Pastry shares, so I have money at risk in this thesis. My approach is not to make the immediate post-IPO quarter the decisive test.

Q2 FY2026 covers April to June, and RT Pastry listed on 29 June - right at the end of that quarter. The IPO prospectus budgeted about RM4.13 million for listing expenses, although different costs can receive different accounting treatment and I would not assume the whole amount runs through one quarter's profit-and-loss account. For that reason, I will read Q2 but I do not want to overreact to one headline number. [2]

My investment timeline: Q2 as a transition quarter, Q3 as the cleaner operating checkpoint, and the November SC review as a separate milestone.

The more important earnings checkpoint for me is Q3 FY2026, covering July to September. It is the first full quarter after listing and should provide a cleaner view of the underlying retail business, gross margin, digital contribution and early post-IPO execution.

The other key date is 27 November 2026, when the next scheduled SC Shariah-compliant securities list is due. This is an SC Shariah Advisory Council process, not a Bursa Malaysia decision. I am not assuming RT Pastry will be reclassified. I simply see the date as another piece of evidence. [7] [8]

What I will be watching

Quarterly revenue and same-store/retail momentum.
Gross margin recovery from the 29.23% Q1 level.
Online sales from the current 0.19% base.
Wholesale and OEM contribution.
New-outlet execution and Pahang expansion.
Cash generation and whether growth converts into earnings.
The November Shariah classification update.

My position for now: watch Q2, place greater weight on Q3, then reassess the business and the November Shariah checkpoint with fresh evidence.

My position for now

For me, the question is no longer whether RT Pastry simply returns to its 18 sen IPO price. I do not treat 18 sen as a target. The better question is whether the company can use its capital, halal platform, physical network and new distribution options to become a broader and more profitable bakery business.

That means I will be watching three things above all: whether online channels become meaningful, whether the halal/Shariah story develops in a way that broadens the customer and investor base, and whether the real-world customer demand I have observed translates into stronger business performance.

The opportunities are interesting. Execution is what matters.

Disclosure and Important Notice

I currently hold shares in RT Pastry Holdings Berhad and therefore have a financial interest in the company discussed in this article. My ownership may influence my interpretation of the company, and readers should take that potential bias into account.

I am not a financial adviser, securities analyst, stockbroker, investment professional or licensed investment adviser. I do not claim to be an expert or to hold any professional qualification in investment analysis. This article records my personal observations, research and interpretation of publicly available information.

Nothing in this article constitutes personalised investment advice, a research recommendation, an offer or a solicitation to buy, sell or hold any security. Share prices can rise or fall substantially and investors may lose part or all of their investment. Readers should conduct their own research and, where appropriate, obtain advice from a properly licensed professional.

Data note: 13.5 sen is the closing-price reference used for this commentary from 24 August 2026. It is not a live price. Delivery-platform availability can vary by outlet and location, and Shariah classification is time-sensitive. These points should always be checked against the latest available information.

Regulatory note

The Securities Commission Malaysia has clarified that sharing factual or educational information generally differs from providing investment advice, but recommendations or opinions that may induce someone to buy, sell or hold an investment can fall within regulated investment-advice activity depending on the circumstances. A disclaimer alone does not determine the regulatory position. This article is intentionally framed as disclosure of my own observations and decision-making rather than personalised advice to readers. [10]

Sources and Reference Notes

1. RT Pastry official website / Investor Relations - Open source - current 18-outlet footprint, 500+ products, online shop and corporate overview.

2. RT Pastry IPO Prospectus / prospectus launch - Open source - 18-sen IPO, listing date, proceeds, audited FY2022-FY2025 financials, enlarged share base and adjusted FY2025 earnings.

3. The Edge Malaysia - ACE Market-bound RT Pastry posts RM0.37m net profit for 1Q - Open source - Q1 FY2026 revenue, retail contribution, gross margin and attributable profit.

4. The Edge Malaysia - RT Pastry targets 10% annual sales growth - Open source - management growth target, wholesale/OEM plans and domestic expansion.

5. The Star - RT Pastry secures JAKIM halal certification for manufacturing facility - Open source - Plant 1 certification effective 1 July 2026, valid to 30 June 2028.

6. Utusan Malaysia - RT Pastry sasar ruang pasaran baharu dengan sijil halal - Open source - Plant 2 certified since 2023 and commercial halal strategy.

7. Securities Commission Malaysia - Shariah status for companies seeking listing - Open source - RT Pastry pre-listing status: Non-Compliant, updated 11 June 2026.

8. Securities Commission Malaysia - Shariah-compliant securities and screening methodology - Open source - May/November update cycle and business/financial screening framework.

9. The Star MarketWatch - RT Pastry Holdings Berhad (RT, 0461) - Open source - 13.5-sen closing price on 24 August 2026.

10. Securities Commission Malaysia - Guidance Note on Provision of Investment Advice - Open source - guidance on factual/educational content versus investment advice.

11. Author's personal observations - *Personal source* - visits to RT Pastry outlets in Taman Segar and Taman Desa; anecdotal observations only, not independently measured footfall data.

Editorial notes

The Q1 FY2026 figures are from RT Pastry's maiden quarterly report; no year-on-year comparison was available in that report.

The 7.6x and 8.7x P/E figures are simple backward-looking calculations at 13.5 sen and are not target prices.

The November Shariah review is a checkpoint, not a prediction of reclassification.

Any future website update should refresh the share price, outlet count, delivery availability and Shariah status before republishing.