



RHONG KHEN INTERNATIONAL BERHAD
(Registration No.: 199401017151 (302829-W))

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2025

	Individual quarter ended		Cumulative quarter ended	
	Current year quarter	Preceding year corresponding quarter	Current year quarter	Preceding year corresponding quarter
	31.03.2025 RM'000	31.03.2024 RM'000	31.03.2025 RM'000	31.03.2024 RM'000
Revenue	116,907	114,777	394,562	391,542
Cost of sales	(106,396)	(102,047)	(346,796)	(343,291)
Gross profit	10,511	12,730	47,766	48,251
Other income	2,623	2,159	7,422	7,176
Selling and distribution expenses	(3,866)	(3,533)	(12,718)	(11,602)
Administrative expenses	(8,187)	(9,150)	(22,591)	(23,137)
Other expenses	(1,981)	(890)	(5,183)	(2,316)
Operating (loss)/profit	(900)	1,316	14,696	18,372
Finance costs	(209)	(325)	(691)	(1,047)
(Loss)/profit before taxation	(1,109)	991	14,005	17,325
Taxation	(870)	(750)	(3,058)	(3,703)
(Loss)/profit for the period	(1,979)	241	10,947	13,622
Attributable to :				
Owners of the Company	(1,888)	659	11,143	14,795
Non-controlling interests	(91)	(418)	(196)	(1,173)
(Loss)/profit for the period	(1,979)	241	10,947	13,622
(Loss)/earnings per share (sen) :				
(a) Basic	(0.97)	0.34	5.71	7.60
(b) Diluted	(0.97)	0.34	5.71	7.60
Weighted average number of ordinary shares ('000)	195,150.3	194,549.2	195,150.3	194,549.2
(Loss)/profit for the period	(1,979)	241	10,947	13,622
Other comprehensive (loss)/income:				
Foreign currency translation	(2,962)	9,643	(20,857)	4,486
Total comprehensive (loss)/income for the period	(4,941)	9,884	(9,910)	18,108
Total comprehensive (loss)/income attributable to :				
Owners of the Company	(4,850)	10,302	(9,714)	19,281
Non-controlling interests	(91)	(418)	(196)	(1,173)
Total comprehensive (loss)/income for the period	(4,941)	9,884	(9,910)	18,108

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.



RHONG KHEN INTERNATIONAL BERHAD
(Registration No.: 199401017151 (302829-W))

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 31 MARCH 2025

	Unaudited 31.03.2025 RM'000	Audited 30.06.2024 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	241,520	255,199
Investment properties	44,090	44,380
Right-of-use assets	19,593	32,334
Other investments	81	81
Deferred tax assets	844	903
	<u>306,128</u>	<u>332,897</u>
Current assets		
Inventories	146,934	137,563
Trade and other receivables	48,949	48,662
Prepayments	2,510	2,309
Tax recoverable	2,281	1,407
Cash and bank balances	184,368	215,152
Investment securities	83,665	75,221
Derivative	-	12
	<u>468,707</u>	<u>480,326</u>
Assets held for sale	15,880	-
	<u>484,587</u>	<u>480,326</u>
TOTAL ASSETS	<u><u>790,715</u></u>	<u><u>813,223</u></u>



RHONG KHEN INTERNATIONAL BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 31 MARCH 2025 (CONT'D)

	Unaudited 31.03.2025 RM'000	Audited 30.06.2024 RM'000
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	100,095	99,323
Treasury shares	(504)	(167)
Retained earnings	486,285	486,877
Foreign currency translation reserve	88,844	109,701
	<u>674,720</u>	<u>695,734</u>
Non-controlling interests	(1,655)	(1,459)
Total equity	<u>673,065</u>	<u>694,275</u>
Non-current liabilities		
Loans and borrowings	7,913	14,574
Lease liabilities	4,546	4,975
Provision for severance allowance	241	233
Retirement benefit obligation	391	385
Deferred tax liabilities	3,667	3,639
	<u>16,758</u>	<u>23,806</u>
Current liabilities		
Trade and other payables	70,007	58,936
Loans and borrowings	6,217	4,899
Lease liabilities	170	178
Tax payable	24,442	31,129
Derivatives	3	-
	<u>100,839</u>	<u>95,142</u>
Liabilities associated with assets held for sale	53	-
	<u>100,892</u>	<u>95,142</u>
Total liabilities	<u>117,650</u>	<u>118,948</u>
TOTAL EQUITY AND LIABILITIES	<u>790,715</u>	<u>813,223</u>
Net assets per share attributable to owners of the Company (RM)	<u>3.45</u>	<u>3.57</u>

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.



RHONG KHEN INTERNATIONAL BERHAD
(Registration No.: 199401017151 (302829-W))

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2025

			Non-distributable				
	Share capital	Treasury shares	Foreign currency translation reserve	Distributable Retained earnings	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 July 2023	98,433	(167)	105,464	482,226	685,956	(242)	685,714
Total comprehensive income for the period	-	-	4,486	14,795	19,281	(1,173)	18,108
Issuance of Shares pursuant to Employees' Share Scheme	890	-	-	-	890	-	890
Dividend paid	-	-	-	(5,849)	(5,849)	-	(5,849)
As at 31 March 2024	99,323	(167)	109,950	491,172	700,278	(1,415)	698,863
As at 1 July 2024	99,323	(167)	109,701	486,877	695,734	(1,459)	694,275
Total comprehensive (loss)/income for the period	-	-	(20,857)	11,143	(9,714)	(196)	(9,910)
Issuance of Shares pursuant to Employees' Share Scheme	772	-	-	-	772	-	772
Dividend paid	-	-	-	(11,735)	(11,735)	-	(11,735)
Purchase of treasury shares	-	(337)	-	-	(337)	-	(337)
As at 31 March 2025	100,095	(504)	88,844	486,285	674,720	(1,655)	673,065

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2025

	31.03.2025 RM'000	31.03.2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	14,005	17,325
Adjustments for:		
Depreciation and amortisation	14,174	14,621
Net fair value loss/(gain) on derivatives	15	(4)
Net fair value gain on investment securities	(754)	(536)
Net unrealised loss/(gain) on foreign exchange	1,062	(58)
Gain on disposal of property, plant and equipment	(100)	(127)
Gain on disposal of investment properties	-	(346)
Distribution from investment securities	(1,458)	(1,388)
Non cash items	828	993
Net financing costs	(2,994)	(2,176)
Operating profit before working capital changes	24,778	28,304
Changes in working capital		
Net change in current assets	(23,387)	15,127
Net change in current liabilities	14,613	5,587
Net taxes paid	(8,700)	(6,521)
Interest paid	(691)	(1,047)
Net cash flows generated from operating activities	6,613	41,450
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	3,685	3,224
Purchase of property, plant and equipment	(7,375)	(7,816)
Proceeds from disposal of property, plant and equipment	169	235
Proceeds from disposal of investment properties	-	861
Placement of deposits with licensed banks	(601)	(20,514)
Net purchase of investment securities	(6,510)	(8,018)
Net cash flows used in investing activities	(10,632)	(32,028)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayments of loans and borrowings	(4,867)	(13,981)
Repayments for principal portion of lease liabilities	(125)	(129)
Dividends paid on ordinary shares	(11,735)	(5,849)
Treasury shares acquired	(337)	-
Net cash flows used in financing activities	(17,064)	(19,959)
NET CHANGES IN CASH AND CASH EQUIVALENTS	(21,083)	(10,537)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	172,010	166,118
EFFECTS OF EXCHANGE RATE CHANGES	(10,302)	2,656
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	140,625	158,237
Cash and cash equivalents included in the Consolidated Statement of Cash Flows comprise the following balance sheet amounts :		
Cash and bank balances	82,439	104,896
Term deposits	101,929	102,671
	184,368	207,567
Less:		
Deposits with licensed banks with tenure more than three months	(43,743)	(49,330)
	140,625	158,237

Reconciliation of liabilities arising from financing activities:

	Carrying amount as at 1 July 2024 RM'000	Cash flows RM'000	Effects of foreign exchange RM'000	Carrying amount as at 31 March 2025 RM'000
<u>Group</u>				
Loans and borrowings	19,473	(4,867)	(476)	14,130
Lease liabilities	5,153	(125)	(312)	4,716
Total	24,626	(4,992)	(788)	18,846

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.



RHONG KHEN INTERNATIONAL BERHAD
(Registration No.: 199401017151 (302829-W))

NOTES TO THE QUARTERLY REPORT – 31 MARCH 2025

A1. BASIS OF PREPARATION

The interim financial report is unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and Chapter 9 paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's audited financial statements for the year ended 30 June 2024.

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2024 except for the changes in accounting policies and presentation resulting from the adoption of relevant MFRSs, Amendment to MFRSs and IC Interpretations that are effective for the financial periods beginning on 1 July 2024.

The adoption of relevant MFRSs, Amendment to MFRSs and IC Interpretations did not have any material effect on the financial performance or position of the Group.

A2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The latest audited financial statements for the financial year ended 30 June 2024 were not subject to any qualification.

A3. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no items affecting assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence for the current quarter and financial period ended 31 March 2025.

A4. VALUATION OF PROPERTY, PLANT & EQUIPMENT

There was no revaluation of properties of the Group during the financial period ended 31 March 2025.

A5. TAXATION

The taxation of the Group for the financial period under review was as follows:

	Individual Quarter		Cumulative Quarter	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
Current tax expense				
Malaysian	250	1,571	561	3,027
Overseas	715	(748)	2,459	674
Total	965	823	3,020	3,701



RHONG KHEN INTERNATIONAL BERHAD
(Registration No.: 199401017151 (302829-W))

NOTES TO THE QUARTERLY REPORT – 31 MARCH 2025

	Individual Quarter		Cumulative Quarter	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
Deferred tax expense				
Malaysian	(95)	(73)	38	2
Overseas	-	-	-	-
Total	(95)	(73)	38	2
	870	750	3,058	3,703

A6. CHANGES IN THE COMPOSITION OF THE GROUP

There was no change to the composition of the Group in the quarter ended 31 March 2025.

A7. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the current quarter that would have impact on the result that had been reflected in the quarter under review.

A8. CHANGES IN EQUITY AND LONG TERM DEBTS

There were no changes in equity and long term debts for the current quarter ended 31 March 2025, other than the following repurchase of shares by the Company:

Month	Number of shares purchased and retained as treasury shares	Lowest price paid RM	Highest price paid RM	Average price paid RM	Total consideration paid RM
January 2025	285,000	1.17	1.21	1.18	336,987.57

As at the end of the quarter under review, out of the total 195,692,500 issued and fully paid ordinary shares, 395,200 ordinary shares are held as treasury shares by the Company.



RHONG KHEN INTERNATIONAL BERHAD
(Registration No.: 199401017151 (302829-W))

NOTES TO THE QUARTERLY REPORT – 31 MARCH 2025

A9. BORROWINGS AND DEBTS SECURITIES

Details of the Group's borrowings were as follows:

	As at 31 March 2025					
	Long term		Short term		Total borrowings	
	RM equivalents of amount denominated in foreign currency (RM'000)	RM'000	RM equivalents of amount denominated in foreign currency (RM'000)	RM'000	RM equivalents of amount denominated in foreign currency (RM'000)	RM'000
Secured						
Term loan (USD)	4,085	-	1,935	-	6,020	-
Term loan (RM)	-	3,828	-	897	-	4,725
Bankers' acceptances (RM)	-	-	-	3,385	-	3,385
Total	4,085	3,828	1,935	4,282	6,020	8,110

	As at 30 June 2024					
	Long term		Short term		Total borrowings	
	RM equivalents of amount denominated in foreign currency (RM'000)	RM'000	RM equivalents of amount denominated in foreign currency (RM'000)	RM'000	RM equivalents of amount denominated in foreign currency (RM'000)	RM'000
Secured						
Term loan (USD)	10,069	-	2,095	-	12,164	-
Term loan (RM)	-	4,505	-	867	-	5,372
Bankers' acceptances (RM)	-	-	-	1,937	-	1,937
Total	10,069	4,505	2,095	2,804	12,164	7,309



RHONG KHEN INTERNATIONAL BERHAD
(Registration No.: 199401017151 (302829-W))

NOTES TO THE QUARTERLY REPORT – 31 MARCH 2025

A10. FINANCIAL INSTRUMENTS - DERIVATIVE

Details of the Group's outstanding derivative financial instruments were as follows:

	As at 31 March 2025		As at 30 June 2024	
	Contract/ Notional amount RM'000	Liabilities RM'000	Contract/ Notional amount RM'000	Assets RM'000
Non-hedging derivative:				
Forward currency contracts	884	(3)	3,290	12

The Group uses forward currency contracts to manage some of the transaction exposure. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency transaction exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting.

Forward currency contracts are used to hedge the Group's bank balance denominated in United States Dollar ("USD") for which Group's commitments existed at the reporting date, extending to June 2025. During the financial period under review, the Group recognised a loss of RM14,614 arising from fair value changes of forward currency contracts. The fair value changes are attributable to changes in foreign exchange closing and forward rate.

A11. CHANGES IN MATERIAL LITIGATION

There was no material litigation or any pending material litigation since the date of the last annual statement of financial position until 21 May 2025.

A12. SEGMENTAL INFORMATION

The Group's primary business segment, including its overseas subsidiaries is that of the manufacture and sale of wooden furniture and components.

Business segmental information has not been prepared as the Group's revenue, operating profit, assets and liabilities, capital expenditure, depreciation and amortisation and non-cash expenses are mainly confined to one business segment.

Geographical segments

The Group's business segment operates principally in Malaysia, Vietnam and Thailand.

In presenting information on the basis of geographical segments, segment revenue and profit before taxation, segment assets and liabilities were based on the geographical location of assets.



RHONG KHEN INTERNATIONAL BERHAD
(Registration No.: 199401017151 (302829-W))

NOTES TO THE QUARTERLY REPORT – 31 MARCH 2025

Results for the Individual Quarter ended 31 March

	Malaysia		Vietnam		Thailand		Others		Total	
RM'000	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Total revenue	27,713	33,906	88,428	80,045	6,172	5,855	6,544	6,774	128,857	126,580
Inter-segment revenue	(2,820)	(4,394)	-	-	(2,997)	(1,409)	(6,133)	(6,000)	(11,950)	(11,803)
External revenue	24,893	29,512	88,428	80,045	3,175	4,446	411	774	116,907	114,777
(Loss)/profit before taxation	(3,720)	544	4,572	2,540	(986)	(1,460)	(975)	(633)	(1,109)	991
Segment assets	256,828	261,158	412,931	433,418	28,783	30,925	613,684	623,456	1,312,226	1,348,957
Segment liabilities	78,959	60,215	79,040	74,945	19,432	18,188	74,913	94,198	252,344	247,546

Results for the Cumulative Quarter ended 31 March

	Malaysia		Vietnam		Thailand		Others		Total	
RM'000	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Total revenue	84,759	102,941	307,808	287,421	17,785	15,218	31,425	23,045	441,777	428,625
Inter-segment revenue	(10,771)	(12,721)	-	-	(6,483)	(4,154)	(29,961)	(20,208)	(47,215)	(37,083)
External revenue	73,988	90,220	307,808	287,421	11,302	11,064	1,464	2,837	394,562	391,542
(Loss)/profit before taxation	(6,762)	1,741	24,592	19,245	(1,841)	(2,312)	(1,984)	(1,349)	14,005	17,325
Segment assets	256,828	261,158	412,931	433,418	28,783	30,925	613,684	623,456	1,312,226	1,348,957
Segment liabilities	78,959	60,215	79,040	74,945	19,432	18,188	74,913	94,198	252,344	247,546



RHONG KHEN INTERNATIONAL BERHAD
(Registration No.: 199401017151 (302829-W))

NOTES TO THE QUARTERLY REPORT – 31 MARCH 2025

The following items are deducted from segment assets/liabilities to arrive at total assets/liabilities reported in the consolidated statement of financial position:

	31.03.2025 RM'000	31.03.2024 RM'000
Inter-segment assets	521,511	533,798
Inter-segment liabilities	134,694	131,250

ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENT (APPENDIX 9B)

B1. MATERIAL CHANGE IN PROFIT BEFORE TAXATION COMPARED TO IMMEDIATE PRECEDING QUARTER

	Individual quarter		
RM' Million	31.03.2025	31.12.2024	Changes (%)
Revenue	116.9	145.5	-19.7%
Gross profit	10.5	20.8	-49.5%
(Loss)/profit before taxation	(1.1)	11.1	>-100.0%
(Loss)/profit after taxation	(2.0)	9.0	>-100.0%

Revenue

For the quarter under review, the Group's revenue dipped 19.7% to RM116.9 million as compared to the preceding quarter of RM145.5 million. The decrease was mainly due to lower sales recorded by furniture plants in Vietnam and lesser operation days in current quarter in conjunction with Chinese Lunar New Year holiday.

Gross profit

The Group has recorded lower gross profit from RM20.8 million in preceding quarter compared to RM10.5 million in current quarter, representing a decline of 49.5%. The decrease in gross profit was mainly attributable to the followings:

- in line with the decrease in revenue;
- higher labour costs due to increase in minimum wages in Malaysia;
- losses recorded by upstream plants due to high operating costs and lower qualities of incoming sawn timbers; and
- higher manufacturing cost incurred by all plants due to lesser production days in current quarter in conjunction with Chinese Lunar New Year holiday resulting in lower production output.



RHONG KHEN INTERNATIONAL BERHAD
(Registration No.: 199401017151 (302829-W))

NOTES TO THE QUARTERLY REPORT – 31 MARCH 2025

(Loss)/profit before taxation (“(LBT)/PBT”)

The Group has recorded a substantial decline in PBT from a profit of RM11.1 million in preceding quarter to a loss of RM1.1 million in current quarter, representing a decrease of more than 100.0%. The decrease in PBT was mainly attributable to the followings:

- in line with the decrease in gross profit; and
- foreign exchange losses of RM1.0 million recorded in current quarter compared to foreign exchange gains of RM1.7 million in preceding quarter.

(Loss)/profit after taxation (“(LAT)/PAT”)

The Group recorded LAT of RM2.0 million in current quarter, representing a significant decrease of more than 100.0% from PAT of RM9.0 million in preceding quarter was in line with the decrease in PBT offset with lower tax provision made in current quarter compared to preceding quarter.

B2. REVIEW OF PERFORMANCE

	Cumulative quarter		
RM' Million	31.03.2025	31.03.2024	Changes (%)
Revenue	394.6	391.5	+0.8%
Gross profit	47.8	48.3	-1.0%
Profit before taxation	14.0	17.3	-19.1%
Profit after taxation	10.9	13.6	-19.9%

Revenue

The Group recorded revenue of RM394.6 million for the nine months financial period ended 31 March 2025 (“FP2025”), representing a marginal increase of 0.8% as compared to the nine months financial period ended 31 March 2024 (“FP2024”) of RM391.5 million. The slight increase was mainly due to higher sales recorded by furniture plants in Vietnam and sawmill plants in FP2025 compared to FP2024 offset with weakening of USD against RM by 5.3%.

Gross profit

Gross profit of the Group amounted to RM47.8 million in FP2025, representing a slight decrease of 1.0% from RM48.3 million in FP2024. The decrease in gross profit was mainly attributable to the followings:

- higher manufacturing cost recorded by Malaysia plants due to lower production output as a result of reduced orders;
- higher labour costs incurred by Malaysia plants due to hike in minimum wage rate effective 1 February 2025; offset with



RHONG KHEN INTERNATIONAL BERHAD
(Registration No.: 199401017151 (302829-W))

NOTES TO THE QUARTERLY REPORT – 31 MARCH 2025

- lower manufacturing cost recorded by Vietnam furniture plants due to higher production output during period under review; and
- better average selling prices in FP2025 compared to FP2024.

Profit before taxation (“PBT”)

PBT of the Group amounted to RM14.0 million in FP2025, representing a decrease of 19.1% from RM17.3 million in FP2024. The decrease was mainly attributable to the followings:

- higher foreign exchange losses of RM1.7 million recorded in FP2025 compared to FP2024; and
- higher selling and distribution expenses in line with increase in logistic costs.

Profit after taxation (“PAT”)

PAT of the Group amounted to RM10.9 million in FP2025, representing a decrease of 19.9% from RM13.6 million in FP2024 was in line with decrease in PBT offset with lower tax provision made in FP2025 compared to FP2024.

B3. PROFIT FOR THE PERIOD

Profit for the period is arrived at after (crediting)/charging:

	Individual quarter ended		Cumulative quarter ended	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
Interest income	(1,228)	(1,073)	(3,685)	(3,223)
Interest expense	209	325	691	1,047
Distribution from investment securities	(483)	(481)	(1,458)	(1,388)
Depreciation and amortisation	4,725	4,880	14,174	14,621
Gain on disposal of property, plant and equipment	(100)	(120)	(100)	(127)
Gain on disposal of investment properties	-	(346)	-	(346)
Net unrealised loss /(gain) on foreign exchange	37	417	1,062	(58)
Net realised loss on foreign exchange	917	399	1,196	567
Net fair value (gain)/ loss on derivatives	(47)	33	15	(4)
Net fair value gain on investment securities	(258)	(196)	(754)	(536)
Insurance compensation	-	-	-	(259)



RHONG KHEN INTERNATIONAL BERHAD
(Registration No.: 199401017151 (302829-W))

NOTES TO THE QUARTERLY REPORT – 31 MARCH 2025

B4. TRADE AND OTHER RECEIVABLES

	31.03.2025 RM'000	30.06.2024 RM'000
Trade receivables		
Third parties	40,833	29,090
Less: Allowance for expected credit losses	(777)	(773)
Trade receivables, net	<u>40,056</u>	<u>28,317</u>
Other receivables		
Other indirect taxes	5,498	6,536
Sundry receivables	3,290	13,696
Deposits	385	389
	<u>9,173</u>	<u>20,621</u>
Less: Allowance for expected credit losses-sundry receivables	(280)	(276)
Other receivables, net	<u>8,893</u>	<u>20,345</u>
Total trade and other receivables	<u>48,949</u>	<u>48,662</u>

The ageing analysis of the Group's trade receivables is as follows:

	31.03.2025 RM'000	30.06.2024 RM'000
Neither past due nor impaired	30,890	20,844
Past due not impaired:		
1 - 30 days	6,390	4,302
31 - 60 days	1,793	2,076
61 - 90 days	545	204
91 - 120 days	-	224
> 121 days	438	667
Impaired	777	773
Gross trade receivables	<u>40,833</u>	<u>29,090</u>

Trade receivables

Trade receivables are non-interest bearing. The Group's normal trade credit terms range from 7 to 90 days. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

B5. CORPORATE PROPOSAL

There were no corporate proposals announced but not completed as at 21 May 2025 except for on 23 January 2025, L-Tree Resources Sdn. Bhd. ("LTRSB") and RK Resources Co. Ltd., both wholly-owned subsidiaries of the Company had entered into an In-Principle Agreement with Maideli Pte. Ltd. ("Maideli") pertaining to the transfer of 100% capital contribution ("equity") in RT Industries Company Limited, a wholly-owned



RHONG KHEN INTERNATIONAL BERHAD
(Registration No.: 199401017151 (302829-W))

NOTES TO THE QUARTERLY REPORT – 31 MARCH 2025

subsidiary of LTRSB to Maideli for a total sale contribution of United States Dollars (“USD”) Seven Million One Hundred Fifteen Thousand and Twenty (USD7,115,020) (equivalent to RM31,661,839 based on exchange rate of RM4.45) (“Disposal”). Upon completion of the Disposal, RTI will cease to be a subsidiary of LTRSB and the Company. On 21 May 2025, upon request by the buyer, the Board of Directors of the Company has approved the extension of In-Principle Agreement completion date. A supplemental agreement will be executed, and necessary announcement will be made in due course.

B6. SEASONAL OR CYCLICAL FACTORS

The Group operation is seasonal in nature whereby the turnover for the first three months of a calendar year is slightly lower due to long festive holidays which fall on the first quarter of the calendar year and also the lower demand in the United States which normally slows down after Christmas and New Year.

B7. CURRENT YEAR PROSPECT

Persistent geopolitical tensions and uncertainty of new US import reciprocal tariffs imposed by the US, the Group anticipates orders will continue to remain volatile and unsettled.

The Group will remain resilient and vigilant in addressing these uncertainties in all levels of decision making. The Group will align its strategies of cost controlling, enhancing production efficiency, development of new products and new designs with the prevailing market situation.

Barring any unforeseen circumstances, the Board believes that the Group is able to manage the challenges of the current market environment and will remain profitable for the financial year ending 30 June 2025.

B8. VARIANCE BETWEEN ACTUAL RESULT AND FORECAST PROFIT OR PROFIT GUARANTEE

The Group did not issue any profit forecast or profit guarantee for the quarter ended 31 March 2025.

B9. DIVIDEND

The Board of Directors did not recommend any interim dividend for the current quarter ended 31 March 2025.



RHONG KHEN INTERNATIONAL BERHAD
(Registration No.: 199401017151 (302829-W))

NOTES TO THE QUARTERLY REPORT – 31 MARCH 2025

B10. (LOSS)/EARNINGS PER SHARE (“(LPS)/EPS”)

	Individual Quarter		Cumulative Quarter	
Basic (LPS)/EPS	31.03.2025	31.03.2024	31.03.2025	31.03.2024
Net (loss)/profit attributable to owners the Company (RM'000)	(1,888)	659	11,143	14,795
Weighted average number of shares ('000)	195,150.3	194,549.2	195,150.3	194,549.2
Basic (LPS)/EPS (sen)	(0.97)	0.34	5.71	7.60

B11. CAPITAL COMMITMENTS

Capital commitments for property, plant and equipment not provided for in the financial statements as at 31 March 2025 were as follows:

	RM'000
Authorised by Directors and contracted	2,758
Authorised by Directors and not contracted	-
	2,758