



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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED 30 JUNE 2025

	Individual quarter ended		Cumulative quarter ended	
	Current year quarter	Preceding year corresponding quarter	Current year quarter	Preceding year corresponding quarter
	30.06.2025 RM'000	30.06.2024 RM'000	30.06.2025 RM'000	30.06.2024 RM'000
Revenue	121,362	130,082	515,924	521,624
Cost of sales	(106,632)	(111,477)	(453,428)	(454,768)
Gross profit	14,730	18,605	62,496	66,856
Other income	2,960	2,336	10,382	9,512
Selling and distribution expenses	(5,696)	(6,247)	(18,414)	(17,849)
Administrative expenses	(6,245)	(5,671)	(28,836)	(28,808)
Other expenses	(3,795)	(6,727)	(8,978)	(9,043)
Operating profit	1,954	2,296	16,650	20,668
Finance costs	(218)	(307)	(909)	(1,354)
Profit before taxation	1,736	1,989	15,741	19,314
Taxation	(2,649)	(4,379)	(5,707)	(8,082)
(Loss)/profit for the period	(913)	(2,390)	10,034	11,232
Attributable to :				
Owners of the Company	(163)	(2,346)	10,980	12,449
Non-controlling interests	(750)	(44)	(946)	(1,217)
(Loss)/profit for the period	(913)	(2,390)	10,034	11,232
(Loss)/earnings per share (sen) :				
(a) Basic	(0.08)	(1.21)	5.63	6.40
(b) Diluted	(0.08)	(1.21)	5.63	6.40
Weighted average number of ordinary shares ('000)	195,168.7	194,651.9	195,168.7	194,651.9
(Loss)/profit for the period	(913)	(2,390)	10,034	11,232
Other comprehensive (loss)/income:				
Foreign currency translation	(16,619)	(249)	(37,476)	4,237
Total comprehensive (loss)/income for the period	(17,532)	(2,639)	(27,442)	15,469
Total comprehensive (loss)/income attributable to :				
Owners of the Company	(16,782)	(2,595)	(26,496)	16,686
Non-controlling interests	(750)	(44)	(946)	(1,217)
Total comprehensive (loss)/income for the period	(17,532)	(2,639)	(27,442)	15,469

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 30 JUNE 2025

	Unaudited 30.06.2025 RM'000	Audited 30.06.2024 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	232,703	255,199
Investment properties	43,987	44,380
Right-of-use assets	18,503	32,334
Other investments	81	81
Deferred tax assets	980	903
	<u>296,254</u>	<u>332,897</u>
Current assets		
Inventories	138,927	137,563
Trade and other receivables	42,142	48,662
Prepayments	2,332	2,309
Tax recoverable	2,325	1,407
Cash and bank balances	177,843	215,152
Investment securities	86,297	75,221
Derivative	35	12
	<u>449,901</u>	<u>480,326</u>
Assets held for sale	14,877	-
	<u>464,778</u>	<u>480,326</u>
TOTAL ASSETS	<u><u>761,032</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 30 JUNE 2025 (CONT'D)

	Unaudited 30.06.2025 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	(598)	(167)
Retained earnings	486,122	486,877
Foreign currency translation reserve	72,225	109,701
	<u>657,844</u>	<u>695,734</u>
Non-controlling interests	(2,405)	(1,459)
Total equity	<u>655,439</u>	<u>694,275</u>
Non-current liabilities		
Loans and borrowings	7,025	14,574
Lease liabilities	4,278	4,975
Provision for severance allowance	222	233
Retirement benefit obligation	478	385
Deferred tax liabilities	3,056	3,639
	<u>15,059</u>	<u>23,806</u>
Current liabilities		
Trade and other payables	55,745	58,936
Loans and borrowings	9,401	4,899
Lease liabilities	162	178
Tax payable	25,138	31,129
	<u>90,446</u>	<u>95,142</u>
Liabilities associated with assets held for sale	88	-
	<u>90,534</u>	<u>95,142</u>
Total liabilities	<u>105,593</u>	<u>118,948</u>
TOTAL EQUITY AND LIABILITIES	<u>761,032</u>	<u>813,223</u>
Net assets per share attributable to owners of the Company (RM)	<u>3.37</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 30 JUNE 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	-	-	4,237	12,449	16,686	(1,217)	15,469
Issuance of Shares pursuant to Employees' Share Scheme	890	-	-	-	890	-	890
Dividend paid	-	-	-	(7,798)	(7,798)	-	(7,798)
As at 30 June 2024	99,323	(167)	109,701	486,877	695,734	(1,459)	694,275
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	-	-	(37,476)	10,980	(26,496)	(946)	(27,442)
Issuance of Shares pursuant to Employees' Share Scheme	772	-	-	-	772	-	772
Dividend paid	-	-	-	(11,735)	(11,735)	-	(11,735)
Purchase of treasury shares	-	(431)	-	-	(431)	-	(431)
As at 30 June 2025	100,095	(598)	72,225	486,122	657,844	(2,405)	655,439

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 30 JUNE 2025

	30.06.2025 RM'000	30.06.2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	15,741	19,314
Adjustments for:		
Allowance for expected credit losses on trade receivables	275	-
Allowance for expected credit losses on other receivables	5	-
Depreciation and amortisation	18,804	19,840
Net fair value gain on derivatives	(23)	(12)
Net fair value gain on investment securities	(1,048)	(732)
Net unrealised loss on foreign exchange	3,429	2,929
Gain on disposal of property, plant and equipment	(122)	(351)
Gain on disposal of investment properties	-	(346)
Distribution from investment securities	(1,964)	(1,833)
Non cash items	945	2,404
Net financing costs	(4,020)	(2,961)
Operating profit before working capital changes	32,022	38,252
Changes in working capital		
Net change in current assets	(13,702)	20,731
Net change in current liabilities	1,986	4,774
Net taxes paid	(9,533)	(7,692)
Interest paid	(909)	(1,354)
Net cash flows generated from operating activities	9,864	54,711
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	4,929	4,315
Purchase of property, plant and equipment	(8,950)	(8,832)
Proceeds from disposal of property, plant and equipment	190	786
Proceeds from disposal of investment properties	-	1,230
Withdrawal/(Placement) of deposits with licensed banks	2,708	(14,326)
Net purchase of investment securities	(8,666)	(9,218)
Net cash flows used in investing activities	(9,789)	(26,045)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayments of loans and borrowings	(2,762)	(13,149)
Repayments for principal portion of lease liabilities	(166)	(172)
Dividends paid on ordinary shares	(11,735)	(7,798)
Treasury shares acquired	(431)	-
Net cash flows used in financing activities	(15,094)	(21,119)
NET CHANGES IN CASH AND CASH EQUIVALENTS	(15,019)	7,547
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	172,010	166,118
EFFECTS OF EXCHANGE RATE CHANGES	(19,582)	(1,655)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	137,409	172,010
Cash and cash equivalents included in the Consolidated Statement of Cash Flows comprise the following balance sheet amounts :		
Cash and bank balances	73,677	149,374
Term deposits	104,166	65,778
	177,843	215,152
Less:		
Deposits with licensed banks with tenure more than three months	(40,434)	(43,142)
	137,409	172,010

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 30 June 2025 RM'000
Group				
Loans and borrowings	19,473	(2,762)	(285)	16,426
Lease liabilities	5,153	(166)	(547)	4,440
Total	24,626	(2,928)	(832)	20,866

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



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NOTES TO THE QUARTERLY REPORT – 30 JUNE 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 30 June 2025.

A4. VALUATION OF PROPERTY, PLANT & EQUIPMENT

There was no revaluation of properties of the Group during the financial period ended 30 June 2025.

A5. TAXATION

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

	Individual Quarter		Cumulative Quarter	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	RM'000	RM'000	RM'000	RM'000
Current tax expense				
Malaysian	42	(316)	603	2,711
Overseas	3,407	4,751	5,866	5,425
Total	3,449	4,435	6,469	8,136



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	Individual Quarter		Cumulative Quarter	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	RM'000	RM'000	RM'000	RM'000
Deferred tax expense				
Malaysian	(457)	505	(419)	507
Overseas	(343)	(561)	(343)	(561)
Total	(800)	(56)	(762)	(54)
	2,649	4,379	5,707	8,082

A6. CHANGES IN THE COMPOSITION OF THE GROUP

There was no change to the composition of the Group in the quarter ended 30 June 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 except for on 15 August 2025, Uptown Promenade Sdn. Bhd. ("UPSB"), a wholly-owned subsidiary of the Company had entered into a sale and purchase agreement ("SPA") with Pantech Steel Industries Sdn. Bhd. ("Purchaser"), a wholly-owned subsidiary of Pantech Global Berhad in relation to the proposed disposal of a vacant freehold land held under HS(D) 169727 PT 87823 in the Mukim of Kapar, District of Klang and State of Selangor Darul Ehsan measuring approximately 19,589 square metres ("Land") for a total consideration of Ringgit Malaysia Twenty-Nine Million (RM29,000,000.00) ("Disposal Consideration") ("Disposal"). As at 29 August 2025, the Disposal has yet to complete.

A8. CHANGES IN EQUITY AND LONG TERM DEBTS

There were no changes in equity and long term debts for the current quarter ended 30 June 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
April 2025	84,500	1.08	1.19	1.12	94,573.16

As at the end of the quarter under review, out of the total 195,692,500 issued and fully paid ordinary shares, 479,700 ordinary shares are held as treasury shares by the Company.



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NOTES TO THE QUARTERLY REPORT – 30 JUNE 2025

A9. BORROWINGS AND DEBTS SECURITIES

Details of the Group's borrowings were as follows:

	As at 30 June 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)	3,427	-	1,836	-	5,263	-
Term loan (RM)	-	3,598	-	906	-	4,504
Bankers' acceptances (RM)	-	-	-	5,222	-	5,222
Unsecured						
Bank overdraft (THB)	-	-	1,437	-	1,437	-
Total	3,427	3,598	3,273	6,128	6,700	9,726

	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



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NOTES TO THE QUARTERLY REPORT – 30 JUNE 2025

A10. FINANCIAL INSTRUMENTS - DERIVATIVE

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

	As at 30 June 2025		As at 30 June 2024	
	Contract/ Notional amount RM'000	Assets RM'000	Contract/ Notional amount RM'000	Assets RM'000
Non-hedging derivative:				
Forward currency contracts	961	35	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 October 2025. During the financial period under review, the Group recognised a gain of RM22,595 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 29 August 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.



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NOTES TO THE QUARTERLY REPORT – 30 JUNE 2025

Results for the Individual Quarter ended 30 June

	Malaysia		Vietnam		Thailand		Others		Total	
RM'000	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Total revenue	27,626	30,243	92,727	97,315	6,518	5,851	564	10,476	127,435	143,885
Inter-segment revenue	(2,914)	(2,768)	(55)	(65)	(2,974)	(1,395)	(130)	(9,575)	(6,073)	(13,803)
External revenue	24,712	27,475	92,672	97,250	3,544	4,456	434	901	121,362	130,082
(Loss)/profit before taxation	(5,461)	(3,230)	7,935	6,792	(427)	(2,731)	(311)	1,158	1,736	1,989
Segment assets	253,751	257,593	387,894	429,667	28,275	29,900	611,062	625,566	1,280,982	1,342,726
Segment liabilities	80,913	65,373	65,896	78,993	18,724	19,999	73,710	89,754	239,243	254,119

Results for the Cumulative Quarter ended 30 June

	Malaysia		Vietnam		Thailand		Others		Total	
RM'000	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Total revenue	112,385	133,184	400,535	384,736	24,303	21,069	31,989	33,521	569,212	572,510
Inter-segment revenue	(13,685)	(15,489)	(55)	(65)	(9,457)	(5,549)	(30,091)	(29,783)	(53,288)	(50,886)
External revenue	98,700	117,695	400,480	384,671	14,846	15,520	1,898	3,738	515,924	521,624
(Loss)/profit before taxation	(12,223)	(1,489)	32,527	26,037	(2,268)	(5,043)	(2,295)	(191)	15,741	19,314
Segment assets	253,751	257,593	387,894	429,667	28,275	29,900	611,062	625,566	1,280,982	1,342,726
Segment liabilities	80,913	65,373	65,896	78,993	18,724	19,999	73,710	89,754	239,243	254,119



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

	30.06.2025 RM'000	30.06.2024 RM'000
Inter-segment assets	<u>519,950</u>	<u>529,503</u>
Inter-segment liabilities	<u>133,650</u>	<u>135,171</u>

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	30.06.2025	31.03.2025	Changes (%)
Revenue	121.4	116.9	+3.8%
Gross profit	14.7	10.5	+40.0%
Profit/(loss) before taxation	1.7	(1.1)	>+100.0%
Loss after taxation	(0.9)	(2.0)	-55.0%

Revenue

For the quarter under review, the Group's revenue increased by 3.8% to RM121.4 million as compared to the preceding quarter of RM116.9 million. The slight increase was mainly attributable to the followings:

- higher sales recorded by a furniture plant in Vietnam due to accelerated shipment during the quarter under review following 90-day tariff suspension as announced on Liberation Day; and
- higher sales recorded by sawmill plants and panel board lamination plant due to improved local market demand.

Gross profit

The Group has recorded higher gross profit from RM10.5 million in preceding quarter compared to RM14.7 million in current quarter, representing an increase of 40.0%. The increase in gross profit was mainly attributable to the followings:

- in line with the increase in revenue; and
- lower manufacturing cost incurred by all plants due to higher production output as more production days in current quarter.



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Profit/(loss) before taxation (“PBT/(LBT)”)

The Group has recorded a substantial increase in PBT from a loss of RM1.1 million in preceding quarter to a profit of RM1.7 million in current quarter, representing an increase of more than 100.0%. The increase in PBT was in line with the increase in gross profit.

Loss after taxation (“LAT”)

The Group recorded LAT of RM0.9 million in current quarter, representing a decrease of 55.0% from LAT of RM2.0 million in preceding quarter was in line with the increase in PBT offset with higher tax provision made in current quarter compared to preceding quarter.

B2. REVIEW OF PERFORMANCE

	Cumulative quarter		
RM' Million	30.06.2025	30.06.2024	Changes (%)
Revenue	515.9	521.6	-1.1%
Gross profit	62.5	66.9	-6.6%
Profit before taxation	15.7	19.3	-18.7%
Profit after taxation	10.0	11.2	-10.7%

Revenue

The Group recorded revenue of RM515.9 million for the financial year ended 30 June 2025 (“FY2025”), representing a marginal decrease of 1.1% as compared to the financial year ended 30 June 2024 (“FY2024”) of RM521.6 million. The slight decrease was mainly attributable to the followings:

- lower sales recorded by a furniture plant in Malaysia and panel board lamination plant due to lower orders received in FY2025;
- weakening of US Dollar (“USD”) against Ringgit Malaysia (“RM”) by 6.2%; offset with
- higher sales recorded by furniture plants in Vietnam and sawmill plant in FY2025 compared to FY2024.

Gross profit

Gross profit of the Group amounted to RM62.5 million in FY2025, representing a decrease of 6.6% from RM66.9 million in FY2024. The decrease in gross profit was mainly attributable to the followings:

- in line with the decrease in revenue;
- higher manufacturing cost recorded by Malaysia plants due to lower production output as a result of reduced orders;



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- higher labour costs incurred by Malaysia plants due to hike in minimum wage rate effective 1 February 2025; offset with
- lower manufacturing cost recorded by Vietnam furniture plants due to higher production output during period under review.

Profit before taxation (“PBT”)

PBT of the Group amounted to RM15.7 million in FY2025, representing a decrease of 18.7% from RM19.3 million in FY2024. The decrease was mainly attributable to the followings:

- in line with the decrease in gross profit; offset with
- lower foreign exchange losses of RM0.3 million recorded in FY2025 compared to FY2024; and
- lower finance costs due to lower utilisation of short-term bank borrowings during FY2025.

Profit after taxation (“PAT”)

PAT of the Group amounted to RM10.0 million in FY2025, representing a decrease of 10.7% from RM11.2 million in FY2024 was in line with decrease in PBT.

B3. PROFIT FOR THE PERIOD

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

	Individual quarter ended		Cumulative quarter ended	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	RM'000	RM'000	RM'000	RM'000
Interest income	(1,244)	(1,092)	(4,929)	(4,315)
Interest expense	218	307	909	1,354
Allowance for expected credit losses on trade receivables	275	-	275	-
Allowance for expected credit losses on other receivables	5	-	5	-
Distribution from investment securities	(506)	(445)	(1,964)	(1,833)
Depreciation and amortisation	4,630	5,219	18,804	19,840
Gain on disposal of property, plant and equipment	(22)	(224)	(122)	(351)
Gain on disposal of investment properties	-	-	-	(346)
Net unrealised loss on foreign exchange	2,367	2,987	3,429	2,929



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	Individual quarter ended		Cumulative quarter ended	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	RM'000	RM'000	RM'000	RM'000
Net realised loss on foreign exchange	196	1,669	1,392	2,236
Net fair value gain on derivatives	(38)	(8)	(23)	(12)
Net fair value gain on investment securities	(294)	(196)	(1,048)	(732)
Insurance compensation	-	46	-	(213)

B4. TRADE AND OTHER RECEIVABLES

	30.06.2025 RM'000	30.06.2024 RM'000
Trade receivables		
Third parties	33,505	29,090
Less: Allowance for expected credit losses	(1,048)	(773)
Trade receivables, net	32,457	28,317
Other receivables		
Other indirect taxes	7,327	6,536
Sundry receivables	1,929	13,696
Deposits	712	389
	9,968	20,621
Less: Allowance for expected credit losses-sundry receivables	(283)	(276)
Other receivables, net	9,685	20,345
Total trade and other receivables	42,142	48,662

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

	30.06.2025 RM'000	30.06.2024 RM'000
Neither past due nor impaired	19,211	20,844
Past due not impaired:		
1 - 30 days	8,168	4,302
31 - 60 days	3,657	2,076
61 - 90 days	688	204
91 - 120 days	255	224
> 121 days	478	667
Impaired	1,048	773
Gross trade receivables	33,505	29,090



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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 29 August 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 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 5 June 2025, a supplemental agreement has been executed and approved by the Board of Directors of the Company for the extension of In-Principle Agreement completion date. As at 29 August 2025, LTRSB had fully received the disposal proceed and the Disposal is expected to complete in Quarter 2 FY2026.

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 2026.



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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 30 June 2025.

B9. DIVIDEND

The Directors have recommended a final single-tier dividend of 1.0 sen per ordinary share for the financial year ended 30 June 2025 subject to shareholders' approval at the forthcoming Annual General Meeting of the Company. The dividend entitlement and payment date for the proposed dividend will be determined, and thereafter announced at a later date.

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

Basic (LPS)/EPS	Individual Quarter		Cumulative Quarter	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
Net (loss)/profit attributable to owners the Company (RM'000)	(163)	(2,346)	10,980	12,449
Weighted average number of shares ('000)	195,168.7	194,651.9	195,168.7	194,651.9
Basic (LPS)/EPS (sen)	(0.08)	(1.21)	5.63	6.40

B11. CAPITAL COMMITMENTS

Capital commitments for property, plant and equipment not provided for in the financial statements as at 30 June 2025 were as follows:

	RM'000
Authorised by Directors and contracted	1,566
Authorised by Directors and not contracted	-
	1,566