



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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE PERIOD ENDED 30 JUNE 2024**

	Individual quarter ended		Cumulative quarter ended	
	Current year quarter 30.06.2024 RM'000	Preceding year corresponding quarter 30.06.2023 RM'000	Current year quarter 30.06.2024 RM'000	Preceding year corresponding quarter 30.06.2023 RM'000
Revenue	130,102	130,972	521,644	649,423
Cost of sales	(110,331)	(109,757)	(453,622)	(569,579)
<b>Gross profit</b>	<b>19,771</b>	<b>21,215</b>	<b>68,022</b>	<b>79,844</b>
Other income	2,322	2,431	9,498	7,025
Selling and distribution expenses	(6,247)	(6,513)	(17,849)	(20,695)
Administrative expenses	(5,762)	(2,772)	(28,899)	(26,841)
Other expenses	(7,206)	(5,541)	(9,522)	(8,245)
<b>Operating profit</b>	<b>2,878</b>	<b>8,820</b>	<b>21,250</b>	<b>31,088</b>
Finance costs	(307)	(585)	(1,354)	(3,232)
<b>Profit before taxation</b>	<b>2,571</b>	<b>8,235</b>	<b>19,896</b>	<b>27,856</b>
Taxation	(5,065)	613	(8,768)	(6,001)
<b>(Loss)/profit for the period</b>	<b>(2,494)</b>	<b>8,848</b>	<b>11,128</b>	<b>21,855</b>
Attributable to :				
Owners of the Company	(2,577)	9,204	12,218	22,587
Non-controlling interests	83	(356)	(1,090)	(732)
<b>(Loss)/profit for the period</b>	<b>(2,494)</b>	<b>8,848</b>	<b>11,128</b>	<b>21,855</b>
<b>(Loss)/earnings per share (sen) :</b>				
(a) Basic	(1.32)	4.74	6.28	11.63
(b) Diluted	(1.32)	4.74	6.28	11.63
Weighted average number of ordinary shares ('000)	194,651.9	194,150.8	194,651.9	194,150.8
(Loss)/profit for the period	(2,494)	8,848	11,128	21,855
Other comprehensive (loss)/income:				
Foreign currency translation	(262)	18,493	4,224	19,776
<b>Total comprehensive (loss)/income for the period</b>	<b>(2,756)</b>	<b>27,341</b>	<b>15,352</b>	<b>41,631</b>
Total comprehensive (loss)/income attributable to :				
Owners of the Company	(2,839)	27,697	16,442	42,363
Non-controlling interests	83	(356)	(1,090)	(732)
<b>Total comprehensive (loss)/income for the period</b>	<b>(2,756)</b>	<b>27,341</b>	<b>15,352</b>	<b>41,631</b>

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 2024**

	<b>Unaudited</b>	<b>Audited</b>
	<b>30.06.2024</b>	<b>30.06.2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	259,156	267,840
Investment properties	40,423	52,724
Right-of-use assets	32,334	33,194
Other investments	81	81
Deferred tax assets	903	843
	<u>332,897</u>	<u>354,682</u>
<b>Current assets</b>		
Inventories	138,098	151,433
Trade and other receivables	48,592	43,195
Prepayments	2,299	3,553
Tax recoverable	1,407	1,482
Cash and bank balances	215,242	194,934
Investment securities	75,221	63,438
Derivatives	12	-
	<u>480,871</u>	<u>458,035</u>
<b>TOTAL ASSETS</b>	<u><u>813,768</u></u>	<u><u>812,717</u></u>



**RHONG KHEN INTERNATIONAL BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
**AS AT 30 JUNE 2024 (CONT'D)**

	<b>Unaudited</b>	<b>Audited</b>
	<b>30.06.2024</b>	<b>30.06.2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	99,323	98,433
Treasury shares	(167)	(167)
Retained earnings	486,646	482,226
Foreign currency translation reserve	109,688	105,464
	<u>695,490</u>	<u>685,956</u>
Non-controlling interests	(1,332)	(242)
<b>Total equity</b>	<u>694,158</u>	<u>685,714</u>
<b>Non-current liabilities</b>		
Loans and borrowings	14,574	17,328
Lease liabilities	4,975	5,091
Provision for severance allowance	233	232
Retirement benefit obligation	385	338
Deferred tax liabilities	4,325	3,644
	<u>24,492</u>	<u>26,633</u>
<b>Current liabilities</b>		
Trade and other payables	58,912	52,954
Loans and borrowings	4,899	15,111
Lease liabilities	178	171
Tax payable	31,129	32,134
	<u>95,118</u>	<u>100,370</u>
<b>Total liabilities</b>	<u>119,610</u>	<u>127,003</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>813,768</u>	<u>812,717</u>
Net assets per share attributable to owners of the Company (RM)	<u>3.57</u>	<u>3.53</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**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE PERIOD ENDED 30 JUNE 2024**

	Non-distributable						
		Foreign	Distributable		Non-	Total	
	Share	currency	Retained	Total	controlling	equity	
	capital	translation	earnings	RM'000	interests	RM'000	
	RM'000	reserve	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 July 2022	98,433	(155)	85,688	471,294	655,260	-	655,260
Total comprehensive income for the period	-	-	19,776	22,587	42,363	(732)	41,631
Dividend paid	-	-	-	(11,655)	(11,655)	-	(11,655)
Purchase of treasury shares	-	(874)	-	-	(874)	-	(874)
Transfer to Employees' Share Scheme	-	862	-	-	862	-	862
Acquisition of a subsidiary	-	-	-	-	-	490	490
<b>As at 30 June 2023</b>	<b>98,433</b>	<b>(167)</b>	<b>105,464</b>	<b>482,226</b>	<b>685,956</b>	<b>(242)</b>	<b>685,714</b>
As at 1 July 2023	98,433	(167)	105,464	482,226	685,956	(242)	685,714
Total comprehensive income for the period	-	-	4,224	12,218	16,442	(1,090)	15,352
Shares Award under the Employees' Share Scheme	890	-	-	-	890	-	890
Dividend paid	-	-	-	(7,798)	(7,798)	-	(7,798)
<b>As at 30 June 2024</b>	<b>99,323</b>	<b>(167)</b>	<b>109,688</b>	<b>486,646</b>	<b>695,490</b>	<b>(1,332)</b>	<b>694,158</b>

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 2024**

	30.06.2024 RM'000	30.06.2023 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	19,896	27,856
<b>Adjustments for:</b>		
Allowance for expected credit losses on trade receivables	-	290
Reversal of allowance for expected credit losses on trade receivables	-	(57)
Depreciation and amortisation	19,840	19,221
Inventories written down	1,317	476
Property, plant and equipment written off	-	202
Net fair value gain on derivatives	(12)	(407)
Net fair value gain on investment securities	(732)	(999)
Net unrealised loss on foreign exchange	2,811	1,072
(Gain)/Loss on disposal of property, plant and equipment	(305)	189
Gain on disposal of investment properties	(346)	-
Distribution from investment securities	(1,833)	(1,401)
Non cash items	1,087	1,024
Net financing costs	(2,961)	234
<b>Operating profit before working capital changes</b>	<b>38,762</b>	<b>47,700</b>
<b>Changes in working capital</b>		
Net change in current assets	20,514	152,531
Net change in current liabilities	4,868	(67,671)
Net taxes paid	(7,692)	(13,560)
Interest paid	(1,354)	(3,232)
<b>Net cash flows generated from operating activities</b>	<b>55,098</b>	<b>115,768</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	4,315	2,950
Purchase of property, plant and equipment	(9,082)	(21,875)
Purchase of investment properties	-	(1,800)
Proceeds from disposal of property, plant and equipment	740	328
Proceeds from disposal of investment properties	1,230	-
Placement of deposits with licensed banks	(14,416)	(28,141)
Net (purchase of)/proceed from investment securities	(9,218)	24,053
<b>Net cash flows used in investing activities</b>	<b>(26,431)</b>	<b>(24,485)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net repayments of loans and borrowings	(13,149)	(100,133)
Repayments for principal portion of lease liabilities	(172)	(161)
Dividends paid on ordinary shares	(7,798)	(11,655)
Withdrawal/(placement) of deposits placed as securities for bank borrowings and guarantees	9,399	(1,741)
Treasury shares acquired	-	(874)
<b>Net cash flows used in financing activities</b>	<b>(11,720)</b>	<b>(114,564)</b>
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>	<b>16,947</b>	<b>(23,281)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>153,144</b>	<b>170,466</b>
<b>EFFECTS OF EXCHANGE RATE CHANGES</b>	<b>(1,656)</b>	<b>5,959</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>168,435</b>	<b>153,144</b>
<b>Cash and cash equivalents included in the Consolidated Statement of Cash Flows comprise the following balance sheet amounts :</b>		
<b>Cash and bank balances</b>	149,374	97,867
<b>Term deposits</b>	65,868	97,067
	215,242	194,934
<b>Less:</b>		
<b>Deposits pledged as securities for bank borrowings and guarantees</b>	(3,575)	(12,974)
<b>Deposits with licensed banks with tenure more than three months</b>	(43,232)	(28,816)
	168,435	153,144

**Reconciliation of liabilities arising from financing activities:**

	Carrying amount as at 1 July 2023 RM'000	Cash flows RM'000	Effects of foreign exchange RM'000	Carrying amount as at 30 June 2024 RM'000
<u>Group</u>				
Loans and borrowings	32,439	(13,149)	183	19,473
Lease liabilities	5,262	(172)	63	5,153
<b>Total</b>	<b>37,701</b>	<b>(13,321)</b>	<b>246</b>	<b>24,626</b>

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 2024**

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**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 2023.

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 2023 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 2023.

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 2023 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 2024.

**A4. VALUATION OF PROPERTY, PLANT & EQUIPMENT**

There was no revaluation of properties of the Group during the financial period ended 30 June 2024.

**A5. TAXATION**

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

	Individual Quarter		Cumulative Quarter	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM'000	RM'000	RM'000	RM'000
Current tax expense				
Malaysian	(316)	215	2,711	2,059
Overseas	4,751	(1,374)	5,425	3,134
<b>Total</b>	<b>4,435</b>	<b>(1,159)</b>	<b>8,136</b>	<b>5,193</b>



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**NOTES TO THE QUARTERLY REPORT – 30 JUNE 2024**

	Individual Quarter		Cumulative Quarter	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM'000	RM'000	RM'000	RM'000
Deferred tax expense				
Malaysian	509	(478)	511	(216)
Overseas	121	1,024	121	1,024
<b>Total</b>	<b>630</b>	<b>546</b>	<b>632</b>	<b>808</b>
	<b>5,065</b>	<b>(613)</b>	<b>8,768</b>	<b>6,001</b>

**A6. CHANGES IN THE COMPOSITION OF THE GROUP**

There was no change to the composition of the Group in the quarter ended 30 June 2024.

**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 30 June 2024.

**A9. BORROWINGS AND DEBTS SECURITIES**

Details of the Group's borrowings were as follows:

	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
<b>Secured</b>						
Term loan (USD)	10,069	-	2,095	-	12,164	-
Term loan (RM)	-	4,505	-	867	-	5,372



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**NOTES TO THE QUARTERLY REPORT – 30 JUNE 2024**

	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
Bankers' acceptances (RM)	-	-	-	1,937	-	1,937
<b>Total</b>	10,069	4,505	2,095	2,804	12,164	7,309

	As at 30 June 2023					
	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
<b>Secured</b>						
Term loan (USD)	11,956	-	2,077	-	14,033	-
Term loan (RM)	-	5,372	-	830	-	6,202
Bankers' acceptances (RM)	-	-	-	1,215	-	1,215
<b>Unsecured</b>						
Trust receipts (USD)	-	-	3,950	-	3,950	-
Debentures (USD)	-	-	7,039	-	7,039	-
<b>Total</b>	11,956	5,372	13,066	2,045	25,022	7,417





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**NOTES TO THE QUARTERLY REPORT – 30 JUNE 2024**

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**A10. FINANCIAL INSTRUMENTS - DERIVATIVES**

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

	As at 30 June 2024			As at 30 June 2023		
	Contract/ Notional amount RM'000	Assets RM'000	Fair value gain RM'000	Contract/ Notional amount RM'000	Assets RM'000	Fair value gain RM'000

**Non-hedging derivatives:**

Forward currency contracts	3,290	12	12	-	-	407
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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 2024. During the financial period under review, the Group recognised a gain of RM11,974 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 27 August 2024.

**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 2024**

**Results for the Individual Quarter ended 30 June**

RM'000	Malaysia		Vietnam		Thailand		Others		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Total revenue	30,263	23,041	97,315	107,486	5,851	4,632	10,475	2,991	143,904	138,150
Inter-segment revenue	(2,768)	(4,152)	(65)	-	(1,395)	(776)	(9,574)	(2,250)	(13,802)	(7,178)
External revenue	27,495	18,889	97,250	107,486	4,456	3,856	901	741	130,102	130,972
Profit/(loss) before taxation	(1,846)	(3,588)	6,792	11,583	(2,169)	(1,361)	(206)	1,601	2,571	8,235
Segment assets	262,167	263,849	429,667	427,913	30,434	33,350	626,566	600,543	1,348,834	1,325,655
Segment liabilities	63,132	61,703	78,993	78,451	19,985	18,168	89,754	82,908	251,864	241,230

**Results for the Cumulative Quarter ended 30 June**

RM'000	Malaysia		Vietnam		Thailand		Others		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Total revenue	133,204	141,368	384,736	504,511	21,069	20,400	33,520	27,121	572,529	693,400
Inter-segment revenue	(15,489)	(15,545)	(65)	(71)	(5,549)	(4,338)	(29,782)	(24,023)	(50,885)	(43,977)
External revenue	117,715	125,823	384,671	504,440	15,520	16,062	3,738	3,098	521,644	649,423
Profit/(loss) before taxation	(105)	(1,522)	26,037	32,353	(4,481)	(1,914)	(1,555)	(1,061)	19,896	27,856
Segment assets	262,167	263,849	429,667	427,913	30,434	33,350	626,566	600,543	1,348,834	1,325,655
Segment liabilities	63,132	61,703	78,993	78,451	19,985	18,168	89,754	82,908	251,864	241,230



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**NOTES TO THE QUARTERLY REPORT – 30 JUNE 2024**

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

	<b>30.06.2024</b> <b>RM'000</b>	<b>30.06.2023</b> <b>RM'000</b>
Inter-segment assets	<u>535,066</u>	<u>512,938</u>
Inter-segment liabilities	<u>132,254</u>	<u>114,227</u>

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

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

<b>RM' Million</b>	<b>Individual quarter</b>		<b>Changes (%)</b>
	<b>30.06.2024</b>	<b>31.03.2024</b>	
Revenue	130.1	114.8	13.3%
Gross profit	19.8	12.7	55.9%
Profit before taxation	2.6	1.0	>100.0%
(Loss)/profit after taxation	(2.5)	0.2	>-100.0%

**Revenue**

For the quarter under review, the Group's revenue surged by 13.3% to RM130.1 million as compared to the preceding quarter of RM114.8 million. The increase was mainly attributable to the followings:

- improved in sales by a furniture plant in Vietnam due to higher shipment in current quarter; and
- higher sales recorded by sawmill plants due to higher demand in current quarter.

**Gross profit**

The Group has recorded higher gross profit from RM12.7 million in preceding quarter compared to RM19.8 million in current quarter, representing an increase of 55.9%. The increase in gross profit was mainly attributable to the followings:

- in line with the increase in revenue; and
- lower manufacturing costs benefited from higher production output across all divisions in current quarter compared to preceding quarter due to more production days.



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**NOTES TO THE QUARTERLY REPORT – 30 JUNE 2024**

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**Profit before taxation (“PBT”)**

The Group has recorded a substantial increase in PBT from RM1.0 million in preceding quarter to RM2.6 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 offset with higher foreign exchange losses recorded in current quarter compared to preceding quarter.

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

The Group recorded LAT of RM2.5 million in current quarter, representing a decrease of more than 100.0% from PAT of RM0.2 million in preceding quarter was due to higher tax provision made in current quarter compared to preceding quarter.

**B2. REVIEW OF PERFORMANCE**

RM' Million	Cumulative quarter		Changes (%)
	30.06.2024	30.06.2023	
Revenue	521.6	649.4	-19.7%
Gross profit	68.0	79.8	-14.8%
Profit before taxation	19.9	27.9	-28.7%
Profit after taxation	11.1	21.9	-49.3%

**Revenue**

The Group recorded revenue of RM521.6 million for the financial year ended 30 June 2024 (“FY2024”), representing a decrease of 19.7% as compared to the financial year ended 30 June 2023 (“FY2023”) of RM649.4 million. The decrease was mainly due to lower sales recorded by all divisions of the Group as demand from our main export market i.e United States remained sluggish offset with strengthening of US Dollar (“USD”) against Ringgit Malaysia (“RM”) by 4.5%

**Gross profit**

Gross profit of the Group amounted to RM68.0 million in FY2024, representing a decline of 14.8% from RM79.8 million in FY2023. The decrease in gross profit was in line with the decrease in revenue. However, gross profit margin improved from 12.3% to 13.0% mainly due to better cost control and strengthening of USD against RM.

**Profit before taxation (“PBT”)**

PBT of the Group amounted to RM19.9 million in FY2024, representing a decrease of 28.7% from RM27.9 million in FY2023 was in line with the decrease in gross profit offset by higher other income and lower finance costs.



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**Profit after taxation (“PAT”)**

PAT of the Group amounted to RM11.1 million in FY2024, representing a decline of 49.3% from RM21.9 million in FY2023 was in line with decrease in PBT and higher tax provision made in FY2024 compared to FY2023.

**B3. PROFIT FOR THE PERIOD**

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

	Individual quarter ended		Cumulative quarter ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM'000	RM'000	RM'000	RM'000
Interest income	(1,092)	(968)	(4,315)	(2,998)
Interest expense	307	585	1,354	3,232
Distribution from investment securities	(445)	(315)	(1,833)	(1,401)
Depreciation and amortisation	5,219	4,911	19,840	19,221
(Gain)/loss on disposal of property, plant and equipment	(178)	87	(305)	189
Gain on disposal of investment properties	-	-	(346)	-
Property, plant and equipment written off	-	202	-	202
Allowance for expected credit losses on trade receivables	-	290	-	290
Reversal of allowance for expected credit losses on trade receivables	-	(57)	-	(57)
Net unrealised loss on foreign exchange	2,869	607	2,811	1,072
Net realised loss on foreign exchange	1,669	799	2,236	2,479
Net fair value (gain)/loss on derivatives	(8)	3	(12)	(407)
Net fair value gain on investment securities	(196)	(648)	(732)	(999)
Insurance compensation	-	-	(259)	-
Inventories written down	1,317	476	1,317	476



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**B4. TRADE AND OTHER RECEIVABLES**

	<b>30.06.2024</b>	<b>30.06.2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Trade receivables</b>		
Third parties	29,110	36,288
Less: Allowance for expected credit losses	<u>(773)</u>	<u>(6,319)</u>
Trade receivables, net	<u>28,337</u>	<u>29,969</u>
<b>Other receivables</b>		
Import duty and other indirect taxes	6,536	10,119
Sundry receivables	13,606	2,683
Deposits	<u>389</u>	<u>706</u>
	20,531	13,508
Less: Allowance for expected credit losses-sundry receivables	<u>(276)</u>	<u>(282)</u>
Other receivables, net	<u>20,255</u>	<u>13,226</u>
Total trade and other receivables	<u>48,592</u>	<u>43,195</u>

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

	<b>30.06.2024</b>	<b>30.06.2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Neither past due nor impaired	21,498	23,582
Past due not impaired:		
1 - 30 days	3,678	5,256
31 - 60 days	2,108	242
61 - 90 days	240	59
91 - 120 days	144	110
> 121 days	669	720
Impaired	<u>773</u>	<u>6,319</u>
Gross trade receivables	<u>29,110</u>	<u>36,288</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 27 August 2024 except for on 20 September 2023, the Company entered into a Memorandum of Understanding ("MOU") with PTT Synergy Group Berhad to form a collaboration to establish a system pallet business with an intention to meet the increasing demand for efficient supply chain management and logistic services within an automated intralogistics



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warehouse. As at 27 August 2024, there has been no material development on the status of this MOU.

**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**

The global economy outlook is expected to remain uncertain and volatile as a result of prolonged geopolitical risks. Red Sea disruption causes ocean freight spiked resulting dampen delivery request by our customers and strengthening of Ringgit Malaysia against US Dollar will continue to affect profitability of the Group.

In view of this trying time, 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 30 June 2024.

**B9. DIVIDEND**

The Company had on 10 May 2024 paid a first interim single-tier dividend of 1.0 sen per ordinary share for the financial year ended 30 June 2024.

The Directors have recommended a final single-tier dividend of 3.0 sen per ordinary share for the financial year ended 30 June 2024 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.



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

<b>Basic EPS</b>	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>30.06.2024</b>	<b>30.06.2023</b>	<b>30.06.2024</b>	<b>30.06.2023</b>
Net (loss)/profit attributable to owners the Company (RM'000)	(2,577)	9,204	12,218	22,587
Weighted average number of shares ('000)	194,651.9	194,150.8	194,651.9	194,150.8
Basic (LPS)/EPS (sen)	(1.32)	4.74	6.28	11.63

**B11. CAPITAL COMMITMENTS**

Capital commitments for property, plant and equipment not provided for in the financial statements as at 30 June 2024 were as follows:

	RM'000
Authorised by Directors and contracted	2,789
Authorised by Directors and not contracted	-
	<b>2,789</b>