

**LII HEN INDUSTRIES BHD (Company No: 301361-U)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2019**

ASSETS	Note	AS AT END OF CURRENT QUARTER 30.09.2019 RM'000 UNAUDITED	AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2018 RM'000 AUDITED
<b>Non-current assets</b>			
Property, plant and equipment	10	189,180	184,279
Investment property		369	375
Right- of- use assets		13,800	-
Intangible assets		471	487
Biological assets		2,542	2,230
		<u>206,362</u>	<u>187,371</u>
<b>Current assets</b>			
Inventories		78,234	89,260
Trade receivables		67,476	67,085
Other receivables		11,868	15,575
Tax assets		615	2,709
Investment security	20	16,661	17,723
Derivatives financial instruments at fair value	23	-	54
Fixed deposits with licensed banks		75,020	21,604
Cash and bank balances		46,826	54,740
		<u>296,700</u>	<u>268,750</u>
<b>TOTAL ASSETS</b>		<u>503,062</u>	<u>456,121</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Parent:</b>			
Share capital		90,000	90,000
Reserves		271,095	235,993
		<u>361,095</u>	<u>325,993</u>
Non-controlling interest		998	(22)
<b>TOTAL EQUITY</b>		<u>362,093</u>	<u>325,971</u>
<b>Non-current liabilities</b>			
Borrowings	22	963	2,354
Lease liabilities		8,957	-
Deferred taxation		19,940	19,411
		<u>29,860</u>	<u>21,765</u>
<b>Current Liabilities</b>			
Payables		80,222	80,662
Derivatives financial instruments at fair value	23	113	-
Dividend payable	28	-	-
Short term borrowings	22	14,458	26,846
Lease liabilities		5,722	-
Provision for taxation		10,594	877
		<u>111,109</u>	<u>108,385</u>
<b>TOTAL LIABILITIES</b>		140,969	130,150
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>503,062</u>	<u>456,121</u>

( The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited Consolidated Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to these audited financial statements )

## LII HEN INDUSTRIES BHD (Company No: 301361-U)

The Board of Directors is pleased to announce the following: -

### UNAUDITED RESULTS OF THE GROUP FOR 3RD QUARTER ENDED 30 SEPTEMBER 2019

#### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 30.09.2019 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.09.2018 RM'000	CURRENT YEAR TO DATE 30.09.2019 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.09.2018 RM'000
<b>Revenue</b>	9	212,497	200,233	609,597	584,403
Cost of sales		(165,498)	(162,808)	(479,656)	(486,877)
<b>Gross Profit</b>		46,999	37,425	129,941	97,526
Other operating income	24	2,060	1,196	2,405	1,653
Operating expenses	25	(19,039)	(17,775)	(53,736)	(49,259)
<b>Profit from operations</b>		30,020	20,846	78,610	49,920
Finance costs		(283)	(350)	(1,167)	(1,051)
<b>Profit before taxation</b>		29,737	20,496	77,443	48,869
Taxation	21	(7,287)	(4,666)	(19,104)	(11,810)
<b>Profit for the period</b>		22,450	15,830	58,339	37,059
<b>Other comprehensive income for the period, net of tax item that will not be reclassified subsequently to profit and loss</b>					
Revaluation surplus of property, plant and equipment		-	-	-	-
<b>Total comprehensive income for the period</b>		22,450	15,830	58,339	37,059
<b>Profit attributable to: -</b>					
Owners of the Parent		21,832	15,267	57,301	36,292
Non-controlling Interest		618	563	1,038	767
		22,450	15,830	58,339	37,059
<b>Total comprehensive income attributable to:</b>					
Owners of the Parent		21,832	15,267	57,301	36,292
Non-controlling Interest		618	563	1,038	767
		22,450	15,830	58,339	36,059
<b>Earnings per share attributable to owners of the Parent (sen)</b>					
Basic	29	12.13	8.48	31.83	20.16
Diluted					
		12.13	8.48	31.83	20.16

( The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited Consolidated Financial Statements for the year ended 31 December 2018 and the accompanying notes attached to these audited financial statements )

**LII HEN INDUSTRIES BHD (Company No: 301361-U)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

	-----Attributable to owners of the Parent -----			Total RM'000	Non Controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Non distributable Revaluation Reserve RM'000	Distributable Retained Profit RM'000			
Balance as at 1 January 2019	90,000	43,431	192,562	325,993	(22)	325,971
Adjustment on initial application of MFRS 16			(599)	(599)	(18)	(617)
At 1 January 2019, restated	90,000	43,431	191,963	325,394	(40)	325,354
Total comprehensive income for the period			57,301	57,301	1,038	58,339
Dividend paid			(21,600)	(21,600)	-	(21,600)
Balance as at 30 Sept 2019	<u>90,000</u>	<u>43,431</u>	<u>227,664</u>	<u>361,095</u>	<u>998</u>	<u>362,093</u>
Balance as at 1 January 2018	90,000	27,231	171,541	288,772	(712)	288,060
Total comprehensive income for the period			36,292	36,292	767	37,059
Other comprehensive income			-	-	-	-
Dividend paid			(30,600)	(30,600)	-	(30,600)
Balance as at 30 Sept 2018	<u>90,000</u>	<u>27,231</u>	<u>177,233</u>	<u>294,465</u>	<u>55</u>	<u>294,520</u>

**(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited Consolidated Financial Statements for the year ended 31 December 2018 and the accompany explanatory notes to these audited financial statements)**

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THIRD QUARTER ENDED 30 SEPTEMBER 2019

	Unaudited Current Period To Date 30 Sept 19 RM'000	Preceding Year Corresponding Period 30 Sept 18 RM'000
<b>Cash Flow From Operating Activities</b>		
Profit before Taxation	77,443	48,869
Adjustments for :-		
Depreciation	11,332	6,382
Amortisation of intangible assets	14	14
Bad debts written off	-	33
Interest expenses	1,167	1,051
Interest income	(1,972)	(1,408)
Fixed assets written off	30	22
Inventories written off due to fire/down to net realisable value	-	-
Biological asset written off	-	-
(Gain)/Loss on disposal of property, plant and equipment	(381)	(25)
Unrealised foreign exchange loss/(gain)	63	(53)
Net fair value loss/(gain) on financial instruments measured at fair value	113	506
Operating profit before working capital changes	<u>87,808</u>	<u>55,391</u>
Decrease/(Increase) in inventories	11,026	3,056
Decrease/(Increase) in receivables	3,253	574
(Decrease) in payables	(440)	(9,114)
Cash (used in)/generated from operations	<u>101,647</u>	<u>49,907</u>
Interest paid	(1,167)	(1,051)
Income tax refund	653	-
Tax paid	(9,459)	(16,687)
Realisation of derivative financial instruments	54	-
Net cash (used in)/from operating activities	<u>91,728</u>	<u>32,169</u>
<b>Cash Flow From Investing Activities</b>		
Purchase of property, plant and equipment	(11,988)	(18,540)
Redemption of investment security	1,062	-
Biological assets	(312)	(320)
Proceeds from issue of equity from non-controlling interest	-	-
Proceeds from disposal of property, plant and equipment	426	60
Interest income	1,972	1,408
Net cash used in investing activities	(8,840)	(17,392)
<b>Cash Flow From Financing Activities</b>		
Drawdown/(repayment) of Bankers' Acceptances	(10,372)	3,000
Repayment of term loans and hire purchase creditors	(1,364)	(1,289)
Repayment of lease liabilities	(4,050)	-
Dividend paid	(21,600)	(30,600)
Drawdown of hire purchase	-	250
Net cash from/(used in) financing activities	(37,386)	(28,639)
Net changes in Cash and Cash Equivalents	<u>45,502</u>	<u>(13,862)</u>
Cash and Cash Equivalents Brought Forward	73,500	84,749
Cash and Cash Equivalents Carried Forward	<u>119,002</u>	<u>70,887</u>
Cash and cash equivalents carried forward consist of :-		
Cash and bank balances	121,846	75,543
Bank overdraft	-	(1,899)
	<u>121,846</u>	<u>73,644</u>
Less: Fixed deposit pledged for bank facilities	(2,844)	(2,757)
	<u>119,002</u>	<u>70,887</u>

( The unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited Consolidated Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to these audited financial statements)

## **LII HEN INDUSTRIES BHD (Company No: 301361-U)**

### **NOTES TO THE QUARTERLY FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

#### **1. Basis of Preparation**

The condensed financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”)134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2018. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2018.

#### **2. Significant Accounting Policies**

The significant accounting policies adopted by the Group in this interim financial statements are consistent with those of the last audited financial statements for the financial year ended 31 December 2018, except for the following newly issued Malaysian Accounting Standards Board approved accounting framework – Malaysian Financial Reporting Standards (“MFRS”), Amendments to standards and IC Interpretations (“IC Int.”) to be applied by all Entities Other Than Private Entities for the financial periods beginning on or after 1 January 2019:

##### Adoption of Standards

MFRS 16	Leases
Amendments to MFRS 3	Definition of a Business
Amendments to MFRS 101	Definition of Material
Amendments to MFRS 108	Definition of Material
IC Interpretation 23	Uncertainty Over Income Tax Treatments

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### MFRS 16 – Leases

MFRS 16 replaces the guidance in MFRS 117, Leases, IC Interpretation 4, Determining whether an Arrangement contains a Lease, IC Interpretation 115, Operating Leases – Incentives and IC Interpretation 127, Evaluating the Substance of Transactions involving the Legal Form of a Lease.

MFRS 16 introduces a single, on-balance sheet lease accounting model of lessees. A lessee recognizes a right-of-use assets representing its right to use the underlying asset and a lease liability representing its obligations to make lease payments. There are recognition exemptions for short term leases and leases of low value items. Lessor accounting remains similar to the current standard which continues to be classified as finance or operating lease.

As allowed by the transitional provision, the Group applies MFRS 16 with effect from 1 January 2019, using the modified retrospective approach, with no restatement of comparative information and the cumulative effect of adopting MFRS 16 will be recognized as an adjustment to the opening balance of the following components at 1 January 2019:

	Previously Reported	Effect of Adoption	MFRS 16 01.01.2019
	RM'000	RM'000	RM'000
Right -of- use assets	-	14,204	14,204
Lease liabilities	-	14,204	14,204
Retained earnings	192,562	(599)	191,963
Non-controlling interest	(22)	(18)	(40)

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### 3. **Auditors' Report on Preceding Annual Financial Statements**

There was no qualification to the audited financial statements of the Company and its subsidiaries for the year ended 31 December 2018.

### 4. **Seasonal or cyclical factors**

The principal business operations of the Group have historically shown moderate seasonality, where production and sales of furniture are generally lower in the beginning of the calendar year due to festive periods.

### 5. **Items of Unusual Nature**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows for the financial period ended 30 September 2019.

### 6. **Material Changes in estimates**

There were no significant changes in estimates that have had a material effect in the current quarter and financial period to date results.

### 7. **Changes in debts and equity securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt or equity securities for the financial period ended 30 September 2019.

### 8. **Dividend Paid**

The dividends paid during the financial period were as follow: -

Type of dividend	Dividend per share	For the year ended	Amount RM'000	Entitlement Date	Payment Date
Fourth interim single tier	2 sen	31.12.2018	3,600	13.03.2019	28.03.2019
First interim single tier	3.5 sen	31.12.2019	6,300	13.06.2019	27.06.2019
Final single tier	3 sen	31.12.2018	5,400	05.07.2019	19.07.2019
Second interim single tier	3.5 sen	31.12.2019	6,300	12.09.2019	27.09.2019

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### 9. Segmental Reporting

The Group has the following reportable segments: -

2019	Furniture Manufacturing		Plantation		Other		Group	
	3rd Quarter RM'000	YTD RM'000	3rd Quarter RM'000	YTD RM'000	3rd Quarter RM'000	YTD RM'000	3rd Quarter RM'000	YTD RM'000
Revenue								
Total revenue	213,029	611,309	-	-	6,905	23,662	219,934	634,971
Inter-segment revenue	(532)	(1,712)	-	-	(6,905)	(23,662)	(7,437)	(25,374)
Revenue from external customers	212,497	609,597	-	-	-	-	212,497	609,597
Interest income	628	1,432	-	-	194	539	822	1,971
Finance costs	(278)	(1,152)	(5)	(15)	-	-	(283)	(1,167)
Net finance (costs)/income	350	280	(5)	(15)	194	539	539	804
Depreciation of property, plant and equipment	3,881	11,253	26	78	-	-	3,907	11,331
Amortisation of intangible assets	-	-	5	15	-	-	5	15
Segment profit/(loss) before tax	29,745	77,596	(55)	(226)	47	73	29,737	77,443
Additions to non-current assets	6,980	11,986	-	-	-	2	6,980	11,988
Segment assets		479,579		4,857		18,626		503,062
Segment liabilities		140,615		349		5		140,969



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The Group has the following reportable segments: -

2018	Furniture Manufacturing		Plantation		Other		Group	
	3rd Quarter RM'000	YTD RM'000	3rd Quarter RM'000	YTD RM'000	3rd Quarter RM'000	YTD RM'000	3rd Quarter RM'000	YTD RM'000
Revenue								
Total Revenue	200,750	585,711	-	-	6,300	30,600	207,050	616,311
Inter-segment revenue	(517)	(1,308)	-	-	(6,300)	(30,600)	(6,817)	(31,908)
Revenue from external customers	200,233	584,403	-	-	-	-	200,233	584,403
Interest income	245	743	-	-	188	665	433	1,408
Finance cost	(350)	(1,051)	-	-	-	-	(350)	(1,051)
Net finance (costs)/income	(105)	(308)	-	-	188	665	83	357
Depreciation of property, plant and equipment	2,121	6,314	22	68	-	-	2,143	6,382
Amortisation of intangible assets	-	-	5	14	-	-	5	14
Segment profit/(loss) before tax	20,491	48,772	(86)	(114)	91	211	20,496	48,869
Additions to non-current assets	11,523	18,540	108	320	-	-	11,631	18,860
Segment assets		395,402		3,404		18,348		417,154
Segment liabilities		122,421		206		8		122,635

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The analysis of the furniture manufacturing segment can be further analysed into the following geographical segments: -

	Current Quarter		Year to Date	
	30 Sept		30 Sept	
	2019	2018	2019	2018
	RM'000	RM'000	RM'000	RM'000
Africa	448	1,337	1,636	2,718
America	162,928	145,675	478,665	435,143
Asia	40,607	35,976	106,045	99,847
Australia	958	1,212	2,363	3,146
Europe	1,143	1,067	1,947	1,822
Malaysia	6,413	14,966	18,941	41,727
	212,497	200,233	609,597	584,403

There were three (3) major customers with revenue equaling or exceeding 10% of the Group's total revenue for the current quarter.

### 10. Valuation of property, plant and equipment

The carrying value of properties which was revalued in 2018 has been brought forward from the previous financial statements and there were no valuations of properties, plant and equipment for period ended 30 September 2019.

### 11. Material events subsequent to the end of the period

There were no material events subsequent to 30 September 2019.

### 12. Changes in the composition of the Group

There were no changes in the composition of the Group for the period ended 30 September 2019.

### 13. Changes in contingent liabilities

There were no contingent liabilities as at the date of this report.

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**14. Capital Commitment**

There was no capital commitment incurred in the interim financial report as at 30 September 2019.

**15. Significant Related Party Transactions**

Subsidiaries of the Company	Transacting Parties	Relationship	Nature of Transactions	Current Quarter Ended 30.09.19	Cumulative Quarter Ended 30.09.19
Favourite Design Sdn Bhd	Double Soon Huat Enterprise	A company in which Chua Yong Haup is a connected person	Provide subcontract charges	RM 591,411	RM 1,709,768
Favourite Design Sdn Bhd	NNST Capital Sdn Bhd	A company in which Tan Bee Eng has interest	Renting of building	RM 72,090	RM 204,030
Mayteck Kilang Kayu dan Perabut Sdn Bhd	T-Home Furniture Industry Sdn Bhd	A company in which Joey Tok Siew Tin has interest	Selling of furniture parts	RM 39,548	RM 159,468
LSG Furniture Sdn Bhd	Hong Tat Sofa Enterprise	A company in which Sia Chee Shong is a connected person	Provide subcontract charges	RM 194,557	RM 228,544
LSG Furniture Sdn Bhd	Chuan Yie Furniture Sdn Bhd	A company in which Koh Ben Guan has interest	Provide subcontract charges	RM 125,043	RM 451,415

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**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENTS**

**16. Review of Performance of the Group**

Financial review for current quarter and financial year to date is tabulated below: -

	Individual Period (3rd Quarter)		Changes (%)	Cumulative Period		Changes (%)
	30.09.19	30.09.18		30.09.19	30.09.18	
	RM'000	RM'000	RM'000	RM'000		
Revenue	212,497	200,233	6.12%	609,597	584,403	4.31%
Profit before tax	29,737	20,496	45.09%	77,443	48,869	58.47%
Profit after tax	22,450	15,830	41.82%	58,339	37,059	57.42%
Profit attributable to Ordinary Equity of the Parent	21,832	15,267	43.00%	57,301	36,292	57.89%

(a) Current Quarter vs Preceding Year Corresponding Quarter

The Group's revenue increased by 6.12% compared to the preceding year corresponding quarter. This was mainly due to export sales which increased by 5.57%, coupled with the better USD exchange rate which was 1.71% higher than the corresponding period (2019: 4.16; 2018: 4.09). However the increase was partially offset by the decrease in local sales of 1%.

The higher sales revenue and better management of manufacturing process in the raw materials usage and higher production efficiency had improved the Group's gross profit margin from 19% of the preceding year corresponding quarter to 22% in the current quarter. Hence the Group's profit before tax increased 45.09% from RM20.49 million of the preceding period to RM29.74 million.

(b) Current Year to Date vs Preceding Financial Year Corresponding Period

The Group's turnover for the current period rose 4.31% from RM584 million in the preceding period to RM610 million, largely due to increase in export sales and appreciation of USD against RM by 1.8% and 3.7% respectively. Consequently, the Group recorded profit before tax at RM77.4 million, an increase of 58.47% compared to the preceding corresponding period of RM 48.9 million.

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## 17 Variation of Results Against Preceding Quarter

Description	3rd Qtr 2019 RM'000	2nd Qtr 2019 RM'000	Changes	
			RM'000	%
Revenue	212,497	193,805	18,692	9.64%
Profit before tax	29,737	24,503	5,234	21.36%
Profit after tax	22,450	18,662	3,788	20.30%
Profit attributable to Ordinary Equity Holders of the Parent	21,832	18,220	3,612	19.82%

Revenue in the current quarter increased by 9.64% compared to the immediate preceding quarter mainly due to the increase in sales by 9.35% coupled with the slight appreciation of USD against RM by 0.42% (3rd Qtr 2019 :4.16; 2nd Qtr 2019: 4.14).

With the higher turnover, the Group's profit before tax registered at RM29.7 million, which was 21.36% higher compared to RM 24.5 million of the immediate preceding quarter.

## 18. Current year prospects

The ongoing US and China trade war and fluctuations of US foreign exchange rates will continue to have an impact on our export sales.

On the local front, the Group continues to face challenges in the management of production costs and availability of workforce that may impact on the Group's financial performance. In view of that, the Management will continue to focus on the Group's core products by diversifying its product range to strengthen market position, expand customer base and simultaneously continue to adopt an effective cost management stance. With better controllable cost structure and wider sales market base, the Board is of the view that the Group will remain profitable for the year of 2019.

## 19. Profit forecast

There was no profit forecast issued for the quarter under review.

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20 **Investment security**

This comprises placement with a licensed commercial bank for investment in unit trust.

21. **Taxation**

Taxation charge for the quarter and year to date comprise: -

	Current Quarter 30.09.2019 RM'000	Year to Date 30.09.2019 RM'000
Current taxation		
- provision for the period	7,295	18,583
- over provision of prior years	(8)	(8)
- deferred taxation	-	529
	<u>7,287</u>	<u>19,104</u>

The higher effective tax rate was due to certain disallowable expenses for tax purposes in certain subsidiary companies.

22. **Borrowings and Debt Securities**

The Group's borrowings as at end of the reporting quarters were as follows: -

	3rd Quarter 2019 (RM'000)	3rd Quarter 2018 (RM'000)
<b>Short Term</b>		
Overdraft	-	1,899
Bankers' acceptance	12,496	30,928
Term loans	1,938	2,750
Hire purchase	24	23
Total	14,458	35,600
<b>Long Term</b>		
Term loans	765	1,765
Hire purchase	198	222
Total borrowings	15,421	37,587

The loans and bank borrowings are secured and denominated in Ringgit Malaysia. The weighted average floating interest rates ranged from 4.05% to 4.28%. (2018: 3.28% to 4.7%) per annum.

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### 23. Financial Instruments - derivatives

As at 30 September 2019, the foreign currency contracts which have been entered into by the Group to hedge its foreign currency sales are as follows: -

Forward Foreign Currency Contracts	Contract Value(RM'000)	Fair Value(RM'000)	Changes in Fair Value(RM'000)
US Dollar – less than 1 year	18,535	18,648	113

Derivative financial assets and liabilities are initially recognised, and subsequently measured at fair value. The fair values of derivatives are determined based on market data (primarily exchange rate) to calculate the present value of all estimated flows associated with each derivative at the balance sheet date. The Group's derivatives are principally in respect of forward foreign currency contracts used to hedge its foreign currency sales.

Forward foreign currency contracts of the Group have been measured at fair value and the changes in the fair value are recognised in profit or loss.

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**24. Other Operating Income/(expenses)**

Other operating income/(expenses) comprise the following: -

	Current Quarter 30 September		Year to Date 30 September	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Foreign exchange gain/(loss)				
-realised	388	1,015	(868)	(59)
-unrealised	446	(353)	(62)	53
Gain/(loss) on disposal of property, plant & equipment	85	-	381	25
Interest income	822	433	1,972	1,408
Fair value gain/(loss) on derivative Financial instruments	(199)	(120)	(113)	(506)
Rental income	384	139	743	405
Sundry revenue	134	82	352	230
Insurance claim	-	-	-	97
	2,060	1,196	2,405	1,653

**25. Operating Expenses**

The operating expenses include the following charges: -

	Current Quarter 30 Sept		Year to Date 30 Sept	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Depreciation & amortisation	3,912	2,149	11,346	6,396
Interest expenses	283	350	1,167	1,051
Property, plant & equipment written off	30	3	30	22
Biological assets written off	-	-	-	-



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**26. Off Balance Sheet Financial Instruments**

Save as disclosed in Note 23 above, the Group did not have any financial instruments with off balance sheet risk as at 30 September 2019.

**27. Material Litigations**

The Group is not engaged in any material litigation as at the date of this announcement.

**28. Dividends**

The third single tier dividend of 4.0 sen per share totaling RM7.2 million in respect of the financial year ending 31 December 2019 is declared, payable on 27 December 2019 to depositors registered in the Records of Depositors at close of business on 12 December 2019.

**29. Basic Earnings per Share**

	Current Quarter		Year to Date	
	30 Sept		30 Sept	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Profit attributable to owners of the Parents	21,832	15,267	57,301	36,292
Weighted average number of shares('000)	180,000	180,000	180,000	180,000
Basic Earnings per Share (sen)	12.13	8.48	31.83	20.16

**30. Authorisation for issue**

These interim financial statements and the accompanying notes were authorised for issue by the Board of Directors.

For and on behalf of the Board  
Lii Hen Industries Bhd.

Pang Kah Man, MIA 18831  
Company Secretary