

LII HEN INDUSTRIES BHD (Company No: 199401015681/301361-U)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

ASSETS	Note	AS AT END OF CURRENT QUARTER 30.06.2021 RM'000 UNAUDITED	AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2020 RM'000 AUDITED
Non-current assets			
Property, plant and equipment		197,168	193,996
Investment property		355	359
Right- of- use assets		11,920	14,873
Intangible assets		3	4
Biological assets		2,959	2,798
		<u>212,405</u>	<u>212,030</u>
Current assets			
Inventories		132,292	146,416
Trade receivables		33,865	70,863
Other receivables		9,835	12,881
Tax assets		6,370	594
Derivatives financial instruments at fair value	22	-	1,392
Fixed deposits with licensed banks		79,278	101,144
Cash and bank balances		75,334	61,436
		<u>336,974</u>	<u>394,726</u>
TOTAL ASSETS		<u>549,379</u>	<u>606,756</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the Parent:			
Share capital		90,000	90,000
Reserves		335,518	328,045
		<u>425,518</u>	<u>418,045</u>
Non-controlling interest		4,457	2,723
TOTAL EQUITY		<u>429,975</u>	<u>420,768</u>
Non-current liabilities			
Borrowings	21	945	1,356
Lease liabilities		5,583	8,446
Deferred taxation		20,123	19,930
		<u>26,651</u>	<u>29,732</u>
Current Liabilities			
Payables		63,121	122,622
Derivatives financial instruments at fair value	22	505	-
Dividend payable		5,400	-
Short-term borrowings	21	17,536	26,179
Lease liabilities		6,191	6,274
Provision for taxation		-	1,181
		<u>92,753</u>	<u>156,256</u>
TOTAL LIABILITIES		119,404	185,988
TOTAL EQUITY AND LIABILITIES		<u>549,379</u>	<u>606,756</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 2020 and the accompanying explanatory notes attached.)

LII HEN INDUSTRIES BHD (Company No: 199401015681/301361-U)

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

UNAUDITED RESULTS OF THE GROUP FOR THE SECOND QUARTER ENDED 30 JUNE 2021

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2021

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 30.06.2021 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.06.2020 RM'000	CURRENT YEAR TO DATE 30.06.2021 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.06.2020 RM'000
Revenue	9	184,375	141,333	421,750	346,541
Cost of sales		(158,840)	(116,223)	(360,494)	(280,308)
Gross Profit		25,535	25,110	61,256	66,233
Other operating income/(expenses)	23	1,679	1,414	2,200	4,213
Operating expenses	24	(16,209)	(12,093)	(34,818)	(29,501)
Profit from operations		11,005	14,431	28,638	40,945
Finance costs		(268)	(243)	(530)	(628)
Profit before taxation		10,737	14,188	28,108	40,317
Taxation	20	(2,153)	(4,285)	(6,301)	(10,713)
Profit for the period		8,584	9,903	21,807	29,604
Other comprehensive income for the period, net of tax item that will not be reclassified subsequently to profit or loss			-		-
Revaluation surplus on property, plant and equipment		-	-	-	-
Total comprehensive income for the period		8,584	9,903	21,807	29,604
Profit/(Loss) attributable to:					
Owners of the Parent		7,850	9,536	20,073	29,370
Non-Controlling Interest		734	367	1,734	234
		8,584	9,903	21,807	29,604
Total comprehensive income attributable to:					
Owners of the Parent		7,850	9,536	20,073	29,370
Non-Controlling Interest		734	367	1,734	234
		8,584	9,903	21,807	29,604
Earnings per share attributable to owners of the Parent (sen)					
Basic	28	4.36	5.30	11.15	16.32
Diluted		-	-	-	-
		4.36	5.30	11.15	16.32

(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 2020 and the accompanying notes attached.)

LII HEN INDUSTRIES BHD (Company No: 199401015681/301361-U)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2021

	-----Attributable to owners of the Parent -----					Total Equity RM'000
	Share Capital RM'000	Non distributable Revaluation Reserve RM'000	Distributable Retained Profit RM'000	Total RM'000	Non Controlling Interest RM'000	
Balance as at 1 January 2021	90,000	41,544	286,501	418,045	2,723	420,768
Total comprehensive income for the period			20,073	20,073	1,734	21,807
Dividend paid & payable			(12,600)	(12,600)	-	(12,600)
Balance as at 30 June 2021	<u>90,000</u>	<u>41,544</u>	<u>293,974</u>	<u>425,518</u>	<u>4,457</u>	<u>429,975</u>
Balance as at 1 January 2020	90,000	42,338	243,431	375,769	654	376,423
Total comprehensive income for the period			76,476	76,476	2,069	78,545
Transfer between reserves		(794)	794	-	-	-
Dividend paid			(34,200)	(34,200)	-	(34,200)
Balance as at 31 December 2020	<u>90,000</u>	<u>41,544</u>	<u>286,501</u>	<u>418,045</u>	<u>2,723</u>	<u>420,768</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 2020 and the accompany explanatory notes.)

LII HEN INDUSTRIES BHD (Company No: 199401015681/301361-U)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR SECOND QUARTER ENDED 30 JUNE 2021

	Unaudited Current Period To Date 30 June 21 RM'000	Audited Preceding Year Ended 31 Dec 20 RM'000
Cash Flow From Operating Activities		
Profit before Taxation	28,108	102,086
Adjustments for:		
Depreciation and amortization of assets	5,452	10,725
Depreciation on right-of-use assets	3,201	6,216
Inventories written down to net realisable value	-	4
Interest expenses	530	1,070
Interest income	(887)	(2,531)
Fixed assets written off	-	358
Gain on remeasurement and derecognition of right-of -use assets	(295)	(271)
Fair value changes of investment security	-	(392)
Fair value changes of biological asset	-	(34)
(Gain)/Loss on disposal of property, plant and equipment	(22)	(153)
Unrealised foreign exchange (gain) /loss	(407)	989
Net fair value loss/(gain) on financial instruments measured at fair value	505	(1,392)
Operating profit before working capital changes	<u>36,185</u>	<u>116,675</u>
Decrease/(Increase) in inventories	14,124	(59,121)
Decrease/(Increase) in receivables	40,450	(16,038)
(Decrease)/ Increase in payables	(59,501)	27,251
Cash generated from operations	<u>31,258</u>	<u>68,767</u>
Interest paid	(530)	(1,070)
Tax paid	(13,123)	(29,738)
Tax refund	58	-
Realisation of derivative financial instruments	1,392	235
Net cash from operating activities	<u>19,055</u>	<u>38,194</u>
Cash Flow From Investing Activities		
Purchase of property, plant and equipment	(8,819)	(13,437)
Proceeds from disposal of short-term investment	-	19,191
Payment for Biological assets	(161)	(309)
Purchase of investment in money market fund	-	(1,000)
Proceeds from disposal of property, plant and equipment	231	218
Interest income	887	2,611
Net cash from/(used) in investing activities	(7,862)	7,274
Cash Flow From Financing Activities		
Net changes in bankers' acceptances	(8,638)	10,720
Repayment of term loans and hire purchase creditors	(414)	(979)
Repayment of lease liabilities	(2,909)	(5,881)
Dividend paid	(7,200)	(34,200)
Changes in pledged short-term deposits	-	330
Net cash (used in) financing activities	(19,161)	(30,010)
Net changes in Cash and Cash Equivalents	<u>(7,968)</u>	<u>15,458</u>
Cash and Cash Equivalents Brought Forward	160,014	144,556
Cash and Cash Equivalents Carried Forward	<u>152,046</u>	<u>160,014</u>
Cash and cash equivalents carried forward consist of:		
Cash and bank balances	154,612	162,580
Bank overdraft	-	-
	<u>154,612</u>	<u>162,580</u>
Less: Fixed deposit pledged for bank facilities	(2,566)	(2,566)
	<u>152,046</u>	<u>160,014</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 2020 and the accompanying explanatory notes.)

NOTES TO THE QUARTERLY FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2021

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 2020. The 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 2020.

2. Significant Accounting Policies

The significant accounting policies adopted by the Group in these interim financial statements are consistent with those of the last audited financial statements for the financial year ended 31 December 2020, except for the following Amendment to MFRSs and Amendment to IC Interpretation to be applied by all Entities Other Than Private Entities for the financial periods beginning on or after 1 January 2021:

(a) Adoption of amendments to MFRSs

- MFRS 9, MFRS 139, MFRS 7, Interest Rate Benchmark Reform – Phase 2
MFRS 4 and MFRS 16

- MFRS 16 Covid-19 - Related Rent Concessions

The adoption of the abovementioned amendments did not have any significant impact on the financial statements of the Group.

(b) Amendments to Standards issued but not yet effective

- MFRS 3 Reference to the Conceptual Framework

- MFRS 9 Financial Instruments (Annual Improvement to MFRS Standards 2018 - 2020)

- MFRS 16 Leases (Annual Improvement to MFRS Standards 2018 – 2020)

- MFRS 101 Classification of Liabilities as Current or Non-current

- MFRS 116 Property, Plant and Equipment – Proceeds before Intended Use

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- MFRS 137

Onerous Contracts – Cost of Fulfilling a Contract

It is anticipated that the adoption of the abovementioned amendments will not have significant impact on the financial statements of the Group.

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

There was no qualification to the audited financial statements of the Company and the Group for the year ended 31 December 2020.

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 June 2021.

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 June 2021.

8. **Dividend Paid**

The dividend paid during the financial period was as follow: -

Type of dividend	Dividend per share	For the year ended	Amount RM'000	Entitlement Date	Payment Date
Fourth interim single tier	4.0 sen	31.12.2020	7,200	09.03.2021	25.03.2021

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9. Segmental Reporting

The Group has the following reportable segments: -

2021	Furniture Manufacturing		Plantation		Other		Group	
	2nd Quarter RM'000	YTD RM'000	2nd Quarter RM'000	YTD RM'000	2nd Quarter RM'000	YTD RM'000	2nd Quarter RM'000	YTD RM'000
Revenue								
Total revenue	184,883	422,882	-	-	7,364	15,601	192,247	438,483
Inter-segment revenue	(508)	(1,132)	-	-	(7,364)	(15,601)	(7,872)	(16,733)
Revenue from external customers	184,375	421,750	-	-	-	-	184,375	421,750
Interest income	353	698	-	-	99	189	452	887
Finance costs	(264)	(522)	(4)	(8)	-	-	(268)	(530)
Net finance (costs)/income	89	176	(4)	(8)	99	189	184	357
Depreciation of property, plant and equipment and right-of-use assets	4,315	8,590	32	63	-	-	4,347	8,653
Segment profit/(loss) before tax	10,695	28,182	(19)	(88)	61	14	10,737	28,108
Additions to non-current assets	3,547	8,819	97	161	-	-	3,644	8,980
Segment assets		520,099		5,073		24,207		549,379
Segment liabilities		113,663		309		5,432		119,404

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The Group has the following reportable segments: -

2020	Furniture Manufacturing		Plantation		Other		Group	
	2nd Quarter RM'000	YTD RM'000	2 nd Quarter RM'000	YTD RM'000	2nd Quarter RM'000	YTD RM'000	2 nd Quarter RM'000	YTD RM'000
Revenue								
Total Revenue	141,908	347,744	-	-	4,913	13,852	146,821	361,596
Inter-segment revenue	(575)	(1,203)	-	-	(4,913)	(13,852)	(5,488)	(15,055)
Revenue from external customers	141,333	346,541	-	-	-	-	141,333	346,541
Interest income	677	1,419	-	-	122	282	799	1,701
Finance cost	(239)	(619)	(4)	(9)	-	-	(243)	(628)
Net finance (costs)/income	438	800	(4)	(9)	122	282	556	1,073
Depreciation of property, plant and equipment and right-of -use assets	4,054	8,109	31	62	-	-	4,085	8,171
Segment profit/(loss) before tax	14,265	40,416	(65)	(136)	(12)	37	14,188	40,317
Additions to non-current assets	1,445	4,593	-	7	8	8	1,453	4,608
Segment assets		512,028		4,833		23,528		540,389
Segment liabilities		142,001		321		140		142,462

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

	Current Quarter		Year to Date	
	30 June		30 June	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Africa	214	382	214	693
Asia	799	5,500	2,039	8,997
North America	176,188	130,561	402,816	325,265
Australia	111	379	392	562
Europe	-	43	117	855
Malaysia	7,063	4,468	16,172	10,169
	184,375	141,333	421,750	346,541

As at end of the reporting quarter, there were three (3) (2020: 3) major customers with revenue equalling to or exceeding 10% of the Group's total revenue.

10. Valuation of property, plant and equipment

The carrying value of properties which was revalued in 2018 has been brought forward from the audited financial statements for the year ended 31 December 2020, and there were no revaluations of properties, plant and equipment for the period ended 30 June 2021.

11. Material events subsequent to the end of the period

There were no material events subsequent to 30 June 2021.

12. Changes in the composition of the Group

There were no changes in the composition of the Group for the period ended 30 June 2021.

13. Changes in contingent liabilities

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

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14. Capital Commitment

Authorised capital expenditure not provided for in the interim financial report as at 30 June 2021 were as follows:

Authorised and contracted but not provided for:	RM'000
Construction of factory building	4,835
Purchase of leasehold land	3,065

15. Recurrent Related Party Transactions

Subsidiaries of the Company	Transacting Parties	Relationship	Nature of Transactions	Current Quarter Ended 30.06.21 RM	Cumulative Quarter Ended 30.06.21 RM
Favourite Design Sdn Bhd	Double Soon Huat Enterprise	A company in which Chua Yong Haup is a connected person	Provide sub-contract services	456,558	1,035,128
Favourite Design Sdn Bhd	NNST Capital Sdn Bhd	A company in which Tan Bee Eng has interest	Renting of building	72,090	144,180
Mayteck Kilang Kayu dan Perabut Sdn Bhd	T-Home Furniture Industry Sdn Bhd	A company in which Joey Tok Siew Tin ⁽¹⁾ , has interest	Selling of furniture parts	26,977	136,274
LSG Furniture Sdn Bhd	Hong Tat Sofa Enterprise	A company in which Sia Chee Shong ⁽²⁾ is a connected person	Provide sub-contract services	25,761	141,457
EF Furniture Sdn Bhd	T Fields Trading	A company in which Tan Bee Eng is a connected person	Provide printing services	404,272	901,706

Note ⁽¹⁾ Joey Tok Siew Tin is the Group Marketing Manager and sister to Mr Tok Heng Leong

⁽²⁾ Sia Chee Shong is a Director of LSG Furniture Sdn Bhd

The above recurrent related party transactions for the period under review were entered into based on normal commercial terms.

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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 (2nd Quarter)		Changes (%)	Cumulative Period		Changes (%)
	30.06.21	30.06.20		30.06.21	30.06.20	
	RM'000	RM'000	RM'000	RM'000		
Revenue	184,375	141,333	30.45%	421,750	346,541	21.70%
Profit before tax	10,737	14,188	(24.32%)	28,108	40,317	(30.28%)
Profit before tax margin (%)	5.82	10.04	(42.03%)	6.66	11.63	(42.73%)
Profit after tax	8,584	9,903	(13.32%)	21,807	29,604	(26.34%)
Profit attributable to Ordinary Equity of the Parent	7,850	9,536	(17.68%)	20,073	29,370	(31.65%)

(a) Current Quarter vs Preceding Year Corresponding Quarter

Revenue for the current quarter increased 30.45% compared to the preceding year corresponding quarter as the Group's products continued to register high demand from the customers, albeit the issue of the global container shortage still persisted. Due to the implementation of the Full Movement Control Order ("FMCO") from June 2021, the Group's operation was halted for 4 weeks in the current quarter compared to 6 weeks in the preceding year corresponding quarter.

Notwithstanding the higher revenue in the current quarter, the Group's profit before tax decreased 24.32% compared to the preceding year corresponding quarter. This was mainly due to higher operating costs in raw materials and labour costs, coupled with the depreciation of USD against RM in the current quarter by 4% (2021: 4.1189; 2020: 4.2900) compared to the preceding year corresponding quarter.

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

Despite the shut-down of the factory operations in four (4) of the subsidiaries for close to four (4) weeks due to outbreak of the Covid-19 at the workers' dormitory in January 2021 and the implementation of the FMCO in June 2021 for all the subsidiaries, the Group's revenue for the first half of 2021 recorded at RM422 million, an increase of 21.70% as compared to the preceding year corresponding period, where operations were halted for close to eight (8) weeks.

In spite of the higher revenue in the current period, the Group's profit before tax dipped by 30.28% as compared to preceding year corresponding period mainly due to higher operating costs and unfavorable USD conversion rate in the current period. (2021: 4.0864; 2020: 4.2052)

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17 Variation of Results Against Preceding Quarter

Description	2nd Qtr 2021	1st Qtr 2021	Changes	
	RM'000	RM'000	RM'000	%
Revenue	184,375	237,375	(53,000)	(22.33%)
Profit before tax	10,737	17,371	(6,634)	(38.19%)
Profit after tax	8,584	13,223	(4,639)	(35.08%)
Profit attributable to Ordinary Equity Holders of the Parent	7,850	12,223	(4,373)	(35.78%)

The implementation of FMCO in June 2021 had caused all operations of the Group to be halted for four (4) weeks which had resulted lower revenue generated for the current quarter under review by 22.33% as compared to the immediate preceding quarter, where the operations of only four (4) subsidiaries were shut down for 4 weeks in January 2021.

Due to lower sales generated in the current quarter, the Group's profit before tax decreased 38.19% compared to that of the immediate preceding quarter.

18. Current year prospects

The Government's implementation of the Full Movement Control Order since June 2021 to combat the third wave of the Covid-19 did not seem to contain the continuous spread of the virus as the number of affections and fatalities continued to surge to record highs. The Group and its operations are located in the State of Johor, which is currently under Phase I of the National Recovery Plan ("NRP") where non-essential operations and activities are disallowed. To move on to Phase II of the NRP, at least 50% of the State's population needs to be fully vaccinated.

To expedite this process, the Group participated in the Public-Private Partnership Vaccination Programme ("PIKAS"). To-date, all the workers of the Group had completed their first dose of vaccine and by end of September 2021, all of them are expected to be fully vaccinated.

The Board of Directors is mindful of the challenges ahead and will continue to exercise vigilance to sustain business viability with the view to enhance shareholder value. With a largely controllable cost structure in place, a wider market-base for the Group's products and rationalization on the use of available workforce, the Board is of the view that the Group is prepared to navigate the ongoing Covid-19 pandemic challenges it currently faces. Until the ongoing vaccination process is completed for all workers and resumption of business operations is allowed, the Group continues to exercise caution in the way its operating activities are conducted to ensure the requisite requirements issued by the Government for compliance are adhered to in the nation's quest to combat the viral scourge.

19. Profit forecast

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

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20. Taxation

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

	Current Quarter 30.06.2021 RM'000	Year to Date 30.06.2021 RM'000
Current taxation		
- provision for the period	2,294	6,167
- deferred taxation	<u>(141)</u>	<u>134</u>
	<u>2,153</u>	<u>6,301</u>

The lower effective tax rate in relation to the year-to-date profit of the Group was largely due to tax incentives on export allowances available for one of the subsidiaries.

21. Borrowings and Debt Securities

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

	2nd Quarter 2021 (RM'000)	2nd Quarter 2020 (RM'000)
Short Term		
Overdraft	-	1,080
Bankers' acceptances	16,649	3,344
Term loans	750	1,582
Hire purchase	<u>137</u>	<u>137</u>
Total	<u>17,536</u>	<u>6,143</u>
Long Term		
Term loans	432	285
Hire purchase	<u>513</u>	<u>649</u>
Total	<u>945</u>	<u>934</u>
Grand Total	<u>18,481</u>	<u>7,077</u>

The loans and bank borrowings are secured and denominated in Ringgit Malaysia. The weighted average floating interest rates charged on the borrowings ranged from 2.40% to 2.50% (2020: 3.60% to 3.69%) per annum.

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22. Financial Instruments - derivatives

As at 30 June 2021, the foreign currency contracts which have been entered into by the Group to hedge against its sales in foreign currencies 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	68,555	69,060	505

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 against its sales denominated in foreign currencies.

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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23. Other Operating Income/(expenses)

Other operating income/(expenses) comprise the following:

	Current Quarter 30 June		Year to Date 30 June	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Foreign exchange gain/(loss)				
-realised	(795)	(1,599)	2	1,071
-unrealised	(385)	(473)	407	(78)
Gain/(loss) on disposal of property, plant and equipment	3	276	22	321
Gain on remeasurement of R-O-U assets	285	-	295	-
Interest income	452	799	887	1,701
Fair value gain/(loss) on derivative Financial instruments	1,559	1,842	(505)	54
Rental income	441	437	895	881
Sundry revenue	119	132	197	263
	1,679	1,414	2,200	4,213

24. Operating Expenses

The operating expenses include the following charges:

	Current Quarter 30 June		Year to Date 30 June	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Depreciation & amortization of assets and right-of-use	4,347	4,085	8,653	8,171
Interest expenses	268	243	530	628
Property, plant & equipment written off	-	106	-	106

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25. Off Balance Sheet Financial Instruments

Save as disclosed in Note 22 above, the Group did not have any financial instruments with off balance sheet risk as at 30 June 2021.

26. Material Litigations

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

27. Dividends

No dividend was declared by the Board of Directors for the current quarter under review.

28. Basic Earnings per Share

	Current Quarter 30 June		Year to Date 30 June	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Profit attributable to owners of the Parents	7,850	9,536	20,073	29,370
Weighted average number of shares('000)	180,000	180,000	180,000	180,000
Basic Earnings per Share (sen)	4.36	5.30	11.15	16.32

29. 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