

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021**

ASSETS	Note	AS AT END OF CURRENT QUARTER 30.09.2021 RM'000 UNAUDITED	AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2020 RM'000 AUDITED
<b>Non-current assets</b>			
Property, plant and equipment		203,252	193,996
Investment property		743	359
Right- of- use assets		13,074	14,873
Intangible assets		3	4
Biological assets		2,947	2,798
		220,019	212,030
<b>Current assets</b>			
Inventories		132,285	146,416
Trade receivables		40,542	70,863
Other receivables		7,292	12,881
Tax assets		6,577	594
Derivatives financial instruments at fair value	22	52	1,392
Fixed deposits with licensed banks		72,144	101,144
Cash and bank balances		70,189	61,436
		329,081	394,726
<b>TOTAL ASSETS</b>		549,100	606,756
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Parent:</b>			
Share capital		90,000	90,000
Reserves		340,599	328,045
		430,599	418,045
Non-controlling interest		4,476	2,723
<b>TOTAL EQUITY</b>		435,075	420,768
<b>Non-current liabilities</b>			
Borrowings	21	4,589	1,356
Lease liabilities		6,598	8,446
Deferred taxation		19,907	19,930
		31,094	29,732
<b>Current Liabilities</b>			
Payables		67,786	122,622
Derivatives financial instruments at fair value	22	2	-
Dividend payable		-	-
Short-term borrowings	21	8,890	26,179
Lease liabilities		6,253	6,274
Provision for taxation		-	1,181
		82,931	156,256
<b>TOTAL LIABILITIES</b>		114,025	185,988
<b>TOTAL EQUITY AND LIABILITIES</b>		549,100	606,756

( 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 THIRD QUARTER ENDED 30 SEPTEMBER 2021**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 30.09.2021 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.09.2020 RM'000	CURRENT YEAR TO DATE 30.09.2021 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.09.2020 RM'000
<b>Revenue</b>	9	105,345	302,062	527,095	648,603
Cost of sales		(86,728)	(237,783)	(447,222)	(518,091)
<b>Gross Profit</b>		18,617	64,279	79,873	130,512
Other operating income/(expenses)	23	1,316	(1,593)	3,516	2,620
Operating expenses	24	(11,909)	(25,017)	(46,727)	(54,517)
<b>Profit from operations</b>		8,024	37,669	36,662	78,615
Finance costs		(269)	(199)	(799)	(827)
<b>Profit before taxation</b>		7,755	37,470	35,863	77,788
Taxation	20	(2,655)	(7,200)	(8,956)	(17,914)
<b>Profit for the period</b>		5,100	30,270	26,907	59,874
<b>Other comprehensive income for the period, net of tax item that will not be reclassified subsequently to profit or loss</b>			-		-
Revaluation surplus on property, plant and equipment		-	-	-	-
<b>Total comprehensive income for the period</b>		5,100	30,270	26,907	59,874
<b>Profit/(Loss) attributable to:</b>					
Owners of the Parent		5,081	28,865	25,154	58,235
Non-Controlling Interest		19	1,405	1,753	1,639
		5,100	30,270	26,907	59,874
<b>Total comprehensive income attributable to:</b>					
Owners of the Parent		5,081	28,865	25,154	58,235
Non-Controlling Interest		19	1,405	1,753	1,639
		5,100	30,270	26,907	59,874
<b>Earnings per share attributable to owners of the Parent (sen)</b>					
Basic	28	2.82	16.04	13.97	32.35
Diluted		-	-	-	-
		2.82	16.04	13.97	32.35

( 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 THIRD QUARTER ENDED 30 SEPTEMBER 2021**

	-----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 2021	90,000	41,544	286,501	418,045	2,723	420,768
Total comprehensive income for the period			25,154	25,154	1,753	26,907
Dividend paid & payable			(12,600)	(12,600)	-	(12,600)
Balance as at 30 September 2021	<u>90,000</u>	<u>41,544</u>	<u>299,055</u>	<u>430,599</u>	<u>4,476</u>	<u>435,075</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 THIRD QUARTER ENDED 30 SEPTEMBER 2021**

	Unaudited Current Period To Date 30 Sept 21 RM'000	Audited Preceding Year Ended 31 Dec 20 RM'000
<b>Cash Flow From Operating Activities</b>		
Profit before Taxation	35,863	102,086
Adjustments for:		
Depreciation and amortization of assets	8,256	10,725
Depreciation on right-of-use assets	4,827	6,216
Inventories written down to net realisable value	-	4
Interest expenses	799	1,070
Interest income	(1,320)	(2,531)
Biological asset written off	71	358
Gain on remeasurement and derecognition of right-of -use assets	(431)	(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	(224)	989
Net fair value loss/(gain) on financial instruments measured at fair value	(50)	(1,392)
Operating profit before working capital changes	<u>47,769</u>	<u>116,675</u>
Decrease/(Increase) in inventories	14,131	(59,121)
Decrease/(Increase) in receivables	36,134	(16,038)
(Decrease)/ Increase in payables	(54,836)	27,251
Cash generated from operations	<u>43,198</u>	<u>68,767</u>
Interest paid	(799)	(1,070)
Tax paid	(16,202)	(29,738)
Tax refund	59	-
Realisation of derivative financial instruments	1,392	235
Net cash from operating activities	<u>27,648</u>	<u>38,194</u>
<b>Cash Flow From Investing Activities</b>		
Purchase of property, plant and equipment	(18,091)	(13,437)
Proceeds from disposal of short-term investment	-	19,191
Payment for Biological assets	(220)	(309)
Purchase of investment in money market fund	-	(1,000)
Proceeds from disposal of property, plant and equipment	231	218
Interest income	1,320	2,611
Net cash from/(used) in investing activities	(16,760)	7,274
<b>Cash Flow From Financing Activities</b>		
Net changes in bankers' acceptances	(17,883)	10,720
Repayment of term loans and hire purchase creditors	(638)	(979)
Repayment of lease liabilities	(4,481)	(5,881)
Dividend paid	(12,600)	(34,200)
Changes in pledged short-term deposits	-	330
Term loan raised	4,467	-
Net cash (used in) financing activities	(31,135)	(30,010)
Net changes in Cash and Cash Equivalents	<u>(20,247)</u>	<u>15,458</u>
Cash and Cash Equivalents Brought Forward	160,014	144,556
Cash and Cash Equivalents Carried Forward	<u>139,767</u>	<u>160,014</u>
Cash and cash equivalents carried forward consist of:		
Cash and bank balances	142,333	162,580
Bank overdraft	-	-
	<u>142,333</u>	<u>162,580</u>
Less: Fixed deposit pledged for bank facilities	(2,566)	(2,566)
	<u>139,767</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 SEPTEMBER 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 which will be effective from 1 January 2022 or 2023.

- 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 September 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 September 2021.

### 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	4.0 sen	31.12.2020	7,200	09.03.2021	25.03.2021
1 <sup>st</sup> interim single tier	3.0 sen	31.12.2021	5,400	30.06.2021	16.07.2021

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## 9. Segmental Reporting

The Group has the following reportable segments: -

2021	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	105,429	528,311	-	-	-	15,601	105,429	543,912
Inter-segment revenue	(84)	(1,216)	-	-	-	(15,601)	(84)	(16,817)
Revenue from external customers	105,345	527,095	-	-	-	-	105,345	527,095
Interest income	339	1,037	-	-	94	283	433	1,320
Finance costs	(264)	(786)	(5)	(13)	-	-	(269)	(799)
Net finance (costs)/income	75	251	(5)	(13)	94	283	164	521
Depreciation of property, plant and equipment and right-of-use assets	4,397	12,987	32	96	-	-	4,429	13,083
Segment profit/(loss) before tax	8,016	36,344	(129)	(257)	(132)	(224)	7,755	35,863
Additions to non-current assets	9,272	18,091	59	220	-	-	9,331	18,311
Segment assets		525,588		5,033		18,479		549,100
Segment liabilities		113,725		298		2		114,025

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The Group has the following reportable segments: -

2020	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	302,856	650,600	-	-	13,916	27,768	316,772	678,368
Inter-segment revenue	(794)	(1,997)	-	-	(13,916)	(27,768)	(14,710)	(29,765)
Revenue from external customers	302,062	648,603	-	-	-	-	302,062	648,603
Interest income	541	1,960	-	-	100	382	641	2,342
Finance cost	(194)	(813)	(5)	(14)	-	-	(199)	(827)
Net finance (costs)/income	347	1,147	(5)	(14)	100	382	442	1,515
Depreciation of property, plant and equipment and right-of -use assets	4,124	12,233	32	94	-	-	4,156	12,327
Segment profit/(loss) before tax	37,670	78,085	(58)	(193)	(142)	(104)	37,470	77,788
Additions to non-current assets	7,098	8,543	-	7	1	9	7,099	8,559
Segment assets		551,741		4,858		26,761		583,360
Segment liabilities		163,843		305		8,115		172,263



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

	Current Quarter		Year to Date	
	30 Sept		30 Sept	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Africa	151	294	365	987
Asia	224	2,323	2,263	7,023
North America	102,529	289,709	505,345	619,271
Australia	63	367	455	928
Europe	295	765	412	1,620
Malaysia	2,083	8,604	18,255	18,774
	<b>105,345</b>	<b>302,062</b>	<b>527,095</b>	<b>648,603</b>

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 September 2021.

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

There were no material events subsequent to 30 September 2021.

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

There were no changes in the composition of the Group for the period ended 30 September 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 September 2021 were as follows:

Authorised and contracted but not provided for:	RM'000
Construction of factory building	2,538
Purchase of leasehold land	<u>1,532</u>

#### 15. Recurrent Related Party Transactions

Subsidiaries of the Company	Transacting Parties	Relationship	Nature of Transactions	Current Quarter Ended 30.09.21 RM	Cumulative Quarter Ended 30.09.21 RM
Favourite Design Sdn Bhd	Double Soon Huat Enterprise	A company in which Chua Yong Haup is a connected person	Provide sub-contract services	144,634	1,179,762
Favourite Design Sdn Bhd	NNST Capital Sdn Bhd	A company in which Tan Bee Eng has interest	Renting of building	72,090	216,270
Mayteck Kilang Kayu dan Perabut Sdn Bhd	T-Home Furniture Industry Sdn Bhd	A company in which Joey Tok Siew Tin <sup>(1)</sup> , has interest	Selling of furniture parts	-	136,274
LSG Furniture Sdn Bhd	Hong Tat Sofa Enterprise	A company in which Sia Chee Shong <sup>(2)</sup> is a connected person	Provide sub-contract services	13,259	154,716
EF Furniture Sdn Bhd	T Fields Trading	A company in which Tan Bee Eng is a connected person	Provide printing services	248,249	1,149,955

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

<sup>(2)</sup> 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 (3rd Quarter)		Changes (%)	Cumulative Period		Changes (%)
	30.09.21	30.09.20		30.09.21	30.09.20	
	RM'000	RM'000	RM'000	RM'000		
Revenue	<b>105,345</b>	302,062	(65.12%)	<b>527,095</b>	648,603	(18.73%)
Profit before tax	<b>7,755</b>	37,470	(79.30%)	<b>35,863</b>	77,788	(53.90%)
Profit before tax margin (%)	<b>7.36</b>	12.40	(40.65%)	<b>6.80</b>	11.99	(43.29%)
Profit after tax	<b>5,100</b>	30,270	(83.15%)	<b>26,907</b>	59,874	(55.06%)
Profit attributable to Ordinary Equity of the Parent	<b>5,081</b>	28,865	(82.40%)	<b>25,154</b>	58,235	(56.81%)

#### (a) Current Quarter vs Preceding Year Corresponding Quarter

All factories recorded lower revenue in the current quarter due to the enforcement of the Full Movement Control Order (“FMCO”) since June 2021. The factories only resumed operation in September 2021 after all workers were fully vaccinated. The shut-down had caused revenue to drop significantly by 65.12%.

Due to the lower revenue generated and non-productivity during the FMCO for close to 3 months for all the factory operations, the Group’s profit before tax decreased by 79.30% as compared to the preceding year corresponding quarter.

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

The longer shut-down of the Group’s operation for the current period to curb the spread of Covid-19 had resulted in the Group’s revenue declining by 18.73% as compared to the preceding year corresponding period.

The Group’s profit before tax consequently decreased by 53.90% as compared to preceding year corresponding period, mainly due to higher raw materials cost, longer non-productivity period and weaker US Dollar against Ringgit Malaysia (2021:4.1085, 2020:4.2025) for the current period under review.

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## 17 Variation of Results Against Preceding Quarter

Description	3rd Qtr 2021 RM'000	2nd Qtr 2021 RM'000	Changes	
			RM'000	%
Revenue	105,345	184,375	(79,030)	(42.86%)
Profit before tax	7,755	10,737	(2,982)	(27.77%)
Profit after tax	5,100	8,584	(3,484)	(40.59%)
Profit attributable to Ordinary Equity Holders of the Parent	5,081	7,850	(2,769)	(35.27%)

The Group's revenue for the current quarter was severely impacted by the implementation of FMCO where operation was halted for almost the entire quarter as compared to the immediate preceding quarter where operation was shut-down for 4 weeks.

In spite of the 42.86% drop in revenue, the Group's profit before tax decreased 27.77% compared to that of the immediate preceding quarter. The lower than revenue percentage decrease in profit before tax was mainly due to: (i) during the current quarter, the Group managed to pass on the increase in material costs to customers through upward price adjustment for most of the Group's products; and (ii) the appreciation of average USD against RM (3<sup>rd</sup> qtr: 4.1842; 2<sup>nd</sup> qtr: 4.1189) by 1.6% for the current quarter under review.

## 18. Current year prospects

The Group has resumed its operations at the end of the third quarter after all workers were fully vaccinated. The remaining quarter of 2021 continues to be challenging amidst the rising commodities prices; the unresolved container shortage and disruptive supply chain that elevated inflation; the lingering effect of the Covid-19 and persistent shortage of manpower.

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, and barring any unforeseen circumstances, the Board is of the view that the Group will continue to be profitable for the remaining quarter of the financial year 2021.

## 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 30.09.2021 RM'000	Current Quarter 30.09.2020 RM'000	Year to Date 30.09.2021 RM'000	Year to Date 30.09.2020 RM'000
Current taxation				
- provision for the period	2,812	7,222	8,979	17,959
- (over) provision of prior years	-	(122)		(122)
- deferred taxation	<u>(157)</u>	<u>100</u>	<u>(23)</u>	<u>77</u>
	<u>2,655</u>	<u>7,200</u>	<u>8,956</u>	<u>17,914</u>

The higher effective tax rate in relation to the year-to-date profit of the Group was largely due to the absence of any group relief for the loss-making subsidiaries.

## 21. Borrowings and Debt Securities

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

	3 <sup>rd</sup> Quarter 2021 (RM'000)	3 <sup>rd</sup> Quarter 2020 (RM'000)
<b>Short Term</b>		
Overdraft	-	611
Bankers' acceptances	<b>7,403</b>	5,281
Term loans	<b>1,350</b>	1,582
Hire purchase	<u>137</u>	<u>136</u>
Total	<b><u>8,890</u></b>	<u>7,610</u>
<b>Long Term</b>		
Term loans	<b>4,112</b>	106
Hire purchase	<u>477</u>	<u>616</u>
Total	<b><u>4,589</u></b>	<u>722</u>
Grand Total	<b><u>13,479</u></b>	<u>8,332</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: 2.48% to 2.75%) per annum.

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## 22. Financial Instruments - derivatives

As at 30 September 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	36,736	36,686	50

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 September		Year to Date 30 September	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Foreign exchange gain/(loss)				
-realised	(626)	(3,188)	(624)	(2,117)
-unrealised	(183)	(58)	224	(136)
Gain on disposal of property, plant and equipment	-	127	22	177
Gain on remeasurement of Right Of Use assets	135	-	431	270
Interest income	433	641	1,320	2,342
Fair value gain on derivative Financial instruments	554	116	50	170
Rental income	420	504	1,314	1,386
Sundry revenue	583	265	779	528
Other operating income/(expenses)	1,316	(1,593)	3,516	2,620

### 24. Operating Expenses

The operating expenses include the following charges:

	Current Quarter 30 September		Year to Date 30 September	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Depreciation & amortization of property, plant and equipment and Right-Of-Use assets	4,429	4,156	13,083	12,327
Interest expenses	269	199	799	827
Property, plant and equipment written off	-	157	-	264
Biological asset written off	71	-	71	-

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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 September 2021.

**26. Material Litigations**

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

**27. Dividends**

The Board of Directors declared the payment of second single tier dividend of 1.5 sen per share totalling RM2.7 million in respect of the financial year ending 31 December 2021, payable on 30 December 2021 to depositors registered in the Records of Depositors at close of business on 15 December 2021.

**28. Basic Earnings per Share**

	Current Quarter 30 September		Year to Date 30 September	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Profit attributable to owners of the Parents	<b>5,081</b>	28,865	<b>25,154</b>	58,235
Weighted average number of shares('000)	<b>180,000</b>	180,000	<b>180,000</b>	180,000
Basic Earnings per Share (sen)	<b>2.82</b>	16.04	<b>13.97</b>	32.35

**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