

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 FIRST QUARTER ENDED 31 MARCH 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 MARCH 2022

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 31.03.2022 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31.03.2021 RM'000	CURRENT YEAR TO DATE 31.03.2022 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31.03.2021 RM'000
Revenue	9	241,931	237,375	241,931	237,375
Cost of sales		(199,473)	(201,654)	(199,473)	(201,654)
Gross Profit		42,458	35,721	42,458	35,721
Other operating income	23	1,809	521	1,809	521
Operating expenses	24	(18,209)	(18,609)	(18,209)	(18,609)
Profit from operations		26,058	17,633	26,058	17,633
Finance costs		(302)	(262)	(302)	(262)
Profit before taxation		25,756	17,371	25,756	17,371
Taxation	20	(6,091)	(4,148)	(6,091)	(4,148)
Profit for the period		19,665	13,223	19,665	13,223
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		19,665	13,223	19,665	13,223
Profit/(Loss) attributable to:					
Owners of the Parent		18,975	12,223	18,975	12,223
Non-Controlling Interest		690	1,000	690	1,000
		19,665	13,223	19,665	13,223
Total comprehensive income attributable to:					
Owners of the Parent		18,975	12,223	18,975	12,223
Non-Controlling Interest		690	1,000	690	1,000
		19,665	13,223	19,665	13,223
Earnings per share attributable to owners of the Parent (sen)					
Basic	29	10.54	6.79	10.54	6.79
Diluted		-	-	-	-
		10.54	6.79	10.54	6.79

(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 2021 and the accompanying notes as attached.)

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

ASSETS	Note	AS AT END OF CURRENT QUARTER 31.03.2022 RM'000 UNAUDITED	AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2021 RM'000 AUDITED
Non-current assets			
Property, plant and equipment		216,525	205,820
Investment property		349	351
Right- of- use assets		11,408	12,526
Intangible assets		2	3
Biological assets		4,498	4,444
		<u>232,782</u>	<u>223,144</u>
Current assets			
Inventories		130,992	151,876
Trade receivables		84,768	66,351
Other receivables		9,356	5,962
Tax assets		817	5,296
Derivatives financial instruments at fair value	22	66	344
Fixed deposits with licensed banks		74,690	70,109
Cash and bank balances		78,019	80,250
		<u>378,708</u>	<u>380,188</u>
TOTAL ASSETS		<u>611,490</u>	<u>603,332</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the Parent:			
Share capital		90,000	90,000
Reserves		363,190	350,515
		<u>453,190</u>	<u>440,515</u>
Non-controlling interest		5,721	5,391
TOTAL EQUITY		<u>458,911</u>	<u>445,906</u>
Non-current liabilities			
Borrowings	21	9,421	4,273
Lease liabilities		5,496	6,188
Deferred taxation		20,913	20,487
		<u>35,830</u>	<u>30,948</u>
Current Liabilities			
Payables		87,261	97,676
Derivatives financial instruments at fair value	22	-	-
Dividend payable		-	-
Short-term borrowings	21	21,429	22,628
Lease liabilities		5,678	6,114
Provision for taxation		2,381	60
		<u>116,749</u>	<u>126,478</u>
TOTAL LIABILITIES		152,579	157,426
TOTAL EQUITY AND LIABILITIES		<u>611,490</u>	<u>603,332</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 2021 and the accompanying explanatory notes as attached.)

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2022

	-----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 2022	90,000	40,787	309,728	440,515	5,391	445,906
Total comprehensive income for the period			18,975	18,975	690	19,665
Dividend paid			(6,300)	(6,300)	(360)	(6,660)
Balance as at 31 March 2022	<u>90,000</u>	<u>40,787</u>	<u>322,403</u>	<u>453,190</u>	<u>5,721</u>	<u>458,911</u>
Balance as at 1 January 2021	90,000	41,544	286,501	418,045	2,723	420,768
Total comprehensive income for the period			37,770	37,770	2,668	40,438
Transfer between reserves		(757)	757	-	-	-
Dividend paid			(15,300)	(15,300)	-	(15,300)
Balance as at 31 December 2021	<u>90,000</u>	<u>40,787</u>	<u>309,728</u>	<u>440,515</u>	<u>5,391</u>	<u>445,906</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 2021 and the accompany explanatory notes as attached.)

LII HEN INDUSTRIES BHD (Company No: 199401015681/301361-U)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR FIRST QUARTER ENDED 31 MARCH 2022

	Unaudited Current Period To Date 31 Mar 22 RM'000	Audited Preceding Year Ended 31 Dec 21 RM'000
Cash Flow From Operating Activities		
Profit before Taxation	25,756	52,506
Adjustments for:		
Depreciation and amortization of property, plant and equipment	2,862	11,144
Depreciation on right-of-use assets	1,662	6,496
Inventories written down to net realisable value	-	4,470
Interest expenses	302	1,060
Interest income	(365)	(1,736)
Biological assets written off	-	140
Gain on remeasurement and derecognition of right-of -use assets	(26)	(458)
Fair value changes of biological assets	-	(1,509)
(Gain)/Loss on disposal of property, plant and equipment	(5)	(26)
Unrealised foreign exchange (gain) /loss	(437)	1,065
Net fair value loss/(gain) on financial instruments measured at fair value	(66)	(344)
Fixed assets written off	-	4
Operating profit before working capital changes	<u>29,683</u>	<u>72,812</u>
Decrease/(Increase) in inventories	20,884	(9,930)
(Increase)/Decrease in receivables	(21,374)	10,820
(Decrease) in payables	(10,415)	(24,971)
Cash generated from operations	<u>18,778</u>	<u>48,731</u>
Interest paid	(302)	(1,060)
Tax paid	(2,139)	(17,393)
Tax refunded	3,273	59
Realisation of derivative financial instruments	<u>344</u>	<u>1,392</u>
Net cash from operating activities	19,954	31,729
Cash Flow From Investing Activities		
Purchase of property, plant and equipment	(13,561)	(23,147)
Payment for biological assets	(54)	(277)
Proceeds from disposal of property, plant and equipment	5	210
Interest income	365	1,791
Net cash (used) in investing activities	(13,245)	(21,423)
Cash Flow From Financing Activities		
Net changes in bankers' acceptances	(3,885)	(4,163)
Repayment of term loans and hire purchase creditors	(378)	(937)
Repayment of lease liabilities	(1,649)	(6,110)
Dividend paid	(6,300)	(15,300)
Changes in pledged short-term deposits	-	25
Term loan raised	6,000	4,467
Dividend paid to non-controlling interest	(360)	-
Net cash (used in) financing activities	(6,572)	(22,018)
Net changes in Cash and Cash Equivalents	<u>137</u>	<u>(11,712)</u>
Cash and Cash Equivalents Brought Forward	147,819	159,531
Cash and Cash Equivalents Carried Forward	<u><u>147,956</u></u>	<u><u>147,819</u></u>
Cash and cash equivalents carried forward consist of:		
Cash and bank balances	152,709	150,359
Bank overdraft	<u>(2,213)</u>	<u>-</u>
	150,496	150,359
Less: Fixed deposit pledged for bank facilities	<u>(2,540)</u>	<u>(2,540)</u>
	<u><u>147,956</u></u>	<u><u>147,819</u></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 2021 and the accompanying explanatory notes as attached.)

NOTES TO THE QUARTERLY CONDENSED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022

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 2021. 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 2021.

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 2021, except for the adoption of the following Amendment to Malaysian Financial Reporting Standards (“MFRS”) for the financial periods beginning on or after 1 January 2022:

(a) Adoption of amendments to MFRSs

- MFRS 3	Reference to the Conceptual Framework
- MFRS 9	Financial Instruments (Annual Improvement to MFRS Standards 2018-2020)
- MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use
-MFRS 137	Onerous Contracts – Cost of Fulfilling a Contract

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

(b) Amendments to MFRSs issued but not yet effective and not early adopted by the Group are as listed below:

- MFRS 101 Classification of Liabilities as Current or Non-current
- MFRS 101 Disclosure of Accounting Policies
- MFRS 108 Definition of Accounting Estimate
- MFRS 112 Deferred Tax related to Assets and Liabilities arising from a Single Transaction

It is anticipated that the adoption of the abovementioned amendments will not have any 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 2021.

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 31 March 2022.

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 31 March 2022.

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
Third interim single tier	3.5 sen	31.12.2021	6,300	09.03.2022	25.03.2022

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9. Segmental Reporting

The Group has the following reportable segments: -

2022	Furniture Manufacturing		Plantation		Other		Group	
	1st Quarter RM'000	YTD RM'000	1st Quarter RM'000	YTD RM'000	1st Quarter RM'000	YTD RM'000	1 st quarter RM'000	YTD RM'000
Revenue								
Total revenue	242,695	242,695	-	-	7,129	7,129	249,824	249,824
Inter-segment revenue	(764)	(764)	-	-	(7,129)	(7,129)	(7,893)	(7,893)
Revenue from external customers	241,931	241,931	-	-	-	-	241,931	241,931
Interest income	284	284	-	-	81	81	365	365
Finance costs	(298)	(298)	(4)	(4)	-	-	(302)	(302)
Net finance (costs)/income	(14)	(14)	(4)	(4)	81	81	63	63
Depreciation of property, plant and equipment and right-of-use assets	4,492	4,492	32	32	-	-	4,524	4,524
Segment profit/(loss) before tax	25,910	25,910	(94)	(94)	(60)	(60)	25,756	25,756
Additions to non-current assets	13,561	13,561	54	54	-	-	13,615	13,615
Segment assets		586,975		6,451		18,064		611,490
Segment liabilities		152,260		302		17		152,579

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The Group has the following reportable segments: -

2021	Furniture Manufacturing		Plantation		Other		Group	
	1 st Quarter RM'000	YTD RM'000	1 st Quarter RM'000	YTD RM'000	1 st Quarter RM'000	YTD RM'000	1 st Quarter RM'000	YTD RM'000
Revenue								
Total Revenue	237,999	237,999	-	-	8,237	8,237	246,236	246,236
Inter-segment revenue	(624)	(624)	-	-	(8,237)	(8,237)	(8,861)	(8,861)
Revenue from external customers	237,375	237,375	-	-	-	-	237,375	237,375
Interest income	345	345	-	-	90	90	435	435
Finance cost	(258)	(258)	(4)	(4)	-	-	(262)	(262)
Net finance (costs)/income	87	87	(4)	(4)	90	90	173	173
Depreciation of property, plant and equipment and right-of-use assets	4,275	4,275	31	31	-	-	4,306	4,306
Segment profit/(loss) before tax	17,487	17,487	(70)	(70)	(46)	(46)	17,371	17,371
Additions to non-current assets	5,272	5,272	64	64	-	-	5,336	5,336
Segment assets		569,131		4,919		18,264		592,314
Segment liabilities		165,083		317		123		165,523

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

	1 st Quarter Ended		Year to Date	
	31 March		31 March	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Africa	262	-	262	-
Asia	2,873	1,240	2,873	1,240
North America	227,520	226,628	227,520	226,628
Australia	228	281	228	281
Europe	140	117	140	117
Malaysia	10,908	9,109	10,908	9,109
	241,931	237,375	241,931	237,375

As at end of the reporting quarter, there were two (2) (2021: 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 2021, and there were no revaluations of properties, plant and equipment for the period ended 31 March 2022.

11. Material events subsequent to the end of the period

There were no material events subsequent to 31 March 2022 and up to the date of this announcement.

12. Changes in the composition of the Group

There were no changes in the composition of the Group for the period ended 31 March 2022.

13. Changes in contingent liabilities

There were no contingent liabilities as at the end of the quarter under review and the date of this report.

14. Capital Commitment

Authorised capital expenditure not provided for in the interim financial report as at 31 March 2022 were as follows:

Authorised and contracted but not provided for:	RM'000
Construction of factory building	753
Purchase of leasehold land	<u>1,532</u>

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15. **Recurrent Related Party Transactions**

Subsidiaries of the Company	Transacting Parties	Relationship	Nature of Transactions	Current Quarter Ended 31.03.22 RM	Cumulative Quarter Ended 31.03.22 RM
Favourite Design Sdn Bhd	Double Soon Huat Enterprise	A company in which Chua Yong Haup is a connected person	Provide sub-contract services	566,415	566,415
Favourite Design Sdn Bhd	NNST Capital Sdn Bhd	A company in which Tan Bee Eng has interest	Renting of building	72,090	72,090
Favourite Design Sdn Bhd	T-Home Furniture Industry Sdn Bhd	A company in which Joey Tok Siew Tin ⁽¹⁾ , has interest	Selling of furniture parts	2,898	2,898
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	12,132	12,132
LSG Furniture Sdn Bhd	Hong Tat Furniture Sdn Bhd	A company in which Sia Chee Shong ⁽²⁾ is a connected person	Provide sub-contract services	19,258	19,258
EF Furniture Sdn Bhd	T Fields Trading	A company in which Tan Bee Eng is a connected person	Provide printing services	377,902	377,902
LSG Furniture Sdn Bhd	LHE Resources Sdn Bhd	A company in which Chua Yong Haup, Tan Bee Eng and Tok Heng Leong have interest	Renting of building	133,957	133,957

Note ⁽¹⁾ Joey Tok Siew Tin is the Group Marketing Manager and sister to 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 (1 st Quarter)		Changes (%)	Cumulative Period		Changes (%)
	31.03.22	31.03.21		31.03.22	31.03.21	
	RM'000	RM'000	RM'000	RM'000		
Revenue	241,931	237,375	1.92%	241,931	237,375	1.92%
Profit before tax	25,756	17,371	48.27%	25,756	17,371	48.27%
Profit before tax margin (%)	10.65	7.32	45.49%	10.65	7.32	45.49%
Profit after tax	19,665	13,223	48.72%	19,665	13,223	48.72%
Profit attributable to Ordinary Equity of the Parent	18,975	12,223	55.24%	18,975	12,223	55.24%

(a) Current Quarter vs Preceding Year Corresponding Quarter

Despite no interruption of production activities in the current quarter as compared to the preceding year corresponding quarter where four of the subsidiaries were shut down for close to 4 weeks due to Covid-19 outbreak, the Group's turnover increased marginally by 1.92%. The disruption in global supply chain and exorbitant shipping charges were the main reasons for the deferment of shipments by customers which led to a lower volume of goods shipped in the current quarter.

Notwithstanding the lower shipments, the Group's profit before tax increased 48.27% as compared to the preceding year corresponding quarter. The main reasons for the higher profit margin were due the upward adjustment of selling prices for certain product and the appreciation of USD against RM by 3% (1st qtr 2022: 4.1859, 1st qtr 2021: 4.0630) for the current quarter under review.

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

The explanatory in 16(a) above apply.

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17 Variation of Results Against Preceding Quarter

Description	1st Qtr 2022 RM'000	4 th Qtr 2021 RM'000	Changes	
			RM'000	%
Revenue	241,931	222,174	19,757	8.89%
Profit before tax	25,756	16,689	9,067	54.33%
Profit after tax	19,665	13,501	6,164	45.66%
Profit attributable to Ordinary Equity Holders of the Parent	18,975	13,483	5,492	40.73%

The Group's turnover increased 8.89% compared to the immediate preceding quarter, mainly due to an increase in the sale of bedroom set products.

The upward price adjustment for certain products in the current quarter resulted gross profit margin improving by 2%. The lower administrative expenses for the current quarter as compared to preceding which were largely due to recruitment fee of RM5.6 million recognized in Quarter 4, 2021 led to an increase of 54.33% in the Group's profit before tax for the quarter under review. The average USD conversion rate was constant as compared to that of the immediate preceding quarter. (1st qtr 2022: 4.1869, 4th qtr 2021: 4.1769).

18. Current year prospects

The ongoing Russia-Ukraine war and the lockdown in China's major cities due to the rise in new Covid-19 infections, exacerbated the current strained global supply chain. The prevailing economic and logistics issues like rising commodities prices; container shortage and disrupted supply chain, elevated inflation while persistent shortage of manpower continues to pose challenges to the Group's business. On the local front, the shortage of manpower, together with the implementation of the new minimum wage standard, are expected to put pressure on operating costs for the manufacturing sector, especially for the furniture industry.

The Board of Directors, together with Management, being mindful of such challenges faced by the Group, will continue to exercise extra vigilance in decision-making to sustain business viability with the view to enhance long-term 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 remain robust, resilient and profitable for the financial year 2022.

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 31.03.2022 RM'000	Preceding Quarter 31.03.2021 RM'000	Current Year to Date 31.03.2022 RM'000	Corresponding Year to Date 31.03.2021 RM'000
Current taxation				
- provision for the period	5,666	3,873	5,666	3,873
- deferred taxation	425	<u>275</u>	425	<u>275</u>
	<u>6,091</u>	<u>4,148</u>	<u>6,091</u>	<u>4,148</u>

There was no disproportionate tax charge in relation to the Group's profit before taxation for the quarter under review.

21. Borrowings and Debt Securities

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

	1st Quarter Ended 31.03.2022 RM'000	Corresponding Year to Date 31.12.2021 RM'000
Short Term	RM'000	RM'000
Overdraft	2,213	-
Bankers' acceptances	17,240	21,124
Term loans	1,840	1,353
Hire purchase	<u>136</u>	<u>151</u>
Total	<u>21,429</u>	<u>22,628</u>
Long Term		
Term loans	9,017	3,845
Hire purchase	<u>404</u>	<u>428</u>
Total	<u>9,421</u>	<u>4,273</u>
Grand Total	<u>30,850</u>	<u>26,901</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 2.36% to 2.50% (2021: 2.39% to 2.54%) per annum.

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22. Financial Instruments - derivatives

As at 31 March 2022, 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	24,483	24,417	66

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) comprises the following:

	1 st Quarter Ended		Year to Date	
	31 March		31 March	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Foreign exchange gain/(loss)				
-realised	398	797	398	797
-unrealised	437	793	437	793
Gain/(loss) on disposal of property, plant and equipment	5	19	5	19
Gain on remeasurement of Right Of Use assets	26	10	26	10
Interest income	365	435	365	435
Fair value gain on derivative Financial instruments	66	(2,064)	66	(2,064)
Rental income	346	454	346	454
Sundry revenue	166	77	166	77
	<u>1,809</u>	<u>521</u>	<u>1,809</u>	<u>521</u>

24. Operating Expenses

The operating expenses include the following charges:

	1 st Quarter Ended		Year to Date	
	31 March		31 March	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Depreciation & amortization of property, plant and equipment and Right-Of-Use assets	4,524	4,306	4,524	4,306
Interest expenses	302	262	302	262

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 31 March 2022.

26. Material Litigations

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

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27. Dividends

The Board of Directors declared the payment of first single tier dividend of 4.0 sen per share totaling RM7.2 million in respect of the financial year ending 31 December 2022, payable on 29 June 2022 to depositors registered in the Records of Depositors at close of business on 15 June 2022.

28. Corporate Proposal

Alliance Islamic Bank Berhad, on behalf of LHIB, made an announcement that the listing application in relation to the Proposed Bonus Issue by the Company had been submitted to Bursa Securities Berhad on 29 April 2022. Approval from Bursa Securities on this Bonus Issue has been obtained on 17 May 2022.

29. Basic Earnings per Share

	1 st Quarter Ended		Year to Date	
	31 March		31 March	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Profit attributable to owners of the Parents	18,975	12,223	18,975	12,223
Weighted average number of shares('000)	180,000	180,000	180,000	180,000
Basic Earnings per Share (sen)	10.54	6.79	10.54	6.79

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