



LII HEN INDUSTRIES BHD



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DIRECTORS

Chua Lee Seng	Chairman and Managing Director
Tok Heng Leong	Executive Director
Mohd Qari Bin Ahmad	Executive Director
Tan Bee Eng	Executive Director
Chua Yong Haup	Executive Director
Tey Ping Cheng	Independent Non-Executive Director
Onn Yee Han	Independent Non-Executive Director

AUDIT COMMITTEE

Tey Ping Cheng	Committee Chairman
Onn Yee Han	
Chua Lee Seng	

NOMINATION AND REMUNERATION COMMITTEE

Tey Ping Cheng	Committee Chairman
Onn Yee Han	

SECRETARY

Tan Wang Giap	MACS 00523
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AUDITORS

John Lim & Associates
Chartered Accountants

PRINCIPAL BANKERS

OCBC Bank (Malaysia) Berhad
HSBC Bank Malaysia Berhad
Malayan Banking Berhad

CORPORATE INFORMATION

SOLICITORS

Iza Ng Yeoh & Kit

REGISTRARS

Plantation Agencies Sdn Berhad
Standard Chartered Bank Chambers
Lebuh Pantai
10300 Penang Pulau Mutiara
Tel: 04-2625333 Fax: 04-2622018

REGISTERED OFFICE

67, 2nd Floor
Room B, Jalan Ali
84000 Muar, Johor Darul Takzim
Tel: 06-9541818 Fax: 06-9525823

PRINCIPAL PLACE OF BUSINESS

Plo 43, Kawasan Perindustrian Bukit Pasir
Jalan Raja, Mukim Sungai Raya
84300 Bukit Pasir
Muar, Johor Darul Takzim
Tel: 06-9857202 Fax: 06-9857818
Email: lhib @ liihenfurniture.com

STOCK EXCHANGE LISTING

Main Board of the Bursa Malaysia Securities Berhad

WEBSITE

www.liihenfurniture.com





NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twelfth Annual General Meeting of Lii Hen Industries Bhd. (Company No. 301361-U) will be held at Classic 1, Ballroom, Classic Hotel, 69, Jalan Ali, 84000 Muar, Johor on Friday, 16 day of June, 2006 at 11.30 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive the audited financial statements for the year ended 31 December 2005 and the Reports of the Directors and Auditors thereon. (Resolution 1)
2. To sanction the payment of a first and final dividend of 1.5% less 28% tax for the year ended 31 December 2005 (Resolution 2)
3. To re-elect Directors retiring under the Company's Articles of Association
 - (a) Chua Yong Haup (Article 83) (Resolution 3)
 - (b) Tey Ping Cheng (Article 83) (Resolution 4)
 - (c) Onn Yee Han (Article 90) (Resolution 5)
4. To re-appoint Messrs. John Lim & Associates as auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 6)

AS SPECIAL BUSINESSES

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:-

5. Authority to Issue Shares

``THAT pursuant to Section 132D of the Companies Act, 1965, and subject to the approvals of the relevant Governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time upon such terms and conditions and for such purposes and to such person or persons whomsoever as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution in any one financial year does not exceed 10% of the issued share capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval from the Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company``. (Resolution 7)

NOTICE OF ANNUAL GENERAL MEETING

6. "THAT pursuant to the Company's Employees' Share Option Scheme ("the ESOS") as approved at the Extraordinary General Meeting of the Company held on 7 February 2002, the Directors of the Company be and are hereby authorised, in accordance with Section 132D of the Companies Act, 1965, to allot and issue shares in the Company from time to time in accordance with the ESOS".

(Resolution 8)

7. **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature pursuant to paragraph 10.09 of the Bursa Malaysia Listing Requirements**

"THAT, subject always to the Listing Requirements of the Bursa Malaysia, the shareholders' mandate for the Company and/or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature which Messrs. Chua Lee Seng, Tok Heng Leong, Soo Tee Heng(f) and Tok Heng Hwa(f) which are necessary for the day-to-day operations of the Company and/or its subsidiary companies in the ordinary course of business, at arm's length, on normal commercial terms and on terms not more favourable to Messrs Chua Lee Seng, Tok Heng Leong, Soo Tee Heng(f) and Tok Heng Hwa(f) than those generally available to the public and which are not detrimental to the minority shareholders of the Company, particulars of which are set out in Section 2.2 of the Circular to Shareholders dated 25 May 2006, be hereby renewed and to continue in force until the conclusion of the next Annual General Meeting of the Company or at the expiration of the period within which the next Annual General Meeting of the Company is required to be held under the Companies Act, 1965 (excluding any extension of such period as may be allowed under Companies Act, 1965) and that disclosure be made in the annual report of the Company of the aggregate value of such transactions conducted pursuant to the shareholders' mandate granted herein during the financial year and THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary or in the interests of the Company and/or its subsidiary companies and to give effect to the transactions completed and/or authorised by this Resolution.

(Resolution 9)

8. **Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature pursuant to paragraph 10.09 of the Bursa Malaysia Listing Requirements**

"THAT, subject always to the Listing Requirements of the Bursa Malaysia, approval be and is hereby given for the Company and/or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature with Messrs. EFE Expo Sdn Bhd and Domain Partners Sdn Bhd which are necessary for the day-to-day operations of the Company and/or its subsidiary companies in the ordinary course of business, at arm's length, on normal commercial terms and on terms not more favourable to Messrs EFE Expo Sdn Bhd and Domain Partners Sdn Bhd than those generally available to the public and which are not detrimental to the minority shareholders of the Company, particulars of which are set out in Section 2.2 of the Circular to Shareholders dated 25 May 2006, such approval to continue in force until the conclusion of the next Annual General Meeting of the Company or at the expiration of the period within which the next Annual General Meeting of the Company is required to be held under the Companies Act, 1965 (excluding any extension of such period as may be allowed under Companies Act, 1965) and that disclosure be made in the annual report of the Company of the aggregate value of such transactions conducted pursuant to the shareholders' mandate granted herein during the financial year and THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary or in the interests of the Company and/or its subsidiary companies and to give effect to the transactions completed and/or authorised by this Resolution.

(Resolution 10)

9. To consider any other business for which due notice shall have been given in accordance with the Companies Act, 1965.



NOTICE OF ANNUAL GENERAL MEETING

NOTICE OF ENTITLEMENT DATE AND DIVIDEND PAYMENT

NOTICE IS HEREBY GIVEN that a first and final dividend of 1.5% less 28% tax in respect of the financial year ended 31 December 2005, if approved by members at the Twelfth Annual General Meeting on 16 June 2006, will be paid on 25 July 2006 to Depositors registered in the Records of Depositors at the close of business on 6 July 2006.

A Depositor shall qualify for entitlement only in respect of:-

- (a) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 6 July 2006 in respect of ordinary transfer, and
- (b) Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

By Order of the Board

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Tan Wang Giap (MACS 00523)
Secretary

Muar, Johor Darul Takzim
25 May 2006

NOTICE OF ANNUAL GENERAL MEETING

Notes

1. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
2. Where a member appoints two or more proxies, the appointment shall be invalid unless the member specifies the proportions of this holding to be represented by each proxy.
3. The instrument appointing a proxy in the case of any individual shall be signed by the appointor or his attorney duly authorised in writing and in the case of a corporation under its common seal or under the hand of an officer or attorney duly authorised.
4. To be valid the proxy form must be duly completed and deposited at the registered office of the Company, No. 67, 2nd Floor, Room B, Jalan Ali, 84000 Muar, Johor, not less than forty eight (48) hours before the time for holding the meeting.

Explanatory Notes on Special Businesses

5. **Resolution 7 - Authority to Issue Shares**

The Ordinary Resolution if passed will empower the Directors of the Company to issue and allot shares in the Company from time to time and for such purpose as the Directors consider would be in the interest of the Company. This authority will, unless revoked or varied by the Company in general meeting, expire at the next Annual General Meeting of the Company.

6. Resolution 8, if passed, will enable the Directors of the Company, from the date of the General Meeting, to allot and issue ordinary shares of the Company to those employees who have exercised their options under the Employees' Share Option Scheme. This authority unless revoked or varied at a general meeting will expire at the next Annual General Meeting.

7. **Resolution 9 - Proposed Renewal of Existing Shareholders' Mandate For Recurrent Related Party Transactions**

The Ordinary Resolution if passed, will enable the Company to enter into recurrent related party transactions with Messrs Chua Lee Seng, Tok Heng Leong, Soo Tee Heng (f) and Tok Heng Hwa (f) for the purposes of paragraph 10.09 of the Bursa Malaysia Listing Requirements. This authority, subject to renewal thereat, will expire at the conclusion of the next Annual General Meeting of the Company following the passing of this Ordinary Resolution or at the expiration of the period within which the next Annual General Meeting of the Company is required to be held under the Companies Act, 1965 (excluding any extension of such period as may be allowed under the Companies Act, 1965) (unless earlier revoked or varied by Ordinary Resolution of the Company in a general meeting), whichever is earlier.

8. **Resolution 10 - Proposed New Shareholders' Mandate For Recurrent Related Party Transactions**

The Ordinary Resolution if passed, will enable the Company to enter into recurrent related party transactions with Messrs EFE Expo Sdn Bhd and Domain Partners Sdn Bhd for the purposes of paragraph 10.09 of the Bursa Malaysia Listing Requirements. This authority, subject to renewal thereat, will expire at the conclusion of the next Annual General Meeting of the Company following the passing of this Ordinary Resolution or at the expiration of the period within which the next Annual General Meeting of the Company is required to be held under the Companies Act, 1965 (excluding any extension of such period as may be allowed under the Companies Act, 1965) (unless earlier revoked or varied by Ordinary Resolution of the Company in a general meeting), whichever is earlier.



STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

1. DATE, TIME AND PLACE OF THE BOARD MEETINGS

Four (5) Board Meetings were held at Conference Room of Lii Hen Industries Berhad during the financial year.

Date of meeting	Time	Place
26 Feb 2005	12.30pm	Muar
16 Apr 2005	11.45am	Muar
28 May 2005	11.40am	Muar
27 Aug 2005	11.30am	Muar
26 Nov 2005	11.45am	Muar

2. DETAILS OF DIRECTORS' ATTENDANCE AT BOARD MEETINGS

Directors	Attendance
Chua Lee Seng	5/5
Tan Bee Eng	5/5
Chua Yong Haup	5/5
Tok Heng Leong	5/5
Mohd Qari Bin Ahmad	5/5
Tey Ping Cheng	5/5
Dr Chua Tuan Meng (resigned on 30.12.2005)	1/5
Onn Yee Han (appointed on 30.12.2005)	0/5

3. NAME OF DIRECTORS STANDING FOR RE-ELECTION

In accordance with the Company's Articles of Association, the Directors who are standing for re-election at the forthcoming Annual General Meeting of the Company are as follows :

Chua Yong Haup
Tey Ping Cheng
Onn Yee Han

4. DETAILS OF DIRECTORS STANDING FOR RE-ELECTION

The details of Directors standing for re-election are disclosed in the Profile of Directors on pages 12 to 13 of the annual report.

