

# MERGENT INDUSTRIAL

NEW LISTING

May 26, 2009

This Supplemental News Reports is published as required, is part of the annual MERGENT INDUSTRIAL, OTC and OTC UNLISTED MANUALS and will be included in the bound 2009 June Monthly News Reports and is published on our Website.

## L&L INTERNATIONAL HOLDINGS INC.

Company Website: [www.lnlinternational.com](http://www.lnlinternational.com)

**History:** Incorporated in Nevada in 1995 as Lee & Lam Financial Consultants, Ltd. Name changed to L&L Financial Holdings, Inc. subsequently. Present name adopted on May 2, 2008.

In 2004, Co. acquired a 60.4% equity of Liuzhou Luerkong Machinery Co., Ltd. ("LEK") air-compressor operations.

On Oct. 30, 2006, Co. acquired a 60% equity of KMC Inc. coal operations.

In 2007, Co. acquired the remaining 40% in KMC Inc. coal operations.

In Feb. 2008, Co. acquired a 20% equity in LEK.

On May 28, 2008, Co. acquired a 60% equity in two commercially licensed, operating coal mines (the DaPuAn coal mine and SuTsong coal mine) in Yunnan. The 2 mines have approx. 150,000 tons and approx. 90,000 tons of annual coal productions, respectively.

On Jan. 23, 2009, Co. disposed off the LEK air compressor joint venture, thus the air compressor operations become a discontinued operation. Co. is to return all the shares it owned in LEK to the minority shareholders of LEK; and the minority shareholders of LEK is to return all the shares it owned in Co. to Co. Accordingly, Co. received 1,708,283 Co. common shares valued at \$4,168,211 while Co. returned 1,517,057 shares and held 191,226 shares or 9% of shares as remaining interest in LEK. As part of disposal LEK agreed to distribute all post acquisition earnings of LEK to Co. for the period from Dec. 2004 to Jan. 2009 (up to the date of disposal).

**Business Activities:** L & L International Holdings is engaged in the business of coal mining and coal consolidation and wholesale. Co. holds and operates coal mines and wholesale facilities in the coal-rich Yunnan Province of the People's Republic of China. Total coal reserves held by Co. are estimated at 87 million tons. Co. operates through controlling interests in KunMing Coal Ltd. ("KMC") and L&L Coal. KMC is a wholly owned subsidiary of Co. involved in the consolidation and wholesale of coal. L&L Coal recently acquired two mining facilities, DaPuAn Mine and SuTsong Mine, which are operating and profitable. Co. also owns two other mines, Tian-Ri and Laos, which are being developed.

**Property:** Co. maintains its principal executive offices in Seattle, WA, in approx. 1,600 sq. ft. of leased office space.

Co.'s subsidiary, KunMing Coal ("KMC"), leases 3,800 sq. ft. office, located at Yunnan University Science & Technology Building, Kunming, China. KMC owns 80% of a coal mine exploration right (Tian-Ri Coal Mine), located in Yunnan, China. The mine covers approx. 2 sq. miles in size.

Co. owns an office property (approx. 1,600 sq. ft.) located in Shenzhen, China.

### Subsidiaries

KunMing Coal Ltd. (China (Peoples Rep. Of))  
L&L Coal (China (Peoples Rep. Of))

### Officers

Dickson V. Lee, CPA, Chairman; Chief Executive Officer; Subsidiary Officer  
Tony H Y Li, Chief Executive Officer - KMC Energy Operations  
Francis Zhang, Operations Executive

### Directors

Dickson V. Lee, CPA, Chairman  
Joseph J. Borich Shirley Kiang  
Robert Lee Ian Robinson

**Auditors:** Kabani & Company, Inc.

**Shareholder Relations:** Maila Rivad, Tel.: 206-264-8065

**No. of Stockholders:** May 11, 2009, 400

**No. of Employees:** May 11, 2009, 500

**Address:** 130 Andover Park East, Suite 101, Seattle, WA 98188 Tel.: 206 264-8065 Fax: 206 264-7971

**E-mail:** [dixlnl@msn.com](mailto:dixlnl@msn.com) **Web:** [www.lnlinternational.com](http://www.lnlinternational.com)

### Consolidated Income Account, years ended (in \$):

	4/30/2008	4/30/2007	12/31/2006
Sales	32,091,290	19,005,995	13,076,143
Consulting inc			20,000
Tot revs	32,091,290	19,005,995	13,096,143
Cost of goods sold	27,571,907	15,113,473	9,249,202
Consulting exps	30,908	78,189	95,006
Tot cost of sales	27,602,815	15,191,662	9,344,208
Gross profit	4,488,475	3,814,333	3,751,935
Personnel costs	1,208,524	283,967	1,521,460
Selling, gen & admin exps	1,542,784	3,167,261	1,789,078
Tot oper exps	2,751,308	3,451,228	3,310,538
Int exp	264,280	220,744	35,117
Other inc	948,742	3,237,978	1,092,465
Tot other inc	684,462	3,017,234	1,057,348
Inc bef inc tax & minor interes	2,421,629	3,380,339	1,498,745
Prov for inc tax	561,869	1,057,329	98,253
Inc bef minor int	1,859,760	2,323,010	1,400,492
Minor int in consol subsidiarie	459,750	1,128,831	853,532
Net inc	1,400,010	1,194,179	546,960
Common shares:			
Weight avg shares outstg-basic	20,854,212	19,273,248	18,486,601
Weight avg shares outstg-diluted	21,255,210	19,684,988	19,024,968
Yr end shares outstg	21,059,714	19,273,248	18,655,751
Net inc per com sh-basic	\$0.07	\$0.07	\$0.03
Net inc per com sh-diluted	\$0.07	\$0.07	\$0.03
Tot no of employees	□60		
□ Approximately			

### Consolidated Balance Sheet, as of April 30 (in \$):

	2008	2007
Assets:		
Cash	1,316,323	885,229
Accts receiv	8,149,183	8,006,748
Bad debt prov-accts receiv	1,544,491	1,360,440
Notes receiv	78,356	350,551
Prepay	3,274,650	3,140,486
Receiv-KMC right sale	1,857,547	2,500,000
Other receiv	3,733,593	2,347,174
Adv to employees		117,340
Prepay & other receiv	8,865,790	8,105,000
Raw materials, net	1,765,298	1,537,586
Work in process	543,465	749,295
Coal & other mater	1,336,489	593,187
Finished goods	398,032	317,352

Invent	4,043,284	3,197,420
Prov of invent-obsolete	183,262	114,561
Tot curr assets	20,725,183	19,069,947
Buildings	1,022,559	917,681
RuiLi Project, prop at cost	400,687	400,687
Furniture, fixtures & office equip	1,784,184	1,649,657
Vehicles	135,568	127,983
Lsehd improve	110,132	109,357
Prop & equipment, gross	27,524	27,524
Less: accum deprec	3,480,654	3,232,889
Prop & equipment, net	933,183	646,900
Goodwill	2,547,471	2,585,989
Loan fr bus associate	1,591,704	1,591,704
Invests	4,313,071	4,313,071
Tot long-term assets	479,434	464,602
Tot assets	8,931,680	8,955,366
Liabilities:	29,656,863	28,025,313
Accts pay	1,292,634	2,835,289
LEK-Accrued office exps	15,589	54,425
LEK-Accrued staff sal & benefits	(27,382)	168,094
LEK-Accrued other oper exps includin LEK-accrual	8,863	7,422
LEK-Bills Pay	(2,930)	229,941
LEK-other short term liabil	61,571	
LEK-other pay	98,474	127,596
KMC-pays	97,616	532,841
Co. pay	3,054	19,231
Co. due to controlling shareholder	(2,175)	
Accrued & other curr liabil	680,062	491,932
Tax pay	935,672	1,401,541
Customer dep	3,563,809	3,836,301
Bank loan & bank line of cr	1,058,285	713,386
Tot curr liabil	2,274,430	1,923,077
Minor int	9,124,830	10,709,594
Com stk	7,868,355	6,919,257
Paid-in cap	21,060	19,273
Defer stk compens	9,978,810	9,147,847
Fgn currency transl	105,667	147,667
Retain earn	cr100,339	cr107,883
Tot stkhldrs eq	2,669,136	1,269,126
	12,663,678	10,396,462

**Line of Credit:** Co. receives a \$150,000 credit line from its founder, who applied the credit line from United Commercial Bank at Seattle under his personal name. The credit line is secured by the founder's house. Term of the credit line started since June 20, 2007 is on a one year, renewable basis with an adjustable interest rate of approximately 6% per annum as of Apr. 30, 2008. Monthly interest of the credit line is paid by Co.

**Capital: 1. L&L International Holdings Inc. common; par \$0.001.**  
AUTH +20,000,000 shs.

MERGENT MANUALS (ISSN 0895-3252) is published weekly on Tuesday by Mergent 60 Madison Ave., New York, NY 10010. Subscription rate \$647.50 per annum for the News Report portion of the Mergent Manuals service in the United States and Canada (Not to be sold separately from the Manual). Copyright © 2008 by Mergent. All Information contained herein is copyrighted in the name of Mergent and none of such information may be copied or otherwise reproduced, repackaged, further transmitted, transferred, disseminated, redistributed or resold, or stored for subsequent use for any such purpose, in whole or in part, in any form or matter or by any means whatsoever, by any person without prior written consent.

All information contained herein is obtained by MERGENT, from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical error as well as other factors, however, such information is provided "as is" without warranty of any kind. NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY INFORMATION IS GIVEN OR MADE BY MERGENT IN ANY FORM OR MANNER WHATSOEVER. Under no circumstances shall MERGENT have any liability to any person or entity for (a) any loss or damage in whole or in part caused by, resulting from, or relating to, any error (negligent or otherwise) or other circumstance involved in procuring, collecting, compiling, interpreting, analyzing, editing, transcribing, transmitting, communicating or delivering any such information, or (b) any direct, indirect, special, consequential or incidental damages whatsoever, even if MERGENT is advised in advance of the possibility of such damages, resulting from the use of, or inability to use, any such information.

OUTSTG —Apr. 30, 2008 21,059,714 shs; par \$0.001.	PRICE RANGE —		
WARRANTS —3,020,459 shs.		2009	2008
OWNERSHIP —As of Apr. 30, 2008, Dickson Lee owned 36.53% of Co.'s outstanding common stock.	High .....	2.45	2.50
LISTED —Over-the-Counter : LLFH	Low .....	0.30	0.30