

# LONDON BISCUITS BERHAD

(Incorporated in Malaysia-Co. No. 72057-H)



## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2011

|                                           | As at end of<br>current year<br>quarter ended<br>30.6.2011<br>(Unaudited)<br>RM'000 | (As restated)<br>As at preceding<br>financial<br>year ended<br>30.6.2010<br>(Audited)<br>RM'000 |
|-------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| <b>ASSETS</b>                             |                                                                                     |                                                                                                 |
| <b>Non-current Assets</b>                 |                                                                                     |                                                                                                 |
| Property, plant and equipment             | 415,185                                                                             | 355,047                                                                                         |
| Investment properties                     | 3,410                                                                               | 3,410                                                                                           |
| Interest in an associated company         | -                                                                                   | 20,232                                                                                          |
| Investments                               | 809                                                                                 | 825                                                                                             |
| Intangible assets                         | 12,660                                                                              | 12,660                                                                                          |
|                                           | 432,064                                                                             | 392,174                                                                                         |
| <b>Current Assets</b>                     |                                                                                     |                                                                                                 |
| Inventories                               | 36,910                                                                              | 31,563                                                                                          |
| Biological Assets                         | 15,140                                                                              | -                                                                                               |
| Trade receivables                         | 47,804                                                                              | 26,306                                                                                          |
| Other receivables, deposits & prepayments | 44,586                                                                              | 29,815                                                                                          |
| Deposits, cash and bank balances          | 25,709                                                                              | 21,506                                                                                          |
|                                           | 170,149                                                                             | 109,190                                                                                         |
| <b>TOTAL ASSETS</b>                       | 602,213                                                                             | 501,364                                                                                         |
| <b>EQUITY</b>                             |                                                                                     |                                                                                                 |
| Share Capital                             | 96,014                                                                              | 96,014                                                                                          |
| Reserves                                  | 115,172                                                                             | 103,316                                                                                         |
| <b>Shareholders' Equity</b>               | 211,186                                                                             | 199,330                                                                                         |
| Share application monies                  | 6,520                                                                               | -                                                                                               |
| Non-controlling interest                  | 72,212                                                                              | 49,447                                                                                          |
| <b>Total Equity</b>                       | 289,918                                                                             | 248,777                                                                                         |
| <b>LIABILITIES</b>                        |                                                                                     |                                                                                                 |
| <b>Non-Current Liabilities</b>            |                                                                                     |                                                                                                 |
| Hire-purchase creditors                   | 18,980                                                                              | 26,626                                                                                          |
| Term loans                                | 69,569                                                                              | 72,938                                                                                          |
| Deferred taxation                         | 3,477                                                                               | 644                                                                                             |
|                                           | 92,026                                                                              | 100,208                                                                                         |
| <b>Current Liabilities</b>                |                                                                                     |                                                                                                 |
| Trade payables                            | 56,290                                                                              | 52,273                                                                                          |
| Bankers' acceptances                      | 84,757                                                                              | 44,224                                                                                          |
| Revolving credits                         | 29,000                                                                              | 17,000                                                                                          |
| Other payables & accruals                 | 9,114                                                                               | 6,571                                                                                           |
| Hire-purchase creditors                   | 14,768                                                                              | 12,674                                                                                          |
| Term loans                                | 20,085                                                                              | 19,054                                                                                          |
| Bank overdraft                            | 6,087                                                                               | 399                                                                                             |
| Income tax liabilities                    | 168                                                                                 | 184                                                                                             |
|                                           | 220,269                                                                             | 152,379                                                                                         |
| <b>Total Liabilities</b>                  | 312,295                                                                             | 252,587                                                                                         |
| <b>TOTAL EQUITY AND LIABILITIES</b>       | 602,213                                                                             | 501,364                                                                                         |
| Net Assets per share (sen)                | 2.20                                                                                | 2.08                                                                                            |

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 30th June 2010)

# LONDON BISCUITS BERHAD

(Incorporated in Malaysia-Co. No. 72057-H)



Financial Year End : 30/6/2011  
Quarter : Fourth quarter

Quarterly report on consolidated results for the fourth quarter ended 30th June, 2011.  
These figures have not been audited.

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 30TH JUNE 2011

|                                               | Individual Period                                                   |                                                                                        | Cumulative Period                                                 |                                                                                      |
|-----------------------------------------------|---------------------------------------------------------------------|----------------------------------------------------------------------------------------|-------------------------------------------------------------------|--------------------------------------------------------------------------------------|
|                                               | Current Year<br>Quarter Ended<br>30.6.2011<br>(Unaudited)<br>RM'000 | Preceding Year<br>Corresponding<br>Quarter Ended<br>30.6.2010<br>(Unaudited)<br>RM'000 | Current<br>Year-to-<br>Date<br>30.6.2011<br>(Unaudited)<br>RM'000 | Preceding Year<br>Corresponding<br>Quarter Ended<br>30.6.2010<br>(Audited)<br>RM'000 |
| REVENUE                                       | 71,994                                                              | 71,290                                                                                 | 255,784                                                           | 223,434                                                                              |
| OPERATING EXPENSES                            | (59,124)                                                            | (69,356)                                                                               | (223,850)                                                         | (202,710)                                                                            |
| OTHER OPERATING INCOME                        | 761                                                                 | 2,084                                                                                  | 4,409                                                             | 2,926                                                                                |
| GROSS PROFIT                                  | 13,631                                                              | 4,018                                                                                  | 36,343                                                            | 23,650                                                                               |
| FINANCE COSTS                                 | (5,052)                                                             | (179)                                                                                  | (15,990)                                                          | (8,193)                                                                              |
| SHARE OF RESULT IN ASSOCIATED COMPANY         | -                                                                   | (149)                                                                                  | -                                                                 | 2,137                                                                                |
| PROFIT BEFORE INCOME TAX                      | 8,579                                                               | 3,690                                                                                  | 20,353                                                            | 17,594                                                                               |
| INCOME TAX EXPENSE                            | (127)                                                               | 1,790                                                                                  | (3,264)                                                           | 471                                                                                  |
| PROFIT AFTER INCOME TAX                       | 8,452                                                               | 5,480                                                                                  | 17,089                                                            | 18,065                                                                               |
| OTHER COMPREHENSIVE INCOME                    | -                                                                   | -                                                                                      | -                                                                 | -                                                                                    |
| TOTAL COMPREHENSIVE PROFIT FOR THE PERIOD     | 8,452                                                               | 5,480                                                                                  | 17,089                                                            | 18,065                                                                               |
| ATTRIBUTABLE TO:                              |                                                                     |                                                                                        |                                                                   |                                                                                      |
| Equity holders of the Company                 | 7,073                                                               | 3,414                                                                                  | 13,296                                                            | 15,064                                                                               |
| Non-controlling interest                      | 1,379                                                               | 2,066                                                                                  | 3,793                                                             | 3,001                                                                                |
| PROFIT AFTER INCOME TAX                       | 8,452                                                               | 5,480                                                                                  | 17,089                                                            | 18,065                                                                               |
| Attributable to equity holders of the Company |                                                                     |                                                                                        |                                                                   |                                                                                      |
| EARNINGS PER SHARE (SEN)                      |                                                                     |                                                                                        |                                                                   |                                                                                      |
| - Basic                                       | 7.37                                                                | 3.92                                                                                   | 13.85                                                             | 17.31                                                                                |
| - Diluted                                     | 6.41                                                                | 3.92                                                                                   | 12.04                                                             | 17.31                                                                                |

(The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 30th June 2010)

# LONDON BISCUITS BERHAD

(Incorporated in Malaysia-Co. No. 72057-H)



## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| Period ended 30th June 2011                                      | Share Capital<br>RM'000 | Share Application<br>Monies<br>RM'000 | Share Premium<br>RM'000 | Revaluation Reserve<br>RM'000 | Retained Profit<br>RM'000 | Non-Controlling Interest<br>RM'000 | Total<br>RM'000 |
|------------------------------------------------------------------|-------------------------|---------------------------------------|-------------------------|-------------------------------|---------------------------|------------------------------------|-----------------|
| At 1st July 2010                                                 | 96,014                  | -                                     | 13,774                  | 3,816                         | 85,726                    | 49,447                             | 248,777         |
| Employees' share option scheme                                   | -                       | 6,520                                 | -                       | -                             | -                         | -                                  | 6,520           |
| Minority share of net assets in a subsidiary company             | -                       | -                                     | -                       | -                             | -                         | 19,576                             | 19,576          |
| Minority share of dividend in a subsidiary                       | -                       | -                                     | -                       | -                             | -                         | (604)                              | (604)           |
| Interim dividend at 1.5% tax exempted paid on 26th November 2010 | -                       | -                                     | -                       | -                             | (1,440)                   | -                                  | (1,440)         |
| Profit after income tax                                          | -                       | -                                     | -                       | -                             | 13,296                    | 3,793                              | 17,089          |
| At 30th June 2011                                                | 96,014                  | 6,520                                 | 13,774                  | 3,816                         | 97,582                    | 72,212                             | 289,918         |

| Period ended 30th June 2010                                           | Share Capital<br>RM'000 | Share Application<br>Monies<br>RM'000 | Share Premium<br>RM'000 | Revaluation Reserve<br>RM'000 | Retained Profit<br>RM'000 | Non-Controlling Interest<br>RM'000 | Total<br>RM'000 |
|-----------------------------------------------------------------------|-------------------------|---------------------------------------|-------------------------|-------------------------------|---------------------------|------------------------------------|-----------------|
| At 1st July 2009                                                      | 78,045                  | 5,325                                 | 13,522                  | 3,816                         | 73,280                    | 46,823                             | 220,811         |
| Employees' share option scheme                                        | 17,969                  | (5,325)                               | 252                     | -                             | -                         | -                                  | 12,896          |
| Minority share of dividend in a subsidiary                            | -                       | -                                     | -                       | -                             | -                         | (377)                              | (377)           |
| First and final dividend of 3%, tax exempted paid on 23rd March, 2010 | -                       | -                                     | -                       | -                             | (2,618)                   | -                                  | (2,618)         |
| Profit after income tax                                               | -                       | -                                     | -                       | -                             | 15,064                    | 3,001                              | 18,065          |
| At 30th June 2010                                                     | 96,014                  | -                                     | 13,774                  | 3,816                         | 85,726                    | 49,447                             | 248,777         |

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 30th June 2010)

# LONDON BISCUITS BERHAD

(Incorporated in Malaysia-Co. No. 72057-H)



## CONSOLIDATED STATEMENT OF CASH FLOW FOR THE FOURTH QUARTER ENDED 30TH JUNE 2011

|                                                                           | Current year<br>to date<br>30.6.2011<br>(Unaudited)<br>RM'000 | Corresponding<br>year ended<br>30.6.2010<br>(Audited)<br>RM'000 |
|---------------------------------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                               |                                                               |                                                                 |
| Profit before income tax                                                  | 20,353                                                        | 17,594                                                          |
| Adjustments for:-<br>Non-cash items                                       | 28,721                                                        | 20,375                                                          |
| Operating profits before working capital changes                          | <u>49,074</u>                                                 | <u>37,969</u>                                                   |
| Net changes in current assets                                             | (33,331)                                                      | (8,468)                                                         |
| Net changes in current liabilities                                        | (17,537)                                                      | 22,476                                                          |
| Cash (absorbed by)/generated from operations                              | <u>(1,794)</u>                                                | <u>51,977</u>                                                   |
| Other operating activities                                                | (18,964)                                                      | (12,934)                                                        |
| <b>NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES</b>                | <u>(20,758)</u>                                               | <u>39,043</u>                                                   |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>                              | (5,752)                                                       | (40,092)                                                        |
| <b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>                          | 25,025                                                        | 6,933                                                           |
| <b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>                           | <u>(1,485)</u>                                                | <u>5,884</u>                                                    |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE<br/>FINANCIAL PERIOD</b> | 21,107                                                        | 15,223                                                          |
| <b>CASH AND CASH EQUIVALENTS AT END OF THE<br/>FINANCIAL PERIOD</b>       | <u><u>19,622</u></u>                                          | <u><u>21,107</u></u>                                            |

Property, plant and equipment at aggregate cost of RM35,115,000 (2010-RM50,780,000) was acquired during the financial period of which RM8,661,000 (2010-RM11,048,000) was acquired by means of hire-purchase

### Cash & cash equivalents carried forward consists of:-

|                                        |                      |                      |
|----------------------------------------|----------------------|----------------------|
| Fixed deposits, Cash and bank balances | 25,709               | 21,506               |
| Bank overdrafts                        | <u>(6,087)</u>       | <u>(399)</u>         |
|                                        | <u><u>19,622</u></u> | <u><u>21,107</u></u> |

(The unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the financial year ended 30th June 2010)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2011

### 1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard (“FRS”) 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30<sup>th</sup> June 2010. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30<sup>th</sup> June 2010.

### 2. Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the financial statements for the year ended 30<sup>th</sup> June 2010 except for adoption of the following new and revised FRSs, IC Interpretations and Amendments to FRSs and IC Interpretations which are applicable to its financial statements.

|                               |                                                                                                                                                                                                                  |
|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FRS 7                         | Financial Instruments: Disclosures                                                                                                                                                                               |
| FRS 8                         | Operating Segments                                                                                                                                                                                               |
| FRS 101                       | Presentation of Financial Statements (revised)                                                                                                                                                                   |
| FRS 123                       | Borrowing Costs (revised)                                                                                                                                                                                        |
| FRS 139                       | Financial Instruments: Recognition and Measurement                                                                                                                                                               |
| Amendments to FRS 1           | First-time Adoption of Financial Reporting Standards                                                                                                                                                             |
| Amendments to FRS 2           | Share-based Payment: Vesting Conditions and Cancellations                                                                                                                                                        |
| Amendments to FRS 7           | Financial Instruments: Disclosures                                                                                                                                                                               |
| Amendments to FRS 107         | Statement of Cash Flows                                                                                                                                                                                          |
| Amendments to FRS 117         | Leases                                                                                                                                                                                                           |
| Amendments to FRS 127         | Consolidation and Separate Financial Statements: Costs of and Investment in a Subsidiary, Jointly Controlled Entity or Associate                                                                                 |
| Amendments to FRS 132         | Financial Instruments: Presentation <ul style="list-style-type: none"><li>- Puttable Financial Instruments and Obligations Arising on Liquidation</li><li>- Separation of Compound Instruments</li></ul>         |
| Amendments to FRS 139         | Financial Instruments: Recognition and Measurement <ul style="list-style-type: none"><li>- Reclassification of Financial Assets</li><li>- Collective Assessment of Impairment for Banking Institutions</li></ul> |
| Improvements to FRSs (2009)   |                                                                                                                                                                                                                  |
| IC Interpretation 9           | Reassessment of Embedded Derivatives                                                                                                                                                                             |
| IC Interpretation 10          | Interim Financial Reporting and Impairment                                                                                                                                                                       |
| IC Interpretation 11, FRS 2   | Group and Treasury Share Transactions                                                                                                                                                                            |
| IC Interpretation 14, FRS 119 | The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction                                                                                                                         |

Other than as discussed below on amendment to FRS 117, Leases, the adoption of the above FRSs, Admendments to FRSs and IC Interpretations does not have significant financial impact on the Group.



Prior to the adoption of the Amendment to FRS 117, leasehold lands were treated as operating leases. The considerations paid were classified and presented as prepaid lease payments in the statement of financial position. With the adoption of the Amendment to FRS 117, the Group has reassessed and determined that all leasehold land of the Group which is in substance financial leases and has reclassified the leasehold land to property, plant and equipment.

The change in accounting policy has been made retrospectively in accordance with the transitional provisions of the amendment. The effect of the reclassification to the comparative of the prior financial year's consolidated statement of financial position is as follows:

| 30 <sup>th</sup> June 2010                                                       | As previously reported<br>RM'000 | Reclassification<br>RM'000 | As restated<br>RM'000 |
|----------------------------------------------------------------------------------|----------------------------------|----------------------------|-----------------------|
| <b>Consolidated Statement of Financial Position</b>                              |                                  |                            |                       |
| Property, plant & equipment                                                      | 348,820                          | 6,227                      | 355,047               |
| Prepaid lease payment                                                            | 6,227                            | (6,227)                    | -                     |
| <b>Consolidated Statement of Comprehensive Income and Statement of Cash flow</b> |                                  |                            |                       |
| Depreciation of property, plant and equipment                                    | 9,865                            | 181                        | 10,046                |
| Amortisation of prepaid lease payments                                           | 181                              | (181)                      | -                     |

### 3. Qualification of Financial Statements

The audited report of the preceding annual financial statements was not subjected to any qualification.

### 4. Seasonal or Cyclical Factors

The Group's business is not materially affected by seasonal or cyclical factors.

### 5. Nature and Amount of Unusual Items

There were no unusual items in the quarterly financial statement under review.

### 6. Nature and Amount of Changes in Estimates

There were no changes in estimates reported for quarterly financial statement under review which will have material effect.



## 7. Debt and Equity Securities

There were no issuances and repayment of debts and equity securities during the quarter under review.

## 8. Dividend paid

No dividend was paid in the current quarter under review.

## 9. Segmental Reporting

Segment analysis for the current financial year-to-date:-

| Year Ended 30 June 2011                                                  | Investment<br>Holding | Manufacturing<br>,Trading<br>And Poultry<br>Farming | Group          |
|--------------------------------------------------------------------------|-----------------------|-----------------------------------------------------|----------------|
|                                                                          | RM'000                | RM'000                                              | RM'000         |
| REVENUE:                                                                 |                       |                                                     |                |
| - Export                                                                 | -                     | 104,397                                             | 104,397        |
| - Local                                                                  | -                     | 151,387                                             | 151,387        |
| <b>TOTAL</b>                                                             | <b>-</b>              | <b>255,784</b>                                      | <b>255,784</b> |
| RESULTS:                                                                 |                       |                                                     |                |
| Profit Before Income Tax                                                 | 106                   | 20,247                                              | 20,353         |
| Income Tax Expense                                                       | (51)                  | (3,213)                                             | (3,264)        |
| Profit After Income Tax                                                  |                       |                                                     | 17,089         |
| Non- controlling interest                                                | -                     | (3,793)                                             | (3,793)        |
| Profit After Income Tax Attributable<br>to equity holders of the Company |                       |                                                     | 13,296         |

The Group's operations are mainly in the business of manufacturing and trading of confectionery and other related foodstuffs and poultry farming. The Group operates predominantly in Malaysia and accordingly, information by geographical location on the Group's operations is not presented.

## 10. Valuations of Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward, without any amendments from the previous annual financial statements.

## 11. General and Subsequent Events

There have been no material events subsequent to the end of the quarter that have not been reflected in the financial statements.



## 12. Changes in the Composition of the Group

TPC Plus Berhad was consolidated as a subsidiary of the Group with effect from 1<sup>st</sup> July, 2010.

## 13. Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets since the last annual balance sheet date.

## 14. Review of Performance

The Group achieved a profit before income tax and after non-controlling interest of RM7.200 million on the back of RM71.994 million in turnover, as compared with the profit before income tax and after non-controlling interest of RM1.624 million and a turnover of RM71.994 million, respectively, reported in the preceding year corresponding quarter. The Group's result is within management's expectation.

## 15. Comparison with Immediate Preceding Quarter's Results

|                          | <b>Current<br/>Year<br/>Quarter<br/>30/6/2011<br/>RM'000</b> | <b>Immediate<br/>Preceding<br/>Quarter<br/>31/3/2011<br/>RM'000</b> | <b>%<br/>+/-</b> |
|--------------------------|--------------------------------------------------------------|---------------------------------------------------------------------|------------------|
| Turnover                 | 71,994                                                       | 65,101                                                              | +10.6            |
| Profit before income tax | <u>8,579</u>                                                 | <u>1,211</u>                                                        | +608.4           |

The turnover of RM71.994 million for the current year quarter ended 30<sup>th</sup> June, 2011 as compared to a turnover of RM65.101 million achieved for the immediate preceding quarter, represent an approximate increase of 10.6%. Profit before income tax increased by 608.4% as compared to the result of the immediate preceding quarter.

## 16. Current Year Prospects

The year ended 30<sup>th</sup> June 2011 was another challenging year. The Management will ensure that the Group will continue to maintain positive performance for the year ending 30<sup>th</sup> June, 2012.

## 17. Profit Forecast

The Company did not issue any profit forecast during this financial quarter.





## 18. Income tax expense

|                                    | Current<br>Year<br>Quarter<br>30/6/2011<br>RM'000 | Current<br>Year<br>To Date<br>30/6/2011<br>RM'000 |
|------------------------------------|---------------------------------------------------|---------------------------------------------------|
| Income tax:                        |                                                   |                                                   |
| Current period estimates           | (6)                                               | 431                                               |
| Deferred income tax:               |                                                   |                                                   |
| Transferred to deferred income tax | 133                                               | 2,833                                             |
|                                    | <u>127</u>                                        | <u>3,264</u>                                      |

The income tax provision for the period is disproportionate to the statutory tax rate principally due to claims for reinvestment allowances and capital allowances.

## 19. Sale of Investments and/or Properties

There were no sale of long term investments and/or properties for the current financial quarter under review.

## 20. Securities

As at 30<sup>th</sup> June, 2011, the Group has the following securities in Malaysia:-

|                                          | Company            |                         | Subsidiary |                              | Group              |                       |
|------------------------------------------|--------------------|-------------------------|------------|------------------------------|--------------------|-----------------------|
|                                          | Cost<br>RM         | **Market<br>value<br>RM | Cost<br>RM | **Market<br>value/Cost<br>RM | Cost<br>RM         | Market<br>value<br>RM |
| <b>Quoted (in Malaysia)</b>              |                    |                         |            |                              |                    |                       |
| Shares in corporations                   | 17,370             | 17,370                  | -          | -                            | 17,370             | 17,370                |
| <b>Unquoted (in Malaysia)</b>            |                    |                         |            |                              |                    |                       |
| Money market                             | 792,165            | 792,165                 | -          | -                            | 792,165            | 792,165               |
| Bonds                                    | 4,000,000          | 1                       | -          | -                            | 4,000,000          | 1                     |
|                                          | <u>4,809,535</u>   | <u>809,536</u>          | -          | -                            | 4,809,535          | 809,536               |
| <b>Unquoted (outside<br/>Malaysia)</b>   |                    |                         |            |                              |                    |                       |
| Shares in corporation                    | -                  | -                       | 1          | 1                            | 1                  | 1                     |
|                                          | <u>4,809,535</u>   | <u>809,536</u>          | <u>1</u>   | <u>1</u>                     | 4,809,536          | <u>809,537</u>        |
| Less : Impairment loss<br>on investments | <u>(3,999,999)</u> | -                       | -          | -                            | <u>(3,999,999)</u> | -                     |
|                                          | <u>809,536</u>     |                         | <u>1</u>   |                              | <u>809,537</u>     |                       |

\*\* Carried at lower of cost and market value.



## 21. Status of Corporate Proposals

The Company had announced Bursa Malaysia Securities Berhad ("Bursa Securities") on 28<sup>th</sup> February, 2011 to undertake the following proposals:

- (i) proposed share split involving the subdivision of every one (1) existing ordinary share of RM1.00 each held in the Company ("Existing Share(s)") into two (2) ordinary shares of RM0.50 each in the Company ("LBB Share(s)" or "Share(s)") held on an entitlement date to be determined and announced later ("Entitlement Date") ("Proposed Share Split"); and
- (ii) proposed amendments to the Memorandum and Articles of Association ("MA") of the Company to facilitate the implementation of the Proposed Share Split ("Proposed Amendments")

(collectively, referred to as the "Proposals").

Subsequently, as announced on Bursa Securities on 6<sup>th</sup> April, 2011, the Board of the Company has decided to abort the Proposals and therefore had withdraw its letter of application to Bursa Securities for the extension of time for the submission of application for the Proposed Share Split

Other than the abovementioned, there were no new corporate proposals that have been announced by the Company as at date of this report.

## 22. Group Borrowings

As at 30<sup>th</sup> June, 2011

|                              | Secured<br>RM'000 | Unsecured<br>RM'000 | Total<br>RM'000 |
|------------------------------|-------------------|---------------------|-----------------|
| <b>Short term borrowings</b> |                   |                     |                 |
| Bankers' acceptance          | 29,143            | 55,614              | 84,757          |
| Revolving credits            | -                 | 29,000              | 29,000          |
| Hire-purchase creditors      | 14,768            | -                   | 14,768          |
| Term loans                   | 799               | 19,286              | 20,085          |
| Bank overdrafts              | 6,087             | -                   | 6,087           |
|                              | 50,797            | 103,900             | 154,697         |
| <b>Long term borrowings</b>  |                   |                     |                 |
| Hire-purchase creditors      | 18,980            | -                   | 18,980          |
| Term loans                   | 912               | 68,657              | 69,569          |
|                              | 19,892            | 68,657              | 88,549          |
| Total                        | 70,689            | 172,557             | 243,246         |



### 23. Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk at the date of this quarterly report.

### 24. Material Litigation

There was no pending material litigation against the Group as the date of this quarterly report.

### 25. Proposed dividend

No interim dividend is proposed for this quarter under review.

### 26. Realised or unrealised retained profit

|                                                        | As at<br>30.6.2011<br>RM'000 | As at<br>30.6.2010<br>RM'000 |
|--------------------------------------------------------|------------------------------|------------------------------|
| Total retained profit of Company and its subsidiaries: |                              |                              |
| - Realised                                             | 106,931                      | Not required                 |
| - Unrealised                                           | (3,477)                      |                              |
| Consolidation adjustments                              | (5,872)                      |                              |
| Total Group retained profit                            | 97,582                       |                              |

### 27. Earnings per share

Earnings per share is calculated by dividing the Group's profit after income tax by:-

|               | <u>INDIVIDUAL QUARTER</u>                                                                                                                                                         |                                                                                                                                                                                  | <u>CUMULATIVE QUARTER</u>                                                                                                                                                         |                                                                                                                                                                                  |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|               | CURRENT<br>YEAR<br>QUARTER<br>30/6/2011<br>RM                                                                                                                                     | PRECEDING<br>YEAR<br>CORRESPONDING<br>QUARTER<br>30/6/2010<br>RM                                                                                                                 | CURRENT<br>YEAR<br>TO DATE<br>30/6/2011<br>RM                                                                                                                                     | PRECEDING<br>YEAR<br>CORRESPONDING<br>PERIOD<br>30/6/2010<br>RM                                                                                                                  |
| Basic         | Fully paid up of<br>96,013,500<br>ordinary shares                                                                                                                                 | Weighted<br>number of<br>87,031,119<br>ordinary shares                                                                                                                           | Fully paid up of<br>96,013,500<br>ordinary shares                                                                                                                                 | Weighted<br>number of<br>87,031,119<br>ordinary shares                                                                                                                           |
| Fully diluted | Ordinary shares<br>in issue and<br>issuable of<br>110,415,525<br>ordinary shares<br>(inclusive of<br>adjustment for<br>assumed full<br>exercise of<br>remaining share<br>options) | Ordinary shares<br>in issue and<br>issuable of<br>87,031,119<br>ordinary shares<br>(inclusive of<br>adjustment for<br>assumed full<br>exercise of<br>remaining share<br>options) | Ordinary shares<br>in issue and<br>issuable of<br>110,415,525<br>ordinary shares<br>(inclusive of<br>adjustment for<br>assumed full<br>exercise of<br>remaining share<br>options) | Ordinary shares<br>in issue and<br>issuable of<br>87,031,119<br>ordinary shares<br>(inclusive of<br>adjustment for<br>assumed full<br>exercise of<br>remaining share<br>options) |



**BY ORDER OF THE BOARD**  
**LONDON BISCUITS BERHAD**

**MR LESLIE LOOI MENG**  
**(AUDIT COMMITTEE CHAIRMAN)**

Dated : 26 August 2011