



LONDON BISCUITS BERHAD

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

(“LBB” or “the Company”)

Interim Financial Statements
Third Quarter Results
for the Financial Period ended
30th June, 2018

LONDON BISCUITS BERHAD

(Company No. : 72057-H)
(Incorporated in Malaysia)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30TH JUNE, 2018

	Individual Quarter		Cumulative Quarter	
	(Unaudited) Current Period Quarter Ended 30.06.2018 RM'000	(Unaudited) Preceding Period Corresponding Quarter Ended 30.06.2017 RM'000 **	(Unaudited) Current Period To-Date Ended 30.06.2018 RM'000	(Unaudited) Preceding Period Corresponding Quarter Ended 30.06.2017 RM'000 **
Revenue	91,151	N/A	228,225	N/A
Cost of Sales	(71,283)	N/A	(172,243)	N/A
Gross Profit	19,868	N/A	55,982	N/A
Other operating income	82	N/A	2,660	N/A
Selling and distribution costs	(4,714)	N/A	(12,239)	N/A
Administrative expenses	(5,936)	N/A	(20,400)	N/A
Finance costs	(6,225)	N/A	(16,182)	N/A
Share of profits of associates, net of tax	186	N/A	590	N/A
Profit Before Tax	3,261	N/A	10,411	N/A
Income tax expense	(872)	N/A	(3,170)	N/A
Profit for the Period	2,389	N/A	7,241	N/A
Other Comprehensive Income	-	N/A	-	N/A
Total Comprehensive Income for the Period	2,389	N/A	7,241	N/A
Profit for the Period attributable to:				
Owners of the Company	2,389	N/A	7,241	N/A
Non-controlling interest	-	N/A	-	N/A
	2,389	N/A	7,241	N/A
Total Comprehensive Income attributable to:				
Owners of the Company	2,389	N/A	7,241	N/A
Non-controlling interest	-	N/A	-	N/A
	2,389	N/A	7,241	N/A
Earning per Share (Sen)				
Basic	1.28	N/A	3.88	N/A
Diluted	N/A	N/A	N/A	N/A

**There are no comparative figures disclosed for the current quarter and the cumulative period-to-date results following the change in the financial year end from 30th June 2017 to 30th September 2017.

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the period ended 30th September, 2017 and the accompanying explanatory notes attached to the interim financial statements.

LONDON BISCUITS BERHAD

(Company No. : 72057-H)

(Incorporated in Malaysia)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE, 2018

	(Unaudited) As at 30.06.2018 RM'000	(Audited) As at 30.09.2017 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	394,680	406,657
Investments in associates	30,720	29,850
Other investments	21	21
Intangible assets	4,205	4,205
	<u>429,626</u>	<u>440,733</u>
Current Assets		
Inventories	21,598	16,045
Trade and other receivables	186,909	187,427
Amount due from associates	-	29,260
Tax recoverable	1,628	3,902
Cash and bank balances	60,670	67,824
	<u>270,805</u>	<u>304,458</u>
TOTAL ASSETS	<u><u>700,431</u></u>	<u><u>745,191</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital (Note 1)	200,308	186,534
Share premium	-	13,774
Revaluation reserve	28,131	28,131
Warrant reserve	37,282	37,282
Retained earnings	144,574	137,333
Shareholders' equity	<u>410,295</u>	<u>403,054</u>
Non-controlling interest	-	-
TOTAL EQUITY	<u>410,295</u>	<u>403,054</u>
LIABILITIES		
Non-Current Liabilities		
Long-term borrowings	108,471	110,964
Deferred tax liabilities	21,653	20,213
	<u>130,124</u>	<u>131,177</u>
Current Liabilities		
Trade and other payables	16,346	34,003
Short-term borrowings	142,756	176,957
Bank overdrafts	910	-
	<u>160,012</u>	<u>210,960</u>
TOTAL LIABILITIES	<u>290,136</u>	<u>342,137</u>
TOTAL EQUITY AND LIABILITIES	<u><u>700,431</u></u>	<u><u>745,191</u></u>
Net Assets per Ordinary Share (RM)	<u>2.20</u>	<u>2.16</u>

Note 1: Number of ordinary shares issued as at 30th September 2017 and 30th June 2018 is the same being 186,533,789 units.

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the period ended 30th September, 2017 and the accompanying explanatory notes attached to the interim financial statements.

LONDON BISCUITS BERHAD

(Company No. : 72057-H)
(Incorporated in Malaysia)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 30TH JUNE, 2018

	Attributable to Equity Holders of the Parent Entity					Non-Controlling Interest RM'000	Total RM'000
	Non - Distributable			Distributable			
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Warrant Reserve RM'000	Retained Earnings RM'000		
Current Quarter							
As at 01st October, 2017	186,534	13,774	28,131	37,282	137,333	-	403,054
Profit for the period	-	-	-	-	7,241	-	7,241
Total comprehensive income for the period	-	-	-	-	7,241	-	7,241
Transfer in accordance with Section 618(2) of the Companies Act 2016	13,774	(13,774)	-	-	-	-	-
Total transactions with owners of the Company	13,774	(13,774)	-	-	-	-	-
As at 30th June, 2018	<u>200,308</u>	<u>-</u>	<u>28,131</u>	<u>37,282</u>	<u>144,574</u>	<u>-</u>	<u>410,295</u>
	#						
Preceding Corresponding Quarter **							
As at 01st October, 2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Profit for the period	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total comprehensive income for the period	N/A	N/A	N/A	N/A	N/A	N/A	N/A
As at 30th June, 2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**There are no comparative figures disclosed for the cumulative period-to-date results following the change in the financial year end from 30th June 2017 to 30th September 2017.

With the Companies Act 2016 ("New Act") which come into effect on 31st January 2017, the concept of authorised share capital and par value of share capital has been abolished.

Consequently, the amount standing to the credit of the share premium account of RM13,774,000 becomes part of the Company's share capital pursuant to the transitional provision set out in Section 618(2) of the Act. There is no impact on the number of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition. Pursuant to Section 618(3) of the New Act, the Group may exercise its right to use the credit amounts being transferred from share premium account within 24 months after the commencement of the New Act.

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the period ended 30th September, 2017 and the accompanying explanatory notes attached to the interim financial statements.

LONDON BISCUITS BERHAD

(Company No. : 72057-H)

(Incorporated in Malaysia)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THIRD QUARTER ENDED 30TH JUNE, 2018

	(Unaudited) Current Year- -to-date 30.06.2018 RM'000	(Unaudited) Preceding Year Corresponding period 30.06.2017 RM'000 **
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	10,411	N/A
Adjustments for:-		
Depreciation of property, plant and equipment	11,749	N/A
Unrealised loss on foreign exchange	2,541	N/A
Share of profits of associates	(590)	N/A
Interest expenses	16,182	N/A
Interest income	(202)	N/A
Operating profit before changes in working capital	40,091	N/A
Changes in inventories	(5,553)	N/A
Changes in trade and other receivables	29,778	N/A
Changes in trade and other payables	(20,238)	N/A
Cash generated from operations	44,078	N/A
Interest received	202	N/A
Tax paid	(874)	N/A
Tax refunded	1,811	N/A
Interest paid	(16,182)	N/A
Net cash from operating activities	29,035	N/A
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(405)	N/A
Proceeds from disposal of property, plant and equipment	-	N/A
Net cash used in investing activities	(405)	N/A
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of revolving credits	(19,300)	N/A
Net changes in bankers' acceptance	(12,253)	N/A
Repayment of term loans	(3,831)	N/A
Repayment of hire purchase payables	(1,310)	N/A
Net cash used in financing activities	(36,694)	N/A
Net Changes in Cash and Cash Equivalents	(8,064)	N/A
Cash and Cash Equivalents at beginning of the period	67,824	N/A
Cash and Cash Equivalents at end of the period	59,760	N/A

Cash and cash equivalents included in the Unaudited Condensed Consolidated Statement of Cash Flows comprise the following:-

	30.06.2018 RM'000	30.06.2017 RM'000
Cash and bank balances	60,670	N/A
Bank overdrafts	(910)	N/A
	59,760	N/A

**There are no comparative figures disclosed for the cumulative period-to-date results following the change in the financial year end from 30th June 2017 to 30th September 2017.

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the period ended 30th September, 2017 and the accompanying explanatory notes attached to the interim financial statements.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30TH JUNE, 2018**

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134, *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial period ended 30th September, 2017. These 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 period ended 30th September, 2017.

Companies Act 2016

The Companies Act 2016 (“New Act”) was enacted to replace the Companies Act 1965 with the objectives to create a legal and regulatory structure that will facilitate business and promote accountability as well as protection of corporate directors and shareholders, taking into consideration the interest of other stakeholders.

Amongst the key changes introduced in the New Act which will affect the financial statements of the Group upon the commencement of the New Act on 31st January, 2017 includes:

- Removal of the authorized share capital
- Shares of the Company will cease to have par or nominal value
- The Company’s share premium account will become part of the Company’s share capital

The adoption of the New Act did not have any financial impact to the financial statements of the Group, if applicable, the effect of adoption mainly will be on disclosure to the annual report and financial statements.

A2. Significant Accounting Policies

At the date of authorisation of these interim financial statements, the following MFRSs, Amendments to MFRSs and Issues Committee (“IC”) Interpretations were issued but not yet effective and have not been applied by the Group:-

a) MFRSs, Interpretations and Amendments effective for annual periods beginning on or after 1st January 2018

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
- Amendments to MFRS 2, *Share-based Payment - Classification and Measurement of Share-based Payment Transactions*
- Amendments to MFRS 4, *Insurance Contracts - Applying MFRS 9, Financial Instruments with MFRS 4, Insurance Contracts*
- MFRS 9, *Financial Instruments (2014)*
- MFRS 15, *Revenue from Contracts with Customers*
- Amendments to MFRS 128, *Investment in Associates and Joint Ventures (Annual Improvements to MFRS Standards 2014-2016 Cycle)*

LONDON BISCUITS BERHAD

(Company No. : 72057-H)

(Incorporated in Malaysia)



- Amendments to MFRS 140, *Investment Property - Transfer of Investment Property*
 - Clarifications to MFRS 15, *Revenue from Contracts with Customers*
 - IC Interpretation 22, *Foreign Currency Transactions and Advance Consideration*
- b) MFRSs, Interpretations and Amendments effective for annual periods beginning on or after 1st January 2019**
- MFRS 16, *Leases*
 - Amendments to MFRS 3, *Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
 - Amendments to MFRS 9, *Financial Instruments-Prepayment features with Negative Compensation*
 - Amendments to MFRS 11, *Joint Arrangements (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
 - Amendments to MFRS 112, *Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
 - Amendments to MFRS 119, *Employee Benefit (Plan Amendments, Curtailment or Settlement)*
 - Amendments to MFRS 123, *Borrowing Costs (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
 - Amendments to MFRS 128, *Investment in Associates and Joint Ventures – Long-term Interests in Associates and Joint Ventures*
 - IC Interpretation 23 *Uncertainty over Income Tax Treatments*
- c) MFRSs, Interpretations and Amendments effective for annual periods beginning on or after 1st January 2020**
- Amendments to MFRS 2, *Share-based payment*
 - Amendments to MFRS 3, *Business Combination*
 - Amendments to MFRS 6, *Exploration for and Evaluation of Mineral Resources*
 - Amendments to MFRS 14, *Regulatory Deferral Accounts*
 - Amendments to MFRS 101, *Presentation of Financial Statements*
 - Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors*
 - Amendments to MFRS 134, *Interim Financial Reporting*
 - Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets*
 - Amendments to MFRS 138, *Intangible Assets*
 - Amendments to IC Interpretation 12, *Service Concession Arrangements*
 - Amendments to IC Interpretation 19, *Extinguishing Financial Liabilities with Equity Instruments*
 - Amendments to IC Interpretation 20, *Stripping Costs in the Production Phase of a Surface Mine*
 - Amendments to IC Interpretation 22, *Foreign Currency Transactions and Advance Consideration*
 - Amendments to IC Interpretation 132, *Intangible Assets – Web Site Costs*
- d) MFRSs, Interpretations and Amendments effective for annual periods beginning on or after 1st January 2021**
- MFRS 17, *Insurance Contracts*
- e) MFRSs, Interpretations and Amendments effective for a date yet to be confirmed**
- Amendments to MFRS 10, *Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The initial application of the accounting standards, amendments or interpretations are not expected to have any material financial impacts to the financial statements of the Group, except MFRS 9, MFRS 15 and MFRS 16.



The Group is currently assessing the financial impact that may arise from the adoption of MFRS 9, MFRS 15 and MFRS 16.

A3. Audit Report Qualification and Status of Matters Raised

The audit report of the preceding annual financial statements was not qualified.

A4. Seasonality or Cyclical Nature of Operations

The operations of the Group were not affected by seasonal or cyclical factors.

A5. Items of Unusual Nature

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current financial year-to-date.

A6. Change in Estimates of Amounts Reported

There were no changes in estimates of amounts reported in prior financial year that have a material effect in the current financial year-to-date.

A7. Changes in Debt and Equity Securities

There were issuance of 13,000,000 ordinary shares via private placement on 9th August 2018.

A8. Dividends Paid

There were no dividends paid during the quarter under review.

A9. Segmental Reporting

MFRS 8 – *Operating Segment* requires separate reporting of segmental information for operating segments. Operating segments reflect the Group's management structure and the way financial information is regularly reviewed by the Executive Board in making decisions.

Detailed segmental reporting is not provided as the Group's primary business segments is principally engaged in the manufacturing and trading of confectionery, sweets and candies, snacks, potato and its operation is principally located in Malaysia.

Segment assets, segment liabilities and capital additions were not disclosed as they were not regularly provided to the chief operating decision maker for their day-to-day operation decision making.

Therefore, the Group's operations can be segmented by business activities namely:

- a) Manufacturing and trading of confectionery, potato, sweets and candies, snacks; and
- b) Investment holding

The segment analysis for the current financial period-to-date:

LONDON BISCUITS BERHAD

(Company No. : 72057-H)

(Incorporated in Malaysia)



Cumulative Quarter ended 30th June, 2018			
Investment Holding RM'000	Manufacturing and Trading RM'000	Elimination RM'000	Group (total) RM'000
Segment Revenue and Results Revenue			
- Export	- 71,336	-	71,336
- Local	- 156,889	-	156,889
Total revenue	- 228,225	-	228,225
Results : Operating profit			
	- 26,593	-	26,593

Cumulative Quarter ended 30th June, 2017			
Investment Holding RM'000	Manufacturing and Trading RM'000	Elimination RM'000	Group (total) RM'000
Segment Revenue and Results Revenue			
- Export	N/A	N/A	N/A
- Local	N/A	N/A	N/A
Total revenue	N/A	N/A	N/A
Results : Operating profit			
	N/A	N/A	N/A

		Cumulative Quarter 30.06.2018 RM'000	Cumulative Quarter 30.06.2017 RM'000
Reconciliation of reportable segment profit:			
Total operating profit for reported segment		26,593	N/A
Finance costs		(16,182)	N/A
Consolidated profit before tax		10,411	N/A

Segmental analysis for the period ended 30th June 2018 by Product Segment:

LEGEND							
* Market Conditions and demand for its goods and services							
^ The level of its operating activities							
# Factors or circumstances affecting the changes to revenue, costs and profit margin of each business activity or segment							
Ω Any unusual or one off gains / losses affecting the revenue or profit							
△ Any other information which can provide a better understanding of the Listed Issuer's performance							
No.	Segment	Sales RM'000	(i) *	(ii) ^	(iii) #	(iv) Ω	(v) △
1	Confectionery	105,303	Market Conditions Poor () Average () Good (√) Demand Poor () Average () Strong (√)	Level >50% () 50.1 % > 75% () 75.1% > 100% (√)	Factors / Circumstances Raw Material Prices (√) Market Conditions () Product Competition () Market Competition (√) Prices Increases () New Product Variety () New Product Segment () Capacity Expenditure (√) Others:- ()	Unusual or One off Gains -NA-	Other Information -NA-
2	Sweets and Candies	31,578	Market Conditions Poor () Average () Good (√) Demand Poor () Average () Strong (√)	Level >50% () 50.1 % > 75% () 75.1% > 100% (√)	Factors / Circumstances Raw Material Prices (√) Market Conditions (√) Product Competition () Market Competition () Prices Increases () New Product Variety () New Product Segment () Capacity Expenditure () Others:- ()	Unusual or One off Gains -NA-	Other Information -NA-
3	Snacks	59,396	Market Conditions Poor () Average () Good (√) Demand Poor () Average () Strong (√)	Level >50% () 50.1 % > 75% () 75.1% > 100% (√)	Factors / Circumstances Raw Material Prices (√) Market Conditions () Product Competition () Market Competition (√) Prices Increases () New Product Variety () New Product Segment () Capacity Expenditure () Others:- ()	Unusual or One off Gains -NA-	Other Information -NA-
4	Potato	31,948	Market Conditions Poor () Average () Good (√) Demand Poor () Average () Strong (√)	Level >50% () 50.1 % > 75% () 75.1% > 100% (√)	Factors / Circumstances Raw Material Prices (√) Market Conditions () Product Competition () Market Competition (√) Prices Increases () New Product Variety () New Product Segment () Capacity Expenditure () Others:- ()	Unusual or One off Gains -NA-	Other Information -NA-

228,225

The Group's operations are mainly in the manufacturing and trading of potato, snacks and confectionery together with distribution of sweets and candies.



A10. Valuations of property, plant and equipment

The valuations of land and buildings have been brought forward, without any amendments from the previous annual financial statements.

A11. Material Events Subsequent to the End of the Quarterly Period

There were no material events subsequent to the end of quarter that has not been reflected in the Interim Financial Statements for the quarter under review.

A12. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter and financial year-to-date.

A13. Changes in Contingent Liabilities

There were no material changes in the contingent liabilities disclosed in the last audited statement of financial position as at 30th September 2017.

A14. Capital Commitments

There were no material capital commitments during the current quarter under review.

LONDON BISCUITS BERHAD

(Company No. : 72057-H)

(Incorporated in Malaysia)



B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

Current Quarter against Previous Year Corresponding Quarter (Individual Quarter)

	Current Quarter	Previous Year Corresponding Quarter	Variance	Variance
	RM'000	RM'000	RM'000	%
Revenue	91,151	85,735	5,416	6 %
Profit before tax	3,261	1,581	1,680	106 %

B2. Comparison with the Preceding Quarter's Result

	Current Quarter	Preceding Quarter	Variance	Variance
	RM'000	RM'000	RM'000	%
Revenue	91,151	69,457	21,694	31 %
Profit before tax	3,261	3,606	(345)	-9 %

B3. Prospects of the Group

The financial year ending 30th September 2018 is another challenging year. The Management will strive to ensure that the Group will continue to perform positively for the year ended 30th September 2018.

The prospects of the confectionery, potato, snacks and candies segment remains good with stable order book and additional capacity in its potato chip production line which will facilitate new business opportunities to be secured. The potato chip segment is expected to continue to be a strong performer for the Group as evidenced by its global appeal during our recent trade exhibitions. The Management expects that challenges remain with business and consumer sentiment expected to fluctuate due to a myriad of news on both the domestic and international front.

In respect of the manufacturing operations, cost of raw materials remains a volatile factor with various commodities prices experiencing fluctuations due to their cost factors as well as due to prevailing foreign currency conditions.

For FY 2018, the Management will continue to closely monitor raw materials pricing to mitigate the impact of any unfavorable fluctuations on our earnings. In addition, the Management will be monitoring the impact of the transition from the Goods and Services Tax (GST) to Sales and Service Tax (SST) to ensure that any impacts will be minimal.

B4. Profit Forecast

The Group did not publish any profit forecast or profit guarantee for the year under review.

**B5. Tax Expense**

Tax expense comprises of the followings:

	Current Quarter 30.06.2018 RM'000	Cumulative Quarter 30.06.2018 RM'000
Income tax expense		
- Current year	392	904
- Under provision of tax in prior year	-	826
	<u>392</u>	<u>1,730</u>
Deferred tax		
- Current year	480	1,440
	<u>480</u>	<u>1,440</u>
Total income tax expense	<u><u>872</u></u>	<u><u>3,170</u></u>

The Group's effective tax rate for the nine months ended 30th June 2018 was higher than the Malaysian statutory tax rate of 24% mainly due to certain expenses not deductible for tax purpose.

B6. Status of Corporate Proposals Announced

Except as disclosed below, there were no other corporate proposals announced as at to-date:-

- a) On 21st May 2018, the Company announced to implement a proposed private placement exercise of up to 22,381,500 new ordinary shares in LBB, representing 10% of the share capital of LBB to independent third party investor(s) to be identified.
- b) On 9th August 2018, the Company announced that it has completed the first tranche of the Private Placement following the listing of and quotation for 13,000,000 Placement Shares on the Main Market of Bursa Malaysia Securities Berhad with effect from 9th August 2018.

LONDON BISCUITS BERHAD

(Company No. : 72057-H)

(Incorporated in Malaysia)



B7. Borrowings and Debt Securities

	The Group 30.06.2018 RM'000
Short-term Borrowings:	
Bankers' acceptance	114,128
Hire-purchase payables	2,203
Revolving credits	24,700
Term loans	1,725
	<u>142,756</u>
Long-term Borrowings:	
Bankers' acceptance	-
Hire-purchase payables	7,595
Revolving credits	-
Unrated medium term notes	100,000
Term loans	876
	<u>108,471</u>

Bank overdrafts and credit facilities of a subsidiary company are secured by corporate guarantees given by the Company.

B8. Derivative Financial Instruments

There were no forward foreign exchange contracts for purchases or sales during the current quarter under review.

B9. Changes in Material Litigation

On 13th November, 2017, the Federal Court had granted the Leave Application for the Company to appeal against the decision to award Wah Keng Sen the sum of RM1,823,000.00 as well as a stay against the execution of the award pending the full hearing of the appeal by the Federal Court. The Company will advise via an announcement once the appeal hearing dates have been fixed by the Federal Court.

B10. Dividends Proposed

There were no dividends proposed by the Company during the current quarter under review.

LONDON BISCUITS BERHAD

(Company No. : 72057-H)

(Incorporated in Malaysia)



B11. Profit Before Tax

Profit before tax is stated after charging/(crediting):-

	Current Quarter 30.06.2018 RM'000	Cumulative Quarter 30.06.2018 RM'000
Interest income	(69)	(202)
Other income including investment income	(13)	(2,618)
Interest expenses	6,225	16,182
Depreciation of property, plant and equipment	3,921	11,749
Provision for and write off receivables	-	-
Provision for and write off inventories	-	-
Gain on disposal of subsidiaries	-	-
(Gain) or loss on disposal of property, plant and equipment	-	-
Impairment of assets	-	-
(Gain) or loss on foreign exchange - unrealised	(709)	2,541
(Gain) or loss on foreign exchange - realised	<u>1,027</u>	<u>(38)</u>

Save as disclosed in the above, there were no (gain) or loss on derivatives, exceptional items and the other items required to be disclosed under the additional disclosure requirement for Public Listed Companies that are listed on the Main Markets of Bursa Malaysia Securities Berhad.

B12. Earnings per share (EPS)

(a) Basic earnings per share

The calculation of basic earnings per share is based on the net profit attributable to ordinary shareholders over the weighted average number of ordinary shares in issue during the period.

	Current Quarter		Cumulative Quarter	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
Net profit attributable to ordinary shareholders (RM'000)	2,389	N/A	7,241	N/A
Weighted average number of ordinary shares - in units ('000)	186,534	N/A	186,534	N/A
Basic EPS (Sen)	<u>1.28</u>	<u>N/A</u>	<u>3.88</u>	<u>N/A</u>

(b) Diluted earnings per share

Not applicable for the Group.

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

**MR LESLIE LOOI MENG
AUDIT COMMITTEE CHAIRMAN**
Dated: 30th August 2018