



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

30 June 2019

LONDON BISCUITS BERHAD

(Company No. 72057-H)

(Incorporated in Malaysia)



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2019 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 30.06.2019 RM'000	Audited As at 30.09.2018 RM'000
Assets		
Non-current assets		
Property, plant and equipment	446,812	440,714
Intangible assets	8,145	8,247
Investment in associates	31,035	30,784
Other investments	21	21
Total non-current assets	<u>486,013</u>	<u>479,766</u>
Current assets		
Inventories	18,415	26,891
Trade and other receivables	295,978	286,387
Tax recoverable	1,961	2,671
Cash and cash equivalents	10,112	19,710
Total current assets	<u>326,466</u>	<u>335,659</u>
Total assets	<u>812,479</u>	<u>815,425</u>
Equity		
Share capital	256,631	206,484
Reserves	114,408	160,808
Total equity attributable to owners of the Company	<u>371,039</u>	<u>367,292</u>
Liabilities		
Non-current liabilities		
Loans and borrowings	75,060	96,779
Redeemable convertible preference shares	15,000	-
Deferred tax liabilities	35,338	35,338
Total non-current liabilities	<u>125,398</u>	<u>132,117</u>
Current liabilities		
Payables and accruals	31,873	25,947
Loans and borrowings	284,169	290,069
Total current liabilities	<u>316,042</u>	<u>316,016</u>
Total liabilities	<u>441,440</u>	<u>448,133</u>
Total equity and liabilities	<u>812,479</u>	<u>815,425</u>
Net assets per share attributable to owners of the Company (RM)	<u>1.28</u>	<u>1.84</u>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 September 2018 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2019 CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Note	Current/Preceding Qtr Ended		Cumulative Qtr YTD	
	30.06.2019 RM'000	30.06.2018 RM'000	30.06.2019 RM'000	30.06.2018 RM'000
Revenue	54,462	91,151	285,085	228,225
Cost of sales	(61,549)	(71,283)	(226,766)	(172,243)
Gross (loss)/profit	(7,087)	19,868	58,319	55,982
Other operating income	170	82	340	2,660
Selling and distribution costs	(2,078)	(4,714)	(24,438)	(12,239)
Administrative expenses	(5,605)	(5,936)	(27,775)	(20,400)
Results from operating activities	(14,600)	9,300	6,446	26,003
Finance costs	(4,842)	(6,225)	(14,322)	(16,182)
Operating (loss)/profit	(19,442)	3,075	(7,876)	9,821
Share of (loss)/profit of associates, net of tax	(69)	186	287	590
(Loss)/Profit before tax	(19,511)	3,261	(7,589)	10,411
Income tax expense	(198)	(872)	(1,250)	(3,170)
(Loss)/Profit for the period	(19,709)	2,389	(8,839)	7,241
Other comprehensive income	-	-	-	-
Total comprehensive (loss)/income for the period	(19,709)	2,389	(8,839)	7,241
Profit attributable to:				
Owners of the Company	(19,709)	2,389	(8,839)	7,241
Non-controlling interests	-	-	-	-
(Loss)/profit for the period	(19,709)	2,389	(8,839)	7,241
Total comprehensive (loss)/income attributable to:				
Owners of the Company	(19,709)	2,389	(8,839)	7,241
Non-controlling interests	-	-	-	-
Total comprehensive (loss)/income for the period	(19,709)	2,389	(8,839)	7,241
Earnings per ordinary share				
Basis (sen)	(6.78)	1.28	(3.04)	3.88
Diluted (sen)	N/A	N/A	N/A	N/A

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 September 2018 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2019 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Non-Distributable				Distributable	Total
		Share capital RM'000	Share premium RM'000	Revaluation reserves RM'000	Warrant reserves RM'000	Retained earnings RM'000	attributable to owners of the Company RM'000
As at 1 October 2018							
As previously reported		206,484	-	37,406	37,281	87,736	368,907
Prior year adjustments		-	-	-	-	(1,615)	(1,615)
As restated		<u>206,484</u>	-	<u>37,406</u>	<u>37,281</u>	<u>86,121</u>	<u>367,292</u>
Loss for the period		-	-	-	-	(8,839)	(8,839)
Total comprehensive loss for the period		-	-	-	-	(8,839)	(8,839)
Contribution by and distribution to the owner of the Company:							
• Issuance of shares pursuant to private placement		12,586	-	-	-	-	12,586
• Issuance of shares pursuant to bonus issue		<u>37,561</u>	-	-	-	(37,561)	-
As at 30 June 2019		<u><u>256,631</u></u>	-	<u><u>37,406</u></u>	<u><u>37,281</u></u>	<u><u>39,721</u></u>	<u><u>371,039</u></u>

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2019 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Note	Non-Distributable				Distributable	Total attributable to owners of the Company
	Share capital RM'000	Share premium RM'000	Revaluation reserves RM'000	Warrant reserves RM'000	Retained earnings RM'000	RM'000
As at 1 October 2017						
As previously reported	186,534	13,775	28,131	37,281	137,333	403,054
Prior year adjustments	-	-	-	-	(1,615)	(1,615)
As restated	<u>186,534</u>	<u>13,775</u>	<u>28,131</u>	<u>37,281</u>	<u>135,718</u>	<u>401,439</u>
Profit for the period	-	-	-	-	7,241	7,241
Transfer in accordance with Section 618(2) of the Companies Act, 2016	13,775	(13,775)	-	-	-	-
Total comprehensive income for the period	<u>13,775</u>	<u>(13,775)</u>	<u>-</u>	<u>-</u>	<u>7,241</u>	<u>7,241</u>
As at 30 June 2018	<u>200,309</u>	<u>-</u>	<u>28,131</u>	<u>37,281</u>	<u>142,959</u>	<u>408,680</u>

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 September 2018 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2019 CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	(Unaudited) Period ended 30.06.2019 RM'000	(Unaudited) Period ended 30.06.2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	(7,589)	10,411
Adjustment for:		
Depreciation of property, plant and equipment	14,568	11,749
Unrealised loss on foreign exchange	-	2,541
Share of profit of associates	(287)	(590)
Interest expenses	14,322	16,182
Interest income	-	(202)
Operating profit before changes in working capital	21,014	40,091
Changes in inventories	8,476	(5,553)
Changes in trade and other receivables	(9,591)	29,778
Changes in trade and other payables	5,926	(20,238)
Cash generated from operations	25,825	44,078
Interest received	-	202
Tax paid	(540)	(874)
Tax refunded	-	1,811
Interest paid	(14,322)	(16,182)
Net cash from operating activities	10,963	29,035
CASH FLOWS FROM INVESTING ACTIVITY		
Purchase of property, plant and equipment	(20,528)	(405)
Net cash used in investing activity	(20,528)	(405)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of share pursuant to private placement	12,586	-
Proceeds from redeemable convertible preference shares	15,000	-
Net repayment of loans and borrowing	(32,206)	(36,694)
Net cash used in financing activities	(4,620)	(36,694)
Net Changes in Cash and Cash Equivalents	(14,185)	(8,064)
Cash and Cash Equivalents at beginning of the period	(6,291)	67,824
Cash and cash equivalents at end of the period	(20,476)	59,760

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2019 CONDENSED UNAUDITED CONSOLIDATED CASH FLOW

Cash and cash equivalents included in the cash flow statements comprise the following:

	(Unaudited) Period ended 30.06.2019 RM'000	(Unaudited) Period ended 30.06.2018 RM'000
Cash and bank balances	10,112	60,670
Bank overdrafts	(30,588)	(910)
	<u>(20,476)</u>	<u>59,670</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 September 2018 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED FINANCIAL RESULTS OF THE GROUP FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

A. NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1. BASIS OF PREPARATION

The interim financial statements is unaudited and has been prepared in accordance with the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirements”) (“Bursa Securities”), including compliance with Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting, issued by the Malaysian Accounting Standards Board (“MASB”).

The interim financial statements should be read in conjunction with the Audited Financial Statements of the Group for the year ended 30 September 2018. 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 year ended 30 September 2018.

A2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the Audited Financial statements for the year ended 30 September 2018 except for the adoption of the revised MFRSs that have been issued effective for the financial period beginning on 1 January 2018:

Effective for financial period beginning on 1 January 2018

<u>MFRSs and IC Interpretations</u>	Effective Date
• Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards	1 January 2018
• Amendments to MFRS 2: Share-based Payments	1 January 2018
• Amendments to MFRS 4: Insurance Contracts	1 January 2018
• Amendments to MFRS 128: Investment in Associates and Joint Ventures	1 January 2018
• Amendments to MFRS 140: Investment Property	1 January 2018
• IC Interpretation 22: Foreign Currency Transactions and Advance Considerations	1 January 2018

The adoption of the above revised MFRSs did not have any material impact on the Group’s financial statements upon their initial application.

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A. NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT'D)

A2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The following revised MFRSs have been issued by the MASB but has yet to be adopted by the Group:-

Effective for financial period beginning on 1 January 2019

MFRSs and IC Interpretations

	Effective Date
• MFRS 16 Leases	1 January 2019
• Amendments to MFRS 3: Business Combinations	1 January 2019
• Amendments to MFRS 11: Joint Arrangements	1 January 2019
• Amendments to MFRS 112: Income Taxes	1 January 2019
• Amendments to MFRS 119 Employee Benefits	1 January 2019
• Amendments to MFRS 123: Borrowings Costs	1 January 2019
• Amendments to MFRS 128: Investment in Associates and Joint Ventures	1 January 2019
• IC Interpretation 23: Uncertainty over Income Tax Treatments	1 January 2019

Effective for financial period beginning on 1 January 2020

MFRSs and IC Interpretations

	Effective Date
• Amendments to MFRS 3: Business Combinations	1 January 2020
• Amendments to MFRS 101: Presentation of Financial Statements	1 January 2020
• Amendments to MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2020

Effective for financial period beginning on 1 January 2021

MFRSs and IC Interpretations

	Effective Date
• Amendments to MFRS 17: Insurance Contracts	1 January 2021

Effective date to be announced

MFRSs and IC Interpretations

	Effective Date
• Amendments to MFRS 10: Consolidated Financial Statement	To be announced
• Amendments to MFRS 128: Investments in Associates and Joint Ventures Estimates and Errors	To be announced

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A. NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT'D)

A3. AUDITORS' REPORT ON PRECEDING AUDITED FINANCIAL STATEMENTS

The Audited Financial Statements of the Company and its subsidiary, Kinoss Food Industries (M) Sdn. Bhd. for the financial year ended 30 September 2018 had been qualified by the External Auditors.

A4. SEASONALITY OR CYCLICALITY OF OPERATIONS

The business operations of the Group are subjected to seasonal and cyclical factors such as festive seasons.

A5. EXCEPTION /UNUSUAL ITEMS

There were no exceptional or unusual items affecting financial statements of the Group for the current quarter under review.

A6. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates of amounts that have material effect in the current quarter under review.

A7. DEBT AND EQUITY SECURITIES

The Company has issued 51,296,652 bonus shares pursuant to a Bonus Issue and 9,320,326 additional warrants issued arising from the adjustments pursuant to the Bonus Issue on 23 January 2019. The new LBB Bonus Shares and additional warrants were listed and quoted on the Main Market of Bursa Securities on 24 January 2019.

Further to the approvals obtained from the shareholders of the Company on 12 December 2018 pertaining to the Proposed Subscription by COPE Opportunities IV Sdn Bhd ("COPE") of 15,000,000 of new redeemable convertible preference shares ("RCPS") at the subscription price of RM1.00 per share in Kinoss Food Industries (M) Sdn Bhd ("KINOS"), a wholly-owned subsidiary of the Company, KINOS has on 27 December 2018 issued the RCPS to COPE.

Other than as disclosed above, there were no issuances, cancellation, repurchases, resale and repayments of debts and equity securities for the current quarter under review.

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A. NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT'D)

A8. DIVIDENDS PAID

There were no dividends paid during the financial quarter under review.

A9. SEGMENTAL REPORTING

The financial information by business segment is not presented as the Group's activities are primarily in the manufacturing and trading of confectionery, sweets and candies, snacks, potato.

The Segmental Reporting of the Group is based on the geographical segments as below :-

	Current Quarter ended 30.06.2019		
	Inside	Outside	Consolidated
	Malaysia	Malaysia	
	RM'000	RM'000	RM'000
GEOGRAPHICAL SEGMENTS			
Revenue	45,914	8,548	54,462
Results from operating activities			(14,600)
Finance costs			(4,842)
Share of profit of associates, net of tax			(69)
(Loss)/Profit before tax			(19,511)

	Cumulative Quarter To-Date ended 30.06.2019		
	Inside	Outside	Consolidated
	Malaysia	Malaysia	
	RM'000	RM'000	RM'000
GEOGRAPHICAL SEGMENTS			
Revenue	235,673	49,412	285,085
Results from operating activities			6,446
Finance costs			(14,322)
Share of profit of associates, net of tax			287
(Loss)/Profit before tax			(7,589)



A. NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT'D)

A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There were no changes to the valuation of property, plant & equipment brought forward from the previous annual financial statements.

A11. MATERIAL SUBSEQUENT EVENT

Save for the following material subsequent event, there was no other subsequent event as at the date of this report:-

- a) On 1 July 2019, the Company had announced that the Company had on 27 June 2019 had received a Writ of Summons together with the Statement of Claim dated 24 June 2019 filed by Messrs. Skrine, on behalf of The Bank of Nova Scotia Berhad (“BNSB”) which arose from the default of the Company’s payments obligations which comprised as follows :-
- i) total sum of RM9,830,000.00;
 - ii) interests on the amount owing under the Bankers’ Acceptance of RM1,830,000.00;
 - iii) interests on the amount owing under the Operating Credit Facility of RM8,000,000;
 - iv) cost against the Company on solicitor and client basis; and
 - v) such further or other relief as the High Court deems fit and proper to grant.

The case management of the Suit was fixed on 8 July 2019.

- b) On 3 July 2019, the Company had announced that the Company had on 4 June 2019 received a Notice of Demand from BNSB which indicated the default of the payment was on 10 May 2019 as the Company was unable to meet its obligations to pay BNSB on a timely manner.
- c) On 5 July 2019, the Company further announced that there was a strain on the short term cashflow of the Company due to the Notice of Demand from BNSB and the Board has formed an opinion that the Company may be insolvent.
- d) On 8 July 2019, the Company has announced that as the Company was unable to provide a solvency declaration to Bursa Securities, the Company was categorized under PN 17 and the Company would be formulating a regularization plan to address the PN 17 status.

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A. NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT'D)

A11. MATERIAL SUBSEQUENT EVENT (CONT'D)

- e) On 9 July 2019, there was a listing circular under Bursa Securities that the Company had been admitted into PN17 category.

- f) On 1 August 2019, the Company has further made its monthly announcement under Practice Note 17 / Guidance Note 3 under the Listing Requirements informing that the Company has 11 months to submit its regularization plan to the relevant authorities for its approval.

A12. CHANGES IN THE GROUP'S COMPOSITION

There were no changes in the Group's composition in the current quarter under review.

A13. CONTINGENT LIABILITIES

There are no contingent liabilities for the period under review.

A14. CAPITAL COMMITMENTS

There were no material capital commitments as at 30 June 2019 and up to date of this report.

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

B1. REVIEW OF THE GROUP PERFORMANCE

Current Quarter against Previous Year Corresponding Quarter

For the current quarter ended 30 June 2019, the Group recorded a revenue of RM54.46 million with loss before tax of RM19.51 million as compared to the revenue of RM91.15 million with profit before tax of RM3.26 million in the previous corresponding quarter ended 30 June 2018.

The Group's performance was affected by domestic festivities and dampened overseas demand due to conservative consumer sentiments arising from various economic and geo political factors.

B2. COMPARISON WITH PRECEDING QUARTER RESULTS

The Group recorded a revenue of RM54.46 million with loss before tax of RM19.51 million for the current quarter as compared to the revenue of RM121.6 million with profit before tax of RM6.2 million in the preceding quarter. The profit before tax has decreased from RM6.2 million to RM19.51 million loss before tax.

B3. GROUP'S CURRENT YEAR PROSPECT

The financial year ended 30 September 2018 was another challenging year. The Management will strive to ensure that the Group continues to perform positively for the year ending 30 September 2019.

The prospects of the confectionery, potato, snacks and candies segment remains good with stable demand and available capacity in its potato chip production line which will facilitate new business opportunities. The Management is also working on a revitalisation plan for submission to Bursa Malaysia to uplift the PN17 category whilst managing the challenges in its supply chain logistics and product distribution channels to minimise the impact on its daily operations. 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.

B4. PROFIT FORECAST

The Group has not issued any profit forecast to the relevant authorities and is not subject to any profit guarantee.

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B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONT'D)

B5. OPERATING PROFIT

	Current Quarter 30.06.2019 RM'000	Cumulative Quarter To- Date 30.06.2019 RM'000
Operating (loss)/profit is arrived at after (crediting)/ charging the following:		
Depreciation and amortisation	4,804	14,568
Foreign exchange (gain)/loss – unrealised	406	416
Foreign exchange (gain)/loss – realised	348	1,561
Finance costs	4,842	14,322
Other income	(170)	(340)

B6. TAXATION

	Current Quarter 30.06.2019 RM'000	Cumulative Quarter To- Date 30.06.2019 RM'000
Current tax expense		
Current year	198	1,250
Under provision of tax in prior year	-	-
	<u>198</u>	<u>1,250</u>
Deferred taxation		
Current year	-	-
	<u>-</u>	<u>-</u>
Total tax expense	<u>198</u>	<u>1,250</u>

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B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONT'D)

B7. CORPORATE PROPOSALS

Save for the following proposal, there was no other proposal announced but pending implementation as at the date of this report:-

- a) On 22 February 2019, the Company announced that Messrs. Nexia SSY, the Company's External Auditors, have expressed a qualified opinion in their report. A copy of the relevant part of the Extract of Auditors' Report was annexed to the said announcement.

In relation to the above, the Board has resolved to do an interim limited re-audit / assessment on the key audit matters raised in the Auditors' Report before the end of the current financial year ending 30 September 2019.

On 27 March 2019, the Company has further announced as follows:

1. Messrs. PKF (AF 0911) has been appointed to conduct an independent assessment of the key audit matters raised by the External Auditors on the financial statements of the Company for the financial year ended 30 September 2018; and
2. The assessment was planned to be completed on or by middle of August 2019 from the date of mobilisation.

On 16 August 2019, the Company has announced that the independent assessment of the key audit matters was expected to be completed by 30 August 2019.

On 30 August 2019, the Company has announced that the Company has received the independent assessment report on 22 August 2019 and the Directors are in the midst of reviewing the report and will deliberate on it in a Board Meeting which scheduled to be held on 19 September 2019 and expected to announce the summary of report within 2 weeks.

- b) Further to the approvals from the shareholders in the Extraordinary General Meeting of the Company held on 30 March 2019 in relation to the private placement of up to 45,462,700 new ordinary shares in the Company ("LBB"), representing approximately 15% of the enlarged number of the issued LBB Shares, the Company has announced on 10 April 2019 ("Price-fixing Date") that the Board has fixed the issue price for the 1st tranche of the placement of 10,000,000 Placement Shares at RM0.345 per Placement Share ("Issue Price") which represented a discount of approximately RM0.0374 or 9.78% to the 5-day volume weighted average market price of the LBB Shares up to and including 9 April 2019,

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being the last market day immediately preceding the Price-fixing Date of RM0.3824 per LBB Share.

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B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONT'D)

B7. CORPORATE PROPOSALS (CONT'D)

The Company has announced on 22 April 2019 ("Price-fixing Date") that the Board has fixed the issue price for the 2nd tranche of the placement of 11,300,000 Placement Shares at RM0.321 per Placement Share ("Issue Price") which represented a discount of approximately RM0.0352 or 9.88% to the 5-day volume weighted average market price of the LBB Shares up to and including 19 April 2019, being the last market day immediately preceding the Price-fixing Date of RM0.3562 per LBB Share.

In view that only the payment for 8,800,000 Placement Shares has been received as at 25 April 2019, the Board has on 26 April 2019 announced to re-fix the issue price for the remaining 2,500,000 Placement Shares in due course.

The Company has announced on 3 May 2019 ("Price-fixing Date") that the Board has re-fixed the issue price for the remaining 2,500,000 Placement Shares to be issued pursuant to the 2nd tranche of the Private Placement at RM0.30 per Placement Share ("Issue Price"). The Board has also on the Price-fixing Date fixed the Issue Price for the 3rd tranche of the placement of 8,000,000 Placement Shares represented a discount of approximately RM0.0304 or 9.2% to the 5-day volume weighted average market price of the LBB Shares up to and including 2 May 2019, being the last market day immediately preceding the Price-fixing Date of RM0.3304 per LBB Share.

- c) On 16 April 2019, the Company has announced that the Board had carried out a private placement exercise for the issuance of 10,000,000 shares at RM0.3450 per share. The said private placement was listed on 17 April 2019.
- d) On 26 April 2019, the Company has announced that the Board had carried out a private placement exercise for the issuance of 8,800,000 shares at RM0.3210 per share. The said private placement was listed on 29 April 2019.
- e) On 9 May 2019, the Company has announced that had the Board carried out a private placement exercise for the issuance of 10,500,000 shares at RM0.3000 per share. The said private placement was listed on 10 May 2019.
- f) On 28 June 2019, the Company has announced that the Board carried out a private placement exercise for the issuance of 5,000,000 shares at RM0.3350 per share. The said private placement was listed on 1 July 2019.

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B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONT'D)

B7. CORPORATE PROPOSALS (CONT'D)

Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Intended Timeframe for Utilisation	Deviation	Explanation (if deviation is 5% or more)
Trade financing / working capital	3,450	3,450	Within 6 months	N/A	N/A
Trade financing / working capital	2,825	2,800	Within 6 months	N/A	N/A
Trade financing / working capital	3,150	3,150	Within 6 months	N/A	N/A
Trade financing / working capital	1,675	1,675	Within 6 months	N/A	N/A

B8. GROUP BORROWINGS AND DEBT SECURITIES

	RM'000
a. Short-term borrowings	
- Banker's acceptance	169,551
- Finance lease liabilities	2,336
- Revolving credits	48,000
- Bank overdraft	30,588
- Unrated medium-term notes	25,000
- Term loans	8,694
Total short-term borrowings	284,169
b. Long-term borrowings	
- Finance lease liabilities	5,060
- Unrated medium-term notes	70,000
Total long-term borrowings	75,060
Total borrowings	359,229

LONDON BISCUITS BERHAD

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(Incorporated in Malaysia)



B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONT'D)

B9. CHANGES IN MATERIAL LITIGATION

- 1) On 13 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 appeal was fixed for e-review on 3 July 2019 for LBB's solicitors to update the Federal Court on the status of the issuance of the grounds of judgement for the decision of the Court of Appeal.
- 2) The case has then been fixed for hearing at the Federal Court of Malaysia, Putrajaya, on 28 November 2019.

B9. PROPOSED DIVIDENDS

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

B11. EARNINGS PER ORDINARY SHARE ("EPS")

a) Basic EPS

Basic EPS is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

	Current Quarter 30.06.2019	Cumulative Quarter To- Date 30.06.2019
Loss attributable to owners of the Company (RM'000)	(19,709)	(8,839)
Weighted average number of ordinary shares in issue ('000)	290,783	290,783
Basis EPS (sen)	(6.78)	(3.04)

b) Diluted EPS

Not applicable for the Group.

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B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONT'D)

B12. COMPARATIVE FIGURES

Comparative figures, where applicable, have been modified to conform with the current quarter presentation.

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

DATO' SRI LIEW YEW CHUNG

CHAIRMAN

Dated: 30 August 2019