

APOLLO FOOD HOLDINGS BERHAD (291471-M)
(Incorporated in Malaysia)

**SUMMARY OF KEY FINANCIAL INFORMATION
FOR THE QUARTER ENDED 30 APRIL 2017**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/04/2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/04/2016 RM'000	CURRENT YEAR TO-DATE 30/04/2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/04/2016 RM'000
1 Revenue	59,596	53,144	208,917	208,186
2 Profit before tax	4,257	4,637	24,663	40,044
3 Profit for the period	2,700	1,711	17,832	29,744
4 Profit attributable to ordinary equity holders of the parent	2,700	1,711	17,832	29,744
5 Basic earnings per share (sen)	3.38	2.14	22.29	37.18
6 Proposed/Declared dividend per share (sen)	25	30	25	30

	AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
7 Net assets per share attributable to ordinary equity holders of the parent (RM)	3.17	3.22

ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/04/2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/04/2016 RM'000	CURRENT YEAR TO-DATE 30/04/2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/04/2016 RM'000
1 Gross interest income	922	852	2,914	2,772
2 Gross interest expense	-	-	-	-

APOLLO FOOD HOLDINGS BERHAD (291471-M)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE QUARTER ENDED 30 APRIL 2017**

(The figures have not been audited)

	UNAUDITED AS AT 30/04/2017 RM'000	AUDITED AS AT 30/04/2016 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	98,006	102,498
Prepaid lease payments for land	654	769
Investment properties	13,983	14,197
Other investments	4,710	3,308
	<u>117,353</u>	<u>120,772</u>
Current assets		
Inventories	15,848	18,148
Trade and other receivables	37,934	36,836
Tax recoverable	713	-
Cash and cash equivalents	104,683	107,380
	<u>159,178</u>	<u>162,364</u>
TOTAL ASSETS	<u><u>276,531</u></u>	<u><u>283,136</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share Capital	80,000	80,000
Reserves attributable to capital	5,251	3,394
Retained profits	167,999	174,167
Total equity	<u>253,250</u>	<u>257,561</u>
Non-current liabilities		
Retirement benefits obligations	2,096	1,705
Deferred tax	11,092	11,894
	<u>13,188</u>	<u>13,599</u>
Current Liabilities		
Trade and other payables	10,093	10,981
Current tax liabilities	-	995
	<u>10,093</u>	<u>11,976</u>
Total liabilities	<u>23,281</u>	<u>25,575</u>
TOTAL EQUITY AND LIABILITIES	<u><u>276,531</u></u>	<u><u>283,136</u></u>
Net assets per share (RM)	<u>3.17</u>	<u>3.22</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)

APOLLO FOOD HOLDINGS BERHAD (291471-M)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 APRIL 2017**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/04/2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/04/2016 RM'000	CURRENT PERIOD TO-DATE 30/04/2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/04/2016 RM'000
Revenue	59,596	53,144	208,917	208,186
Cost of sales	(48,861)	(39,654)	(166,415)	(151,154)
Gross profit	10,735	13,490	42,502	57,032
Other income	1,303	1,072	4,090	4,113
Operating & other expenses	(7,781)	(9,925)	(21,929)	(21,101)
Profit before tax	4,257	4,637	24,663	40,044
Income tax expense	(1,557)	(2,926)	(6,831)	(10,300)
Profit for the period	2,700	1,711	17,832	29,744
Other comprehensive income				
Fair value gain/(loss) on other investments	(1,445)	(442)	(1,857)	(615)
Total comprehensive income for the period	1,255	1,269	15,975	29,129
Profit for the period attributable to:				
Equity holders of the parent	2,700	1,711	17,832	29,744
Non-controlling interests	-	-	-	-
	2,700	1,711	17,832	29,744
Total comprehensive income for the period attributable to:				
Equity holders of the parent	1,255	1,269	15,975	29,129
Non-controlling interests	-	-	-	-
	1,255	1,269	15,975	29,129
Earnings per share (sen)				
(i) Basic	3.38	2.14	22.29	37.18
(ii) Fully diluted	3.38	2.14	22.29	37.18
Dividends per share (sen)	-	-	30.00	25.00

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the year ended 30 April 2016 and the accompanying explanatory notes attached to the interim financial statements)

APOLLO FOOD HOLDINGS BERHAD (291471-M)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 APRIL 2017**

(The figures have not been audited)

	← Attributable to owners of the parent →				Total RM '000
	Share Capital RM '000	Share Premium RM '000	Fair value Reserves RM '000	Distributable Retained Profits RM '000	
12 months ended 30 April 2017					
Balance as at 1 May 2016	80,000	4,325	(931)	174,167	257,561
Total comprehensive income for the period	-	-	1,857	17,832	19,689
Distribution of dividends	-	-	-	(24,000)	(24,000)
Balance as at 30 April 2017	80,000	4,325	926	167,999	253,250
12 months ended 30 April 2016					
Balance as at 1 May 2015	80,000	4,325	(316)	164,423	248,432
Total comprehensive income for the period	-	-	(615)	29,744	29,129
Distribution of dividends	-	-	-	(20,000)	(20,000)
Balance as at 30 April 2016	80,000	4,325	(931)	174,167	257,561

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements for the year ended 30 April 2016 and the accompanying explanatory notes attached to the interim financial statements)

APOLLO FOOD HOLDINGS BERHAD (291471-M)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE QUARTER ENDED 30 APRIL 2017**

(The figures have not been audited)

	12 months ended 30 April	
	2017	2016
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	24,663	40,044
Adjustments for:		
Depreciation of property, plant and equipment	9,169	10,174
Depreciation of investment properties	214	214
Amortisation of prepaid lease payments for land	115	115
Unrealised gain on foreign currency translations	(3,012)	(2,524)
Impairment loss on other investments	343	823
Provision for retirement benefits	391	208
Interest income	(2,914)	(2,772)
Dividend income	(116)	(91)
Property, plant and equipment written off	1	-
Inventories written off	-	450
Gain on disposal of other investments	(81)	(317)
(Gain)/Loss on disposal of property, plant and equipment	(5)	1
Operating profit before changes in working capital	<u>28,768</u>	<u>46,325</u>
Changes in working capital		
Inventories	2,300	764
Receivables	(663)	(1,170)
Payables	(929)	497
Cash generated from operations	<u>29,476</u>	<u>46,416</u>
Interest received	2,914	2,772
Income taxes paid	(9,341)	(11,209)
Income taxes refund	-	48
Net cash from operating activities	<u>23,049</u>	<u>38,027</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received	116	91
Purchase of:		
- other investments	(524)	(1,560)
- property, plant and equipment	(4,677)	(2,592)
Proceeds from disposal of other investments	718	1,427
Proceeds from disposal of property, plant and equipment	5	1
Net cash used in investing activities	<u>(4,362)</u>	<u>(2,633)</u>
CASH FLOWS FROM FINANCING ACTIVITY		
Dividends paid	(24,000)	(20,000)
Net cash used in financing activity	<u>(24,000)</u>	<u>(20,000)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(5,313)	15,394
Currency translation differences	2,616	2,845
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>107,380</u>	<u>89,141</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>104,683</u></u>	<u><u>107,380</u></u>

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Audited Financial Statements for the year ended 30 April 2016 and the accompanying explanatory notes attached to the interim financial statements)

APOLLO FOOD HOLDINGS BERHAD (291471-M)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

30 APRIL 2017

1. BASIS OF PREPARATION

The condensed interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 - "Interim Financial Reporting" and Paragraph 9.22 of the Bursa Malaysia Securities Berhad (Bursa Securities Berhad ("Bursa")) Listing Requirements.

The interim financial statements should be read in conjunction with the Group's annual audited financial statements for the year ended 30 April 2016 and the explanatory notes attached to the interim financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

New MFRSs adopted during the financial year

At the date of authorisation of the interim financial statements, the following standards and interpretation were issued and applied by the Group:

Effective for financial periods beginning on or after 1 January 2016:

MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to MFRS 101	Disclosure Initiative
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 116 and MFRS 141	Agriculture: Bearer Plants
Amendments to MFRS 127	Equity Method in Separate Financial Statements
Amendments to MFRSs	Annual Improvements to 2012-2014 Cycle

Adoption of the above Standards did not have any material effect on the financial performance or position of the Group.

Standards and Interpretations issued but not yet effective

At the date of authorisation of the interim financial statements, the following standards and interpretation were issued but not yet effective and have not been applied by the Group:

Effective for financial periods beginning on or after 1 January 2017:

Amendments to MFRS 12	Annual Improvements to MFRS Standards 2014-2016 Cycle
Amendments to MFRS 107	Disclosure Initiative
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses

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NOTES TO THE INTERIM FINANCIAL STATEMENTS
30 APRIL 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Standards and Interpretations issued but not yet effective (continued)

Effective for financial periods beginning on or after 1 January 2018:

Amendments to MFRS 1	Annual Improvements to MFRS Standards 2014-2016 Cycle
MFRS 9	Financial Instruments (IFRS 9 as issued by IASB in July 2014)
MFRS 15	Revenue from Contracts with Customers
Clarifications to MFRS 15	Revenue from Contracts with Customers
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to MFRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts
Amendments to MFRS 128	Annual Improvements to MFRS Standards 2014 - 2016 Cycle
Amendments to MFRS 140	Transfers of Investment Property
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration

Effective for financial periods beginning on or after 1 January 2019:

MFRS 16	Leases
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Deferred

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associates or Joint Venture
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3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The preceding year's audit report for the year ended 30 April 2016 was unqualified.

4. SEASONAL OR CYCLICAL FACTORS

Seasonal or cyclical factors do not significantly affect the principal business operations of the Group.

5. UNUSUAL ITEMS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current financial period under review.

6. CHANGES IN ESTIMATES

There were no material changes in the estimation methods in this interim reporting quarter which will have a material impact.

7. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial period under review.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS
30 APRIL 2017

8. DIVIDEND PAID

There was no dividend paid during the quarter under review.

9. SEGMENT INFORMATION

Segment information is presented in respect of the Group's nature of principal activities. The segmental analysis is provided as follows:

	Manufacturing, marketing and distribution RM'000	Investment holding RM'000	Total RM'000
<u>Revenue</u>			
Total revenue	208,801	116	208,917
Inter-segment revenue	-	-	-
Revenue from external customers	<u>208,801</u>	<u>116</u>	<u>208,917</u>
Profit for reportable segments			<u>17,832</u>

10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no revaluation carried out on property, plant and equipment during the financial period under review.

11. MATERIAL EVENTS SUBSEQUENT TO THE END OF INTERIM PERIOD

There were no material events subsequent to the end of interim period that would substantially affect the interim financial statements.

12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during this interim period.

13. CONTINGENT LIABILITIES

There were no material changes in contingent liabilities since the last annual date of the statement of financial position as at 30 April 2017.

14. CAPITAL COMMITMENTS

Capital expenditure not provided for in the interim financial statements as at 30 April 2017 is as follows:

AUTHORISED AND CONTRACTED	RM
	<u>6,180,899</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS
30 APRIL 2017

15. SIGNIFICANT RELATED PARTY TRANSACTIONS

There were no significant related party transactions during this interim period.

16. REVIEW OF PERFORMANCE AS COMPARED TO THE PRECEDING YEAR'S CORRESPONDING QUARTER

For the current quarter ended 30 April 2017, the Group recorded a revenue of RM59.596 million, an increase of RM6.452 million as compared to RM53.144 million in the preceding year's corresponding quarter. Higher revenue was mainly due to the increase in sales from the increase demand in the both local and export markets.

The Group's pre-tax profit for the current quarter ended 30 April 2017 decreased by RM0.380 million to RM4.257 million from RM4.637 million in the quarter ended 30 April 2016 primary due to higher material costs.

17. MATERIAL CHANGE IN THE PROFIT BEFORE TAX FOR THE CURRENT QUARTER AS COMPARED TO THE IMMEDIATE PRECEDING QUARTER

For the quarter ended 30 April 2017, the Group recorded a revenue of RM59.596 million, an increase of RM8.384 million as compared to RM51.212 million recorded in the preceding quarter. The increase in revenue was mainly due to increase sales arising from the higher demand in the export markets.

The Group's pre-tax profit had decreased by RM1.499 million from RM5.756 million in the preceding quarter to RM4.257 million in this quarter. This was mainly due to higher operating costs and lower foreign exchange gain incurred in this quarter.

18. CURRENT YEAR PROSPECTS

In view of the increase in costs of raw materials and the volatility of Ringgit Malaysia against foreign currencies, the Group expects its operating environment to be tougher in both the current and coming financial years. The market will continue to remain competitive.

Despite a challenging environment, the Board is of the opinion that the Group will be able to maintain its market position by implementing prudent measures and improving operational efficiency to safeguard the Group's profitability. By focusing on products and services quality, the Group is optimistic that it will continue to achieve satisfactory result in the coming year.

19. PROFIT FORECAST OR PROFIT GUARANTEE

Not applicable.

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(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS
30 APRIL 2017

20. INCOME TAX EXPENSE

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/04/2017 RM'000	Preceding Year Corresponding Quarter 30/04/2016 RM'000	Current Year To Date 30/04/2017 RM'000	Preceding Year Corresponding Period 30/04/2016 RM'000
Income tax				
- Current period	2,469	3,761	7,645	10,399
- Prior period	2	844	(12)	844
	<u>2,471</u>	<u>4,605</u>	<u>7,633</u>	<u>11,243</u>
Deferred tax	(914)	(1,679)	(802)	(943)
	<u>1,557</u>	<u>2,926</u>	<u>6,831</u>	<u>10,300</u>

21. ADDITIONAL DISCLOSURES

	Current Year Quarter Ended 30/04/2017 RM'000	Current Year To- Date Ended 30/04/2017 RM'000
Interest income	(922)	(2,914)
Rental income	(104)	(409)
Dividend income	(15)	(116)
Depreciation of:		
- property, plant and equipment	2,302	9,169
- investment properties	53	214
Amortisation of prepaid lease payments for land	29	115
Impairment loss on other investment	-	343
Gain on disposal of:		
- property, plant and equipment	(5)	(5)
- other investments	(81)	(81)
Property, plant and equipment written off	1	1
(Gain)/Loss on foreign exchange:		
- realised	(458)	(2,812)
- unrealised	514	(3,012)

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NOTES TO THE INTERIM FINANCIAL STATEMENTS
30 APRIL 2017

22. BREAKDOWN OF REALISED AND UNREALISED PROFITS OR LOSSES OF THE GROUP

	Current Quarter Ended 30/04/2017 RM'000	Preceding Quarter Ended 30/04/2016 RM'000
Total retained profits		
Realised	210,014	217,489
Unrealised	(8,080)	(8,755)
	<hr/> 201,934	<hr/> 208,734
Less: Consolidation adjustments	(33,935)	(34,567)
Total retained profits as per statement of financial position	<hr/> <hr/> 167,999	<hr/> <hr/> 174,167

23. CORPORATE PROPOSALS

There were no corporate proposals announced as at the end of the reporting period.

24. GROUP BORROWINGS AND DEBT SECURITIES

There were no group borrowings and debt securities as at the end of the reporting period.

25. DERIVATIVE FINANCIAL INSTRUMENTS

The Group does not have any outstanding derivative financial instruments as at the end of the quarter under review.

26. GAINS/LOSSES ARISING FROM FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

There were no gains or losses arising from fair value changes of any financial liabilities during the quarter and financial period-to-date under review.

27. MATERIAL LITIGATION

On 7 April 2017, Apollo Food Industries (M) Sdn Bhd ("AFI"), a wholly owned subsidiary of Apollo Food Holdings Berhad, received a Writ of Summon from Mondelez Europe GMBH ("Mondelez"), which intends to restrain AFI from selling one of their products on the basis that such product infringes the trademark product of Mondelez.

Currently no court trial date has been fixed. The Directors have consulted with legal opinions, and the Directors are of the view that other than legal professional consultancy fees incurred, the financial impact that may affect to the Group is currently unknown and the Directors are not aware of any contractual obligation, guarantee or otherwise which may the Group by the result of this litigation.

28. DIVIDEND

The Board of Directors does not recommend the payment of an interim dividend for the financial quarter under review.

APOLLO FOOD HOLDINGS BERHAD (291471-M)
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS
30 APRIL 2017

29. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to owners of the parent by the weighted number of ordinary shares in issue for the following periods:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/04/2017 RM'000	Preceding Year Quarter 30/04/2016 RM'000	Current Year To Date 30/04/2017 RM'000	Preceding Year Corresponding Period 30/04/2016 RM'000
Profit attributable to owners of the parent	2,700	1,711	17,832	29,744
Weighted average no. of Ordinary shares in issue during the interim period ('000)	80,000	80,000	80,000	80,000
(i) Basic				
Basic earnings per share (sen)	3.38	2.14	22.29	37.18
(ii) Diluted				
Diluted earnings per share (sen)	3.38	2.14	22.29	37.18

By Order of the Board

WONG CHEE YIN
SANTHI A/P SAMINATHAN
Company Secretaries
Johor Bahru
23 June 2017