

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

**SUMMARY OF KEY FINANCIAL INFORMATION  
FOR THE QUARTER ENDED 31 OCTOBER 2017**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/10/2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/10/2016 RM'000	CURRENT YEAR TO-DATE 31/10/2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/10/2016 RM'000
1 Revenue	52,087	48,127	98,820	98,109
2 Profit before tax	5,145	6,035	9,870	14,650
3 Profit for the period	3,817	4,293	7,578	9,992
4 Profit attributable to ordinary equity holders of the parent	3,817	4,293	7,578	9,992
5 Basic earnings per share (sen)	4.77	5.37	9.47	12.49
6 Proposed/Declared dividend per share (sen)	-	-	-	-
		<b>AS AT END OF CURRENT QUARTER 31/10/2017 RM</b>		<b>AS AT PRECEDING FINANCIAL YEAR END 30/04/2017 RM</b>
7 Net assets per share attributable to ordinary equity holders of the parent		3.24		3.17

**ADDITIONAL INFORMATION**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/10/2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/10/2016 RM'000	CURRENT YEAR TO-DATE 31/10/2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/10/2016 RM'000
1 Gross interest income	683	721	1,034	1,296
2 Gross interest expense	-	-	-	-

**APOLLO FOOD HOLDINGS BERHAD** (291471-M)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
FOR THE QUARTER ENDED 31 OCTOBER 2017**

(The figures have not been audited)

	<b>UNAUDITED AS AT 31/10/2017 RM'000</b>	<b>AUDITED AS AT 30/04/2017 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	98,762	98,006
Prepaid lease payments for land	-	654
Investment properties	13,876	13,983
Other investments	2,631	4,710
	<u>115,269</u>	<u>117,353</u>
<b>Current assets</b>		
Inventories	14,507	15,848
Trade and other receivables	35,031	37,934
Current tax assets	325	839
Short term funds	2,215	2,179
Cash and bank balances	114,516	102,504
	<u>166,594</u>	<u>159,304</u>
	<u>281,863</u>	<u>276,657</u>
<b>TOTAL ASSETS</b>		
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share Capital	80,000	80,000
Reserves attributable to capital	3,994	5,251
Retained profits	175,577	167,999
<b>Total equity</b>	<u>259,571</u>	<u>253,250</u>
<b>Non-current liabilities</b>		
Retirement benefits obligations	2,096	2,096
Deferred tax	9,382	11,092
	<u>11,478</u>	<u>13,188</u>
<b>Current Liabilities</b>		
Trade and other payables	10,720	10,093
Current tax liabilities	94	126
	<u>10,814</u>	<u>10,219</u>
<b>Total liabilities</b>	<u>22,292</u>	<u>23,407</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>281,863</u>	<u>276,657</u>
Net assets per share (RM)	<u>3.24</u>	<u>3.17</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 31 OCTOBER 2017**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/10/2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/10/2016 RM'000	CURRENT PERIOD TO-DATE 31/10/2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/10/2016 RM'000
<b>Revenue</b>	52,087	48,127	98,820	98,109
Cost of sales	(40,652)	(38,312)	(79,004)	(76,746)
Gross profit	11,435	9,815	19,816	21,363
Other income	1,038	1,016	2,909	1,840
Operating & other expenses	(7,328)	(4,796)	(12,855)	(8,553)
Profit before tax	5,145	6,035	9,870	14,650
Income tax expense	(1,328)	(1,742)	(2,292)	(4,658)
<b>Profit for the period</b>	<b>3,817</b>	<b>4,293</b>	<b>7,578</b>	<b>9,992</b>
<b>Other comprehensive income</b>				
Fair value gain/(loss) on other investments	(180)	(437)	(1,257)	(441)
<b>Total comprehensive income for the period</b>	<b>3,637</b>	<b>3,856</b>	<b>6,321</b>	<b>9,551</b>
<b>Profit for the period attributable to:</b>				
Equity holders of the parent	3,817	4,293	7,578	9,992
Non-controlling interests	-	-	-	-
	<b>3,817</b>	<b>4,293</b>	<b>7,578</b>	<b>9,992</b>
<b>Total comprehensive income for the period attributable to:</b>				
Equity holders of the parent	3,637	3,856	6,321	9,551
Non-controlling interests	-	-	-	-
	<b>3,637</b>	<b>3,856</b>	<b>6,321</b>	<b>9,551</b>
Earnings per share (sen)				
(i) Basic	4.77	5.37	9.47	12.49
(ii) Fully diluted	4.77	5.37	9.47	12.49
Dividends per share (sen)	-	-	-	-

(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 2017 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 31 OCTOBER 2017**  
(The figures have not been audited)

	Attributable to owners of the parent				
	←---- Non-distributable ----→			Distributable	
	Share Capital RM '000	Share Premium RM '000	Fair value Reserves RM '000	Retained Profits RM '000	Total RM '000
<b>6 months ended 31 October 2017</b>					
<b>Balance as at 1 May 2017</b>	80,000	4,325	926	167,999	253,250
Total comprehensive income for the period	-	-	(1,257)	7,578	6,321
Distribution of dividends	-	-	-	-	-
<b>Balance as at 31 October 2017</b>	<b>80,000</b>	<b>4,325</b>	<b>(331)</b>	<b>175,577</b>	<b>259,571</b>
<b>6 months ended 31 October 2016</b>					
<b>Balance as at 1 May 2016</b>	80,000	4,325	(931)	174,167	257,561
Total comprehensive income for the period	-	-	441	9,992	10,433
Distribution of dividends	-	-	-	-	-
<b>Balance as at 31 October 2016</b>	<b>80,000</b>	<b>4,325</b>	<b>(490)</b>	<b>184,159</b>	<b>267,994</b>

(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 2017 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 31 OCTOBER 2017**

(The figures have not been audited)

	<b>6 months ended 31 Oct</b>	
	<b>2017</b>	<b>2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	9,870	14,650
Adjustments for:		
Depreciation of property, plant and equipment	4,651	4,602
Depreciation of investment properties	107	107
Amortisation of prepaid lease payments for land	-	57
Unrealised gain on foreign currency translations	(606)	(2,627)
Impairment loss on other investments	-	343
Provision for retirement benefits	-	-
Interest income	(1,034)	(1,296)
Dividend income	(44)	(77)
Property, plant and equipment written off	-	-
Inventories written off	-	60
Gain on disposal of other investments	(1,320)	-
Gain on disposal of property, plant and equipment	(8)	-
Operating profit before changes in working capital	<u>11,616</u>	<u>15,819</u>
Changes in working capital		
Inventories	1,341	(454)
Receivables	2,872	9,045
Payables	632	220
Cash generated from operations	<u>16,461</u>	<u>24,630</u>
Interest received	1,034	1,296
Income taxes paid	(3,520)	(5,314)
Income taxes refund	-	-
Retirement benefits paid	-	-
<b>Net cash from operating activities</b>	<u><u>13,975</u></u>	<u><u>20,612</u></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Dividends received	44	77
Purchase of:		
- other investments	(555)	(328)
- property, plant and equipment	(4,843)	(2,641)
- prepaid lease payments for land	-	-
Proceeds from disposal of other investments	2,698	-
Proceeds from disposal of property, plant and equipment	98	-
<b>Net cash used in investing activities</b>	<u><u>(2,558)</u></u>	<u><u>(2,892)</u></u>
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>		
<b>Net cash used in financing activity</b>	<u><u>-</u></u>	<u><u>-</u></u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	11,417	17,720
Currency translation differences	631	2,021
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	104,683	107,380
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u><u>116,731</u></u>	<u><u>127,121</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 2017 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 31 OCTOBER 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 2017 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 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

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 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
IC Interpretation 23	Uncertainty over Income Tax Treatments
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures
Amendments to MFRS 9	Prepayment Features with Negative Compensation

#### **Effective for financial periods beginning on or after 1 January 2021:**

MFRS 17	Insurance Contracts
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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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**APOLLO FOOD HOLDINGS BERHAD (291471-M)**

(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS****31 OCTOBER 2017****3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The preceding year's audit report for the year ended 30 April 2017 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.

**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:

	<b>Manufacturing, marketing and distribution RM'000</b>	<b>Investment holding RM'000</b>	<b>Total RM'000</b>
<b><u>Revenue</u></b>			
Total revenue	98,776	44	98,820
Inter-segment revenue	-	-	-
Revenue from external customers	<u>98,776</u>	<u>44</u>	<u>98,820</u>
<b>Profit for reportable segments</b>			<u>7,578</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.

**APOLLO FOOD HOLDINGS BERHAD (291471-M)**

(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
31 OCTOBER 2017**

**14. CAPITAL COMMITMENTS**

Capital expenditure not provided for in the interim financial statements as at 31 October 2017 is as follows:

<b>AUTHORISED AND CONTRACTED</b>	<b>RM</b>
	<u>6,235,142</u>

**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 31 October 2017, the Group recorded a revenue of RM52.087 million, an increase of RM3.960 million as compared to RM48.127 million in the preceding year's corresponding quarter. Higher revenue was mainly due to increase in sales orders by local markets.

The Group's pre-tax profit for the current quarter ended 31 October 2017 decreased by RM0.890 million to RM5.145 million from RM6.035 million in the quarter ended 31 October 2016. The decrease was primarily due to lower foreign exchange gain as compared to preceding year's corresponding quarter.

**17. COMPARISON WITH THE IMMEDIATE PRECEDING QUARTER'S RESULT**

For the quarter ended 31 October 2017, the Group recorded a revenue of RM52.087 million, an increase of RM5.354 million as compared to RM46.733 million recorded in the preceding quarter. The increase in revenue was mainly due to higher demand in local markets.

The Group's pre-tax profit had increased by RM0.420 million from RM4.725 million in the preceding quarter to RM5.145 million in this quarter due to higher turnover.

**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 more challenging 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 product and service quality, the Group is optimistic that it will continue to achieve satisfactory results in the coming year.

**19. PROFIT FORECAST OR PROFIT GUARANTEE**

Not applicable.



**APOLLO FOOD HOLDINGS BERHAD** (291471-M)

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
31 OCTOBER 2017****20. INCOME TAX EXPENSE**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/10/2017 RM'000	Preceding Year Corresponding Quarter 31/10/2016 RM'000	Current Year To Date 31/10/2017 RM'000	Preceding Year Corresponding Period 31/10/2016 RM'000
Income tax				
- Current period	2,028	2,295	4,002	4,590
- Prior period	-	1	-	1
	<u>2,028</u>	<u>2,296</u>	<u>4,002</u>	<u>4591</u>
Deferred tax	(700)	(554)	(1,710)	67
	<u>1,328</u>	<u>1,742</u>	<u>2,292</u>	<u>4,658</u>

**21. ADDITIONAL DISCLOSURES**

	Current Year Quarter Ended 31/10/2017 RM'000	Current Year To- Date Ended 31/10/2017 RM'000
Interest income	(683)	(1,034)
Rental income	(104)	(208)
Dividend income	(13)	(44)
Depreciation of:		
- property, plant and equipment	2,348	4,651
- investment properties	54	107
Amortisation of prepaid lease payments for land	(9)	-
Gain on disposal of:		
- property, plant and equipment	-	(8)
- other investments	(86)	(1,320)
(Gain)/Loss on foreign exchange:		
- realised	(43)	110
- unrealised	584	(606)

**APOLLO FOOD HOLDINGS BERHAD** (291471-M)

(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS****31 OCTOBER 2017****22. BREAKDOWN OF REALISED AND UNREALISED PROFITS OR LOSSES OF THE GROUP**

	<b>Current Quarter Ended 31/10/2017 RM'000</b>	<b>Preceding Quarter Ended 31/07/2017 RM'000</b>
Total retained profits		
Realised	218,285	214,585
Unrealised	(8,776)	(8,891)
	<hr/> 209,509	<hr/> 205,694
Less: Consolidation adjustments	(33,932)	(33,934)
Total retained profits as per statement of financial position	<hr/> <hr/> 175,577	<hr/> <hr/> 171,760

**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. ON-GOING 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 affect the Group as a 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  
31 OCTOBER 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 31/10/2017 RM'000	Preceding Year Corresponding Quarter 31/10/2016 RM'000	Current Year To Date 31/10/2017 RM'000	Preceding Year Corresponding Period 31/10/2016 RM'000
Profit attributable to owners of the parent	3,817	4,293	7,578	9,992
Weighted average no. of Ordinary shares in issue during the interim period ('000)	80,000	80,000	80,000	80,000
<b>(i) Basic</b>				
Basic earnings per share (sen)	4.77	5.37	9.47	12.49
<b>(ii) Diluted</b>				
Diluted earnings per share (sen)	4.77	5.37	9.47	12.49

By Order of the Board

**WONG CHEE YIN**  
**SANTHI A/P SAMINATHAN**  
Company Secretaries  
Johor Bahru  
28 December 2017