

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

**SUMMARY OF KEY FINANCIAL INFORMATION
FOR THE QUARTER ENDED 31 JANUARY 2018**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/01/2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/01/2017 RM'000	CURRENT YEAR TO-DATE 31/01/2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/01/2017 RM'000
1 Revenue	46,189	51,212	145,009	149,321
2 Profit before tax	2,627	5,756	12,497	20,406
3 Profit for the period	2,130	5,140	9,708	15,132
4 Profit attributable to ordinary equity holders of the parent	2,130	5,140	9,708	15,132
5 Basic earnings per share (sen)	2.66	6.43	12.14	18.92
6 Proposed/Declared dividend per share (sen)	-	-	-	-
		AS AT END OF CURRENT QUARTER 31/01/2018 RM		AS AT PRECEDING FINANCIAL YEAR END 30/04/2017 RM
7 Net assets per share attributable to ordinary equity holders of the parent		3.02		3.17

ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/01/2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/01/2017 RM'000	CURRENT YEAR TO-DATE 31/01/2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/01/2017 RM'000
1 Gross interest income	785	696	1,819	1,992
2 Gross interest expense	-	-	-	-

APOLLO FOOD HOLDINGS BERHAD (291471-M)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE QUARTER ENDED 31 JANUARY 2018**

(The figures have not been audited)

	UNAUDITED AS AT 31/01/2018 RM'000	AUDITED AS AT 30/04/2017 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	105,565	98,006
Prepaid lease payments for land	-	654
Investment properties	13,823	13,983
Other investments	3,060	4,710
	<u>122,448</u>	<u>117,353</u>
Current assets		
Inventories	15,875	15,848
Trade and other receivables	26,164	37,934
Current tax assets	2,015	839
Short term funds	2,232	2,179
Cash and bank balances	93,646	102,504
	<u>139,932</u>	<u>159,304</u>
TOTAL ASSETS	<u><u>262,380</u></u>	<u><u>276,657</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share Capital	80,000	80,000
Reserves attributable to capital	4,092	5,251
Retained profits	157,707	167,999
Total equity	<u>241,799</u>	<u>253,250</u>
Non-current liabilities		
Retirement benefits obligations	2,096	2,096
Deferred tax	9,768	11,092
	<u>11,864</u>	<u>13,188</u>
Current Liabilities		
Trade and other payables	8,679	10,093
Current tax liabilities	38	126
	<u>8,717</u>	<u>10,219</u>
Total liabilities	<u>20,581</u>	<u>23,407</u>
TOTAL EQUITY AND LIABILITIES	<u><u>262,380</u></u>	<u><u>276,657</u></u>
Net assets per share (RM)	<u>3.02</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 JANUARY 2018**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/01/2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/01/2017 RM'000	CURRENT PERIOD TO-DATE 31/01/2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/01/2017 RM'000
Revenue	46,189	51,212	145,009	149,321
Cost of sales	(35,347)	(40,808)	(114,351)	(117,554)
Gross profit	<u>10,842</u>	<u>10,404</u>	<u>30,658</u>	<u>31,767</u>
Other income	1,041	947	3,950	2,787
Operating & other expenses	(9,256)	(5,595)	(22,111)	(14,148)
Profit before tax	<u>2,627</u>	<u>5,756</u>	<u>12,497</u>	<u>20,406</u>
Income tax expense	(497)	(616)	(2,789)	(5,274)
Profit for the period	<u><u>2,130</u></u>	<u><u>5,140</u></u>	<u><u>9,708</u></u>	<u><u>15,132</u></u>
Other comprehensive income				
Fair value gain/(loss) on other investments	98	29	(1,159)	412
Total comprehensive income for the period	<u><u>2,228</u></u>	<u><u>5,169</u></u>	<u><u>8,549</u></u>	<u><u>15,544</u></u>
Profit for the period attributable to:				
Equity holders of the parent	2,130	5,140	9,708	15,132
Non-controlling interests	-	-	-	-
	<u><u>2,130</u></u>	<u><u>5,140</u></u>	<u><u>9,708</u></u>	<u><u>15,132</u></u>
Total comprehensive income for the period attributable to:				
Equity holders of the parent	2,228	5,169	8,549	15,544
Non-controlling interests	-	-	-	-
	<u><u>2,228</u></u>	<u><u>5,169</u></u>	<u><u>8,549</u></u>	<u><u>15,544</u></u>
Earnings per share (sen)				
(i) Basic	<u>2.66</u>	<u>6.43</u>	<u>12.14</u>	<u>18.92</u>
(ii) Fully diluted	<u>2.66</u>	<u>6.43</u>	<u>12.14</u>	<u>18.92</u>
Dividends per share (sen)	<u>25.00</u>	<u>30.00</u>	<u>25.00</u>	<u>30.00</u>

(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 JANUARY 2018**

(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
9 months ended 31 January 2018					
Balance as at 1 May 2017	80,000	4,325	926	167,999	253,250
Total comprehensive income for the period	-	-	(1,159)	9,708	8,549
Distribution of dividends	-	-	-	(20,000)	(20,000)
Balance as at 31 January 2018	80,000	4,325	(233)	157,707	241,799
9 months ended 31 January 2017					
Balance as at 1 May 2016	80,000	4,325	(931)	174,167	257,561
Total comprehensive income for the period	-	-	412	15,132	15,544
Distribution of dividends	-	-	-	(24,000)	(24,000)
Balance as at 31 January 2017	80,000	4,325	(519)	165,299	249,105

(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 JANUARY 2018**

(The figures have not been audited)

←--- 9 months ended 31 Jan ---→

	2018 RM'000	2017 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	12,497	20,406
Adjustments for:		
Depreciation of property, plant and equipment	7,110	6,867
Depreciation of investment properties	160	161
Amortisation of prepaid lease payments for land	-	86
Unrealised loss/(gain) on foreign currency translations	1,862	(3,526)
Impairment loss on other investments	-	343
Provision for retirement benefits	-	-
Interest income	(1,819)	(1,992)
Dividend income	(79)	(101)
Property, plant and equipment written off	-	-
Inventories written off	-	219
Gain on disposal of other investments	(1,320)	-
Gain on disposal of property, plant and equipment	(8)	-
	<u>18,403</u>	<u>22,463</u>
Operating profit before changes in working capital		
Changes in working capital		
Inventories	(27)	(263)
Receivables	11,226	2,623
Payables	(1,410)	(628)
	<u>28,192</u>	<u>24,195</u>
Cash generated from operations		
Interest received	1,819	1,992
Income taxes paid	(5,378)	(7,663)
	<u>24,633</u>	<u>18,524</u>
Net cash from operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received	79	101
Purchase of:		
- other investments	(886)	(524)
- property, plant and equipment	(14,105)	(3,604)
- prepaid lease payments for land	-	-
Proceeds from disposal of other investments	2,698	-
Proceeds from disposal of property, plant and equipment	98	-
	<u>(12,116)</u>	<u>(4,027)</u>
Net cash used in investing activities		
CASH FLOWS FROM FINANCING ACTIVITY		
Dividends paid	(20,000)	(24,000)
	<u>(20,000)</u>	<u>(24,000)</u>
Net cash used in financing activity		
NET INCREASE IN CASH AND CASH EQUIVALENTS		
	(7,483)	(9,503)
Currency translation differences	(1,322)	2,778
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	104,683	107,380
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>95,878</u></u>	<u><u>100,655</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)
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NOTES TO THE INTERIM FINANCIAL STATEMENTS
31 JANUARY 2018

Part A: Explanatory Notes Pursuant To Malaysian Financial Reporting Standards (“MFRS”)
134 – Interim Financial Reporting

A1. 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”) 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.

A2. Significant Accounting Policies

The significant accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the most recent annual audited financial statements for the year ended 30 April 2017.

(i) 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.

(ii) 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

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS
31 JANUARY 2018**

A2. Significant Accounting Policies (Continued)

(ii) Standards and Interpretations issued but not yet effective (continued)

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 3	Annual Improvements to MFRS Standards 2015-2017 Cycle
Amendments to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 11	Annual Improvements to MFRS Standards 2015-2017 Cycle
Amendments to MFRS 112	Annual Improvements to MFRS Standards 2015-2017 Cycle
Amendments to MFRS 123	Annual Improvements to MFRS Standards 2015-2017 Cycle
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures

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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A3. Auditors' Report on Preceding Annual Financial Statements

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

A4. Seasonal or Cyclical Factors

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

A5. Nature and Amount of Unusual Items

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

A6. Changes in Estimates

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

A7. 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
31 JANUARY 2018

A8. Dividend Paid

A single tier final dividend in respect of the financial year ended 30 April 2017 of 25 sen per ordinary share, amounting to RM20,000,000 has been paid during the quarter under review.

A9. 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	Investment holding	Total
	RM'000	RM'000	RM'000
Revenue			
Total revenue	144,930	79	145,009
Inter-segment revenue	-	-	-
Revenue from external customers	144,930	79	145,009
Profit for reportable segments			9,708

A10. Valuation of Property, Plant and Equipment

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

A11. 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.

A12. Changes in the Composition of the Group

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

A13. 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.

A14. Capital Commitments

Capital expenditure not provided for in the interim financial statements as at 31 January 2018 is as follows:

Authorised and Contracted	RM <u>130,660</u>
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A15. Significant Related Party Transactions

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

APOLLO FOOD HOLDINGS BERHAD (291471-M)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS
31 JANUARY 2018**Part B: Explanatory Notes Pursuant To Bursa Malaysia Securities Berhad (“Bursa”) Listing Requirements****B1. Review of Performance as Compared to the Preceding Year’s Corresponding Quarter**

	Individual Period			Cumulative Period		
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes (%)	Current Year Quarter	Preceding Year Corresponding Quarter	Changes (%)
	31/01/2018	31/01/2017		31/01/2018	31/01/2017	
	RM'000	RM'000		RM'000	RM'000	
Revenue	46,189	51,212	-10%	145,009	149,321	-3%
Profit before tax	2,627	5,756	-54%	12,497	20,406	-39%
Profit after tax	2,130	5,140	-59%	9,708	15,132	-36%
Profit attributable to ordinary equity holders of parent	2,130	5,140	-59%	9,708	15,132	-36%

For the current quarter ended 31 January 2018, the Group recorded a revenue of RM46.189 million, a decrease of RM5.023 million as compared to RM51.212 million in the preceding year’s corresponding quarter. Lower revenue was mainly due to decrease in sales orders by local markets.

The Group’s pre-tax profit for the current quarter ended 31 January 2018 decreased by RM3.129 million to RM2.627 million from RM5.756 million in the quarter ended 31 January 2017. The decrease was mainly due to increase of foreign exchange losses.

B2. Comparison with the Immediate Preceding Quarter’s Result

	Current Quarter	Immediate Preceding Quarter	Changes (%)
	31/01/2018	31/10/2017	
	RM'000	RM'000	
Revenue	46,189	52,087	-11%
Profit before tax	2,627	5,145	-49%
Profit after tax	2,130	3,817	-44%
Profit attributable to ordinary equity holders of parent	2,130	3,817	-44%

For the quarter ended 31 January 2018, the Group recorded a revenue of RM46.189 million, a decrease of RM5.898 million as compared to RM52.087 million recorded in the preceding quarter. The decrease in revenue was mainly due to lower demand in local markets.

The Group’s pre-tax profit had decreased by RM2.518 million from RM5.145 million in the preceding quarter to RM2.627 million in this quarter. The Group had incurred losses from foreign exchange due to depreciation of foreign currency.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS
31 JANUARY 2018****B3. 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.

B4. Profit Forecast or Profit Guarantee

Not applicable.

B5. Income Tax Expense

	Individual Period		Cumulative Period	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year Quarter	Preceding Year Corresponding Quarter
	31/01/2018	31/01/2017	31/01/2018	31/01/2017
	RM'000	RM'000	RM'000	RM'000
Income tax:				
- current period	425	586	4,427	5,176
- prior period	(314)	(15)	(314)	(14)
	111	571	4,113	5,162
Deferred tax	386	45	(1,324)	112
	497	616	2,789	5,274

B6. Additional Disclosures

	Current Year Quarter Ended	Current Year To-Date Ended
	31/01/2018	31/01/2018
	RM'000	RM'000
Interest income	(785)	(1,819)
Rental income	(104)	(312)
Dividend income	(35)	(79)
Depreciation of:		
- property, plant and equipment	2,459	7,110
- investment properties	53	160
Gain on disposal of:		
- property, plant and equipment	-	(8)
- other investments	-	(1,320)
Loss on foreign exchange:		
- realised	134	244
- unrealised	2,468	1,862

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(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS
31 JANUARY 2018

B7. Breakdown of Realised and Unrealised Profits or Losses of the Group

	Current Quarter Ended	Preceding Quarter Ended
	31/01/2018	31/10/2017
	RM'000	RM'000
Total retained profits:		
Realised	203,268	218,285
Unrealised	(11,631)	(8,776)
	191,637	209,509
Less: Consolidation adjustments	(33,930)	(33,932)
Total retained profits as per statement of financial position	157,707	175,577

B8. Corporate Proposals

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

B9. Group Borrowings and Debt Securities

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

B10. Derivative Financial Instruments

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

B11. 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.

B12. 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. However, both parties are going through mediation process. 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.

B13. 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 JANUARY 2018****B14. 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 Period		Cumulative Period	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year Quarter	Preceding Year Corresponding Quarter
	31/01/2018 RM'000	31/01/2017 RM'000	31/01/2018 RM'000	31/01/2017 RM'000
Profit attributable to owners of the parent	2,130	5,140	9,708	15,132
Weighted average number 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)	2.66	6.43	12.14	18.92
(ii) Diluted				
Diluted earnings per share (sen)	2.66	6.43	12.14	18.92

By Order of the Board

WONG CHEE YIN
SANTHI A/P SAMINATHAN
Company Secretaries
Johor Bahru
28 March 2018