

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

**SUMMARY OF KEY FINANCIAL INFORMATION
FOR THE QUARTER ENDED 30 APRIL 2018**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/04/2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/04/2017 RM'000	CURRENT YEAR TO-DATE 30/04/2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/04/2017 RM'000
1 Revenue	45,809	59,596	190,818	208,917
2 Profit before tax	2,228	4,257	14,725	24,663
3 Profit for the period	1,363	2,700	11,071	17,832
4 Profit attributable to ordinary equity holders of the parent	1,363	2,700	11,071	17,832
5 Basic earnings per share (sen)	1.70	3.38	13.84	22.29
6 Proposed/Declared dividend per share (sen)	20	25	20	25
		AS AT END OF CURRENT QUARTER 30/04/2018 RM		AS AT PRECEDING FINANCIAL YEAR END 30/04/2017 RM
7 Net assets per share attributable to ordinary equity holders of the parent		3.05		3.17

ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/04/2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/04/2017 RM'000	CURRENT YEAR TO-DATE 30/04/2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/04/2017 RM'000
1 Gross interest income	582	922	2,401	2,914
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 2018**

(The figures have not been audited)

	UNAUDITED AS AT 30/04/2018 RM'000	AUDITED AS AT 30/04/2017 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	103,164	98,006
Prepaid lease payments for land	-	654
Investment properties	13,769	13,983
Other investments	3,686	4,710
	<u>120,619</u>	<u>117,353</u>
Current assets		
Inventories	14,902	15,848
Trade and other receivables	29,554	37,934
Current tax assets	1,441	839
Short term funds	2,251	2,179
Cash and bank balances	94,766	102,504
	<u>142,914</u>	<u>159,304</u>
TOTAL ASSETS	<u><u>263,533</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	4,545	5,251
Retained profits	159,070	167,999
Total equity	<u>243,615</u>	<u>253,250</u>
Non-current liabilities		
Retirement benefits obligations	2,390	2,096
Deferred tax	9,525	11,092
	<u>11,915</u>	<u>13,188</u>
Current Liabilities		
Trade and other payables	7,938	10,093
Current tax liabilities	65	126
	<u>8,003</u>	<u>10,219</u>
Total liabilities	<u>19,918</u>	<u>23,407</u>
TOTAL EQUITY AND LIABILITIES	<u><u>263,533</u></u>	<u><u>276,657</u></u>
Net assets per share (RM)	<u>3.05</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 30 APRIL 2018**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/04/2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/04/2017 RM'000	CURRENT PERIOD TO-DATE 30/04/2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/04/2017 RM'000
Revenue	45,809	59,596	190,818	208,917
Cost of sales	(36,212)	(48,861)	(150,563)	(166,415)
Gross profit	9,597	10,735	40,255	42,502
Other income	830	1,303	4,780	4,090
Operating & other expenses	(8,199)	(7,781)	(30,310)	(21,929)
Profit before tax	2,228	4,257	14,725	24,663
Income tax expense	(865)	(1,557)	(3,654)	(6,831)
Profit for the period	1,363	2,700	11,071	17,832
Other comprehensive income				
Fair value gain/(loss) on other investments	453	(1,445)	(706)	1,857
Total comprehensive income for the period	1,816	1,255	10,365	19,689
Profit for the period attributable to:				
Equity holders of the parent	1,363	2,700	11,071	17,832
Non-controlling interests	-	-	-	-
	1,363	2,700	11,071	17,832
Total comprehensive income for the period attributable to:				
Equity holders of the parent	1,816	1,255	10,365	19,689
Non-controlling interests	-	-	-	-
	1,816	1,255	10,365	19,689
Earnings per share (sen)				
(i) Basic	1.70	3.38	13.84	22.29
(ii) Fully diluted	1.70	3.38	13.84	22.29
Dividends per share (sen)	-	-	25.00	30.00

(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 2017 and the accompanying explanatory notes attached to the interim financial statements)

APOLLO FOOD HOLDINGS BERHAD (291471-M)
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 APRIL 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
12 months ended 30 April 2018					
Balance as at 1 May 2017	80,000	4,325	926	167,999	253,250
Total comprehensive income for the period	-	-	(706)	11,071	10,365
Distribution of dividends	-	-	-	(20,000)	(20,000)
Balance as at 30 April 2018	80,000	4,325	220	159,070	243,615
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

(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 30 APRIL 2018**
(The figures have not been audited)

←---12 months ended 30 Apr---→

	2018 RM'000	2017 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	14,725	24,663
Adjustments for:		
Depreciation of property, plant and equipment	9,640	9,169
Depreciation of investment properties	214	214
Amortisation of prepaid lease payments for land	-	115
Unrealised loss/(gain) on foreign currency translations	1,597	(3,012)
Impairment loss on other investments	795	343
Provision for retirement benefits	294	391
Interest income	(2,401)	(2,914)
Dividend income	(79)	(116)
Property, plant and equipment written off	2	1
Inventories written off	-	-
Gain on disposal of other investments	(1,320)	(81)
Gain on disposal of property, plant and equipment	(8)	(5)
Operating profit before changes in working capital	<u>23,459</u>	<u>28,768</u>
Changes in working capital		
Inventories	946	2,300
Receivables	8,264	(663)
Payables	(2,156)	(929)
Cash generated from operations	<u>30,513</u>	<u>29,476</u>
Interest received	2,401	2,914
Income taxes paid	(5,884)	(9,341)
Net cash from operating activities	<u>27,030</u>	<u>23,049</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received	79	116
Purchase of:		
- other investments	(1,854)	(524)
- property, plant and equipment	(14,236)	(4,677)
- prepaid lease payments for land	-	-
Proceeds from disposal of other investments	2,697	718
Proceeds from disposal of property, plant and equipment	98	5
Net cash used in investing activities	<u>(13,216)</u>	<u>(4,362)</u>
CASH FLOWS FROM FINANCING ACTIVITY		
Dividends paid	(20,000)	(24,000)
Net cash used in financing activity	<u>(20,000)</u>	<u>(24,000)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(6,186)	(5,313)
Currency translation differences	(1,480)	2,616
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	104,683	107,380
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>97,017</u>	<u>104,683</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 30 APRIL 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

APOLLO FOOD HOLDINGS BERHAD (291471-M)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS 30 APRIL 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 119	Plan Amendment, Curtailment or Settlement
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 2020:

Amendments to References to the Conceptual Framework in MFRS Standards

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.

APOLLO FOOD HOLDINGS BERHAD (291471-M)

(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
30 APRIL 2018****A8. Dividend Paid**

There was no dividend 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	190,739	15,279	206,018
Inter-segment revenue	-	(15,200)	(15,200)
Revenue from external customers	190,739	79	190,818
Profit for reportable segments			11,071

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 30 April 2018 is as follows:

	RM
Authorised and Contracted	312,616

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
30 APRIL 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 (%)
	30/04/2018	30/04/2017		30/04/2018	30/04/2017	
	RM'000	RM'000		RM'000	RM'000	
Revenue	45,809	59,596	-23%	190,818	208,917	-9%
Profit before tax	2,228	4,257	-48%	14,725	24,663	-40%
Profit after tax	1,363	2,700	-50%	11,071	17,832	-38%
Profit attributable to ordinary equity holders of parent	1,363	2,700	-50%	11,071	17,832	-38%

For the current quarter ended 30 April 2018, the Group recorded a revenue of RM45.809 million, a decrease of RM13.787 million as compared to RM59.596 million in the preceding year’s corresponding quarter. Lower revenue was mainly due to decrease in sales orders by both local and export markets.

The Group’s pre-tax profit for the current quarter ended 30 April 2018 decreased by RM2.029 million to RM2.228 million from RM4.257 million in the quarter ended 30 April 2017. The decrease was due to lesser interest income and impairment loss on other investment incurred in this quarter.

B2. Comparison with the Immediate Preceding Quarter’s Result

	Current Quarter	Immediate Preceding Quarter	Changes (%)
	30/04/2018	31/01/2018	
	RM'000	RM'000	
Revenue	45,809	46,189	-1%
Profit before tax	2,228	2,627	-15%
Profit after tax	1,363	2,130	-36%
Profit attributable to ordinary equity holders of parent	1,363	2,130	-36%

For the quarter ended 30 April 2018, the Group recorded a revenue of RM45.809 million, a decrease of RM0.380 million as compared to RM46.189 million recorded in the preceding quarter.

The Group’s pre-tax profit had decreased by RM0.399 million from RM2.627 million in the preceding quarter to RM2.228 million in this quarter. The decrease was mainly due to impairment loss on other investment incurred in this quarter.

APOLLO FOOD HOLDINGS BERHAD (291471-M)

(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
30 APRIL 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
	30/04/2018	30/04/2017	30/04/2018	30/04/2017
	RM'000	RM'000	RM'000	RM'000
Income tax:				
- current period	1,108	2,469	5,535	7,645
- prior period	-	2	(314)	(12)
	1,108	2,471	5,221	7,633
Deferred tax	(243)	(914)	(1,567)	(802)
	865	1,557	3,654	6,831

B6. Additional Disclosures

	Current Year Quarter Ended	Current Year-To-Date Ended
	30/04/2018	30/04/2018
	RM'000	RM'000
Interest income	(582)	(2,401)
Rental income	(104)	(416)
Dividend income	-	(79)
Depreciation of:		
- property, plant and equipment	2,530	9,640
- investment properties	54	214
Gain on disposal of:		
- property, plant and equipment	-	(8)
- other investments	-	(1,320)
(Gain)/Loss on foreign exchange:		
- realised	273	517
- unrealised	(265)	1,597

APOLLO FOOD HOLDINGS BERHAD (291471-M)

(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
30 APRIL 2018**

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 Summons 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.

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
30 APRIL 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
	30/04/2018 RM'000	30/04/2017 RM'000	30/04/2018 RM'000	30/04/2017 RM'000
Profit attributable to owners of the parent	1,363	2,700	11,071	17,832
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)	1.70	3.38	13.84	22.29
(ii) Diluted				
Diluted earnings per share (sen)	1.70	3.38	13.84	22.29

By Order of the Board

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