

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

**SUMMARY OF KEY FINANCIAL INFORMATION
FOR THE QUARTER ENDED 31 OCTOBER 2019**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/10/2019 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/10/2018 RM'000	CURRENT YEAR TO-DATE 31/10/2019 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/10/2018 RM'000
1 Revenue	42,423	46,708	82,606	89,827
2 Profit before tax	4,302	6,795	8,777	12,467
3 Profit for the period	3,145	5,034	6,362	9,217
4 Profit attributable to ordinary equity holders of the parent	3,145	5,034	6,362	9,217
5 Basic earnings per share (sen)	3.93	6.29	7.95	11.52
6 Proposed/Declared dividend per share (sen)	-	-	-	-
		AS AT END OF CURRENT QUARTER 31/10/2019 RM		AS AT PRECEDING FINANCIAL YEAR END 30/04/2019 RM
7 Net assets per share attributable to ordinary equity holders of the parent		3.14		3.06

ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/10/2019 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/10/2018 RM'000	CURRENT YEAR TO-DATE 31/10/2019 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/10/2018 RM'000
1 Gross interest income	694	614	1,127	1,071
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 2019**

(The figures have not been audited)

	UNAUDITED AS AT 31/10/2019 RM'000	AUDITED AS AT 30/04/2019 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	90,565	94,759
Investment properties	13,449	13,555
Other investments	6,197	5,179
Deferred tax assets	-	95
	<u>110,211</u>	<u>113,588</u>
Current assets		
Inventories	15,800	15,613
Trade and other receivables	22,004	29,646
Current tax assets	-	679
Short term funds	3,418	3,361
Cash and bank balances	122,062	103,400
	<u>163,284</u>	<u>152,699</u>
TOTAL ASSETS	<u><u>273,495</u></u>	<u><u>266,287</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share Capital	84,325	84,325
Reserves attributable to capital	-	220
Retained profits	167,078	160,496
Total equity	<u>251,403</u>	<u>245,041</u>
Non-current liabilities		
Retirement benefits obligations	2,567	2,574
Deferred tax	7,778	8,954
	<u>10,345</u>	<u>11,528</u>
Current Liabilities		
Trade and other payables	11,119	9,543
Current tax liabilities	628	175
	<u>11,747</u>	<u>9,718</u>
Total liabilities	<u>22,092</u>	<u>21,246</u>
TOTAL EQUITY AND LIABILITIES	<u><u>273,495</u></u>	<u><u>266,287</u></u>
Net assets per share (RM)	<u>3.14</u>	<u>3.06</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 2019**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/10/2019 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/10/2018 RM'000	CURRENT PERIOD TO-DATE 31/10/2019 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/10/2018 RM'000
Revenue	42,423	46,708	82,606	89,827
Cost of sales	(32,408)	(34,468)	(61,991)	(67,335)
Gross profit	<u>10,015</u>	<u>12,240</u>	<u>20,615</u>	<u>22,492</u>
Other income	1,325	1,289	1,853	3,016
Operating & other expenses	(7,038)	(6,734)	(13,691)	(13,041)
Profit before tax	<u>4,302</u>	<u>6,795</u>	<u>8,777</u>	<u>12,467</u>
Income tax expense	(1,157)	(1,761)	(2,415)	(3,250)
Profit for the period	<u><u>3,145</u></u>	<u><u>5,034</u></u>	<u><u>6,362</u></u>	<u><u>9,217</u></u>
Other comprehensive income				
Fair value gain on other investments	-	(502)	-	(221)
Total comprehensive income for the period	<u><u>3,145</u></u>	<u><u>4,532</u></u>	<u><u>6,362</u></u>	<u><u>8,996</u></u>
Profit for the period attributable to:				
Equity holders of the parent	3,145	5,034	6,362	9,217
Non-controlling interests	-	-	-	-
	<u><u>3,145</u></u>	<u><u>5,034</u></u>	<u><u>6,362</u></u>	<u><u>9,217</u></u>
Total comprehensive income for the period attributable to:				
Equity holders of the parent	3,145	4,532	6,362	8,996
Non-controlling interests	-	-	-	-
	<u><u>3,145</u></u>	<u><u>4,532</u></u>	<u><u>6,362</u></u>	<u><u>8,996</u></u>
Earnings per share (sen)				
(i) Basic	<u><u>3.93</u></u>	<u><u>6.29</u></u>	<u><u>7.95</u></u>	<u><u>11.52</u></u>
(ii) Fully diluted	<u><u>3.93</u></u>	<u><u>6.29</u></u>	<u><u>7.95</u></u>	<u><u>11.52</u></u>
Dividends per share (sen)	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></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 2019 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 2019**
(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
6 months ended 31 October 2019					
Balance as at 1 May 2019	84,325	-	-	160,716	245,041
Total comprehensive income for the period	-	-	-	6,362	6,362
Distribution of dividends	-	-	-	-	-
Balance as at 31 October 2019	84,325	-	-	167,078	251,403
6 months ended 31 October 2018					
Balance as at 1 May 2018	80,000	4,325	220	159,070	243,615
Total comprehensive income for the period	-	-	(221)	9,217	8,996
Distribution of dividends	-	-	-	-	-
Balance as at 31 October 2018	80,000	4,325	(1)	168,287	252,611

(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 2019 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 2019**

(The figures have not been audited)

←---- 6 months ended 31 Oct ----→

	2019 RM'000	2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	8,777	12,467
Adjustments for:		
Depreciation of property, plant and equipment	4,953	5,073
Depreciation of investment properties	106	107
Unrealised loss/(gain) on foreign currency translations	(222)	(531)
Fair Value Gain / (Loss) on Investment	582	-
Interest income	(1,127)	(1,071)
Dividend income	(192)	(158)
Gain on disposal of other investments	(20)	(6)
	<u>12,857</u>	<u>15,881</u>
Operating profit before changes in working capital		
Changes in working capital		
Inventories	(187)	(1,027)
Receivables	7,633	3,775
Payables	1,576	2,895
	<u>21,879</u>	<u>21,524</u>
Cash generated from operations		
Interest received	1,127	1,071
Income taxes paid	(2,928)	(2,112)
Retirement benefits paid	(7)	(11)
Income tax refund	565	-
	<u>20,636</u>	<u>20,472</u>
Net cash from operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received	192	158
Purchase of:		
- other investments	(1,790)	(1,667)
- property, plant and equipment	(759)	(598)
Proceeds from disposal of other investments	210	204
Net placement of short term fund	(56)	(1,052)
	<u>(2,203)</u>	<u>(2,955)</u>
Net cash used in investing activities		
NET INCREASE IN CASH AND CASH EQUIVALENTS	18,433	17,517
Currency translation differences	229	553
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	103,400	94,766
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>122,062</u></u>	<u><u>112,836</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 2019 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 OCTOBER 2019

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 2019 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 2019.

(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 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

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

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS
31 OCTOBER 2019**

A2. Significant Accounting Policies (Continued)

(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 2020:

Amendments to References to the Conceptual Framework in MFRS Standards	
Amendments to MFRS 3	Definition of a Business
Amendments to MFRS 101 and MFRS 108	Definition of Material
Amendments to MFRS 9, MFRS 139 and MFRS 7	Interest Rate Benchmark Reform

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 2019 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 OCTOBER 2019****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 RM'000	Investment holding RM'000	Total RM'000
Revenue			
Total revenue	134,809	192	135,001
Inter-segment revenue	(52,395)	-	(52,395)
Revenue from external customers	82,414	192	82,606

Profit for reportable segments 7,797

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 2019.

A14. Capital Commitments

Capital expenditure not provided for in the interim financial statements as at 31 October 2019 is as follows:

Authorised and Contracted	RM
	<u><u>67,630</u></u>

A15. Significant Related Party Transactions

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

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS
31 OCTOBER 2019****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 (%)
	31/10/2019 RM'000	31/10/2018 RM'000		31/10/2019 RM'000	31/10/2018 RM'000	
Revenue	42,423	46,708	-9%	82,606	89,827	-8%
Profit before tax	4,302	6,795	-37%	8,777	12,467	-30%
Profit after tax	3,145	5,034	-38%	6,362	9,217	-31%
Profit attributable to ordinary equity holders of parent	3,145	5,034	-38%	6,362	9,217	-31%

For the current quarter ended 31 October 2019, the Group recorded a revenue of RM42.423 million, a decrease of RM4.285 million as compared to RM46.708 million in the preceding year’s corresponding quarter. Lower revenue was mainly due to decrease in sales demand.

The Group’s pre-tax profit for the current quarter ended 31 October 2019 decreased by RM2.493 million to RM4.302 million from RM6.795 million in the quarter ended 31 October 2018. The decrease was primarily due to higher costs of raw materia in the current quarter.

B2. Comparison with the Immediate Preceding Quarter’s Result

	Current Quarter	Immediate Preceding Quarter	Changes (%)
	31/10/2019 RM'000	31/7/2019 RM'000	
Revenue	42,423	40,183	6%
Profit before tax	4,302	4,475	-4%
Profit after tax	3,145	3,217	-2%
Profit attributable to ordinary equity holders of parent	3,145	3,217	-2%

For the quarter ended 31 October 2019, the Group recorded a revenue of RM42.423 million, an increase of RM2.240 million as compared to RM40.183 million recorded in the preceding quarter. The increase in revenue was mainly due to higher sales demand.

The Group’s pre-tax profit had decreased by RM0.173 million from RM4.475 million in the preceding quarter to RM4.302 million in this quarter. The decrease was mainly due to higher cost of raw material in the current quarter.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS
31 OCTOBER 2019****B3. Current Year Prospects**

In view of the volatility of the costs of raw materials and the Ringgit Malaysia against the 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 products 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
	31/10/2019 RM'000	31/10/2018 RM'000	31/10/2019 RM'000	31/10/2018 RM'000
Income tax:				
- current period	1,682	2,312	3,495	3,830
- prior period	-	1	-	1
	1,682	2,313	3,495	3,831
Deferred tax	(525)	(552)	(1,080)	(581)
	1,157	1,761	2,415	3,250

B6. Additional Disclosures

	Current Year Quarter Ended 31/10/2019 RM'000	Current Year-To-Date Ended 31/10/2019 RM'000
Interest income	694	1,127
Rental income	101	205
Dividend income	55	192
Depreciation of:		
- property, plant and equipment	2,506	4,952
- investment properties	54	107
Gain on disposal of other investments	-	(20)
(Gain)/Loss on foreign exchange:		
- realised	90	69
- unrealised	71	222

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS
31 OCTOBER 2019**

B7. Corporate Proposals

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

B8. Group Borrowings and Debt Securities

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

B9. Derivative Financial Instruments

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

B10. 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.

B11. Material Litigation

There was no material litigation as at the end of the quarter under review.

B12. Dividend

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

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS
31 OCTOBER 2019****B13. 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
	31/10/2019 RM'000	31/10/2018 RM'000	31/10/2019 RM'000	31/10/2018 RM'000
Profit attributable to owners of the parent	3,145	5,034	6,362	9,217
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)	3.93	6.29	7.95	11.52
(ii) Diluted Diluted earnings per share (sen)	3.93	6.29	7.95	11.52

By Order of the Board

YONG MAY LI
WONG CHEE YIN
Company Secretaries
Johor Bahru
26 December 2019