

# APOLLO

APOLLO FOOD HOLDINGS BERHAD

199401005792 (291471-M)

## ANNUAL REPORT 2024



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## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 30<sup>th</sup> Annual General Meeting of Apollo Food Holdings Berhad [Registration No.: 199401005792 (291471-M)] will be conducted virtually through live streaming from broadcast venue at **Tricor Business Centre, Gemilang Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur (“Broadcast Venue”)** using the **Remote Participation and Voting (“RPV”)** facilities provided by **Tricor Investor & Issuing House Services Sdn. Bhd. in Malaysia** via its **TIIH Online** website at <https://tiih.online> on **Wednesday, 23rd day of October 2024** at **10.00 a.m.** for the following purposes: -

### AGENDA

#### Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 30 April 2024 and the Reports of the Directors and Auditors thereon. *(Please refer to Explanatory Note 1)*
2. To approve a single tier final dividend of 5 sen per share for the financial year ended 30 April 2024. *Resolution 1*
3. To approve the payment of Directors’ Fees of RM265,000 for the financial year ended 30 April 2024. *Resolution 2*
4. To approve the payment of Directors’ Fees of RM525,000 for the financial year ending 30 April 2025. *Resolution 3*
5. To approve the payment of Directors’ benefits at the capping amount of RM250,000.00 from 24 October 2024 to the next Annual General Meeting of the Company to be held in year 2025. *Resolution 4*
6. To re-elect the following Directors retiring in accordance with the Constitution of the Company:
  - (i) Ms Foo Swee Eng - Clause 76(3) *Resolution 5*
  - (ii) Dato’ Cheah See Yeong - Clause 78 *Resolution 6*
  - (iii) Mr Cheah Jia Ming - Clause 78 *Resolution 7*
  - (iv) Dato’ Sri Muthanna bin Abdullah - Clause 78 *Resolution 8*
7. To re-appoint Messrs KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. *Resolution 9*

#### Special Business

To consider and, if thought fit, to pass with or without any modification(s), the following Ordinary Resolution:

8. Proposed establishment of Share Buy-Back Authority *Resolution 10*

“THAT subject to the provisions of the Companies Act 2016 (“the Act”), rules, regulations and orders made pursuant to the Act, the Articles of Association of the Company, Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements and any other relevant authority or approval for the time being in force or may be amended from time to time, approval be and is hereby given to the Company to purchase such number of ordinary shares as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company (“Proposed Share Buy-back”), provided that:-

**NOTICE OF ANNUAL GENERAL MEETING (continued)**

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**Special Business (continued)**

- a) The aggregate number of ordinary shares to be purchased by the Company shall not exceed 10% of the total number of issued shares of the Company at any point in time; and
- b) The maximum fund to be allocated by the Company for the purpose of purchasing its ordinary shares shall not exceed the total retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements (where applicable) available at the time of the purchase.

THAT the authority conferred by this resolution will commence immediately upon passing of this Ordinary Resolution 8 and shall continue to be in force until:

- a) The conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which this resolution was passed at which time the said authority shall lapse unless by an ordinary resolution passed at the next AGM, the authority is renewed, either unconditionally or subject to conditions;
- b) The expiration of the period within which the next AGM of the Company is required by law to be held; or
- c) The authority is revoked or varied by ordinary resolution passed by the shareholders in general meeting, whichever occurs first, but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and/or any other relevant governmental and/or regulatory authorities (if any).

THAT upon completion of the purchase by the Company of its own ordinary shares, the Directors be and are hereby authorized to deal with the ordinary shares purchased in their absolute discretion in the following matters: -

- a) Cancel the Company shares so purchased; or
- b) Retain all or part of the Company shares so purchased as treasury shares for distribution as share dividends to shareholders and/or resell on the market of Bursa Securities in accordance with the relevant rules of Bursa Securities; or
- c) Retain part of the Company shares so purchased as treasury shares and cancel the remainder of the Company Shares; or
- d) Deal with the Company shares so purchased in any other manner as may be permitted by the applicable laws and/or regulations in force from time to time.

And such authority to deal with the Company shares so purchased shall continue to be valid until all such Company shares have been dealt with by the Directors.

AND THAT the Directors be and are hereby authorized to take all such steps as necessary (including the opening and maintaining of depository account(s) under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the Proposed Share Buy-back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time or as the Board may in their discretion deem necessary and to do all such acts and things the Directors may deem fit and expedient in the best interest of the Company."

**NOTICE OF ANNUAL GENERAL MEETING (continued)****Special Business (continued)**

9. Proposed Gratuity Payment to the Former Directors
- a) “That approval be and is hereby given for the Company to make gratuity payment of RM112,000 to Mr Liang Chiang Heng, the former Executive Director of the Company and that authority be and is hereby given to the Directors of the Company to take all such actions as they may consider necessary to give full effect to this resolution.” *Resolution 11*
- b) “That approval be and is hereby given for the Company to make gratuity payment of RM104,000 to Mr Liang Kim Poh, the former Executive Director of the Company and that authority be and is hereby given to the Directors of the Company to take all such actions as they may consider necessary to give full effect to this resolution.” *Resolution 12*
- c) “That approval be and is hereby given for the Company to make gratuity payment of RM24,000 to Encik Halid bin Hasbullah, the former Independent and Non-Executive Director of the Company and that authority be and is hereby given to the Directors of the Company to take all such actions as they may consider necessary to give full effect to this resolution.” *Resolution 13*
10. To transact any other business for which due notice shall have been given in accordance with the Company's Constitution and the Companies Act, 2016.

**By Order of the Board**  
**APOLLO FOOD HOLDINGS BERHAD**

**Wong Chee Yin (MAICSA 7023530)**  
**(SSM PC No.: 202008001953)**  
 Company Secretary

Johor Bahru  
 Date: 28 August 2024

**Notes:-**

- The 30<sup>th</sup> AGM will be conducted virtually through live streaming from Broadcast Venue using the RPV facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. in Malaysia via its TIIH Online website at <https://tiih.online>. Members are to attend, speak (including posing questions to the Board of Directors via real time submission of typed texts) and vote (collectively, “participate”) remotely at this 30<sup>th</sup> AGM via RPV facilities provided by Tricor. Members/proxies/corporate representatives/attorneys are advised to follow the procedures of RPV as stated in the Administrative Guide of the 30<sup>th</sup> AGM.
- According to the Revised Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 7 April 2022, an online meeting platform located in Malaysia is recognised as the meeting venue and all meeting participants of a fully virtual general meeting are required to participate in the meeting online.
- For the purpose of determining who shall be entitled to participate this 30<sup>th</sup> AGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at **15 October 2024**. Only a member whose name appears on this Record of Depositors shall be entitled to participate this 30<sup>th</sup> AGM via RPV.
- A member entitled to participate at this 30<sup>th</sup> AGM via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.
- A member of the Company who is entitled to participate at the 30<sup>th</sup> AGM of the Company may appoint not more than two (2) proxies to participate instead of the member at the Annual General Meeting.
- If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.

**NOTICE OF ANNUAL GENERAL MEETING (continued)**

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**Notes (continued):-**

7. Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
8. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 (“Central Depositories Act”) which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
9. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
10. The appointment of a proxy may be made in a hard copy form or by electronic form. In the case of appointment made in hardcopy form, the Form of Proxy must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. In the case of electronic appointment, the Form of Proxy must be deposited via **TIIH Online** at <https://tiih.online>. Please follow the procedure as set out in the Administrative Guide of the 30<sup>th</sup> AGM for the electronic lodgement of Form of Proxy. All Form of Proxy submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the Annual General Meeting or adjourned Annual General Meeting at which the person named in the appointment proposes to vote.
11. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the Annual General Meeting or adjourned Annual General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
12. Please ensure ALL the particulars as required in the Form of Proxy are completed, signed and dated accordingly.
13. Last date and time for lodging the Form of Proxy is **Monday, 21 October 2024 at 10.00 a.m.**
14. For a corporate member who has appointed a representative instead of a proxy to participate this meeting must request authorised representative to register himself/herself for RPV via TIIH Online website at <https://tiih.online>. Please follow the Procedures for RPV in the Administrative Guide of the 30<sup>th</sup> AGM.

**NOTICE OF ANNUAL GENERAL MEETING (continued)****Explanatory Notes:****Ordinary Business****1. ITEM 1 OF THE AGENDA – AUDITED FINANCIAL STATEMENT**

Agenda 1 is meant for discussion only as the provision of the Companies Act, 2016 does not require formal approval of the Shareholders for the Audited Financial Statements. Hence, this Agenda is not put forward for voting.

**2. ITEM 2 OF THE AGENDA  
ORDINARY RESOLUTION 1: SINGLE TIER FINAL DIVIDEND**

The Board has considered a Single Tier Final Dividend of 5 sen per share recommended for the shareholders' approval and the Directors of the Company are satisfied that the Company will be solvent as it will be able to pay its debts become due within 12 months immediately after the distributions are made on 07 November 2024 in accordance with the requirement under Section 132(2) and (3) of the Companies 2016.

**3. ITEM 3 TO 5 OF THE AGENDA  
ORDINARY RESOLUTION 2: PAYMENT OF DIRECTORS' FEE 2024  
ORDINARY RESOLUTION 3: PAYMENT OF DIRECTORS' FEE 2025  
ORDINARY RESOLUTION 4: PAYMENT OF DIRECTORS' BENEFITS**

In compliance with Section 230(1) of the Companies Act 2016, the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

The Ordinary Resolutions 2 are proposed to seek shareholders' approval for the payment of Directors' fees of RM265,000 for the financial year ended 30 April 2024.

The Ordinary Resolutions 3 are proposed to seek shareholders' approval for the payment of Directors' fees of RM525,000 for the financial year ending 30 April 2025.

The total estimate of Directors' Benefits payable under Ordinary Resolution 4 comprised of meetings allowances and travelling and accommodation allowances for all Directors for the period from the October 2024 until next AGM of the Company to be held in year 2025.

**4. ITEM 6 OF THE AGENDA  
ORDINARY RESOLUTION 5 TO 8: RE-ELECTION OF DIRECTORS**

Please refer to the Statement Accompanying Notice of AGM for information.

**5. ITEM 7 OF THE AGENDA  
ORDINARY RESOLUTION 9: RE-APPOINTMENT OF AUDITORS**

The Board has through the Audit Committee, considered the re-appointment of Messrs KPMG PLT as the Auditors of the Company. The factors considered by the Audit Committee in making the recommendation to the Board to table their re-appointment at the 30th Annual General Meeting are disclosed in the Audit Committee Report of the 2024 Annual Report.

**Special Business****6. ITEM 8 OF THE AGENDA  
RESOLUTION 10: PROPOSED ESTABLISHMENT OF SHARE BUY-BACK AUTHORITY**

The Ordinary Resolution 10, if passed, will allow the Directors of the Company to exercise the power of the Company to purchase not more than ten percent (10%) of the total issued shares of the Company at any time within the same period stipulated in the Listing Requirements. This authority, unless revoked or varied by the Company at a general meeting, shall continue to be in full force until the conclusion of the next AGM of the Company. Further details are set out in the Share Buy-Back Statement dated 28 August 2024 which is dispatched together with the Company's Annual Report 2024.

**NOTICE OF ANNUAL GENERAL MEETING (continued)**

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**Explanatory Notes (continued):****Special Business (continued)****7. ITEM 9 OF THE AGENDA  
RESOLUTION 11 TO 13: PROPOSED GRATUITY PAYMENT TO THE FORMER DIRECTORS**

The Ordinary Resolution 11, if passed, will give approval to the Company to make payment of gratuity amounting to RM112,000 to Mr Liang Chiang Heng, in recognition and appreciation of his long services and contributions to the Company.

The Ordinary Resolution 12, if passed, will give approval to the Company to make payment of gratuity amounting to RM104,000 to Mr Liang Kim Poh, in recognition and appreciation of his long services and contributions to the Company.

The Ordinary Resolution 13, if passed, will give approval to the Company to make payment of gratuity amounting to RM24,000 to En Halid bin Hasbullah, in recognition and appreciation of his long services and contributions to the Company.

**CLOSURE OF BOOKS**

To determine shareholders' entitlement to the dividend payment, if approved at the 30<sup>th</sup> Annual General Meeting of the Company, the Share transfer books and Register of Members will be closed on 24 October 2024.

The dividend, if approved, will be paid on 07 November 2024 to shareholders whose names appear in the Register of Members and Record of Depositors at the close of business on 24 October 2024.

A depositor shall qualify for entitlement to the dividend only in respect of:

- (a) shares transferred into the depositor's securities account before 5.00p.m. on 24 October 2024 in respect of ordinary transfers; and
- (b) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.



**STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING**

The 30<sup>th</sup> Annual General Meeting of Apollo Food Holdings Berhad will be conducted virtual through live streaming from broadcast venue at Tricor Business Centre, Gemilang Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur ("Broadcast Venue") using the Remote Participation and Voting ("RPV") facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. in Malaysia via its TIIH Online website at <https://tiih.online> on Wednesday, 23<sup>rd</sup> day of October 2024 at 10.00 a.m.

**Directors standing for election/re-election**

There is no person standing for election except for the following Directors who are standing for re-election at 30<sup>th</sup> Annual General Meeting of the Company:

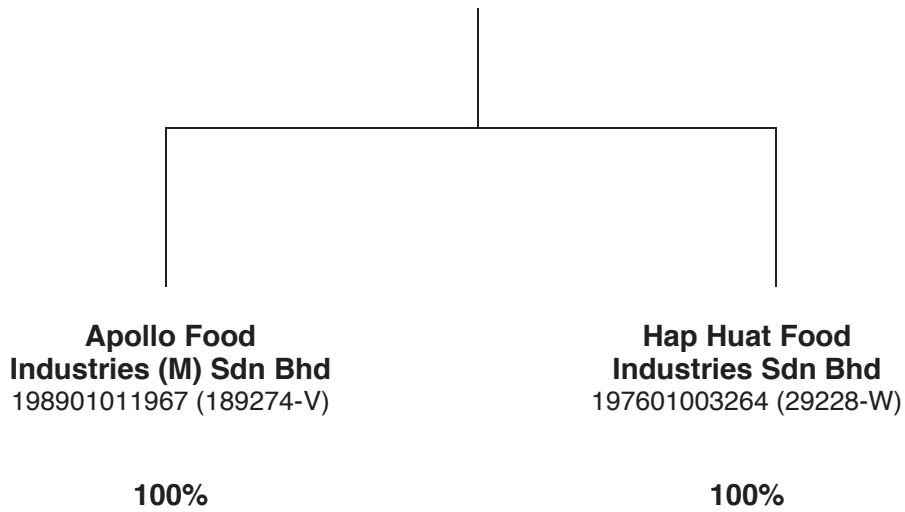
<u>Name of Director</u>	<u>Clause of Constitution</u>
Ms Foo Swee Eng	Clause 76(3)
Dato' Cheah See Yeong	Clause 78
Mr Cheah Jia Ming	Clause 78
Dato' Sri Muthanna bin Abdullah	Clause 78

The profiles of the Directors standing for election/re-election are set out in Directors' Profile on pages 34 to 37 of the 2024 Annual Report.

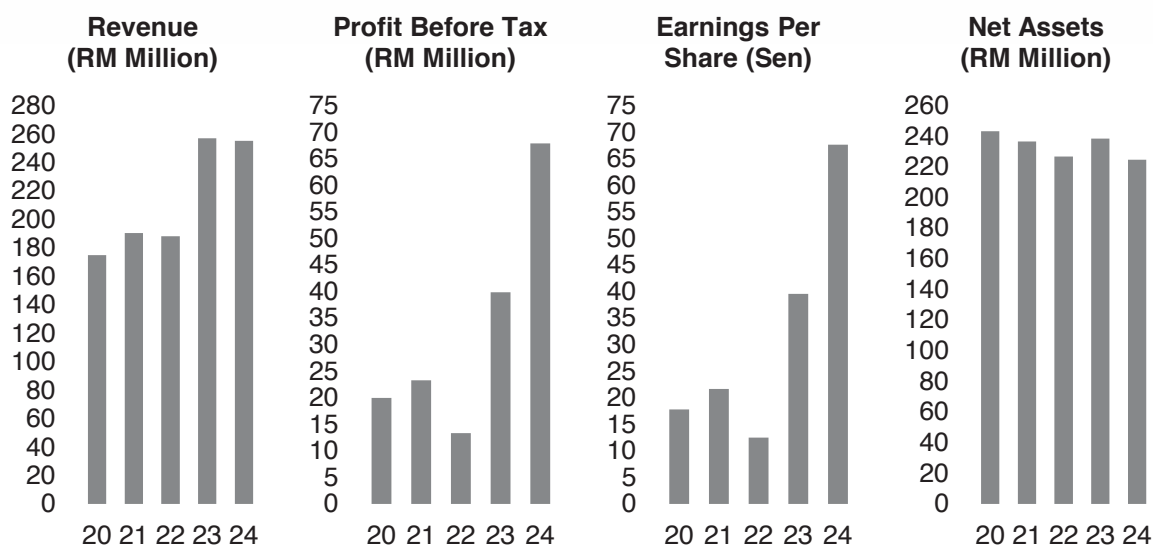
CORPORATE STRUCTURE



**APOLLO FOOD HOLDINGS BERHAD**  
199401005792 (291471-M)



**FINANCIAL HIGHLIGHTS**



Group	2020	2021	2022	2023	2024
<b>Financial results (RM'000)</b>					
Revenue	174,935	190,387	188,266	257,001	255,270
Profit Before Tax	19,942	23,282	13,330	39,881	67,917
Profit After Tax	14,244	17,340	9,972	31,648	54,127
Profit Attributable to Members	14,244	17,340	9,972	31,648	54,127
Dividends	16,000	24,000	20,000	20,000	68,000
<b>Financed by (RM'000)</b>					
Shareholders' Funds	243,285	236,625	226,861	238,510	224,637
Net Assets	243,285	236,625	226,861	238,510	224,637
<b>Statistics</b>					
Earnings Per Share (Sen)	17.81	21.67	12.46	39.56	67.66
Gross Dividend Per Share (Sen)	20.00	30.00	25.00	25.00	85.00
Net Assets Per Share (RM)	3.04	2.96	2.84	2.98	2.81

**CORPORATE INFORMATION****BOARD OF DIRECTORS**

Dato' Cheah See Yeong ( <i>appointed w.e.f. 31.01.2024</i> )	(Executive Chairman)
Mr. Cheah Jia Ming ( <i>appointed w.e.f. 31.01.2024</i> )	(Executive Director cum Managing Director)
Ms. Foo Swee Eng	(Independent Non-Executive Director)
Mr. Johnson Kandasamy A/L David Nagappan	(Independent Non-Executive Director)
Dato' Sri Muthanna Bin Abdullah ( <i>appointed w.e.f. 08.04.2024</i> )	(Independent Non-Executive Director)
Mr. Liang Chiang Heng ( <i>resigned w.e.f. 31.01.2024</i> )	(Executive Chairman)
Mr. Liang Kim Poh ( <i>resigned w.e.f. 31.01.2024</i> )	(Executive Director cum Managing Director)
En. Halid Bin Hasbullah ( <i>resigned w.e.f. 08.04.2024</i> )	(Independent Non-Executive Director)

**COMPANY SECRETARIES**

Ms. Wong Chee Yin (MAICSA 7023530) [SSM PC No.: 202008001953]  
 Ms. Yong May Li (LS 0000295) [SSM PC No.: 202008000285] (*resigned w.e.f. 24.04.2024*)

**REGISTERED OFFICE**

Suite 1301, 13<sup>th</sup> Floor, City Plaza  
 Jalan Tebrau, 80300 Johor Bahru  
 Johor Darul Takzim  
 Tel No : 07-3322088  
 Fax No : 07-3328096

**PRINCIPAL PLACE OF BUSINESS**

70, Jalan Langkasuka, Larkin Industrial Area  
 80350 Johor Bahru, Johor Darul Takzim  
 Tel No : 07-2365096 / 2365097  
 Fax No : 07-2374748  
 Email : apollof@apollofood.com.my

**SHARE REGISTRAR**

TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD.  
 Registration No.: 197101000970 (11324-H)  
 Unit 32-01, Level 32, Tower A, Vertical Business Suite  
 Avenue 3, Bangsar South, No. 8, Jalan Kerinchi  
 59200 Kuala Lumpur  
 Tel No : 03-27839299  
 Fax No : 03-27839222  
 E-mail : is.enquiry@my.tricorglobal.com

**AUDITORS**

KPMG PLT (LLP0010081-LCA & AF 0758)  
 Level 3, CIMB Leadership Academy  
 No. 3, Jalan Medini Utara 1, Medini Iskandar  
 79200 Iskandar Puteri, Johor Darul Takzim  
 Tel No : 07-2662213  
 Fax No : 07-2662214

**PRINCIPAL BANKERS**

AmBank Islamic Berhad  
 AmFunds Management Berhad  
 Maybank Islamic Berhad  
 OCBC Bank (Malaysia) Berhad  
 RHB Bank Berhad

**STOCK EXCHANGE LISTING**

Main Market, Bursa Malaysia Securities Berhad

**COMPANY'S WEBSITE**

www.apollofood.com.my



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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The Board recognises the importance of good governance to support the Group's continued growth and success. The Board is committed to continuously improving and enhancing the Group's procedures from time to time to ensure that the principles and best practices in corporate governance recommended in the Malaysian Code on Corporate Governance 2021 ("the Code") are applied within the Group to protect and enhance its shareholders' value.

The Group has complied substantially with the principles and best practices outlined in the Code as indicated in the Corporate Governance Report ("CG Report") which is available at the Company's official website: [www.apollofood.com.my](http://www.apollofood.com.my)

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

#### Board Responsibilities

The Board has an overall responsibility for the proper conduct of the Company's business and plays an active role in directing management in an effective and responsible manner.

The Board has adopted most of the recommendations as prescribed in the Code to effectively lead the Group, and retain full and effective control of the Group. This includes responsibility for determining the Group's overall strategic direction, development and control. Key matters, such as reviewing the performance of the Group, overseeing the corporate governance and conduct of the Group's business, approval of annual and quarterly results, acquisitions and disposals of assets, as well as material agreements and major capital expenditures are reserved for the Board.

The Board had delegated certain responsibilities to the Audit Committee, the Nomination Committee and the Remuneration Committee. These Board Committees have the authority to examine specific issues and forward their recommendations to the Board which is ultimately responsible for making the final decision.

A Whistleblowing Policy is also established to allow individuals to raise concerns of misconducts and criminal offences in the workplace. The Board has adopted a zero-tolerance approach against all forms of bribery and corruption and has put in place an Anti-Bribery and Corruption Policy.

The Group's Board Charter, Code of Conduct and Ethics, Whistleblowing Policy, and Anti-Bribery and Corruption Policy are available at the Company's official website: [www.apollofood.com.my](http://www.apollofood.com.my).

#### Board Composition and Balance

As at end of the financial year, the Board consists of five (5) Directors:

- Two (2) Executive Directors (including the Executive Chairman and Managing Director)
- Three (3) Independent Non-Executive Directors

The concept of independence adopted by the Board is in tandem with the definition of an Independent Director in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Main LR" and "Bursa Securities"). The key element of fulfilling the criteria is the appointment of an Independent Director, who is not a member of the management (a Non-Executive Director) and is free of any relationship which could interfere with the exercise of independent judgement or the ability to act in the best interest of the Company and shareholders.

The presence of majority Independent Non-Executive Directors thereby bringing objective, independent judgement to the decision making process. As and when any potential conflict of interest may arise, the Director concerned will declare his/her interest and abstain from the decision-making process and remain in a position to fulfil his/her responsibility to provide a check and balance.

## **CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)**

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### **PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)**

#### **Board Composition and Balance (continued)**

The Board recognises the benefits of having a diverse Board composition in terms of age and ethnicity, as well as experience, expertise, skills and perspectives. The Board comprises an appropriate composition of Directors with diverse experience and expertise required for the effective stewardship of the Group and independence in decision making at Board level. In line with the Code's Practice 1.3, the positions of Executive Chairman and Managing Director are held by different individuals. The Board is headed by an Executive Chairman who is responsible to lead the Board in its collective oversight of management whilst the Managing Director is primarily responsible in implementing the Board's decisions and oversees the Group's business and day-to-day management. Although the Executive Chairman is a Non-Independent Director, the Board is of the view that there are sufficient experienced and independent minded Directors to ensure adequate check and balance of authority exists in the Board. Given that the Board comprises majority of Independent Directors, independent judgement is able to be exercised with strong independent element within the Board. The Executive Chairman has considerable experience in the food and beverage industry and is able to provide leadership to the Board in considering and setting the overall strategies and objectives of the Group. The Board is of the view that it is in the best interest of the Group to the above arrangement so that the Group could be benefited from the Executive Chairman who is well versed about the Group's business and is capable to guide discussion and brief the Board in a timely manner on key issues and developments.

The Code recommends the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to re-designation as a Non-Independent Director. If the Board intends to retain an Independent Director who have served the Board for more than nine (9) years, the Board should provide justification and seek shareholders' approval through a two-tier voting process during the annual general meeting. This is in accordance with the Constitution of the Company which is in line with the Practice 5.3 of the Code.

As at 30 April 2024, none of the Independent Directors have held the position for a cumulative term of more than nine (9) years.

The Group has set up a formal policy on gender diversity to encourage women's participation in decision-making positions within the Board and senior management levels. The Board recognises that a gender diverse Board can offer greater benefits, depth and breadth to the Group's business strategies. The Board also believes it is important to recruit and retain the best qualified individual who possesses the requisite skills, knowledge, experience, independence, foresight and good judgement to contribute effectively to the Board, regardless of age, gender, race or religion. The Group's gender diversity policy is available on the Company's website: [www.apollofood.com.my](http://www.apollofood.com.my).

As at 30 April 2024, the Board of Directors comprises five (5) members, one (1) of whom is a female Director, namely Ms Foo Swee Eng. The Board will continue its endeavour to meet the gender diversity target of 30% women directors' participation in line with the Practice 5.9 of the Code.

No Senior Independent Director was appointed as the Board is of the view that all Directors should shoulder the responsibility collectively.

A brief profile of each Director is presented on pages 34 to 37 of the 2024 Annual Report.

**CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)****PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)****Board Meetings**

All Board and Board Committees meetings are scheduled in advance at the beginning of each financial year to enable Directors to plan ahead and maximise their attendance. The Board generally meets four (4) times a year with additional meetings convened as and when necessary. During the financial year ended 30 April 2024, the Board met nine (9) times, where it deliberated upon and considered a variety of matters including the Group's financial results, major investments, strategic decisions, business plan and direction of the Group. All the Directors have complied with the minimum 50% attendance as required by Paragraph 15.05 of the Main LR. The Company Secretary attends all Board meetings, and all proceedings and conclusions from the Board and Board Committees meetings are minuted and signed by the Chairman of the respective Board and Board Committee.

In the periods between the Board Meetings, Board approvals were sought via circular resolutions, which were attached with sufficient information required to make informed decision.

Details of Board members attendance at Board are as follows:

Director	Number of Board meetings held during the year	Number of meetings attended by Directors
Dato' Cheah See Yeong (Appointed on 31 January 2024)	9	1
Cheah Jia Ming (Appointed on 31 January 2024)	9	1
Foo Swee Eng	9	9
Johnson Kandasamy A/L David Nagappan	9	9
Dato' Sri Muthanna Bin Abdullah (Appointed on 08 April 2024)	9	0
Liang Chiang Heng (Resigned on 31 January 2024)	9	8
Liang Kim Poh (Resigned on 31 January 2024)	9	8
Halid Bin Hasbullah (Resigned on 08 April 2024)	9	9

**Supply of Information**

The Board is assisted by two (2) external company secretaries in discharging its responsibilities. Notices, agenda, Board papers, and other meeting materials of each Board and Board Committees meeting are issued in a timely manner – five business days prior to the Board and Board Committees meetings to enable Directors to obtain further explanations/clarifications, where necessary, in order to be properly briefed before the meetings.

All Directors have access to the advice and services of the Company Secretary in carrying out their duties. If necessary, the Directors may seek external advice and call for additional clarification and data from the management to assist them in forming their opinion and findings in making Board decisions.

**CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)**

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)**

**Directors’ Training**

The Board is mindful of the importance for its members to undergo continuous training to be apprised of changes to the regulatory requirements and the impact of such regulatory requirements on the Group.

All the Directors of the Company have attended the Mandatory Accreditation Programme conducted by Bursatrade Sdn Bhd (formerly known as Bursa Malaysia Training Sdn Bhd) within the stipulated timeframe required by the Main LR.

During the financial year, the Directors had attended the training programmes as follows:

Director	Training Programme Attended
Dato’ Cheah See Yeong	<ul style="list-style-type: none"> <li>• Mandatory Accreditation Programme (MAP)</li> </ul>
Cheah Jia Ming	<ul style="list-style-type: none"> <li>• Mandatory Accreditation Programme (MAP)</li> </ul>
Foo Swee Eng	<ul style="list-style-type: none"> <li>• MIA Webinar Series: Taxation of Passive Income Sources, Foreign Sourced Income, and Letting of Real Property</li> <li>• MIA Webinar Series: Latest Special Voluntary Disclosure Programme Announced in Budget 2023</li> <li>• MIA Webinar Series: Update on Transfer Pricing Documentation and CBCRs</li> <li>• Seminar Percukaian Kebangsaan 2023</li> <li>• Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> </ul>
Johnson Kandasamy A/L David Nagappan	<ul style="list-style-type: none"> <li>• Taxation Course 2023: Module 2 – Malaysia Tax Deductible Expenses held at Virtual Platform</li> <li>• Seminar Percukaian Kebangsaan 2023</li> <li>• Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> <li>• Essential Tax Updates in 2023/2024</li> <li>• Deductible and Non-Deductible Business Expenses in Malaysia with the Latest Tax Cases on the Deductibility of Expenses</li> </ul>
Dato’ Sri Muthanna Bin Abdullah	<ul style="list-style-type: none"> <li>• Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> <li>• The 21<sup>st</sup> Century Corporate Board</li> </ul>

The Directors will continue to attend relevant seminars and programmes to further enhance their skills and knowledge and to keep abreast with relevant changes and developments in the market place to assist them in the discharge of their stewardship role.

**Appointment and Re-election of Directors**

The Nomination Committee is responsible for the identification and making of recommendations on any nomination of new Directors to the Board and ensuring the appointments of individuals with appropriate experience and knowledge to fulfil the duties of a Director. There is an informal familiarisation programme in place for new Directors, which included visit to the factory and meeting with the senior management as appropriate, to facilitate their understanding of the Company’s business and operations.

In accordance with the Company’s Constitution, nearest to one-third (1/3) of the Directors, including the Managing Director, shall retire from office at every Annual General Meeting but shall be eligible for re-election provided always that all Director shall retire at least once every three (3) years.

Directors who are appointed by the Board during the financial year are subject to re-election by the shareholders at the next Annual General Meeting held following their appointments.

The names of Directors seeking for re-election at the forthcoming Annual General Meeting are disclosed in the Notice of Annual General Meeting in this Annual Report.



**CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)****PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)****Remuneration Committee**

The Remuneration Committee was established on 29 June 2000 with clear defined terms of reference of which is available at the Company's official website: [www.apollofood.com.my](http://www.apollofood.com.my). It comprises three (3) Independent Non-Executive Directors and its composition is as follows:

Chairman

Dato' Sri Muthanna Bin Abdullah (Appointed on 08 April 2024)	Independent Non-Executive Director
Halid Bin Hasbullah (Resigned on 08 April 2024)	Independent Non-Executive Director

Members

Foo Swee Eng	Independent Non-Executive Director
Johnson Kandasamy A/L David Nagappan	Independent Non-Executive Director

The Committee meets at least once (1) a year. The Remuneration Committee reviews and makes recommendations to the Board on the remuneration and other entitlements for all Directors and Senior Management and to ensure Executive Directors and Senior Management are rewarded appropriately for their contribution to the Group's growth and profitability. Remuneration of Non-Executive Directors is linked to their level of responsibilities.

During the financial year ended 30 April 2024, the Committee met three (3) times. The attendance of each committee member was as follows:

Director	Total number of meetings held during the year	Number of meetings attended by Directors
Foo Swee Eng	3	3
Johnson Kandasamy A/L David Nagappan	3	3
Dato' Sri Muthanna Bin Abdullah (Appointed on 08 April 2024)	3	0
Halid Bin Hasbullah (Resigned on 08 April 2024)	3	3

The Executive Directors and Senior Management play no part in the deliberations and decisions on their remuneration. The remuneration and entitlements of Non-Executive Directors are decided by the Remuneration Committee with the Director concerned abstaining from deliberations and voting on decisions in respect of his/her remuneration.

**CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)**

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)**

**Remuneration Committee (continued)**

The Directors' fees, Directors' remuneration and other benefits are subject to shareholders' approval at the Annual General Meeting. Aggregate remuneration of the Directors categorised into appropriate components for the financial year ended 30 April 2024 are as follows:

	<b>Salaries, Bonus and Allowances RM</b>	<b>Other Emoluments RM</b>	<b>Defined Contribution Plans RM</b>	<b>Fees RM</b>	<b>Total RM</b>
<b>Executive Directors</b>					
Dato' Cheah See Yeong (Appointed on 31 January 2024)	726,030	-	65,124	-	791,154
Cheah Jia Ming (Appointed on 31 January 2024)	415,280	-	49,572	-	464,852
Liang Chiang Heng (Resigned on 31 January 2024)	4,373,913	-	533,652	52,500	4,960,065
Liang Kim Poh (Resigned on 31 January 2024)	2,435,074	-	296,079	37,500	2,768,653
<b>Sub-total</b>	<b>7,950,297</b>	<b>-</b>	<b>944,427</b>	<b>90,000</b>	<b>8,984,724</b>
<b>Non-Executive Directors</b>					
Foo Swee Eng	*10,500	4,000	-	60,000	74,500
Johnson Kandasamy A/L David Nagappan	*11,250	-	-	60,000	71,250
Dato' Sri Muthanna Bin Abdullah (Appointed on 08 April 2024)	-	-	-	-	-
Halid Bin Hasbullah (Resigned on 08 April 2024)	*10,750	20,000	-	55,000	85,750
<b>Sub-total</b>	<b>32,500</b>	<b>24,000</b>	<b>-</b>	<b>175,000</b>	<b>231,500</b>
<b>Total</b>	<b>7,982,797</b>	<b>24,000</b>	<b>944,427</b>	<b>265,000</b>	<b>9,216,224</b>

\*Meeting allowances only

The aggregate remuneration of senior management for the financial year ended 30 April 2024 is as follows:

	<b>Salaries/ Allowances (RM)</b>	<b>Bonuses (RM)</b>	<b>Benefits-in- kind (RM)</b>	<b>Other emoluments (RM)</b>	<b>Total (RM)</b>
Senior Management	1,260,620	498,205	-	-	1,758,825

<b>Range of Remuneration</b>	<b>No. of Senior Management</b>
Less than RM100,000	-
RM100,001 – RM150,000	1
RM200,001 – RM250,000	1
RM350,001 – RM400,000	1
RM1,000,001 – RM1,050,000	1

## **CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)**

### **PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)**

#### **Nomination Committee**

The Nomination Committee was established on 23 March 2000 with clear defined terms of reference of which is available at the Company's official website: [www.apollofood.com.my](http://www.apollofood.com.my). It comprises three (3) Independent Non-Executive Directors and its composition is as follows:

#### Chairman

Foo Swee Eng

Independent Non-Executive Director

#### Members

Johnson Kandasamy A/L David Nagappan

Independent Non-Executive Director

Dato' Sri Muthanna Bin Abdullah

Independent Non-Executive Director

(Appointed on 08 April 2024)

Halid Bin Hasbullah

Independent Non-Executive Director

(Resigned on 08 April 2024)

The Committee is responsible for making recommendations to the Board on appointment of all new members to the Board and Committees of the Board. The Committee has extended its roles to include the appointment of senior management in compliance with the Code's Practice 5.5. The Committee has established a formal and transparent procedure for such appointments.

The Committee reviews annually the performance of the Board, Board Committees, and individual Directors as well as the required mix of skills and experience of the Directors on the Board in determining the appropriate balance and size of Executive and Non-Executive as well as Independent and Non-Independent participation. Self assessment and peer review are carried out and facilitated by Company Secretary during the annual evaluation.

The Nomination Committee meeting will be held at least once (1) annually. The Nomination Committee met twice (2) during the financial year ended 30 April 2024 and it was attended by all of its members.

The Chairman of the Nomination Committee is an Independent Non-Executive Director as per the Code's Practice 5.8 namely, Ms Foo Swee Eng. By virtue of her vast experience, the Board believes that the Chairman of the Nomination Committee is competent and capable to lead the Nomination Committee in ensuring that the Board composition meets the needs of the Group.

### **PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT**

#### **Audit Committee**

The composition of membership and the terms of reference of the Audit Committee and other pertinent information about the Audit Committee and its activities are highlighted in the Audit Committee Report set out on pages 23 to 25 of the Annual Report.

#### **Financial Reporting**

In presenting the annual financial statements and quarterly announcement of results to shareholders, the Directors take responsibility to present a balanced and accurate assessment of the Group's position and prospects. The Audit Committee assists the Board in scrutinising the information for disclosure to ensure accuracy and transparency.

## **CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)**

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### **PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (continued)**

#### **Risk Management and Internal Controls**

The Board acknowledges its responsibility of maintaining a sound system of internal controls covering not only financial controls but also operational and compliance controls as well as risk assessments. The internal control system is designed to meet the Group's particular needs and to manage and minimise the risks to which it is exposed. This system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable, and not absolute, assurance against material misstatement, fraud or loss. Ongoing reviews are continuously being carried out to ensure the effectiveness, adequacy and integrity of the risk management framework and internal control systems in safeguarding the Group's assets and therefore shareholders' investment in the Group.

The internal auditors report independently to the Audit Committee. The Statement of Risk Management and Internal Control is set out on pages 26 to 33 of the Annual Report.

#### **Relationship with External Auditors**

The role of the Audit Committee in relation to the external auditors is described in the Audit Committee Report. The Company maintained a formal and transparent relationship with its auditors to ensure compliance with the applicable accounting standards in Malaysia.

During the financial year, the Audit Committee met twice (2) with the external auditors without the presence of the Executive Directors and Senior Management. The external auditors have also confirmed with the Audit Committee that they have been independent throughout the conduct of the audit engagement in accordance with the independence rules of the Malaysian Institute of Accountants and International Ethics Standards Board for Accountants.

#### **Shareholders Relations**

The Company maintains a policy of disseminating information that is material for shareholders' attention through announcements and release of financial results on a quarterly basis, which provide the shareholders and the investing public with an overview of the Group's performance and operations.

At the Annual General Meeting of the Company, the Directors welcome the opportunity to gather the views of shareholders. Notices of each meeting are issued on a timely manner to all, and in the case of special business, a statement explaining the effect of the proposed resolutions is provided. Upon request, the Managing Director will also meet up with institutional investors, press and investment analysts to explain to them the Group's operations to give them a better understanding of the Group's business, but also to ensure that price sensitive information regarded as material undisclosed information about the Group is not revealed until after the prescribed announcement has been made to Bursa Securities.

### **PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS**

#### **Corporate Social Responsibility**

The Group is committed to be a successful and responsible corporate citizen by not just delivering quality products and services and generating attractive returns to our customers and shareholders, but also recognising that it is our corporate social responsibility to ensure that we conduct our business in an ethical, professional and socially responsible manner. As we strive to achieve this aim, we recognise our responsibility to our employees, business associates and community with whom we conduct our business as well as the environment we operate in.



**CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)**

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**PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (continued)****Corporate Social Responsibility (continued)**

The Group has always endeavoured to safeguard the welfare of its employees by recognising its employees as an important asset. Occupational Safety and Health Programme have been established to provide a safe and healthy workplace and environment for the employees and visitors.

Employees are also provided with the necessary training on an ongoing basis to further enhance their skills and knowledge.

On community welfare, the Group has from time to time sponsored company products to various organisations, associations and schools for them to carry out their various activities.

The Group adheres strictly to all applicable environmental laws and regulations. Production processes are being constantly monitored and upgraded to ensure compliance with any changes in the environmental laws and regulations. Employees are encouraged to reduce wastage in operation and office resources at all times. The Group is committed to seek continuous improvements in its operations to minimise any negative impact on the environment.

## ADDITIONAL COMPLIANCE INFORMATION

In compliance with the Main LR, the following additional information is provided:-

### (a) Recurrent Related Party Transactions (RRPT)

The Company has a recurrent related party transaction for the financial year ended 30 April 2024 as follow:

Transacting Party	Nature of Relationship	Nature of Transactions	Transacted Value RM
Golden Scoop Sdn Bhd ("GSSB")	GSSB is 100% owned by Scoop Capital Sdn Bhd, the holding company of the Company	Fees payable for management services provided to the Group.	71,834

### (b) Utilisation of Proceeds

No proceeds were raised by the Company from any corporate proposal during the financial year.

### (c) Deviation in Financial Results

There was no material variance between the result for the financial year and the unaudited results previously announced by the Company.

### (d) Audit and Non-audit Fees

The amount of audit and non-audit fees paid to external auditors and its affiliated company during the financial year ended 30 April 2024 are as follows:

	Group RM	Company RM
Audit fees	140,000	50,000
Non-audit fees	10,000	10,000

### (e) Material Contracts

There were no material contracts outside the ordinary course of business, including contract relating to loan, entered into by the Company and/or its subsidiaries involving Directors and major shareholders that are still subsisting at the end of the financial year or which were entered into since the end of the previous financial year.

### (f) Revaluation Policy

There was no revaluation performed on any properties of the Group during the financial year.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

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The Directors are required by the Companies Act 2016 to prepare financial statements for each financial year which have been made out in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the provisions of the Companies Act 2016 ("Act") in Malaysia and to give a true and fair view of the financial position of the Group and of the Company at the end of the financial year and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

During the preparation of the financial statements for the financial year ended 30 April 2024, the Directors have ensured that:

- The Group and the Company have used appropriate accounting policies which are consistently applied;
- Reasonable judgements and estimates that are prudent and reasonable have been made; and
- All applicable MFRS Accounting Standards and IFRS Accounting Standards in Malaysia have been followed.

The accounting and other records required by the Act are properly kept and disclosed with reasonable accuracy on the financial position of the Group and of the Company which enable them to ensure that the financial statements comply with the Act.

The Directors have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group and of the Company to prevent and detect fraud and other irregularities and material misstatements. Such systems, by their nature, can only provide reasonable and not absolute assurance against material misstatement, loss and fraud.

## AUDIT COMMITTEE'S REPORT

The Audit Committee ("Committee") adopted the terms of reference which is available at the Company's official website: [www.apollofood.com.my](http://www.apollofood.com.my)

### COMPOSITION OF MEMBERS

For the financial year ended 30 April 2024, the Committee comprised the following members:-

#### Chairman

Johnson Kandasamy A/L David Nagappan Independent Non-Executive Director

#### Members

Foo Swee Eng Independent Non-Executive Director

Dato' Sri Muthanna Bin Abdullah Independent Non-Executive Director  
(Appointed on 08 April 2024)

Halid Bin Hasbullah Independent Non-Executive Director  
(Resigned on 08 April 2024)

### ACTIVITIES OF THE COMMITTEE

During the financial year ended 30 April 2024, the Committee met five (5) times. The attendance of each Committee member was as follows:

Director	Total number of meetings held during the year	Number of meetings attended by Directors
Foo Swee Eng	5	5
Johnson Kandasamy A/L David Nagappan	5	5
Dato' Sri Muthanna Bin Abdullah (Appointed on 08 April 2024)	5	0
Halid Bin Hasbullah (Resigned on 08 April 2024)	5	5

The activities undertaken by the Audit Committee in the discharge of its duties and responsibilities for the financial year under review included the following:

#### Financial Reporting

- i. Reviewed the audited financial statements together with Directors' and Auditors' Report thereon prior to submission to the Board for their consideration and approval.

The audited financial statements were prepared in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

- ii. Reviewed the Group's unaudited quarterly reports and announcements before recommending them for the Board's consideration and approval.

The unaudited quarterly financial results for the first quarter ended 31 July 2023, second quarter ended 31 October 2023, third quarter ended 31 January 2024 and fourth quarter ended 30 April 2024 were tabled at the meetings held on 07 September 2023, 15 December 2023, 18 March 2024 and 13 June 2024 respectively.

## AUDIT COMMITTEE'S REPORT (continued)

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### ACTIVITIES OF THE COMMITTEE (continued)

#### External Audit

- i. Reviewed and recommended to the Board on the re-appointment of KPMG PLT as external auditors for the next financial year.
- ii. Reviewed and discussed with the external auditors on audit findings and outstanding matters.
- iii. Reviewed the external auditors' audit planning memorandum which included the audit engagement and reporting responsibilities, audit approaches, areas of significant auditor attention, proposed audit deliverable timelines and proposed statutory audit fees to ensure effective and efficient financial reporting and disclosures under the applicable financial reporting standard.
- iv. Reviewed the competency and independence of external auditors for the year.
- v. Met twice (2) with the external auditors without the presence of any executive Board members and management personnel.

#### Internal Audit

- i. Reviewed the methodology, approach, scope and frequency of the proposed internal audit plan.
- ii. Reviewed the internal audit reports which include the summary of internal audit results, recommendations suggested by internal auditors, management's response and follow-up actions taken by management on such recommendations for the financial year.
- iii. Met twice (2) with the internal auditors without the presence of any executive Board members and management personnel.
- iv. Reviewed the competency and independence of internal auditors for the year.

The internal audit function of the Group is outsourced to an independent professional firm, NeedsBridge Advisory Sdn Bhd, which reports directly to the Audit Committee. The internal audit function assists the Board in assessing the adequacy and operating effectiveness of the internal control system established by Management based on an agreed scope of work approved by the Audit Committee.

The activities carried out by the internal auditors for the financial year ended 30 April 2024 included the following:

- i. Prepared annual internal audit plan for Audit Committee's review and approval;
- ii. Assessed the adequacy and effectiveness of the governance, risk and control structures, compliance with the Group's policies and procedures based on approved internal audit plan;
- iii. Proposed recommendation for the internal audit issues highlighted to the Audit Committee; and
- iv. Provided status of formulation of respective management action plans in relation to the internal audit findings for previous internal audit cycle conducted and its progress of implementation to the Audit Committee.

An overview on the details of internal audit function and state of risk management and internal control is set out in the Statement on Risk Management and Internal Control on pages 26 to 33 of the Annual Report.



## **AUDIT COMMITTEE'S REPORT (continued)**

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### **ACTIVITIES OF THE COMMITTEE (continued)**

#### **Others**

- i. Reported to and updated the Board on significant issues and concerns discussed during the Committee and where appropriate made the necessary recommendations to the Board;
- ii. Reviewed relevant information and statements prior to the Board's approval for inclusion in the Company's annual report.

The statements, include but not limited to, Corporate Governance Overview Statement, Directors' Responsibility Statement, Audit Committee's Report, Statement on Risk Management and Internal Control, Management Discussion and Analysis, and Sustainability Statement; and

- iii. Discussed any other matters raised during the meeting.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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### INTRODUCTION

Pursuant to paragraph 15.26(b) and Practice Note 9 of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements ("**Main LR**") in relation to requirement to prepare statement about the state of risk management and internal control system of the listed issuer as a group, and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("**the Guidelines**") and the Malaysian Code on Corporate Governance 2021 ("**MCCG**"), the Board of Directors ("**the Board**") of Apollo Food Holdings Berhad ("**the Company**") (collectively with its subsidiaries, "**the Group**") is pleased to present the statement on the state of risk management and internal control system of the Group for the financial year ended 30 April 2024 and up to the date of approval of this statement. The scope of this Statement includes the Company and all its operating subsidiaries.

### BOARD RESPONSIBILITY

The Board of Directors affirms its overall responsibility for maintaining a sound risk management and internal control system and for reviewing their adequacy and effectiveness so as to provide assurance on the achievement of the Group's mission, vision, core values, strategies and business objectives as well as to safeguard all its stakeholders' interests and protecting the Group's assets. The Board is committed to the establishment and maintenance of an appropriate control environment and governance framework that is embedded into the corporate culture, processes and strategies of the Group as well as to articulate and implement risk management and internal control system. Risk appetite of the Group is established by the Board based on the strategies, business objectives, internal and external business context, business nature and corporate lifecycle.

The Board delegates the duty of risk identification, risk analysis, risk assessment and evaluation, management of key risks (including continuous review and monitoring of existing and emerging key risks) to the Executive Chairman and its governance oversight role to the Audit Committee, through terms of reference approved by the Board, in order to provide assurance to the Board on the adequacy and effectiveness of risk management and internal control system of the Group. Through the Audit Committee, the Board is kept informed on all significant risk and control issues brought to the attention of the Audit Committee by the Management, the internal audit function and the external auditors.

The system of internal control includes, inter-alia, control environment, risk identification and assessment, control activities, information and communication as well as monitoring activities. However, in view of the limitations that are inherent in any system of internal control, the system of internal control is designed to manage, rather than to eliminate, the risk of failure to achieve the Group's business objectives. Accordingly, the system of internal control can only provide reasonable and not absolute assurance against material misstatement of losses and fraud.

### RISK MANAGEMENT

The Board maintains an on-going commitment for the identification, analysis, assessment and evaluation, management of key risks (including continuous review and monitoring of existing and emerging key risks) faced by the Group during the financial year under review. The Board had put in place structured Risk Management Policy in order to manage key risks faced by the Group adequately and effectively. The responsibilities for identification, analysis, assessment and evaluation, management of the strategic, governance, operational and fraud risks (including continuous review and monitoring of existing and emerging key risks) are delegated to the Executive Chairman and executed by the Risk Management Committee, led by Managing Director.

## **STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (continued)**

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### **RISK MANAGEMENT (continued)**

The Risk Management Policy defines the risk management processes to be employed. The systematic risk management process is employed by the Risk Owners and Risk Management Committee for identification, analysis, assessment and evaluation, management of key risks identified (including continuous review and monitoring of existing and emerging key risks). Risk assessment and evaluation, at gross and residual level, are guided by the likelihood rating and impact rating established per Risk Management Policy. Risk Registers were compiled by the Risk Owners and reported to Risk Management Committee and discussed with the Executive Chairman, with the relevant key risks identified rated based on the agreed upon risk rating. The Risk Registers are used for the identification of high residual risks that requires the Risk Management Committee, the Executive Chairman, the Audit Committee and the Board's immediate attention and management of risks identified as well as for continuous risk review and monitoring.

As an important risk monitoring mechanism, the Risk Owners, with the oversight of the Risk Management Committee, are scheduled to review the Risk Registers and to assess and evaluate emerging risks identified at strategic and operational level (including sustainability, fraud and bribery related risks) on an annual basis or on a more frequent basis if circumstances required and to report to the Audit Committee on the results of the review, assessment and evaluation. During the financial year under review, the Risk Owners, with the oversight of the Risk Management Committee, conducted a risks review, assessment and evaluation exercise on existing strategic and key operational risks (including sustainability, fraud and bribery related risks) faced by the Group with emerging risks and opportunities assessed and incorporated into the Risk Registers for on-going review and monitoring, after taking into consideration of the internal audit findings. Subsequent to the risks review, assessment and evaluation exercise performed during the financial year under review, the results of the risk identification and assessment were tabled by the Risk Management Committee to the Audit Committee for its review and reporting to the Board.

To align the Group's anti-bribery activities to the Adequate Procedures Principle II – Risk Assessment per Guidelines on Adequate Procedures Pursuant to Subsection 5 of Section 17A under the Malaysian Anti-Corruption Commission Act 2009 and compliance with Paragraph 15.29(c) of Main LR, bribery risk review and assessment (covering bribery governance risks, transactional bribery risks, country and industry specific bribery risks and business relationship and opportunity risks) was performed by the Risk Owners and was overseen by the Risk Management Committee with the results of such risk assessment tabled to the Audit Committee and Board for review and deliberation.

The Group's risk management is embedded into key processes at all levels of organisation structure whereby respective head of departments (as Risk Owners) are delegated with the responsibility to continuously identify, analyse, assess, evaluate and manage the existing and emerging risks faced by the Group, resulting from changes to internal and external business context, under their scope of responsibility by formulating and implementing adequate internal control system to manage the risk exposure identified. Changes in the key risks or emergence of new key risks are identified through daily operational management and controls and review of financial and operational reports by respective level of Management generated by internal management information system supplemented by external data and information collected. Respective Risk Owners are responsible to assess the changes to the existing operational risks and emerging risks and to formulate and implement effective controls to manage the risks. Critical and material risks are highlighted to the Executive Chairman for the final decision on the formulation and implementation of effective internal controls.

The Executive Directors manage key risks faced by the Group through constant communication among themselves and with respective head of departments during daily management of business operations and through scheduled operational and management meetings. Changes in the key risks faced by the Group or emergence of new key risks are highlighted to the Board by the Executive Chairman and Managing Director for deliberation and decision making, if any.

## **STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (continued)**

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### **RISK MANAGEMENT (continued)**

At strategic level, business strategies with risks consideration are formulated by the Executive Chairman and Managing Director and presented to the Board for review and deliberation to ensure proposed plans and strategies are in line with the Group's risk appetite. In addition, specific strategic and key operational risks are highlighted and deliberated by the Audit Committee and the Board during the review of the financial performance of the Group in the scheduled meetings.

The monitoring of the risk management by the Group is enhanced by the internal audits carried out by the outsourced internal audit function with specific audit objectives and business risks identified for each internal audit cycles based on the internal audit plan approved by the Audit Committee.

The Group had practised the above process for the financial year under review and up to the date of approval of this statement.

Please refer to the "Risk Overview" of the Management Discussion and Analysis for the significant risks faced by the Group and the mitigation plans implemented.

### **INTERNAL CONTROL SYSTEM**

The key features of the Group's internal control system are made up of five core components, i.e., Control Environment, Risk Assessment, Control Activities, Information and Communication and Monitoring Activities with principles representing the fundamental concepts associated with each component described as follows:

- **Board of Directors / Board Committees**

The role, functions, composition, operation and processes of the Board are guided by formal Board Charter whereby roles and responsibilities of the Board, Executive Chairman as well as the Managing Director are specified to preserve the independence of the Board from the Management for its oversight role.

Board Committees (i.e., Audit Committee, Remuneration Committee and Nomination Committee) are established to carry out duties and responsibilities delegated by the Board, governed by their written terms of reference respectively.

Meetings of Board of Directors and respective Board Committees are carried out on scheduled basis to review the performance of the Group, from financial and operational perspective, and to carry out its fiduciary duties. Potential business strategies are proposed by the Executive Directors for the Board's review and approval, after taking into consideration the risk appetite and responses.

- **Integrity and Ethical Value**

The tone from the top on integrity and ethical value are enshrined in Code of Conduct and Ethics established and approved by the Board. This formal code forms the foundation of integrity and ethical value of the Group and published in the corporate website of the Group to guide directors, senior executives and all employees in ensuring appropriate corporate governance structures and standards of ethical behaviours are in place. Integrity and ethical value expected from the employees are incorporated in the Employee Handbook whereby the ethical behaviours and proper conduct expected from employees to carry out their duties and responsibilities assigned are established and stated.

**STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (continued)****INTERNAL CONTROL SYSTEM (continued)****• Integrity and Ethical Value (continued)**

In order to maintain a high standard of ethical conduct in all business dealings throughout the Group in line with the Code of Conduct and Ethics and in compliance with the Guidelines on Adequate Procedures Pursuant to Subsection 5 of Section 17A under the Malaysian Anti-Corruption Commission Act 2009, a formal Anti-Bribery and Corruption Policy had been put in place to prevent the risk of bribery and conflict of interest within the Group. In addition, Whistle Blowing Policy is put in place by the Board to provide a channel for employees and other stakeholders to confidentially bring to the attention of the Audit Committee Chairman and its member pertaining to any misconducts or criminal offences covered under the said policy. The Whistle Blowing Policy also aimed to raise genuine concerns about possible improprieties in matters of financial reporting, compliance and other malpractices at the earliest opportunity.

Compliance with the Code of Conduct and Ethics and relevant policies on ethics is monitored via Whistle Blowing Policy and other monitoring mechanisms and reporting channels implemented to ensure non-compliances are detected and investigated timely with appropriate corrective action, including but not limited to disciplinary actions and other actions to rectify non-compliance.

**• Organisation Structure, Accountability and Authorisation**

The Group has a well-defined organisation structure in place with clear lines of reporting and accountability. Suitably qualified employees are employed and trained to equip them with required knowledge and skills via internal processes so that the appropriate level of authorities and responsibilities can be delegated while accountability of performance and controls are assigned accordingly to competent staffs to ensure operational effectiveness and efficiency. The establishment and communication of job responsibilities and accountability of performance and controls for key positions are further enhanced via the job descriptions established by the Management.

The authorisation requirements for key processes are incorporated in the design of the control documentations and stated in the Group's policies and procedures including a Limits of Authority Matrix.

**• Risk Assessment and Control Activities**

Risk assessment (including sustainability, fraud and bribery related risks) is performed by Risk Owners, with the oversight of the Risk Management Committee, at scheduled intervals or when there is change in internal and/or business context in accordance with Risk Management Policy. Control activities, as risk responses, are formulated and put in place to mitigate risks that are identified to a level acceptable by the Board, i.e., the risk appetite. The Group has documented policies and procedures that are periodically reviewed and updated to ensure its relevance to regulate key operations in compliance with its International Organisation for Standardisation ("ISO") and Good Manufacturing Practice ("GMP") certification.

**• Human Resource Policy**

Policies and guidelines on the human resource management and Employee Handbook are in place to ensure the Group's ability to operate in an effective and efficient manner by employing and retaining adequate number of competent employees who possess necessary knowledge, skill and experience in order to carry out their duties and responsibilities assigned effectively and efficiently. Training needs of employees are identified annually so that relevant trainings will be provided to employees to enhance their knowledge and skill sets.

Performance evaluations are carried out for all levels of staffs to identify their performance gaps, for training needs identification and talent development.



## **STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (continued)**

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### **INTERNAL CONTROL SYSTEM (continued)**

- **Information and Communication**

At operational level, clear reporting lines are established across the Group, and management reports are prepared for dissemination to relevant personnel for effective communication of critical information throughout the Group for timely decision-making and execution in pursuit of the business objectives. Matters that require the Board, Executive Directors and Senior Management's attention are highlighted for review, deliberation and decision.

The Group puts in place effective and efficient information and communication infrastructures and channels, i.e., computerised systems, secured intranet, electronic mail system and modern telecommunication, so that operation data and management information can be communicated timely and securely to dedicated personnel within the Group for decision making. Apart from that, relevant financial and management reports are generated at different level of the organisation structure for review and decision making. The management and board meetings are held for effective two-way communication of information at different level of management and the Board.

Communication of policies and procedures of the Group are disseminated via written form, electronic mail system and in-house trainings by respective risk or control owners.

- **Monitoring and Review**

Executive Directors are closely and directly involved in operations and reviews the operational data including production, marketing and financial data. Monthly operational and management meetings, supported by operational and financial reports (including key indicators) prepared by respective departments, are held to assess the Group's performance and risk factors in order to formulate and implement mitigating controls. At operational level, monitoring activities are embedded into the policies and procedures established by the Management with incidents of non-compliance and exceptions noted escalated to the appropriate level of management.

Apart from the above, the quarterly financial performance review containing key financial results and previous corresponding financial results is presented to the Board for their review.

Furthermore, internal audits are carried out by the outsourced internal audit function (which reports directly to Audit Committee) on key risk areas identified in the Risk Registers compiled by the Risk Owners. The outsourced internal audit function assesses the adequacy and effectiveness of internal controls in relation to specific governance, risk and control processes and highlights its observations as well as recommends improvements on the observations made to minimise the risks. The results of the internal audits carried out are reported to the Audit Committee.

Internal quality audits are carried out for the purpose of compliance with ISO22000:2005 Food Safety Management System and GMP certification by in-house independent personnel to provide assurance of compliance with established ISO and GMP procedures. The monitoring of compliance with relevant laws and regulations is further enhanced via review by relevant regulatory bodies on specific areas of safety, health and environment.

Corrective actions are formulated and implemented for incidents of non-compliance and exceptions reported with their implementation being monitored.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (continued)

### INTERNAL AUDIT FUNCTION

The review of the adequacy and effectiveness of the Group's governance, risk management and internal control system is outsourced to an independent professional firm, namely NeedsBridge Advisory Sdn Bhd, who, through the Audit Committee, provides the Board with much of the assurance it requires in respect of the adequacy and effectiveness of the Group's governance, risk management and internal control system.

To uphold the professional firm's independence and objectivity, the outsourced internal audit function reports to the Audit Committee directly. The audit engagement of the outsourced internal audit function is governed by the engagement letter with key terms that include purpose and scope of works, accountability, independence, the outsourced internal audit function's responsibilities, the Management's responsibilities, the authority accorded to the outsourced internal audit function, limitation of scope of works, confidentiality, proposed fees and engagement team. The appointment and resignation of the outsourced internal audit function as well as the proposed audit fees are subject to review by the Audit Committee for its reporting to the Board for ultimate approval. To preserve the independence and objectivity, the outsourced internal audit function is not permitted to act on behalf of Management, decide and implement management action plan, perform on-going internal control monitoring activities (except for follow up on progress of action plan implementation), authorise and execute transactions, prepare source documents on transactions, have custody of assets or act in any capacity equivalent to a member of the Management or the employee. The outsourced internal audit function is accorded unrestricted access to all functions, records, property, personnel, Audit Committee and other specialised services from within or outside the Group and necessary assistance of personnel in units of the Group where they perform audits.

The engagement director of the outsourced internal audit function, Mr. Pang Nam Ming, is accredited by the Institute of Internal Auditors Global as Certified Internal Auditor and for Certification in Risk Management Assurance. He is also a professional member of the Institute of Internal Auditors Malaysia. As a Certified Internal Auditor accredited by Institute of Internal Auditors, the engagement director is required to declare the compliance of the Standards to Institute of Internal Auditors during his renewal as Certified Internal Auditor. The internal audits are carried out, in all material aspects, in accordance with the International Professional Practices Framework ("IPPF"), i.e., Mission, Core Principles for the Professional Practice of Internal Auditing, Code of Ethics and the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors Global.

During the financial year under review, the resources allocated to the fieldworks of the internal audit performed by the outsourced internal audit function were one (1) assistant manager, one (1) senior consultant and one (1) consultant/associate consultant per one (1) engagement with oversight performed by the director.

Based on the review of the works performed and deliverables by the outsourced internal audit function during the financial year, the Audit Committee and the Board are satisfied:

- that the outsourced internal audit function is free from any relationships or conflicts of interest which could impair their objectivity and independence;
- with the scope of the outsourced internal audit function;
- that the outsourced internal audit function possesses relevant experience, knowledge, competency and authority to discharge its functions effectively, possesses sufficient resources and has unrestricted access to employees and information for the internal audit activities; and
- with the internal audit plan, processes, the results of the internal audit plan, processes or investigation undertaken, if any.

**STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (continued)**

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**INTERNAL AUDIT FUNCTION (continued)**

Risk-based internal audit plan in respect of financial year ended 30 April 2024 was drafted by the outsourced internal audit function, after taking into consideration the existing and emergent key risks identified in the Risk Registers of the Group, the input of the Executive Directors and previous internal audits performed in the context of audit universe of the Group and was reviewed and approved by the Audit Committee prior to execution. Each internal audit cycle within the internal audit plan is specific with regard to audit objective, key risks to be assessed and scopes of the internal control review. The internal control review procedures performed by the outsourced internal audit function are designed to understand, document and evaluate risks and related controls to determine the adequacy and effectiveness of governance, risk and control structures and processes and the recommendations formulated by the outsourced internal audit function are based on the root cause(s) of the internal audit observations.

The internal audit procedures applied principally consisted of process evaluations through interviews with relevant personnel involved in the process under review, review of the Standard Operating Procedures and/or process flows provided and observations of the functioning of processes in compliance with results of interviews and/or documented Standard Operating Procedures and/or process flows. Thereafter, testing of controls through the review of the samples selected based on sample size for the respective audit areas calculated in accordance with the predetermined formulation, subject to the nature of testing and verification of the samples.

During financial year ended 30 April 2024, the outsourced internal audit function has conducted the review of fixed assets and maintenance management as well as human resource and payroll management of Apollo Food Industries (M) Sdn Bhd based on the internal audit plan approved by the Audit Committee.

Upon the completion of the individual internal audit fieldworks during the financial year, the internal audit reports were presented by the outsourced internal audit function to the Audit Committee during its scheduled meetings. During the presentation, the internal audit findings and recommendations as well as management's responses or action plans and person-in-charge together with the dates of implementation were presented and deliberated with the members of the Audit Committee.

Apart from the internal audit reports, updates on the implementation progress of management's action plans identified in the previous internal audit reports were also presented during the financial year under review to the Audit Committee for review and deliberation to ensure action plans were satisfactorily implemented to address the individual risks associated with the findings. In addition, during the Audit Committee meeting, the outsourced internal audit function reported its staff strength, qualification and experience as well as continuous professional education for the Audit Committee's review.

The cost incurred in maintaining the outsourced internal audit function for the financial year ended 30 April 2024 was RM71,080.

**STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (continued)**

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**ASSURANCE PROVIDED BY EXECUTIVE CHAIRMAN AND MANAGING DIRECTOR**

During the meeting of Board of Directors in the financial year under review, the performance of the Group was reviewed and deliberated by the Board, including but not limited to, the adequacy and effectiveness of governance, risk management and internal control system in relation to the strategies and business objectives of the Group.

In line with the Guidelines, the Executive Chairman, being the highest-ranking executive in the Company and the Managing Director, being the person primarily responsible for the management of the financial affairs of the Company have provided assurance to the Board stating that the Group's risk management and internal control system have operated adequately and effectively, in all material aspects, to meet the Group's objectives during the financial year under review.

**OPINION AND CONCLUSION**

Based on the review of the results of the risk management activities and internal audit activities, monitoring and review mechanism stipulated above, and assurance provided by the Executive Chairman and Managing Director, the Board is of the opinion that the risk management and internal control system are satisfactory and have not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's Annual Report. The Board continues to take pertinent measures to sustain and, where required, to improve the Group's risk management and internal control system in meeting the Group's strategic objectives.

The Board is committed towards maintaining an adequate and effective governance, risk management and internal control system throughout the Group and where necessary put in place appropriate plans to further enhance the Group's governance, risk management and internal control system. Notwithstanding this, the Board will continue to evaluate and manage the key risks faced by the Group in order to meet its strategies and business objectives in the current and challenging business environment.

**REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS**

Pursuant to paragraph 15.23 of the Main LR, the External Auditors have reviewed this Risk Management and Internal Control Statement. Their review was performed in accordance with Audit and Assurance Practice Guide (AAPG 3), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to consider whether the Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system, including the assessment and opinion by the Board of Directors and management thereon. Based on their review, nothing has come to their attention that causes them to believe this Statement is not prepared, in all material aspects, in accordance with the disclosures required by paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Public Listed Companies to be set out, nor is factually incorrect.

## PROFILE OF DIRECTORS

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**Dato' Cheah See Yeong**  
**65 years of age, Male, Malaysian**  
**Executive Chairman**  
**(Appointed on 31 January 2024)**

Dato' Cheah See Yeong was appointed as Executive Chairman on 31 January 2024. He currently sits on the Board of several private companies.

Dato' Cheah has more than 35 years of experience in the F&B industry, in particular food related products i.e. ice-cream and confectionary. He is currently a shareholder and director of several private limited companies within Scoop Capital Sdn Bhd (SCSB), which is the master franchisee of Baskin-Robbins in Malaysia and Singapore. In addition, the SCSB group also undertakes restaurants and café operations via its Baskin-Robbins outlets.

Dato' Cheah has throughout his career in the F&B industry accumulated immense experience and knowledge and has been actively involved in product development, supply chain management, quality assurance, sales and marketing, distribution as well as human resource management. Dato' Cheah has also cultivated strong relationships with suppliers, vendors, and customers. His strong business acumen and leadership have been instrumental in steering the growth of the SCSB group.

**Cheah Jia Ming**  
**34 years of age, Male, Malaysian**  
**Executive Director cum Managing Director**  
**(Appointed on 31 January 2024)**

Mr Cheah Jia Ming was appointed as Managing Director on 31 January 2024. He currently sits on the Board of several private companies.

He is a highly accomplished professional with solid educational foundation and a diverse career spanning the realms of finance, auditing, corporate banking, and business development. Graduating from the University of Glasgow in the UK with a degree in Bachelor of Accountancy with Finance.

His career commenced as an auditor at PwC Malaysia in 2013, providing him with a robust foundation in financial analysis and audit methodologies. Subsequently, as part of the graduate program, he garnered valuable experience in both CIMB Corporate Banking and Equity Capital Markets, further enhancing his financial acumen and industry insight.

He transitioned to Golden Scoop Sdn Bhd, the master franchisee of Baskins Robbins for Malaysia and Singapore, where he assumed the role of Business Development Manager in 2016. His responsibilities included spearheading store portfolio growth, instigating a comprehensive overhaul of company culture and values, lead cost efficiency projects and fostering impactful partnerships and collaborations. This role allowed him to showcase his strategic thinking and leadership skills, leading to his promotion to CEO in 2018.

He is the son of Dato' Cheah See Yeong (Executive Chairman) and nephew of Ms Cheah Lay Choo (Chief Operating Officer).



**PROFILE OF DIRECTORS (continued)**

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**Foo Swee Eng**  
**68 years of age, Female, Malaysian**  
**Independent Non-Executive Director**

Ms Foo Swee Eng was appointed to the Board on 29 January 2018. She was appointed as Chairperson of Nomination Committees on 27 December 2018. She is also a member of Audit and Remuneration Committees.

Ms Foo is a Fellow Member of the Association of Chartered Certified Accountants (FCCA,UK) and a Chartered Accountant of the Malaysian Institute of Accountants (CA(M)). She is also a member of Chartered Tax Institute of Malaysia (ACTIM). She started her accountancy career with an accounting firm in 1977 and is currently a partner of Reanda LLKG International, Chartered Accountants and a director of K-Konsult Taxation (JB) Sdn Bhd.

**Johnson Kandasamy A/L David Nagappan**  
**63 years of age, Male, Malaysian**  
**Independent Non-Executive Director**

Mr Johnson Kandasamy A/L David Nagappan was appointed to the Board on 7 February 2020. He was appointed as Chairman of Audit Committee on 1 September 2022. He is also a member of Nomination and Remuneration Committees.

He started his career in accountancy in July 1981 as an audit trainee with a local accounting firm, Goonting & Chew in Johor Bahru. He then served various capacities in two other local accounting firm and was promoted as the partner of Yeo & Associates, Johor Bahru in January 1997 until 1 March 2002 when he left to set up his own firm, JK David & Co., Chartered Accountants, of which he is the Chief Executive.

He is a Chartered Accountant of the Malaysian Institute of Accountants (CA(M)), a Fellow Member of the Association of Chartered Certified Accountants (FCCA,UK), an approved tax agent and a Chartered Tax Practitioner registered with the Chartered Tax Institute of Malaysia.

Currently, he serves as a Non-Independent Non-Executive Director of Dominant Enterprise Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad.

**PROFILE OF DIRECTORS (continued)**

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**Dato' Sri Muthanna Bin Abdullah**  
**64 years of age, Male, Malaysian**  
**Independent Non-Executive Director**  
**(Appointed on 08 April 2024)**

Dato' Sri Muthanna Bin Abdullah was appointed to the Board on 08 April 2024. He was appointed as Chairman of the Remuneration Committee on 08 April 2024. He is also a member of Nomination and Audit Committees.

Dato' Sri Muthanna began his career as a lawyer at Skrine & Co. He then became Partner at Abdullah A. Rahman & Co. before becoming Managing Partner at Lee Hishammudin Allen & Gledhill. Dato' Sri Muthanna then became Managing Partner at Abdullah Chan & Co. before he assumed the role of Consultant at Abdullah Chan & Co., a role he continues to hold at present.

Professionally, Dato' Sri Muthanna has frequently advised companies on local and international cross-border acquisitions and investments including corporate restructurings required to transform businesses.

Dato' Sri Muthanna is the Honorary Consul of The Republic of San Marino to Malaysia. He is also the Trustee of The Habitat Foundation, Yayasan Siti Sapura, a board member of the Kuala Lumpur Business Club and The Malaysian Aerospace Industry Association. Previously he served on boards of 2 international chambers – the British and the Swiss and presently is the Avocat Au Con fiance of the Swiss Embassy.

Currently, he serves on the boards of IHH Healthcare Berhad, MSM Malaysia Holdings Berhad, Parkway Life Real Estate Investment Trust (Parkway Life REIT), MSIG Insurance Malaysia Berhad and Malaysian Life Reinsurance Group Berhad.

**Liang Chiang Heng**  
**74 years of age, Male, Singaporean**  
**Executive Chairman**  
**(Resigned on 31 January 2024)**

Mr. Liang Chiang Heng was appointed as Managing Director on 20 March 1996 and Executive Chairman on 21 July 1998. He joined Apollo Group since 1979 and the Group's business has grown and expanded within the short period of time under his leadership.

Mr. Liang Chiang Heng was awarded an Honorary PhD in Business Administration from the Wisconsin International University. He currently sits on the Board of several private companies.

**Liang Kim Poh**  
**63 years of age, Male, Singaporean**  
**Executive Director cum Managing Director**  
**(Resigned on 31 January 2024)**

Mr. Liang Kim Poh was appointed as an alternate director on 20 March 1996 and subsequently to the Board on 21 July 1998. He was later redesignated as Managing Director on 28 December 2017. He currently sits on the Board of several private companies.

**PROFILE OF DIRECTORS (continued)**

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**Halid Bin Hasbullah**  
**68 years of age, Male, Malaysian**  
**Independent Non-Executive Director**  
**(Resigned on 08 April 2024)**

Encik Halid Bin Hasbullah was appointed to the Board on 27 August 2018. He was appointed as Chairman of the Remuneration Committee on 27 December 2018. He is also a member of Nomination and Audit Committees.

He obtained his Master of Business Administration from UNISEL Graduate School of Management (USGM), UNISEL in year 2007 and Bachelor of Business Administration in year 1992 from International Islamic University Malaysia. He is also a Chartered Member (CMILT) of the Chartered Institute of Logistic and Transport, UK.

He holds various key positions and capacities as Managing Director/Chief Executive Officer, Chief Operating Officer, General Manager and Consultant. He was involved in strategic decision making process, planning and maximize wealth of the shareholders.

He started his career in the banking sector followed by cooperative movement, healthcare, education, microfinance industry and current, in the area of human talent.

**OTHER INFORMATION**

- **Family Relationship**

None of the Directors have any family relationships with each other and/or major shareholders except Dato' Cheah See Yeong and Mr Cheah Jia Ming are father-son relationship.

- **Directors' Shareholding**

The Directors' interests in the shares of the Company are shown on page 107 of this Annual Report.

- **List of Convictions of Offence**

Other than traffic offence (if any), none of the Directors has any conviction for offences within the past 5 years nor any public sanction or penalty imposed by any relevant regulatory bodies for the financial year ended 30 April 2024.

- **Conflict of Interest**

None of the Directors have any conflict of interest with the Company.

## PROFILE OF KEY SENIOR MANAGEMENT

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**Wong Kok Siong**  
**53 years of age, Male, Malaysian**  
**Chief Financial Officer**  
**(Appointed on 01 August 2024)**

Wong Kok Siong was appointed as Chief Financial Officer on 01 August 2024. He is a financial management professional with over 32 years of experience in financial analysis, reporting, governance, auditing, risk management and strategic planning with the last 16 years in senior leadership roles. His experience spans across diverse industries such as telecommunications, media, oil and gas, leisure and retail, both local and international.

He graduated from University of Monash in Australia with a Bachelor of Economics majoring in Accounting.

He does not have any family relationship with any director or major shareholder of the Company.

**Cheah Lay Choo**  
**54 years of age, Female, Malaysian**  
**Chief Operating Officer**  
**(Appointed on 15 February 2024)**

Cheah Lay Choo was appointed as Chief Operating Officer on 15 February 2024 and brings a deep wealth of experience from the logistics industry specialising in customer care and sales. She spent 22 years in China with Shenzhen Integrated Shun Hing Logistics Co Ltd as a Director overseeing customer service and sales.

She graduated from Fukushima University in Japan with a Bachelor of Economics.

She is the sister of Dato' Cheah See Yeong (Executive Chairman) and aunt of Mr Cheah Jia Ming (Managing Director).

**Lee Yik Loong**  
**48 years of age, Male, Malaysian**  
**Chief Commercial Officer**  
**(Appointed on 01 June 2024)**

Lee Yik Loong was appointed as Chief Commercial Officer on 01 June 2024. With a Bachelor of Economics degree from Flinders University of South Australia, he brings over 25 years of extensive Sales and Marketing experience in multinational corporations, specialising in the FMCG industry. He has held senior leadership roles for the past 15 years at Nestle Berhad, Network Foods Group of Companies, and Munchy's Industries Sdn Bhd.

He does not have any family relationship with any director or major shareholder of the Company.

**PROFILE OF KEY SENIOR MANAGEMENT (continued)**

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**Ang Jae Han**  
**35 years of age, Male, Malaysian**  
**Head, Corporate Strategy**  
**(Appointed on 13 May 2024)**

Ang Jae Han was appointed as Head, Corporate Strategy on 13 May 2024 and he brings along more than 10 years of experience in capital markets. Jae Han started his career as a credit analyst with RAM Ratings where he spent 3 years specialising in structured finance ratings before moving on as an equity research analyst with Credit Suisse and UBS. During his 10 years as an equity analyst, his primary research coverage includes the Malaysian infrastructure, property, airport and ASEAN credit report bureaux sectors. Additionally, he has a secondary research coverage of Malaysian banks as well as Malaysia strategy.

He graduated from the University of York in the UK with a Bachelor of Science in Accounting, Business Finance and Management.

He does not have any family relationship with any director or major shareholder of the Company.

**Lim Ka Ming**  
**58 years of age, Male, Malaysian**  
**General Manager (Production) of Apollo Food Industries (M) Sdn Bhd**

Mr. Lim Ka Ming joined Apollo Food Industries (M) Sdn Bhd, a wholly owned subsidiary company, as General Manager (Production) on 1 August 2018. He has more than 20 years of related working experience prior to joining the Company.

He does not have any family relationship with any director or major shareholder of the Company.

**Tan Sew Eng**  
**55 years of age, Female, Malaysian**  
**Senior Accountant of Apollo Food Industries (M) Sdn Bhd**

Ms Tan Sew Eng joined Apollo Food Industries (M) Sdn Bhd, a wholly owned subsidiary company, as Senior Accountant on 15 June 2015. She is a member of Certified Practising Accountant, Australia and Malaysian Institute of Accountants (MIA). She has more than 23 years of related working experience prior to joining the Company.

She does not have any family relationship with any director or major shareholder of the Company.

**Liang Thong Guan**  
**44 years of age, Male, Singaporean**  
**Technical Director of Apollo Food Industries (M) Sdn Bhd**  
**(Resigned on 31 January 2024)**

Mr. Liang Thong Guan joined Apollo Food Industries (M) Sdn Bhd, a wholly owned subsidiary company, as Technical Director on 4 March 2013. He has more than 8 years of related working experience prior to joining the Company. He also led the Sustainability and Risk Management Committee of the Company.

He is the son of Mr Liang Chiang Heng (Executive Chairman) and nephew of Mr Liang Kim Poh (Managing Director).



**PROFILE OF KEY SENIOR MANAGEMENT (continued)**

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Save as disclosed above, none of the key senior management has:

- i. any directorship in public companies and listed issuers;
- ii. any conflict of interest with the Company; and
- iii. other than traffic offences (if any), any conviction for offences within the past 5 years nor any public sanction or penalty imposed by any relevant regulatory bodies for the financial year ended 30 April 2024.

## MANAGEMENT DISCUSSION AND ANALYSIS

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### OVERVIEW OF THE GROUP'S BUSINESS AND OBJECTIVES

Apollo Food Holdings Berhad is principally an investment holding company and currently it has two (2) wholly owned subsidiaries as below:

- (i) Apollo Food Industries (M) Sdn Bhd is principally engaged in manufacturing and trading in compound chocolates, chocolate confectionery products and layer cakes in overseas market.
- (ii) Hap Huat Food Industries Sdn Bhd is principally engaged in distributing and marketing of compound chocolates, chocolate confectionery products and layer cakes in local market.

Over the years, the Group has recognised itself as one of the leading manufacturers of chocolate confectionery products and layer cakes in Malaysia.

The aim of the Group is to always fulfil the customer needs and requirements by using the latest equipment and technology. To accomplish this goal, the Group uses only the finest natural ingredients sourced from a select panel of suppliers and employs state-of-art technology in manufacturing its products.

The Group firmly believes that quality sells. Holding this belief, the Group strives to ensure that the following principles are taken to improve its market position:

- Implement and maintain quality management system and continually improve its effectiveness;
- Produce products using premium raw and packaging materials;
- Use world class wafer and layer cake manufacturing machinery from Europe and constantly upgrade to improve the quality of products and competitiveness of the Group;
- Enhance customer satisfaction by meeting customer requirements;
- Recognise customers' needs by introducing individual packaging; and
- Implement quality assurance procedures such as HALAL, GMP and ISO accreditations.

### FINANCIAL PERFORMANCE

#### Revenue

The Group recorded revenue of RM255.27 million for the financial year ended 30 April 2024, a decrease of 0.67% as compared to RM257.00 million in the previous financial year ended 30 April 2023. A large proportion of revenue was contributed by local market, accounting for 74.16% of total revenue. There were no material changes on the sales proportion from previous financial year.

#### Profit for the Financial Year

The profit after taxation had increased by 71.03% from RM31.65 million as recorded in the previous financial year to RM54.13 million. During the financial year, the Group recorded a one-off gain (net of tax) on the disposal of investment properties of RM18.66 million, accounting for 34.47% of profit after taxation. Excluding the one-off gain, the Group still recorded a commendable 12.08% year-on-year growth in profit after tax on the back of improved gross profit margins.

The Group's earnings per share increased from 39.56 sen to 67.66 sen for the financial year.

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

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### FINANCIAL PERFORMANCE (continued)

#### Financial Position

As at 30 April 2024, the Group's total assets was RM246.35 million as compared to RM255.96 million in the previous financial year end. Lower total assets were contributed by lower property, plant and equipment and inventories.

Total liabilities increased by RM4.27 million from RM17.45 million to RM21.72 million while the Group's equity decreased by RM13.87 million from previous financial year end. Net asset per share decreased from RM2.98 to RM2.81 as at current financial year end.

### RISK OVERVIEW

The Group is currently facing a few risk factors that might affect the Group's profitability. Those risks include the following:

**(i) Fluctuation of Raw Material Prices**

Any fluctuation of raw material prices will have a direct impact on the Group's gross profit margin. The Group has taken measures to reduce the risk of price fluctuation by working closely with suppliers to get reasonable price without compromising quality. The Group will monitor the price closely and assures that the quality of raw materials is maintained.

**(ii) Fluctuation of Foreign Currency Exchange Rate**

Significant fluctuation of foreign currency exchange rate will impact on the Group's cash flow movement and profitability. The movement of the foreign currency exchange rate is closely monitored by the Group's management.

**(iii) Changes in Consumer's Preferences**

The Group is sensitive to the evolving consumer preferences and will continue to invest in product innovation to remain relevant to our customer base.

**(iv) Quality of the Products**

Poor quality products can harm the Group's image and reputation. The Group has implemented quality management systems and quality assurance procedures via HALAL, GMP and ISO accreditations and sources raw materials from reputable and reliable suppliers to maintain the quality of the product.

**(v) Labour Market**

A large proportion of the Group's workforce comprises of foreign workers to overcome the difficulties in employing local employees. Any future changes to the policies imposed by the Malaysia Government on employment of foreign workers will affect the Group's production and consequently, the profitability of the Group.

## **MANAGEMENT DISCUSSION AND ANALYSIS (continued)**

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### **OPERATION REVIEW**

In this challenging operating environment where inflationary pressures remain a key concern impacting consumers and businesses across the region, the Group continues to deliver commendable overall performance for the current financial year, a good indication of solid demand for the Group's products.

In order to remain competitive going forward, the Group will continue its' efforts to enhance its core operations. Focus remains on increasing efficiency and leveraging on the Group's strong brand to develop new export market and customer segments. Initiatives such as manufacturing space rationalisation, upscaling automation and digitalisation to optimise overall productivity and efficiency are envisaged to strengthen the Group's future growth prospects. Additionally, the Group will proactively improve its distribution and marketing efforts to achieve deeper market penetration while still maintaining stringent quality control on the Group's products.

### **BUSINESS PROSPECT**

We remain cautious on the outlook for financial year ending April 2025 for both domestic and international markets due to uncertainty in global macroeconomics, trade relations, geopolitical events as well as rising inflationary environment in which the Group operates in.

Price fluctuation of key raw materials supply chain coupled with the weakened Malaysia Ringgit remains a key challenge for the Group. Having said that, the Group remains committed to maintaining satisfactory results by continuing to enhance operating efficiency and implementing cautious measures without compromising product and service quality.

### **DIVIDEND POLICY**

The Group does not have a fixed dividend policy. During the financial year, the Board of Directors approved a First Interim Dividend of 20 sen per ordinary share and a Second Interim Dividend of 50 sen per ordinary share under the single tier system (tax exempt) for the financial year ending 30 April 2024 that were paid on 03 November 2023 and 24 April 2024 respectively.

In recognition of shareholders' continuous support, the Board of Directors is pleased to recommend a Final Dividend of 5 sen per ordinary share under the single tier system (tax exempt) for the financial year ended 30 April 2024. The dividend will be subject to shareholders' approval at the forthcoming Annual General Meeting to be held on 23 October 2024.

## SUSTAINABILITY STATEMENT

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### INTRODUCTION

The Board of Directors (“the Board”) of Apollo Food Holdings Berhad (“the Company”) recognises the importance of continuously developing and improving the business operations of the Group in a sustainable and responsible manner. The Board believes that by placing sustainability as the core of its business operations will drive the long-term business growth of the Company and its subsidiaries (“the Group”) as well as establishing mutually favourable relationships with its stakeholders. The sustainable business practices of the Group can be enhanced by having its business operating strategies and corporate culture being continuously aligned to the Sustainable Development Goals (“SDGs”) developed by the United Nations to promote prosperity while protecting the environment.

The Board is committed to continuously promote good sustainability practices, update the sustainability progress and engage openly and responsively with the Group’s stakeholders through transparent sustainability reporting that captures the economic, environmental and social aspects of the Group’s business operations. The Board recognises that stakeholder engagement plays a vital role to ensure the businesses pursued by the Group is sustainable in the long term. Through Sustainability Statement, the Board provide the stakeholders a better understanding on the Group’s approach to create sustainable long-term value for stakeholders as well as the progress in meeting these commitments.

The Board acknowledges that businesses are not solely judged by its financial performance but also, not to a lesser extent, on its conducts in respect of governance, economic, environment and social aspects in order to withstand in this challenging environment and to generate value to its stakeholders on long term sustainable manner. It is, therefore, the underlying value of the Group to achieve optimum equilibrium between short-term financial performance and its long-term business sustainability and value creation. In demonstrating the Board’s commitment towards embracing good sustainability practices, the Board has continuously integrated such practices into its working environment and culture, business processes and strategy making process in developing sustainable businesses that brings positive impact on the community, economy and environment. Hence, the Group is committed to be accountable and transparent in its sustainability performance and exercises.

The Board is pleased to present this Sustainability Statement for the financial year ended 30 April 2024 prepared pursuant to paragraph 29 of Part A of Appendix 9C in Chapter 9 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), paragraphs 6.1, 6.2 and 6.3 of Practice Note 9 of the MMLR and Sustainability Reporting Guide issued by Bursa Securities (“the Guide”). This Statement was prepared on a best effort basis and the Board would look into narrowing any gap in sustainability assessment and thereon the reporting in coming years. This Sustainability Assessment has not been subjected to an assurance process and the Board endeavours for an assurance process to be undertaken either fully or partially in the following financial year.

### SCOPE OF THE STATEMENT

The contents of this Sustainability Statement primarily include activities carried out during the financial year ended 30 April 2024 and up to the date of this Statement. This Statement covers the Group’s economic, environmental and social management and performance across all its business operations in Malaysia. To the extent applicable, the Board adheres to the sustainability assessment and reporting requirements per MMLR and the Guide.

The disclosures of the corporate governance practices and compliance with relevant provisions and requirements per MMLR and Malaysia’s Code on Corporate Governance 2021 are made in the Corporate Governance Report and Corporate Governance Overview Statement in the Annual Report.

The Group is principally involved in the manufacturing, marketing and distribution of compound chocolates, chocolate confectionery products and cakes based in Malaysia with geographical sales presence in Malaysia and other countries.

## SUSTAINABILITY STATEMENT (continued)

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### SCOPE OF THE STATEMENT (continued)

As at the date of this Statement, information disclosed in this Statement involves the Sustainability Framework established by the Board and the identification, management and performance of sustainability matters of the Group's business operations in Malaysia.

### SUSTAINABILITY PRINCIPLES

As the highest governance body within the Group, the Board assume the ultimate accountability for the integration of sustainability in the Group, including sustainability-related strategy and performance. The sustainability principles instilled by the Board are:

- To observe and comply with all relevant legislation, regulations, recommended trade practice and code of practice applicable and relevant to the Group.
- To consider sustainability matters and integrate these considerations into the Group's business operations, and when making and implementing business strategies.
- To manage sustainability matters in structured and systematic manner, whereby sustainability management is embedded throughout the Group and sustainability matters to be documented, continuously assessed and managed with reporting to the Board on scheduled interval or as and when the materiality of the sustainability matters requires such reporting.
- To continuously promote to, train and communicate with all employees, suppliers, business partners and other relevant stakeholders to ensure that they are aware of sustainability management and are committed to implement and measuring sustainability activities as part of the Group's strategy to take into consideration economic, environment, social and governance aspects.
- To continuously engage and communicate with all relevant stakeholders for the identification, assessment and management of material sustainable issues.
- To strive to improve the Group's sustainability performance over time.

### SUSTAINABILITY POLICIES

The Sustainability Policies established by the Board, as stated in the formal Sustainable Framework, is guided by the 17 Sustainable Development Goals ("SDGs") developed by the United Nations to address a range of social and economic development issues such as poverty, hunger, health, education, climate change, gender equality, water, sanitation, energy, environment and social justice.

#### i. Sustainable Economic Policies

- To ensure economic interest of all relevant stakeholders are preserved in all significant business operations and strategic business decisions.
- To promote the economic development of the communities where the significant business operations are carried out, when making business strategy decision and when implementing business strategies.

#### ii. Sustainable Environment Policies

- To comply with all guidelines and regulations relating to the preservation of environmental aspects in relevant jurisdictions where the Group is operating in.
- To avoid contamination and improve the quality of environmental management.
- To reduce carbon footprint through product designs that is energy-efficient, optimise manufacturing efficiency and through investment in energy-efficient production machinery.
- To conserve the consumption of water, electricity and other natural resources in the business operations.
- To implement "Reduce, Reuse and Recycle" policy across the Group and along the value chain.



## **SUSTAINABILITY STATEMENT (continued)**

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### **SUSTAINABILITY POLICIES (continued)**

#### **ii. Sustainable Environment Policies (continued)**

- To ensure all materials, where possible, are sourced from sustainable, renewable or recycled means and assess, and monitor external value chain partners to make sure the Group's environment objectives and procedures are complied.
- To protect and proactively manage our impact on biodiversity in the ecosystems over which the Group is operating in.

#### **iii. Sustainable Social Policies**

- To ensure that all stakeholders should receive fair treatment and do not engage in or support discrimination based on race, nationality, religion, disability, gender, age, sexual orientation, union membership and political body.
- To ensure that the Group's, the suppliers' and the subcontractors' human resources are entitled to the right of not to be discriminated against, not to be enslaved, to be treated with dignity, to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay, and the right to freedom of opinion and expression.
- To ensure that the Group, the suppliers and the subcontractors are in strict compliance of no child labour at the workplaces in accordance with the applicable laws and regulations in the relevant jurisdictions where the Group is operating in.
- To provide a safe and healthy workplace for all of its human resources, customers, suppliers, subcontractors, business partners and the public at large, in compliance with the Occupational Safety and Health Act and any other applicable legislation.
- To prohibit agreements or other coordinated activities with competitors, customers or suppliers that limit competition, abuse of a dominant position, monopolisation or attempted monopolisation and concentrations between companies that may substantially lessen competition.
- To conduct its business in an open, honest and ethical manner with conflict of interest situation properly addressed and to adopt a zero-tolerance approach to all forms of bribery and corruption. To ensure that all level of employees, suppliers, subcontractors, customers, business partners and other stakeholders do not engage in corrupt practice, take unfair advantage of any other person, including but without limitation, participating in illegal practices (for example, misleading and deceptive conduct, misrepresentation and undue influence, as well as conduct which are legal but unethical).
- To promote the development of the local communities through direct support of local communities, charitable donations and support of non-profit agencies in the communities where the Group is operating in. To nurture long term relationship with the local communities and to provide safe and healthier environment for the local communities.
- To preserve and respect local heritage and customs of the local communities.
- To work with the local authorities and government bodies for the development of conducive environment for stakeholders.
- To uphold the quality, safety and health of the Group's products and services with expected standard of legitimacy and integrity.
- To uphold the highest standard in the preserving the confidentiality and privacy of information collected by us in the course of the Group's business and to ensure employees, customers and business partners who receive such information to observe the confidentiality and privacy of such information as well.

## SUSTAINABILITY STATEMENT (continued)

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### GROUP PROFILE

From the humble beginning in 1966, the Company, a public limited company listed on the Main Market of Bursa Securities based in Johor Bahru, Johor, has grown to its prominent presence as one of the leading manufacturers and distributors of compound chocolate confectionery products and layer cakes in Malaysia. To date, the Group, comprises the Company and two (2) wholly-owned subsidiaries operating under the corporate brand of “Apollo” which has made its mark in Malaysia and other countries around the world.

During the financial year under review, there was no major changes in the composition of the contractors and suppliers for the manufacturing and distribution of compound chocolate confectionery products and layer cakes. Also, there was no major changes in the location of operations nor share capital structure during the financial year under review.

At the date of this report, the Group is not a member of any trade association in Malaysia.

### GOVERNANCE STRUCTURE AND PROCESS

The Board affirms its overall responsibility for integration of the sustainable economic, environment and social policies approved by the Board throughout of the Group to ensure business strategies of the Group taking into consideration the sustainability policies and to ensure sustainability performance are monitored from time to time. The governance structure in relation to the Group’s sustainability management is guided by the Guide and to the Toolkit: Governance issued by Bursa Securities with necessary adaption based on the nature and scale of the businesses of the Group.

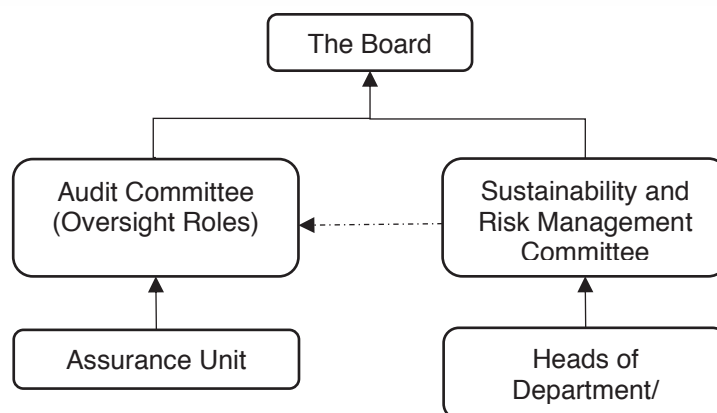
The Group’s commitment towards sustainable business practices is imputed throughout all levels of its organisation. At the leadership level, the Board, Executive Directors and Management recognise the importance of ensuring good sustainable economic, environment and social practices being understood and implemented by all level of organisation.

To ensure such commitment of good sustainable economic, environment and social policies is embedded throughout of the Group, the Board put in place a formal structure to ensure accountability, oversight and review pertaining to identification, management and reporting of sustainability matters and performance of the Group. Such formal structure is important to ensure that the execution of the sustainability initiatives at all level of organisation and business units are aligned with the Board’s sustainability and business strategy with reporting at predetermined intervals and the Group can response timely with the sustainability risks and opportunities applicable to the Group. The duties of identification, management and reporting of sustainability matters and performance of the Group are delegated to the Sustainability and Risk Management Committee (“SRMC”).

The Board has formalised the sustainability principles, policies and processes envisaged by the Board through Sustainability Framework established by it. Furthermore, formal governance structure based on the existing geographical scope, scale and nature of the business the Group is pursuing, for the identification, management and reporting of sustainability matters and performance of the Group, is established by the Board in the following manner:

**SUSTAINABILITY STATEMENT (continued)**

**GOVERNANCE STRUCTURE AND PROCESS (continued)**



The governance structure defines clearly on the roles and responsibilities expected of the Board, Audit Committee, Sustainability and Risk Management Committee, Heads of Department and Division and Assurance Unit. In a nutshell, the Board assumes the ultimate responsibility for sustainability management and performance within the Group while the Audit Committee is tasked with the duties to oversee the sustainability management and performance of the Group for reporting to the Board. More importantly, the Sustainability and Risk Management Committee (led by Managing Director), is tasked with the duties to implement the sustainability framework and strategies approved by the Board, to lead and implement the process of sustainability management, and to monitor and devise appropriate action plan, to conduct periodic review of all sustainability matters of the Group (at least on an annual basis), to manage stakeholder engagement, to implement the material sustainability matters' indicator and target as well as monitoring thereof, to prepare sustainability disclosures as required by applicable laws and/or rules, to oversee the implementation of sustainability framework and the preparation of sustainability disclosures and to ensure that relevant sustainability trainings are provided. Such activities and results of activities (as applicable) are reported to the Audit Committee for its review and subsequently reporting to the Board.

As for the Heads of Department/Division, their primary responsibilities are to manage sustainability matters of the business processes under his/her control and to assist the Sustainability and Risk Management Committee with the implementation of the sustainability process of identification, assessment, management and monitoring of all sustainability matters.

The sustainability matters management process established by the Board, in compliance with the Guide and Toolkit: Materiality Assessment issued by Bursa Securities with necessary adaption based on the nature and scale of the businesses of the Group, are as follows:

- Identification of the intended stakeholder groups and sub-groups, the focus areas expected by the intended stakeholders, engagement objective(s) for each stakeholder group, type of engagement employed or to be employed and frequency through *Stakeholders' Mapping*.
- The stakeholders identified for each significant business segments and geographical segments are prioritised in relation to its influence over and dependency on the Group so that the Group can put in more effort on stakeholder groups that have higher influence or dependency and the concerns of such stakeholders shall carry greater weight. The prioritisation of the stakeholders is conducted by Sustainability and Risk Management Committee with the assistance from the Heads of Department/Division by using *Stakeholder Prioritisation Matrix* whereby each stakeholder groups identified is assessed by using influence and dependency criteria and rating scale established by the Board. The results of the prioritisation can be used to determine the level of engagement to be employed by the Group with the respective stakeholders (from collaborate/empower to keep informed) based on the perceived influence and dependency of each stakeholder group.

## SUSTAINABILITY STATEMENT (continued)

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### GOVERNANCE STRUCTURE AND PROCESS (continued)

- Identification of sustainability matters for each significant business segment and geographical segment via internal and external sources.
- Sustainability matters identified for each significant business segment and geographical segment are refined, consolidated and categorised into respective sustainability categories determined by the Board and enlisted in the *Sustainability Matters Listing*, detailing the influence and dependency of internal and external stakeholders.
- Sustainability matters categorised in the *Sustainability Matters Listing* are subject to the internal materiality assessment by the Sustainability and Risk Management Committee with the assistance from the Heads of Department/Division based on the criteria and rating scale system established by the Board in order to assess the materiality of the sustainability matters identified and to prioritise the sustainability matters for assessment by internal and external stakeholders.

Sustainability issue is considered material if:

- it has significant economic, environmental and social impacts on the Group from the organisation's point of view;
- substantively influences the assessments and decisions of stakeholders from the stakeholders' point of view; and
- it has significant economic, environmental and social impacts that affects the ability to meet the needs of the present and future generations.

The internal materiality assessment entails the assessment by the Sustainability and Risk Management Committee with the assistance from the Heads of Department/Division based on the rating scale established by the Board on the significance of each sustainability matters on the revenue, cost, reputation, strategic and operational risk, and business opportunities criteria.

From internal and external stakeholders' perspective, stakeholders' assessment of the sustainability matters is based on the significance of such matters to influence on the assessment and decision by the respective stakeholder based on the rating scale established by the Board.

- The identification of the material sustainability matters is performed by the Sustainability and Risk Management Committee by input into the *Materiality Matrix*, the result of the stakeholder prioritisation exercise, internal materiality assessment by the Sustainability and Risk Management Committee and Stakeholders' assessment of the significance of the relevant sustainable matters to influence on the assessment and decision by the respective stakeholder.

The material sustainability matters are identified by reference to the sustainable matters above within the acceptable threshold established by the Board.

- Subsequent to the assessment process, sustainable matters identified above are subject to risk management policy and process established by the Board for the assessment and management of the risk and opportunities identified.

In the context of the sustainability matters management, the current standing of sustainability matters is assessed for its adequacy and effectiveness by the Sustainability and Risk Management Committee and to formulate management response to mitigate the sustainability risk or optimise the sustainability opportunities, in line with the risk appetite and business strategies established by the Board. Please refer to Statement of Risk Management and Internal Control in this Annual Report on the risk management system employed by the Group in the identification, management and monitoring of business risks.

## **SUSTAINABILITY STATEMENT (continued)**

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### **GOVERNANCE STRUCTURE AND PROCESS (continued)**

- For the management of material sustainability matters, the responsibility of the Sustainability and Risk Management Committee is to develop and response with respect to each material sustainability matters in the following manners:
  - development of policies and procedures;
  - implementation of various initiatives, measures or action plans;
  - compliance of applicable laws and regulations;
  - development of indicators, goals, targets and timeframe in line with the strategic objectives; and
  - implementation of new, or changing existing systems, to capture, report, analyse, and manage data requirements.

The Sustainability and Risk Management Committee monitors the current standing (including but not limited to, indicators, target and actual performance) and responses to the material sustainability matters and to report to the Audit Committee on annual basis for review and for their recommendation to the Board for review and approval.

### **SUSTAINABILITY MANAGEMENT ACTIVITY**

As at the date of this Statement, the Board had put in place a formal Sustainability Framework, including the sustainability management process. Despite that, the Board has yet to undertake a formal material sustainability assessment to determine material sustainability matters that are important to the Group's internal and external stakeholders. The Board is committed to perform the formal material sustainability assessment in accordance with the formal sustainability assessment process established by the Board and to report the sustainability assessment activities undertaken, the performance indicator(s) and target(s) used to measure progress, the actual performance with comparison to preceding financial year(s) and target(s), effectiveness or efficiency of the policies, measures or actions taken to manage associated sustainability risks in the future.

During the financial year under review and up to the date of this Statement, the Board relied on the informal assessment system at strategic and operation level and existing risk management process per formal Risk Management Policy for the identification of the sustainability matters that requires the attention of the Board and responses to mitigate the sustainability risk factors. Based on the informal risk management activities at strategic and operation level and formal risk management process carried out during the financial year under review, the Group had identified several sustainability matters that may have a direct or indirect impact on the Group's ability to create, preserve or enhance economic, environment and social values and responses had been formulated by the Management to address potential sustainability risk(s) identified by incorporating adequate and effective control activities in that respect. Based on the above processes, the sustainability matters were identified through informal stakeholder engagement activities, operational and management reporting systems and Risk Registers of the Group.

**SUSTAINABILITY STATEMENT (continued)**

**STAKEHOLDERS' ENGAGEMENT**

The Board recognises and admits that the contribution and support of the internal and external stakeholders are utmost important for the realisation the Group's missions and the Group's long-term business sustainability and excellence. It is on this basis that the Board is pursuing the sustainable strategy of continuous engagement with internal and external stakeholders who is dependent on or influence by the activities undertaken by the Group and to ensure such engagements are to include all internal and external stakeholders across the value chain and to response proactively, via formal and informal channels, to the concerns and views of the respective stakeholder groups at required interval. By actively engaging with all stakeholders, the Board can identify risks and opportunities in the way the businesses of the Group are carried out. During such engagement, the Group can validate the sustainable matters identified by the Management of the Group. The Group's stakeholder engagement process is guided by the Guide and Toolkit: Stakeholder Engagement issued by Bursa Securities with necessary adaption based on the nature and scale of the businesses of the Group.

During the financial year under review and up to the date of this Statement, the stakeholder engagement is largely led by the respective Heads of Department/Division of the business unit whose operations are most impacted or depended by such stakeholder group. The Group engaged with the internal and external stakeholders in both formal (for example, formal performance appraisal and written reports) and informal manners (for example, meetings with stakeholders, electronic communication channels and informal feedback from stakeholders). Based on the business model employed by the Group and the informal and formal engagement deployed, the Management had identified the investors, Board of Directors and employees as its internal stakeholder groups while its external stakeholder groups are suppliers, customers, media, financial institutions, industry peers, government and local authorities, local community and trade union.

The Board acknowledges that the above stakeholder engagement by the Group can be further improved so that key topics and concerns of respective stakeholder group are communicated at the required interval to the correct governance body of the Group to response to such topics and concerns on timely manner. Therefore, as part of the implementation of the formal Sustainability Framework established, the Board is committed to compile stakeholder mapping and prioritisation exercise to assess the level of respective stakeholder group's dependency on and influence over the Group in the context of the businesses carried out by the Group and industry that the Group is participating in. Through this prioritisation process, the Board is able to determine the recommended level of engagement and recommended frequency with respective stakeholders and to incorporate the prioritisation results into the material sustainability matter assessment process.

**MAJOR ECONOMIC, ENVIRONMENT AND SOCIAL ACTIVITIES UNDERTAKEN DURING FINANCIAL YEAR**

**A. Economic**

In order to support the local economy where the Group is operating in and to provide job opportunities to the locals, it is the policy of the Group that recruitment of local employees is a priority despite the challenges faced. In order to increase locals participation in the success of the Group, the Group put in place reasonable remuneration package and career development plan. As at 30 April 2024, local employees made up of 63.44% (2023: 63.42%) consisting of 491 employees (2023: 489 employees) of the total permanent workforce of the Group.

<b>% of local and foreign employees</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>
Local	70.91%	63.42%	63.44%
Foreign	29.09%	36.58%	36.56%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>



**SUSTAINABILITY STATEMENT (continued)**

**MAJOR ECONOMIC, ENVIRONMENT AND SOCIAL ACTIVITIES UNDERTAKEN DURING FINANCIAL YEAR (continued)**

**A. Economic (continued)**

The Group had been practicing the local sourcing of suppliers and contractors where possible in the pursuit of the business, not only for the growth of local economy, but also the ease of access and communication as well as response time. The Group had put in place a procurement process whereby new suppliers are subjected to evaluation to ensure only qualified suppliers with acceptable quality standard of materials and services are accepted to deal business with the Group. Approved suppliers of the Group are subject to annual appraisal system to ensure the quality of materials and services are upheld. During the financial year ended 30 April 2024, the Group sourced 96.10% (2023: 96.15%) of its raw material and packaging material from 74 (2023: 75) suppliers based in Malaysia out of the total 77 (2023: 78) suppliers for raw material and packaging material.

% of local and foreign suppliers	FY22	FY23	FY24
Local	95.77%	96.15%	96.10%
Foreign	4.23%	3.85%	3.90%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**B. Environment**

The Group is committed to comply with the environmental laws and regulations of the jurisdictions the Group is operating, i.e. *Environmental Quality Act* and its regulations. As a responsible group of companies in manufacturing and distribution of compound chocolate confectionery products and layer cakes, the Group is committed wholeheartedly to ensure strict compliance of relevant environmental laws and regulations in its business activities.

The management and monitoring of the environmental compliance are delegated to the Safety Officer and relevant policies and procedures are established to manage such compliance. It is the practice of the Group that the policy in relation to non-hazardous materials as well as other environmental preservation related activities shall be adhered by all employees, suppliers and contractors. Hazardous chemicals or materials are also properly labelled by the suppliers or contractors so that the employees are reminded of the danger of such hazardous chemicals or materials and of the properly handling and disposal of such materials. The discharge of the effluent from the operations is such that such effluent is to be treated in compliance with the relevant laws and regulation before discharge. All scheduled wastes generated by the Group are collected and stored in compliance with *Environmental Quality (Scheduled Wastes) Regulations 2005* and disposed to licensed scheduled waste operators for proper handling and ultimate disposal of such wastes. The scheduled wastes' generation and movement are monitored by using Electronic Scheduled Waste Information System under the Department of Environment of Malaysia. As for non-scheduled waste generated, it is scrapped or collected by selected reliable waste collectors to be recycled or disposed at landfills.

The Group practices the “Reduce, Reuse and Recycle” policy to uphold its value on environmental proposition. The following are a few examples:

- Bin system is implemented for segregation of wastes at plant-wide and non-scheduled recyclable materials, such as used paper and plastic materials, are disposed to recovery centres for recovery or recycling.
- Electricity conservation practice (such as, turn off lights, air conditioning or other electrical appliances in the rooms, pantries, toilets when they are not required and conversion of conventional lightings to LED lights throughout the building).
- Purchase of energy-efficient equipment.

**SUSTAINABILITY STATEMENT (continued)**

**MAJOR ECONOMIC, ENVIRONMENT AND SOCIAL ACTIVITIES UNDERTAKEN DURING FINANCIAL YEAR (continued)**

**B. Environment (continued)**

To ensure the effectiveness of the above practices, continuous environmental preservation awareness training is provided to all employees on the environmental causes championed and the required conducts expected from the employees, suppliers and contractors in relation to environmental issues in compliance with *Environmental Quality Act* and its regulations.

During the financial year under review and up to the date of this Statement, there was neither legal action taken against the Group nor fines or monetary sanctions imposed by any regulatory bodies related to environmental aspects.

Waste diverted from disposal (food) - tonnes	FY22	FY23	FY24
Apollo 1	467	542	645
Apollo 2	273	80	114
<b>Total</b>	<b>740</b>	<b>622</b>	<b>759</b>

Energy consumption	FY22	FY23	FY24
Water (m3)	53,221	46,083	59,228
Electricity (kWh)	6,391,768	7,091,239	7,410,911

**C. Social**

**i. Occupational Safety and Health**

A safe and healthy workplace is not only the fundamental right of the employees but it is also relevant to stakeholder groups such as customers, suppliers and contractors. It is the Group's priority to take the responsibility to maintain a productive workplace by minimising the risk of accidents, injury and exposure to health hazards.

The safety and health management at workplace is managed by the Safety and Health Committee ("SH Committee") (made up of representatives from the Management and the employees) in compliance with *Occupational Safety and Health Act 1994*, *Occupational Safety and Health (Safety and Health Committee) Regulations 1996* and *Factories & Machinery Act 1967* (and its orders and regulations) and guided by the Safety and Health Policy established by the SH Committee and approved by the Management. Safety and health rules and regulations are established to ensure the operational activities are carried out in a manner to minimise industrial accidents. Qualified Safety and Health Officer ("SH Officer") is employed by the Group to oversee due observance of safety and health rules and regulations established at workplace and to promote safe and healthy conducts and environment at workplace, in compliance with *Occupational Safety and Health Act 1994* and *Occupational Safety and Health (Safety and Health Officer) Order 1997*. Through routine inspections by the SH Officer, incidents of non-compliance of the safety and health rules by relevant stakeholders are identified promptly and corrective actions are implemented swiftly. Identification of anticipated hazards and assessment of corresponding risks to safety and health arising from existing or proposed work environment, via *Hazard Identification, Risk Assessment and Risk Control* per guideline issued by Department of Occupational Safety and Health under the Ministry of Human Resources Malaysia, are performed by the SH Committee with planned controls formulated to eliminate hazards or control risks at regular interval. Safety and health target on accident rate, near-miss rate and safety and health training requirement are established by SH Committee for monitoring purposes.

## SUSTAINABILITY STATEMENT (continued)

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### MAJOR ECONOMIC, ENVIRONMENT AND SOCIAL ACTIVITIES UNDERTAKEN DURING FINANCIAL YEAR (continued)

#### C. Social (continued)

##### i. Occupational Safety and Health (continued)

Scheduled meetings of the SH Committee are held at predetermined interval in accordance with the rules and regulations to monitor the trends of accident and immediately investigate near-miss accident, dangerous occurrence, occupational poisoning or occupational disease which occurs at the workplace. Awareness programmes for safety and health are established and implemented to ensure that all relevant stakeholders are competent to ensure the safety and health during the execution of their duties and responsibilities.

At operational level, Chief Operating Officer drives the improvements in the safety and health workplace through weekly meeting with Heads of Department/Division to brainstorm on potential enhancement in safety and health practices within the factory. Safety notices/signboards and indicators are placed at strategic and hazard-prone locations as well as on production equipment to convey safety messages and potential safety hazard to the customers, employees, suppliers, contractors and other visitors. Relevant stakeholders with access to the Group's production facility are provided with required personal protective equipment per its safety and health rules and regulations established. Door access controls are installed at all restricted areas to prevent unauthorised access. Fire preventive equipment and systems are installed and inspected at regular interval to ensure its functionalities are not compromised over times and clear escape route plans are place in strategic locations. Production equipment used at the Group's production facility are subject to service and maintenance at predetermined interval to ensure the equipment is safe for usage. Security guards are employed and deployed at important safety control points in the factory to ensure general safety and health of stakeholders within the premise. Strategic locations at factory are monitored through closed-circuit television system connecting to the surveillance control room. To ensure the Group's readiness in the event of unfortunate event, the fire-fighting team carries out drills and practice at regular intervals to ensure that such unlikely incident will be handled satisfactorily and promptly to minimise damage to the properties and people. Further measures on proper storage of flammable materials in dedicated areas, regular safety inspection of electrical wiring and cables and prohibition of smoking at workplace (except in dedicated smoking areas) are implemented to reduce the likelihood of fire hazard. Hot work permit is required to be approved by Safety Officer for any operations at the workplace involving open flames or producing heat and/or sparks.

With the above operational controls, there was no fatal accident (2023: 0, 2022: 0) and 11 non-fatal accidents (2023: 15, 2022: 9) reported during financial year ended 30 April 2024.

During the financial year under review and up to the date of the Statement, there was neither legal action taken against the Group nor fines or monetary sanctions imposed by any regulatory bodies in relation to occupational safety and health aspects. Occupational safety and health of employees remains an utmost priority and the Group will continue to strive to achieve higher standards.

##### ii. Labour Practices

Fostering excellent human resources remains the core focus of the Group to recruit and retain employees of high calibre as the Group aims to be an employer of choice. Through effective human resources strategies, the Group is committed in nurturing a diverse, competent and dedicated talent pool that will drive growth and add value to the Group.

**SUSTAINABILITY STATEMENT (continued)****MAJOR ECONOMIC, ENVIRONMENT AND SOCIAL ACTIVITIES UNDERTAKEN DURING FINANCIAL YEAR (continued)****C. Social (continued)****ii. Labour Practices (continued)**

For employees, management of human resources are embodied in a formal Employment Handbook established by the Management whereby acceptable requirements of fair treatment of legitimate employees are specified for strict compliance. No discrimination of gender (including acts of sexual harassment), race, religion, nationality, age, marital/pregnant and disable status is allowed and strict enforcement of no illegals and child labour in the work place.

The Group employed 774 permanent employees (2023: 771) as at 30 April 2024, as follows:

<b>% of employees by gender</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>
Male	37.26%	40.08%	38.76%
Female	62.74%	59.92%	61.24%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>
<b>% of employee turnover</b>	19.34%	20.49%	24.55%

Career scale system is established for transparent career advancement visible is made to all employees and formal succession planning is put in place so that the best talent available is trained and to be ready to assume the next position in their career path. Furthermore, places of worship are established within the compound of the factory while working days and working hours are structured to take into consideration of the ethnic and religious needs of the workforce as well as to promote work-life balance culture. All employees are provided to equitable access to the employees' benefits established by the Group such as medical, uniform and special leaves to cater for the personal needs of the employee. In addition, the employees are granted with additional leave types on top of the leave requirements specified under the laws and regulations for their personal and family commitment. It is paramount for the Group to also comply with the other relevant social laws and regulations, such as *Federal Constitution, Minimum Wage Order, Competition Act, Personal Data Protection Act, Minimum Retirement Age Act and Child Act*, just to name a few important ones.

Whistle-blowing mechanism is put in place by the Board and specific grievance procedure is established by the Management in the Employee Handbook to provide formal channel of reporting staff grievance to the appropriate level of authority on labour practices, amongst others.

Focused on talent development, the Group continues to instil a culture of continuous improvement through various programmes to help employees develop their full potential. The Group put in place system of training need identification and planning whereby all new employees are require to attend induction programme while the existing employees are to undergo continuous learning to support their career development and performance enhancement. The learning can be inclusive of functional, on-the-job or people skills that are relevant to current or future job function. The Group provided 18 training sessions to employees which are conducted by both internal and external trainers during the financial year on employment act, environmental, food handling, food labelling, GMP, Halal, industrial effluent treatment systems, leadership and communication skills, sales tax and waste management.

<b>Total hours of training</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>
Management	624	662	1,064
Non-management	1,168	504	-
<b>Total</b>	<b>1,792</b>	<b>1,166</b>	<b>1,064</b>

## SUSTAINABILITY STATEMENT (continued)

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### MAJOR ECONOMIC, ENVIRONMENT AND SOCIAL ACTIVITIES UNDERTAKEN DURING FINANCIAL YEAR (continued)

#### C. Social (continued)

##### ii. Labour Practices (continued)

Furthermore, the Board is committed to build performance-based culture by allowing the employees to demonstrate their capabilities. Annual performance appraisals are undertaken by the Management, not only for the performance-based remuneration, but also to have effective two-way communication with its people whereby the past performance and expectations for the future years by the Management on its people are communicated while its people's commitment and concerns are conveyed for future monitoring. As inclusive initiative to involve all employees in the growth of the Group, employee suggestion program is implemented by the Group to encourage employees at all level to propose process improvement.

During the financial year under review and up to the date of this Statement, there was neither legal action taken against the Group nor fines or monetary sanctions imposed by any regulatory bodies in relation to labour practices.

##### iii. Product Safety and Quality

Enhancing consumer's life through consistent delivery of high quality and safe compound chocolate confectionery products and layer cakes is part of the Group's goal to create value for the consumer. It is paramount that consumers consume safe and high quality products and to be confident with the Group's products. Quality reinforces the "Apollo" brand and the Group's reputation in the markets it has presence in, enhancing consumers' loyalty and sustainability of the Group's business.

The Group ensures that its products are safe and of high quality so that the consumers who choose to consume these products will have positive and joyful experience other than complying with all the law and regulatory requirements for business. The Group had established and implemented food safety policy in compliance with ISO 22000:2005 - Food Safety Management System, Good Manufacturing Practice Codex Alimentarius and Halal accreditations. The policy outlines the steps required to identify, control and monitor key points of the potential risk to the Group's supply chain. The Group's Quality Assurance Team oversees the product safety performance across the supply chain, starting from sourcing of ingredients and raw materials, research and development, production, packaging and up to product delivery. The team directly reports to the Executive Chairman.

To ensure high quality and safe products:

- The Group places emphasis on sourcing high quality raw materials and ingredients via formal procurement process with supplier evaluation and annual appraisal as well as testing of new source of raw materials and ingredients for manufacturing process.
- Regular audits on the Group's business operations to ensure that specific standards on product safety are met all the time.
- Food safety systems are established for the Group's plants per ISO 22000:2005 - Food Safety Management System and Good Manufacturing Practice Codex Alimentarius to identify and safeguard against potential food safety risks to its business operations. The food safety systems perform analysis of potential hazards to human health, whether in chemical, physical or microbial in nature. Under such systems, the Group take appropriate steps to assure that potentially hazardous products do not reach the consumers.
- The Group continuously reviews and improves its food safety systems and procedures. These include performing tests and analysis on raw materials, packaging, quality of its suppliers and products.



## SUSTAINABILITY STATEMENT (continued)

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### MAJOR ECONOMIC, ENVIRONMENT AND SOCIAL ACTIVITIES UNDERTAKEN DURING FINANCIAL YEAR (continued)

#### C. Social (continued)

##### iii. Product Safety and Quality (continued)

- The Group continues to invest in its plants with new equipment and technologies to deliver high product safety and quality standards.
- The Group's employees are continuously trained on ISO 22000:2005 - Food Safety Management System and Good Manufacturing Practice Codex Alimentarius for hygiene purposes. The Group also provide training for its employees on food standards and updates to the standards regularly.

The Group's production processes are monitored by its Quality Assurance Team and are certified by independent food safety auditors against internationally recognised standards. During the financial year ended 30 April 2024, the Group complied with all the relevant national and international food regulations which beckons its product recognition and there was no product recall during the financial year under review.

##### iv. Anti-Bribery and Corruption

The Group had on 22 June 2023 adopted an updated Anti-Bribery and Corruption Policy to further enhance the principles and requirements on upholding high ethical and integrity standard. The Group is committed to conduct business in ethical manner in line with the requirements of the Malaysian Anti-Corruption Commission Act 2009.

This policy is applicable to the Board, Management and all employees of the Group. Related external parties are also informed to adhere to the Group's policy. Accepting anything in either monetary or non-monetary form of gift is restricted for personal or business advantages and to influence business decision.

If there are any form of suspected bribery occurs, whistle-blowing channel is available to address these issues. The Anti-Bribery and Corruption Policy and Whistleblowing Policy are available on the Group's website: [www.apollofood.com.my](http://www.apollofood.com.my).

During the financial year under review and up to the date of this Statement, there was no reported suspicion of bribery nor confirmed corruption incident within the Group. To continue upholding the highest integrity standards, the Group is committed to enhancing and improving its Anti-Bribery and Corruption Policy while continuing to educate its workforce on the importance of maintaining high ethical practices.

##### v. Data Privacy and Security

The Group is committed to uphold the highest standards in the preserving the confidentiality and privacy of information collected by us in the course of the Group's business. Respect for privacy and confidentiality is a key focus and we ensure that any personal data collected is done so with the explicit consent of the data owner and is used strictly for business purposes.

During the financial year under review and up to the date of this Statement, there was neither legal action taken against the Group nor material fine or monetary sanction imposed by any regulatory bodies in relation to data security breaches.



**SUSTAINABILITY STATEMENT (continued)****MAJOR ECONOMIC, ENVIRONMENT AND SOCIAL ACTIVITIES UNDERTAKEN DURING FINANCIAL YEAR (continued)****C. Social (continued)****vi. Other Social Activities**

The Board believes that better results could be yielded from implementing better practices. Therefore, the Group's Code of Conduct and Ethics sets out the principles and standards which guide the way the Group conducts its business. The Code explicitly defines the Board's high expectations on each employee to comply with the terms of good business practices and high personal conduct beyond the strict adherence to local laws and regulations.

The Group has established a proper channel for whistle-blowing with serious effort being taken in communicating the whistle-blowing policy to all its employees. Dedicated email addresses were also set-up for whistle-blower to report any inappropriate ethical behaviours and workplace grievances. The confidentiality of the identity of the whistle-blowers is to be strictly maintained, unless is required by law.

During the financial year, the Group supported various community causes through corporate donations to schools and non-profit organisations.

	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>
<b>Total number of beneficiaries supported</b>	<b>4</b>	<b>59</b>	<b>113</b>

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## DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 April 2024.

### Principal activities

The principal activities of the Company consist of investment holding and provision of management services to subsidiaries. The principal activities of the subsidiaries are disclosed in Note 5 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

### Ultimate holding company

On 18 December 2023, the previous immediate and ultimate holding company, Keynote Capital Sdn. Bhd., a company incorporated in Malaysia, sold its entire 51.31% equity interests, representing 41,048,415 ordinary shares in the Company to Scoop Capital Sdn. Bhd., a company incorporated in Malaysia.

On the same date, the Company received a notice of unconditional mandatory take-over offer from AmlInvestment Bank, on behalf of Scoop Capital Sdn. Bhd. to acquire all the Company's remaining shares at RM5.80 per share. The unconditional mandatory take-over offer commenced on 8 January 2024 and closed on 29 January 2024. On completion date of the offer, the holding company held 63,028,365 shares of the Company, representing a 78.79% equity interest in the Company. Consequently, the Company did not comply with the minimum public shareholding spread requirement of 25% pursuant to Paragraph 8.02(1) of the Listing Requirement ("Public Spread Requirement"). On 21 February 2024, Bursa Malaysia Securities Berhad granted the Company an extension of time of six months until 23 July 2024 to comply with the Public Spread Requirement. On 16 May 2024, the holding company disposed of 3,200,000 shares in the Company. As a result, the Company has complied with the Public Spread Requirement as the public shareholding spread of the Company has increased to 25.21%.

Consequently, the immediate and ultimate holding company at the date of this report is Scoop Capital Sdn. Bhd..

### Subsidiaries

The details of the Company's subsidiaries are disclosed in Note 5 to the financial statements.

### Results

	<b>Group RM</b>	<b>Company RM</b>
Profit for the year	<u>54,127,436</u>	<u>41,067,673</u>

### Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

**DIRECTORS' REPORT (continued)****Dividends**

Since the end of the previous financial year, the amount of dividends paid by the Company were as follows:

- i) In respect of the financial year ended 30 April 2023 as reported in the Directors' Report of that year:
  - a final dividend of 15.0 sen per ordinary share totalling RM12,000,000 declared on 24 August 2023 and paid on 3 November 2023.
- ii) In respect of the financial year ended 30 April 2024:
  - a first interim dividend of 20.0 sen per ordinary share totalling RM16,000,000 declared on 7 September 2023 and paid on 3 November 2023; and
  - a second interim dividend of 50.0 sen per ordinary share totalling RM40,000,000 declared on 18 March 2024 and paid on 24 April 2024.

The Directors recommended a final dividend of 5.0 sen per ordinary share totalling RM4,000,000 in respect of the year ended 30 April 2024 subject to the approval of the shareholders at the forthcoming Annual General Meeting.

These financial statements do not reflect the proposed final dividend, which will be accounted for in the statement of changes in equity as an appropriation of retained earnings in the financial year ending 30 April 2025.

**Directors of the Company**

Directors who served during the financial year until the date of this report are:

Ms. Foo Swee Eng**	
Mr. Johnson Kandasamy A/L David Nagappan	
Dato' Cheah See Yeong**	(appointed on 31 January 2024)
Mr. Cheah Jia Ming**	(appointed on 31 January 2024)
Dato' Sri Muthanna bin Abdullah	(appointed on 8 April 2024)
Mr. Liang Chiang Heng**	(resigned on 31 January 2024)
Mr. Liang Kim Poh**	(resigned on 31 January 2024)
En. Halid bin Hasbullah	(resigned on 8 April 2024)

\*\* These Directors are also Directors of the Company's subsidiaries

The names of the Directors of the Company's subsidiaries in office since the beginning of the financial year to the date of this report (not including those Directors listed above) are:

Ms. Foo Swee Eng	(resigned on 31 January 2024)
Mr. Liang Thong Guan	(resigned on 31 January 2024)
Mr. Liang Kim Tee	(resigned on 30 June 2023)

**DIRECTORS' REPORT (continued)****Directors' interests in shares**

The interests and deemed interests in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (*including the interests of the spouses or children of the Directors who themselves are not Directors of the Company*) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			At 30 April 2024
	At 1 May 2023/ date of appointment	Bought	Sold	
Interests in the holding company:				
Dato' Cheah See Yeong				
- own	29,400,226	--	--	29,400,226
- other*	3,226,692	--	--	3,226,692
Interests in the Company:				
Mr. Johnson Kandasamy A/L David Nagappan				
- own	5,000	--	--	5,000
- other*	18,000	--	--	18,000
Deemed interests in the Company:				
Dato' Cheah See Yeong				
- own	56,461,649	263,880	--	56,725,529
- other*	6,273,516	29,320	--	6,302,836

\* In accordance with the Companies Act 2016, the interests and deemed interests of the Directors' spouse in the shares of the Company and of its related corporations shall be treated as the interests of the Directors.

By virtue of his interests in the shares of Scoop Capital Sdn. Bhd., Dato' Cheah See Yeong is deemed interested in the Company to the extent of Scoop Capital Sdn. Bhd.'s interests in the Company, in accordance with Section 8(4) of the Companies Act 2016 in Malaysia.

By virtue of his interests in the shares of the Company, Dato' Cheah See Yeong is also deemed interested in the shares of the subsidiaries during the financial year to the extent that the Company has an interest.

The other Directors holding office at 30 April 2024 do not have any interest in the shares of the Company and of its related corporations during the financial year.

**Directors' benefits**

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 30 April 2024 are as follows:

	From the Company RM	From subsidiaries RM
Directors of the Company:		
Fees	265,000	13,500
Remuneration	69,000	10,654,800
	<u>334,000</u>	<u>10,668,300</u>

## **DIRECTORS' REPORT (continued)**

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There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### **Issue of shares**

There were no changes in the issued and paid-up capital of the Company during the financial year.

### **Options granted over unissued shares**

No options were granted to any person to take up unissued shares of the Company during the financial year.

### **Indemnity and insurance costs**

During the financial year, the total amount of premium paid for insurance effected for Directors and officers of the Company was RM12,624.

There was no indemnity given to or insurance effected for auditors of the Company during the financial year.

### **Qualification of subsidiaries' financial statements**

The auditors' reports on the audited financial statements of Company's subsidiaries did not contain any qualification or any adverse comments.

### **Other statutory information**

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) there are no bad debts to be written off and no provision needs to be made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- i) that would render if necessary to write off any bad debts or provide for any doubtful debts, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.



**DIRECTORS' REPORT (continued)**

At the date of this report, there does not exist:

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, except for the gain on disposal of assets held for sale as disclosed in Note 17 to the financial statements of the Group, the financial performance of the Group and of the Company for the financial year ended 30 April 2024 has not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

**Auditors**

The auditors, KPMG PLT have indicated their willingness to accept re-appointment.

The details of auditors' remuneration of the Group and of the Company during the year are as follows:

	<b>Group RM</b>	<b>Company RM</b>
Auditors' remuneration:		
- Statutory audit	140,000	50,000
- Non-audit fees	10,000	10,000
	<u>150,000</u>	<u>60,000</u>

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

**Dato' Cheah See Yeong**  
Director

**Cheah Jia Ming**  
Director

Date: 23 August 2024

**STATEMENTS OF FINANCIAL POSITION  
AS AT 30 APRIL 2024**

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>Assets</b>					
Property, plant and equipment	3	66,772,947	72,676,777	--	--
Investment properties	4	206,354	420,144	--	--
Investments in subsidiaries	5	--	--	59,378,234	59,378,234
Other investments	6	8,605,994	7,558,695	5,604,787	5,009,132
Deferred tax assets	7	40,964	74,497	10,560	4,800
<b>Total non-current assets</b>		<u>75,626,259</u>	<u>80,730,113</u>	<u>64,993,581</u>	<u>64,392,166</u>
Inventories	8	24,287,696	26,896,063	--	--
Trade and other receivables	9	27,082,890	27,195,165	5,557,748	29,780,360
Current tax assets		--	920,622	--	--
Other investments	6	15,049,781	7,126,667	--	3,125,607
Cash and cash equivalents	10	104,306,165	100,815,642	22,157,957	22,268,848
		170,726,532	162,954,159	27,715,705	55,174,815
Assets classified as held for sale	11	--	12,280,246	--	--
<b>Total current assets</b>		<u>170,726,532</u>	<u>175,234,405</u>	<u>27,715,705</u>	<u>55,174,815</u>
<b>Total assets</b>		<u>246,352,791</u>	<u>255,964,518</u>	<u>92,709,286</u>	<u>119,566,981</u>
<b>Equity</b>					
Share capital	12	84,325,454	84,325,454	84,325,454	84,325,454
Retained earnings		140,311,755	154,184,319	7,938,845	34,871,172
<b>Total equity attributable to owners of the Company</b>		<u>224,637,209</u>	<u>238,509,773</u>	<u>92,264,299</u>	<u>119,196,626</u>
<b>Liabilities</b>					
Retirement benefits obligations	13	2,219,136	2,210,197	--	--
Deferred tax liabilities	7	5,276,518	7,227,480	--	--
<b>Total non-current liabilities</b>		<u>7,495,654</u>	<u>9,437,677</u>	<u>--</u>	<u>--</u>
Trade and other payables	14	13,518,145	7,555,666	397,000	367,500
Current tax liabilities		701,783	461,402	47,987	2,855
<b>Total current liabilities</b>		<u>14,219,928</u>	<u>8,017,068</u>	<u>444,987</u>	<u>370,355</u>
<b>Total liabilities</b>		<u>21,715,582</u>	<u>17,454,745</u>	<u>444,987</u>	<u>370,355</u>
<b>Total equity and liabilities</b>		<u>246,352,791</u>	<u>255,964,518</u>	<u>92,709,286</u>	<u>119,566,981</u>

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 APRIL 2024**

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Revenue	15	255,270,313	257,001,387	40,747,586	29,217,381
Cost of sales		(182,410,286)	(192,443,528)	--	--
<b>Gross profit</b>		72,860,027	64,557,859	40,747,586	29,217,381
Other income		24,831,780	1,994,766	595,655	--
Distribution expenses		(4,558,593)	(4,755,465)	--	--
Administrative expenses		(28,618,588)	(23,121,454)	(1,166,530)	(609,984)
Other expenses		--	(472,999)	--	(372,794)
<b>Results from operating activities</b>		64,514,626	38,202,707	40,176,711	28,234,603
Finance income		3,402,039	1,678,361	1,160,419	674,692
<b>Profit before tax</b>		67,916,665	39,881,068	41,337,130	28,909,295
Tax expense	16	(13,789,229)	(8,232,765)	(269,457)	(155,748)
<b>Profit for the year and total comprehensive income for the year attributable to owners of the Company</b>	17	<u>54,127,436</u>	<u>31,648,303</u>	<u>41,067,673</u>	<u>28,753,547</u>
Basic earnings per ordinary share (sen)	18	<u>67.66</u>	<u>39.56</u>		
Diluted earnings per ordinary share (sen)	18	<u>67.66</u>	<u>39.56</u>		

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 APRIL 2024**

	Note	Attributable to owners of the Company		
		Non-distributable Share capital RM	Distributable Retained earnings RM	Total equity RM
<b>Group</b>				
<b>At 1 May 2022</b>		84,325,454	142,536,016	226,861,470
Profit and total comprehensive income for the year		--	31,648,303	31,648,303
<i>Distributions to owners of the Company</i>				
Dividends to owners of the Company/ <b>Total transactions with owners of the Company</b>	19	--	(20,000,000)	(20,000,000)
<b>At 30 April 2023/1 May 2023</b>		84,325,454	154,184,319	238,509,773
Profit and total comprehensive income for the year		--	54,127,436	54,127,436
<i>Distributions to owners of the Company</i>				
Dividends to owners of the Company/ <b>Total transactions with owners of the Company</b>	19	--	(68,000,000)	(68,000,000)
<b>At 30 April 2024</b>		<u>84,325,454</u>	<u>140,311,755</u>	<u>224,637,209</u>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 APRIL 2024**

	Note	Attributable to owners of the Company		
		Non-distributable Share capital RM	Distributable Retained earnings RM	Total equity RM
<b>Company</b>				
<b>At 1 May 2022</b>		84,325,454	26,117,625	110,443,079
Profit and total comprehensive income for the year		--	28,753,547	28,753,547
<i>Distributions to owners of the Company</i>				
Dividends to owners of the Company/ <b>Total transactions with owners of the Company</b>	19	--	(20,000,000)	(20,000,000)
<b>At 30 April 2023/1 May 2023</b>		84,325,454	34,871,172	119,196,626
Profit and total comprehensive income for the year		--	41,067,673	41,067,673
<i>Distributions to owners of the Company</i>				
Dividends to owners of the Company/ <b>Total transactions with owners of the Company</b>	19	--	(68,000,000)	(68,000,000)
<b>At 30 April 2024</b>		<u>84,325,454</u>	<u>7,938,845</u>	<u>92,264,299</u>

**STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED 30 APRIL 2024**

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>Cash flows from operating activities</b>					
Profit before tax		67,916,665	39,881,068	41,337,130	28,909,295
Adjustments for:					
Depreciation of:					
- investment properties	4	128,183	213,790	--	--
- property, plant and equipment	3	8,608,958	8,981,698	--	--
Dividend income from:					
- subsidiaries	17	--	--	(40,500,015)	(29,000,020)
- other investments	17	(386,954)	(322,298)	(247,571)	(217,361)
Gain on disposal of:					
- investment properties	17	(304,393)	--	--	--
- assets held for sale	17	(21,590,606)	--	--	--
Fair value (gain)/loss on other investments	17	(1,047,299)	472,999	(595,655)	372,794
Interest income	17	(3,402,039)	(1,678,361)	(1,160,419)	(674,692)
Provision for retirement benefits	17	157,779	297,024	--	--
Property, plant and equipment written off	17	8,011	450	--	--
Unrealised gain on foreign exchange	17	(574,309)	(430,056)	--	--
<b>Operating profit/(loss) before changes in working capital</b>		<b>49,513,996</b>	<b>47,416,314</b>	<b>(1,166,530)</b>	<b>(609,984)</b>
Change in inventories		2,608,367	(5,973,852)	--	--
Change in trade and other receivables		112,337	2,928,951	222,592	82,863
Change in trade and other payables		5,962,479	(35,075)	29,500	82,070
<b>Cash generated from/(used in) operations</b>		<b>58,197,179</b>	<b>44,336,338</b>	<b>(914,438)</b>	<b>(445,051)</b>
Interest received		3,402,039	1,678,361	1,160,419	674,692
Retirement benefits paid	13	(148,840)	(92,792)	--	--
Tax paid		(14,545,655)	(7,556,426)	(230,085)	(151,999)
Dividends received		247,571	217,361	35,747,586	217,361
<b>Net cash from operating activities</b>		<b>47,152,294</b>	<b>38,582,842</b>	<b>35,763,482</b>	<b>295,003</b>



**STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED 30 APRIL 2024  
(continued)**

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>Cash flows from investing activities</b>					
Repayments from subsidiaries		--	--	29,000,020	20,000,020
Dividends received		139,383	104,937	--	--
Proceeds from disposal of:					
- investment properties		390,000	--	--	--
- assets held for sale		33,870,852	--	--	--
- other investments		2,001,060	(2,695,913)	--	--
Acquisition of:					
- property, plant and equipment	3	(2,713,139)	(1,380,515)	--	--
- other investments		--	--	--	(688,292)
(Placement)/Withdrawal of deposits with licensed banks with maturity period more than three months		(9,924,174)	4,754,203	3,125,607	1,948,501
<b>Net cash from investing activities</b>		<u>23,763,982</u>	<u>782,712</u>	<u>32,125,627</u>	<u>21,260,229</u>
<b>Cash flows from financing activities</b>					
Dividends paid to owners of the Company/ <b>Net cash used in financing activities</b>		<u>(68,000,000)</u>	<u>(20,000,000)</u>	<u>(68,000,000)</u>	<u>(20,000,000)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		2,916,276	19,365,554	(110,891)	1,555,232
Effects of exchange rate fluctuations on cash held		574,247	533,664	--	--
<b>Cash and cash equivalents at 1 May 2023/2022</b>		<u>100,815,642</u>	<u>80,916,424</u>	<u>22,268,848</u>	<u>20,713,616</u>
<b>Cash and cash equivalents at 30 April</b>	10	<u>104,306,165</u>	<u>100,815,642</u>	<u>22,157,957</u>	<u>22,268,848</u>

## NOTES TO FINANCIAL STATEMENTS

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Apollo Food Holdings Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are as follows:

### **Principal place of business**

70, Jalan Langkasuka  
Larkin Industrial Area  
80350 Johor Bahru  
Johor

### **Registered office**

Suite 1301, 13<sup>th</sup> Floor, City Plaza  
Jalan Tebrau  
80300 Johor Bahru  
Johor

The consolidated financial statements of the Company as at and for the financial year ended 30 April 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”). The financial statements of the Company as at and for the financial year ended 30 April 2024 do not include other entities.

The principal activities of the Company consist of investment holding and provision of management services to subsidiaries. The principal activities of the subsidiaries are disclosed in Note 5 to the financial statements.

During the financial year, the previous immediate and ultimate holding company, Keynote Capital Sdn. Bhd., a company incorporated in Malaysia, sold its entire 51.31% equity interests in the Company to Scoop Capital Sdn. Bhd., a company incorporated in Malaysia.

Consequently, the immediate and ultimate holding company at the date of this report is Scoop Capital Sdn. Bhd..

These financial statements were authorised for issue by the Board of Directors on 23 August 2024.

## **1. Basis of preparation**

### **(a) Statement of compliance**

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board (“MFRS Accounting Standards”), IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and the requirements of the Companies Act 2016 in Malaysia.

**NOTES TO FINANCIAL STATEMENTS (continued)****(a) Statement of compliance (continued)**

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group and the Company:

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2024***

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025***

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026***

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027***

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed***

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments in the respective financial years when the above accounting standards, interpretations and amendments become effective, if applicable.

The initial application of the accounting standards, interpretations and amendments is not expected to have any material financial impacts to the current period and prior period financial statements of the Group and of the Company upon their first adoption.

**NOTES TO FINANCIAL STATEMENTS (continued)****(b) Basis of measurement**

The consolidated financial statements have been prepared on the historical cost basis except for the following items, which are measured based on the measurement bases stated below:

<b>Items</b>	<b>Measurement bases</b>
Other investments (other than deposits)	Fair value
Liquid investments	Fair value
Net defined benefit (asset) liability	Fair value of plan assets less the present value of defined benefit obligation

**(c) Functional and presentation currencies**

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency.

**(d) Use of estimates and judgements**

The preparation of the financial statements in conformity with MFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements.

**2. Changes in material accounting policy****2.1 Material accounting policy information**

The Group adopted amendments to MFRS 101, *Presentation of Financial Statements* and MFRS Practice Statement 2 – *Disclosures of Accounting Policies* from 1 May 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the amendments did not result in any changes to the Group's accounting policies, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in the respective notes to the financial statements where relevant.

NOTES TO FINANCIAL STATEMENTS (continued)

3. Property, plant and equipment

Group	Right-of-use assets RM	Buildings and improvements RM	Plant, machinery, tools and equipment RM	Motor vehicles RM	Office equipment, furniture and fittings RM	Renovation RM	Total RM
<b>At cost</b>							
At 1 May 2022	27,054,380	24,731,467	180,553,635	2,801,080	6,679,824	17,391,454	259,211,840
Additions	--	--	392,308	349,288	47,809	591,110	1,380,515
Written off	--	--	(176,075)	--	(729,192)	(2,299)	(907,566)
At 30 April 2023/1 May 2023	27,054,380	24,731,467	180,769,868	3,150,368	5,998,441	17,980,265	259,684,789
Additions	--	--	1,799,464	--	300,815	612,860	2,713,139
Written off	--	--	(8,850)	--	(751,314)	--	(760,164)
At 30 April 2024	27,054,380	24,731,467	182,560,482	3,150,368	5,547,942	18,593,125	261,637,764
<b>Accumulated depreciation</b>							
At 1 May 2022	4,568,154	15,044,623	138,893,164	2,600,459	5,702,322	11,265,213	178,073,935
Depreciation charge	250,419	1,366,835	5,233,691	147,482	292,163	1,691,108	8,981,698
Written off	--	--	(175,785)	--	(729,033)	(2,298)	(907,116)
At 30 April 2023/1 May 2023	4,818,573	16,411,458	143,951,070	2,747,941	5,265,452	12,954,023	186,148,517
Depreciation charge	250,419	1,366,835	5,094,390	133,908	214,279	1,549,127	8,608,958
Written off	--	--	(8,847)	--	(743,306)	--	(752,153)
At 30 April 2024	5,068,992	17,778,293	149,036,613	2,881,849	4,736,425	14,503,150	194,005,322
<b>Accumulated impairment losses</b>							
At 1 May 2022/30 April 2023	--	859,495	--	--	--	--	859,495
At 1 May 2023/30 April 2024	--	859,495	--	--	--	--	859,495
<b>Carrying amounts</b>							
At 1 May 2022	22,486,226	8,827,349	41,660,471	200,621	977,502	6,126,241	80,278,410
At 30 April 2023/1 May 2023	22,235,807	7,460,514	36,818,798	402,427	732,989	5,026,242	72,676,777
At 30 April 2024	21,985,388	6,093,679	33,523,869	268,519	811,517	4,089,975	66,772,947

**NOTES TO FINANCIAL STATEMENTS (continued)****3. Property, plant and equipment (continued)****3.1 Material accounting policy information****(a) Recognition and measurement**

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

**(b) Depreciation**

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

Buildings and improvements	13 - 22 years
Plant, machinery, tools and equipment	10 - 25 years
Motor vehicles	5 years
Office equipment, furniture and fittings	7 - 10 years
Renovation	5 - 10 years

**3.2 Right-of-use assets**

Right-of-use assets comprise leasehold land that run between 92 to 99 years.

**4. Investment properties**

<b>Group</b>	<b>Land RM</b>	<b>Buildings RM</b>	<b>Total RM</b>
<b>At cost</b>			
At 1 May 2022	13,711,246	3,916,587	17,627,833
Reclassification to assets held for sale (Note 11)	(12,280,246)	--	(12,280,246)
At 30 April 2023/1 May 2023	1,431,000	3,916,587	5,347,587
Disposals	(1,431,000)	(3,500,000)	(4,931,000)
At 30 April 2024	--	416,587	416,587
<b>Accumulated depreciation</b>			
At 1 May 2022	1,311,750	3,401,903	4,713,653
Depreciation charge	59,625	154,165	213,790
At 30 April 2023/1 May 2023	1,371,375	3,556,068	4,927,443
Depreciation charge	34,781	93,402	128,183
Disposals	(1,406,156)	(3,439,237)	(4,845,393)
At 30 April 2024	--	210,233	210,233
<b>Carrying amounts</b>			
At 1 May 2022	12,399,496	514,684	12,914,180
At 30 April 2023/1 May 2023	59,625	360,519	420,144
At 30 April 2024	--	206,354	206,354



**NOTES TO FINANCIAL STATEMENTS (continued)**

**4. Investment properties (continued)**

**4.1 Other income/expenses recognised in profit or loss in relation to investment properties**

	Group	
	2024 RM	2023 RM
Lease income	217,000	381,000
Direct operating expenses:		
- income generating investment properties	(8,944)	(24,261)
- non-income generating investment properties	(33,347)	(56,838)
	(33,347)	(56,838)

**4.2 Maturity analysis of operating lease payments**

	Group	
	2024 RM	2023 RM
Less than one year	--	31,000
	--	31,000

**4.3 Fair value information**

Fair value of investment properties is categorised as follows:

	Group Level 3	
	2024 RM	2023 RM
Land and buildings	900,000	1,410,000
	900,000	1,410,000

**Level 3 fair value**

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

Description of valuation technique and inputs used	Significant unobservable inputs
Comparison approach: Sales prices of comparable land and buildings in the close vicinity, are adjusted for differences in key attributes. The most significant input into this valuation is price per square foot.	Price per square foot.

**Valuation process applied by the Group for Level 3 fair value**

The fair value of investment properties is determined by Directors based on market value of a similar property located in the surrounding area.

**NOTES TO FINANCIAL STATEMENTS (continued)****4. Investment properties (continued)****4.4 Material accounting policy information**

Investment properties are measured subsequently at cost less any accumulated depreciation and any accumulated impairment.

**5. Investments in subsidiaries**

	<b>Company</b>	
	<b>2024 RM</b>	<b>2023 RM</b>
Cost of investments	39,378,234	39,378,234
Equity loan	<u>20,000,000</u>	<u>20,000,000</u>
	<u><u>59,378,234</u></u>	<u><u>59,378,234</u></u>

The Directors of the Company have assessed the nature of the amounts owing by subsidiaries and determined that an outstanding balance amounting to RM20,000,000 (2023: RM20,000,000) shall constitute an equity loan to a subsidiary as it is unsecured, interest-free and settlement is neither planned nor likely to occur in the foreseeable future and is considered to be part of the investment of the Company providing the subsidiary with a long-term source of additional capital.

Details of the subsidiaries are as follows:

<b>Name of entity</b>	<b>Principal activities</b>	<b>Principal place of business/ Country of incorporation</b>	<b>Effective ownership interest and voting interest</b>	
			<b>2024 %</b>	<b>2023 %</b>
Apollo Food Industries (M) Sdn. Bhd.	Manufacturing of compound chocolates, chocolate confectionery products and cakes.	Malaysia	100	100
Hap Huat Food Industries Sdn. Bhd.	Distribution and marketing of compound chocolates, chocolate confectionery products and cakes.	Malaysia	100	100

**5.1 Material accounting policy information**

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses.

**NOTES TO FINANCIAL STATEMENTS (continued)****6. Other investments**

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Non-current</b>				
<b>Fair value through profit or loss</b>				
- Quoted shares in Malaysia	8,604,994	7,557,695	5,604,787	5,009,132
- Unquoted shares in Malaysia	1,000	1,000	--	--
	<u>8,605,994</u>	<u>7,558,695</u>	<u>5,604,787</u>	<u>5,009,132</u>
<b>Current</b>				
<b>Fair value through profit or loss</b>				
- Dual currency investments with licensed banks	--	2,001,060	--	--
<b>Amortised cost</b>				
- Deposits with licensed banks with maturity period more than three months	15,049,781	5,125,607	--	3,125,607
	<u>15,049,781</u>	<u>7,126,667</u>	<u>--</u>	<u>3,125,607</u>
	<u>23,655,775</u>	<u>14,685,362</u>	<u>5,604,787</u>	<u>8,134,739</u>

**6.1 Material accounting policy information**

The Group classified deposits with licensed banks not held for working capital purposes that has a maturity of more than three months as other investments.

**7. Deferred tax assets/(liabilities)****Recognised deferred tax assets/(liabilities)**

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2024 RM	2023 RM	2024 RM	2023 RM	2024 RM	2023 RM
<b>Group</b>						
Property, plant and equipment	(9,159)	23,016	(7,254,588)	(8,355,120)	(7,263,747)	(8,332,104)
Provisions	2,028,193	1,179,121	--	--	2,028,193	1,179,121
<b>Tax assets/(liabilities)</b>	<u>2,019,034</u>	<u>1,202,137</u>	<u>(7,254,588)</u>	<u>(8,355,120)</u>	<u>(5,235,554)</u>	<u>(7,152,983)</u>
Set-off of tax	(1,978,070)	(1,127,640)	1,978,070	1,127,640	--	--
<b>Net tax assets/(liabilities)</b>	<u>40,964</u>	<u>74,497</u>	<u>(5,276,518)</u>	<u>(7,227,480)</u>	<u>(5,235,554)</u>	<u>(7,152,983)</u>

**NOTES TO FINANCIAL STATEMENTS (continued)****7. Deferred tax assets/(liabilities) (continued)****Recognised deferred tax assets/(liabilities) (continued)**

	2024 RM	2023 RM
<b>Company</b>		
Provisions	<u>10,560</u>	<u>4,800</u>

**8. Inventories**

	Group	
	2024 RM	2023 RM
Raw materials	11,410,811	13,821,307
Work-in-progress	1,698,717	1,564,484
Finished goods	7,347,295	7,466,061
Packaging materials	<u>3,830,873</u>	<u>4,044,211</u>
	<u>24,287,696</u>	<u>26,896,063</u>
Recognised in profit or loss:		
- Inventories recognised as cost of sales	<u>182,410,286</u>	<u>192,443,528</u>

**8.1 Material accounting policy information**

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the first-in first-out method.

**9. Trade and other receivables**

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Trade</b>				
Trade receivables	25,514,518	24,927,129	--	--
<b>Non-trade</b>				
Other receivables, deposits and prepayments	1,568,372	2,268,036	557,748	780,340
Due from subsidiaries	<u>--</u>	<u>--</u>	<u>5,000,000</u>	<u>29,000,020</u>
	<u>1,568,372</u>	<u>2,268,036</u>	<u>5,557,748</u>	<u>29,780,360</u>
	<u>27,082,890</u>	<u>27,195,165</u>	<u>5,557,748</u>	<u>29,780,360</u>

**9.1 Due from subsidiaries**

The non-trade amounts due from subsidiaries represent dividends receivable from subsidiaries.

**NOTES TO FINANCIAL STATEMENTS (continued)****10. Cash and cash equivalents**

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash and bank balances	38,700,266	49,416,101	202,982	723,513
Deposits with licensed banks with maturity period of three months or less	64,537,398	50,366,850	21,954,975	21,545,335
Liquid investments	1,068,501	1,032,691	--	--
	<u>104,306,165</u>	<u>100,815,642</u>	<u>22,157,957</u>	<u>22,268,848</u>

**10.1 Liquid investments**

The liquid investments represent investments in unit trust funds which primarily invest in money market instruments. The liquid investments are deemed as cash and cash equivalents in view of its high liquidity and insignificant risks of changes in the value of the investments.

**11. Assets classified as held for sale**

On 28 March 2023, the Group expressed its intention to dispose of three (3) investment properties. Subsequently, on 30 May 2023, the Group entered into a Sale and Purchase Agreement with a third party, namely Ha Teng Holdings Sdn. Bhd.. The disposal has been completed in the current financial year.

The assets classified as held for sale comprise the following:

	Group	
	2024 RM	2023 RM
At 1 May 2023/2022	12,280,246	--
Reclassification from investment properties - land (Note 4)	--	12,280,246
Disposal	<u>(12,280,246)</u>	<u>--</u>
At 30 April	<u>--</u>	<u>12,280,246</u>

**12. Share capital**

	Group/Company		Group/Company Number of ordinary shares	
	2024 RM	2023 RM	2024	2023
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares	<u>84,325,454</u>	<u>84,325,454</u>	<u>80,000,000</u>	<u>80,000,000</u>

**12.1 Ordinary shares**

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings at the Company. All ordinary shares rank equally with regards to the Company's residual assets.

**NOTES TO FINANCIAL STATEMENTS (continued)**

**13. Retirement benefits**

	Group	
	2024 RM	2023 RM
Defined benefit liability	<u>2,219,136</u>	<u>2,210,197</u>

The Group operates an unfunded defined benefits retirement plan for its eligible employees and Directors. Under the plan, employees and Executive Directors with a minimum service period of five (5) years with the Group are entitled to retirement benefits based on their last drawn final salary and length of service on attainment of the retirement age of 60.

**Movement in net defined benefit liability**

The following table shows a reconciliation from the opening balance to the closing balance for net defined benefit liability and its components:

	Group	
	2024 RM	2023 RM
Balance at 1 May 2023/2022	2,210,197	2,005,965
<b>Included in profit or loss</b>		
Current service costs	166,938	159,366
Past service costs	(104,647)	41,407
Interest costs	95,488	96,251
	157,779	297,024
Benefits paid	<u>(148,840)</u>	<u>(92,792)</u>
Balance at 30 April	<u>2,219,136</u>	<u>2,210,197</u>

**Actuarial assumptions**

Principal actuarial assumptions at the end of the reporting period:

	Group	
	2024 %	2023 %
Discount rate	5.30	5.30
Future salary growth	<u>5.00</u>	<u>5.00</u>

At 30 April 2024, the weighted-average duration of the defined benefit obligation is 8 years (2023: 9 years).

**Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Group	2024		2023	
	Increase RM	Decrease RM	Increase RM	Decrease RM
Discount rate (1% movement)	(196,684)	227,919	(192,490)	223,921
Future salary growth (1% movement)	<u>284,932</u>	<u>(246,715)</u>	<u>255,881</u>	<u>(222,172)</u>



**NOTES TO FINANCIAL STATEMENTS (continued)**

**13. Retirement benefits (continued)**

**Sensitivity analysis (continued)**

Although the analysis does not account to the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

**14. Trade and other payables**

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Trade payables	3,598,584	1,508,063	--	--
Other payables and accrued expenses	9,919,561	6,047,603	397,000	367,500
	<u>13,518,145</u>	<u>7,555,666</u>	<u>397,000</u>	<u>367,500</u>

**15. Revenue**

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Revenue from contracts with customers</b>				
- At a point in time	255,022,742	256,784,026	--	--
<b>Other revenue</b>				
Dividend income	247,571	217,361	40,747,586	29,217,381
	<u>255,270,313</u>	<u>257,001,387</u>	<u>40,747,586</u>	<u>29,217,381</u>

**15.1 Disaggregation of revenue from contracts with customers**

	Group	
	2024 RM	2023 RM
<b>Primary geographical markets</b>		
- Malaysia	189,125,808	175,494,421
- Asean (excluding Malaysia)	61,533,607	75,710,508
- Others	4,363,327	5,579,097
	<u>255,022,742</u>	<u>256,784,026</u>

**15.2 Nature of goods and services**

The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms
Sale of goods	Revenue is recognised when the goods are delivered and accepted by the customers at their premises or when the goods are shipped on board as evidenced by bills of lading.	Credit period of 30 days to 60 days from invoice date.

**NOTES TO FINANCIAL STATEMENTS (continued)****15. Revenue (continued)****15.2 Nature of goods and services (continued)**

The revenue from contract with customers of the Group is not subject to variable element in the consideration, obligation for return or refunds and warranty.

**16. Tax expense****16.1 Recognised in profit or loss**

Major components of tax expense include:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Current tax expense</b>				
- Current year	13,373,882	9,398,430	274,685	160,055
- (Over)/Under provision in prior years	(59,653)	(1,186,713)	532	493
	13,314,229	8,211,717	275,217	160,548
<b>Deferred tax expense</b>				
- Origination and reversal of temporary differences	(1,959,003)	694,235	(5,760)	(4,800)
- Under/(Over) provision in prior years	41,574	(673,187)	--	--
	(1,917,429)	21,048	(5,760)	(4,800)
Real Property Gains Tax	2,392,429	--	--	--
	<u>13,789,229</u>	<u>8,232,765</u>	<u>269,457</u>	<u>155,748</u>

**16.2 Reconciliation of tax expense**

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Profit before tax	<u>67,916,665</u>	<u>39,881,068</u>	<u>41,337,130</u>	<u>28,909,295</u>
Income tax calculated using Malaysian tax rate of 24%	16,300,000	9,571,456	9,920,911	6,938,231
Non-deductible expenses	833,328	612,504	269,624	139,724
Non-taxable income	(737,188)	(91,295)	(9,921,610)	(6,922,700)
Effect of lower tax rate of Real Property Gains Tax	(2,588,832)	--	--	--
	13,807,308	10,092,665	268,925	155,255
(Over)/Under provision in prior years	(18,079)	(1,859,900)	532	493
Tax expense	<u>13,789,229</u>	<u>8,232,765</u>	<u>269,457</u>	<u>155,748</u>

NOTES TO FINANCIAL STATEMENTS (continued)

17. Profit for the year

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Profit for the year is arrived at after charging/(crediting)</b>				
<b>Auditors' remunerations</b>				
Audit fees:				
- KPMG PLT	140,000	--	50,000	--
- Other auditors:				
- Current year	--	107,000	--	30,000
- Under provision in prior year	--	5,000	--	1,000
Non-audit fees:				
- KPMG PLT	10,000	--	10,000	--
- Other auditors	--	4,000	--	4,000
<b>Material expenses/(income)</b>				
Interest income of financial assets calculated using the effective interest method that are:				
- at amortised cost	(3,316,056)	(1,476,111)	(1,160,419)	(674,692)
- at fair value through profit or loss	(85,983)	(202,250)	--	--
Depreciation of:				
- investment properties	128,183	213,790	--	--
- property, plant and equipment	8,608,958	8,981,698	--	--
Property, plant and equipment written off	8,011	450	--	--
Gain on disposal of:				
- assets held for sale	(21,590,606)	--	--	--
- investment properties	(304,393)	--	--	--
Personnel expenses (including key management personnel):				
- Contributions to state plans	3,303,077	2,945,348	--	--
- Expenses related to defined benefit plans	157,779	297,024	--	--
- Wages, salaries and others	42,059,659	37,021,126	334,000	351,500
Fair value (gain)/loss on other investments	(1,047,299)	472,999	(595,655)	372,794
Unrealised gain on foreign exchange	(574,309)	(430,056)	--	--
Realised foreign exchange gain	(163,981)	(576,229)	--	--
Dividend income from:				
- subsidiaries	--	--	(40,500,015)	(29,000,020)
- other investments	(386,954)	(322,298)	(247,571)	(217,361)
<b>Income arising from leases</b>				
Rental income from investment properties	(217,000)	(381,000)	--	--

**NOTES TO FINANCIAL STATEMENTS (continued)****18. Earnings per ordinary share****Basic earnings per ordinary share**

The calculation of basic earnings per ordinary share was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares calculated as follows:

	<b>Group</b>	
	<b>2024 RM</b>	<b>2023 RM</b>
Profit for the year attributable to ordinary shareholders	<u>54,127,436</u>	<u>31,648,303</u>

Weighted average number of ordinary shares are determined as follows:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
Weighted average number of ordinary shares at 30 April	<u>80,000,000</u>	<u>80,000,000</u>
Basic earnings per ordinary share (sen)	<u>67.66</u>	<u>39.56</u>

**Diluted earnings per ordinary share**

Diluted earnings per ordinary share for the current and previous financial years is equal to the basic earnings per ordinary share as there were no outstanding dilutive potential ordinary shares at the end of each reporting period.

**19. Dividends**

Dividends recognised by the Company are:

	<b>Sen per share</b>	<b>Total amount RM</b>	<b>Date of payment</b>
<b>2024</b>			
Final dividend 2023	15.0	12,000,000	3 November 2023
First interim dividend 2024	20.0	16,000,000	3 November 2023
Second interim dividend 2024	50.0	<u>40,000,000</u>	24 April 2024
		<u>68,000,000</u>	
<b>2023</b>			
Final dividend 2022	15.0	12,000,000	11 January 2023
First interim dividend 2023	10.0	<u>8,000,000</u>	11 January 2023
		<u>20,000,000</u>	

After the end of the reporting period, the following dividends were proposed by the Directors. These dividends will be recognised in subsequent financial period upon approval by the owners of the Company.

	<b>Sen per share</b>	<b>Total amount RM</b>
Final dividend 2024	5.0	<u>4,000,000</u>

**NOTES TO FINANCIAL STATEMENTS (continued)**

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**20. Operating segments**

The Group has two reportable segments, which are managed separately. For each of the reportable segment, the Chief Operating Decision Maker (“CODM”) (i.e. the Group Executive Director) reviews internal management reports at least on a quarterly basis. The reportable segments are summarised as follows:

- (i) Investment holding; and
- (ii) Manufacturing, marketing and distribution of compound chocolates, chocolate confectionery products and cakes.

Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

**Segment assets**

The total of segment asset is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the CODM. The segment assets are presented in a manner that is consistent with the internal reporting provided to management for the allocation of resource and assessment of segment performance. Segment assets exclude tax assets.

**Segment liabilities**

The total of segment liability is measured based on all liabilities of a segment, as included in the internal management reports that are reviewed by the CODM. The segment liabilities are presented in a manner that is consistent with the internal reporting provided to management for the allocation of resource and assessment of segment performance. Segment liabilities exclude tax liabilities.

**Segment capital expenditure**

Segment capital expenditure is neither included in the internal management reports nor provided regularly to the CODM. Hence, no disclosure is made on segment capital expenditure.

NOTES TO FINANCIAL STATEMENTS (continued)

20. Operating segments (continued)

Group

Revenue	Investment holding		Manufacturing, marketing and distribution		Elimination		Total	
	2024 RM	2023 RM	2024 RM	2023 RM	2024 RM	2023 RM	2024 RM	2023 RM
Revenue from external customers	247,571	217,361	255,022,742	256,784,026	--	--	255,270,313	257,001,387
Inter-segment revenue	40,500,015	29,000,020	167,924,038	153,783,537	(208,424,053)	(182,783,557)	--	--
Total revenue	40,747,586	29,217,381	422,946,780	410,567,563	(208,424,053)	(182,783,557)	255,270,313	257,001,387
<b>Segment profit before tax</b>	41,337,130	28,909,295	67,079,550	39,971,793	(40,500,015)	(29,000,020)	67,916,665	39,881,068
Interest income	1,160,419	674,692	2,241,620	1,003,669	--	--	3,402,039	1,678,361
Rental income	--	--	217,000	381,000	--	--	217,000	381,000
Other material non-cash items:								
- depreciation	--	--	(8,737,141)	(9,195,488)	--	--	(8,737,141)	(9,195,488)
- unrealised foreign exchange gain	--	--	574,309	430,056	--	--	574,309	430,056
- fair value gain/(loss) on other investments	595,655	(372,794)	451,644	(100,205)	--	--	1,047,299	(472,999)
- property, plant and equipment written off	--	--	(8,011)	(450)	--	--	(8,011)	(450)
- gain on disposal of assets held for sale	--	--	21,590,606	--	--	--	21,590,606	--
- gain on disposal of investment properties	--	--	304,393	--	--	--	304,393	--
Additions to non-current assets other than financial instruments and deferred tax assets	--	--	2,713,139	1,380,515	--	--	2,713,139	1,380,515
<b>Segment assets</b>	92,698,726	119,562,181	217,891,485	223,692,348	(64,278,384)	(88,285,130)	246,311,827	254,969,399
<b>Segment liabilities</b>	397,000	367,500	20,340,281	58,398,383	(5,000,000)	(49,000,020)	15,737,281	9,765,863



**NOTES TO FINANCIAL STATEMENTS (continued)****20. Operating segments (continued)****Reconciliations of reportable segment revenue and other material items**

	2024 RM	Group 2023 RM
Total revenue for reportable segments		
- Investment holding	40,747,586	29,217,381
- Manufacturing, marketing and distribution	<u>422,946,780</u>	<u>410,567,563</u>
	463,694,366	439,784,944
Inter-segment revenue	<u>(208,424,053)</u>	<u>(182,783,557)</u>
Revenue from external customers	<u>255,270,313</u>	<u>257,001,387</u>
	2024 RM	Group 2023 RM
Total assets for reportable segments	246,311,827	254,969,399
Tax assets and deferred tax assets	<u>40,964</u>	<u>995,119</u>
Assets per consolidated statement of financial position	<u>246,352,791</u>	<u>255,964,518</u>
Total liabilities for reportable segments	15,737,281	9,765,863
Tax liabilities and deferred tax liabilities	<u>5,978,301</u>	<u>7,688,882</u>
Liabilities per consolidated statement of financial position	<u>21,715,582</u>	<u>17,454,745</u>

**Geographical segments**

In presenting information on the basis of geographical areas, segment revenue is based on the geographical location of the Group's customers. All non-current assets are located in Malaysia.

Revenue from sales to external customers by location of customers is as follows:

	2024 RM	Group 2023 RM
Malaysia	189,373,379	175,711,782
Asean (excluding Malaysia)	61,533,607	75,710,508
Others	<u>4,363,327</u>	<u>5,579,097</u>
	<u>255,270,313</u>	<u>257,001,387</u>

**Major customers**

Revenue from a major customer contributing more than 10% of the Group's total revenue is RM50,470,058 (2023: RM61,212,487). This revenue is from the manufacturing, marketing and distribution segment.

**NOTES TO FINANCIAL STATEMENTS (continued)****21. Financial instruments****21.1 Categories of financial instruments**

The table below provides an analysis of financial instruments categorised as follows:

- (a) Amortised cost ("AC")  
 (b) Fair value through profit or loss ("FVTPL")  
 - Mandatorily required by MFRS 9

Group	Carrying amount RM	AC RM	Mandatorily at FVTPL RM
<b>2024</b>			
<b>Financial assets</b>			
Other investments	23,655,775	15,049,781	8,605,994
Trade and other receivables*	26,934,999	26,934,999	--
Cash and cash equivalents	<u>104,306,165</u>	<u>103,237,664</u>	<u>1,068,501</u>
	<u>154,896,939</u>	<u>145,222,444</u>	<u>9,674,495</u>
<b>Financial liabilities</b>			
Trade and other payables	<u>(13,518,145)</u>	<u>(13,518,145)</u>	<u>--</u>
<b>2023</b>			
<b>Financial assets</b>			
Other investments	14,685,362	5,125,607	9,559,755
Trade and other receivables*	27,051,049	27,051,049	--
Cash and cash equivalents	<u>100,815,642</u>	<u>99,782,951</u>	<u>1,032,691</u>
	<u>142,552,053</u>	<u>131,959,607</u>	<u>10,592,446</u>
<b>Financial liabilities</b>			
Trade and other payables	<u>(7,555,666)</u>	<u>(7,555,666)</u>	<u>--</u>
<b>Company</b>			
<b>2024</b>			
<b>Financial assets</b>			
Other investments	5,604,787	--	5,604,787
Trade and other receivables*	5,544,415	5,544,415	--
Cash and cash equivalents	<u>22,157,957</u>	<u>22,157,957</u>	<u>--</u>
	<u>33,307,159</u>	<u>27,702,372</u>	<u>5,604,787</u>
<b>Financial liabilities</b>			
Trade and other payables	<u>(397,000)</u>	<u>(397,000)</u>	<u>--</u>

**NOTES TO FINANCIAL STATEMENTS (continued)****21. Financial instruments (continued)****21.1 Categories of financial instruments (continued)**

Company	Carrying amount RM	AC RM	Mandatorily at FVTPL RM
<b>2023</b>			
<b>Financial assets</b>			
Other investments	8,134,739	3,125,607	5,009,132
Trade and other receivables*	29,767,027	29,767,027	--
Cash and cash equivalents	<u>22,268,848</u>	<u>22,268,848</u>	<u>--</u>
	<u>60,170,614</u>	<u>55,161,482</u>	<u>5,009,132</u>
<b>Financial liabilities</b>			
Trade and other payables	<u>(367,500)</u>	<u>(367,500)</u>	<u>--</u>

\* Excludes non-financial instruments

**21.2 Net gains and losses arising from financial instruments**

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Net gains/(losses) on:				
Financial assets at AC	4,054,346	2,482,396	1,160,419	674,692
Financial assets at FVTPL				
- Mandatorily required by MFRS 9	<u>1,520,236</u>	<u>51,549</u>	<u>843,226</u>	<u>(155,433)</u>
	<u>5,574,582</u>	<u>2,533,945</u>	<u>2,003,645</u>	<u>519,259</u>

**21.3 Financial risk management**

The Group and the Company have exposures to the following risks from their financial instruments:

- Credit risk
- Liquidity risk
- Market risk

**21.4 Credit risk**

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its trade receivables and cash and cash equivalents. The Company's exposure to credit risk arises principally from advances to subsidiaries. There are no significant changes as compared to prior period.

**NOTES TO FINANCIAL STATEMENTS (continued)****21. Financial instruments (continued)****21.4 Credit risk (continued)****Trade receivables***Risk management objectives, policies and processes for managing the risk*

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on customers requiring credit over a certain amount.

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to write off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

There are no significant changes as compared to prior period.

*Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statement of financial position.

*Concentration of credit risk*

The exposure of credit risk for trade receivables as at the end of the reporting period by geographic region was:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Local	19,627,840	20,515,664
Asean (excluding Malaysia)	5,619,153	3,805,031
Others	267,525	606,434
	<u>25,514,518</u>	<u>24,927,129</u>

*Recognition and measurement of impairment loss*

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 90 days, which are deemed to have higher credit risk, are monitored individually.

The Group assesses the risk of loss of each customer individually based on their financial information, past trend of payments and external credit rating, where applicable.

**NOTES TO FINANCIAL STATEMENTS (continued)****21. Financial instruments (continued)****21.4 Credit risk (continued)****Trade receivables (continued)***Recognition and measurement of impairment loss (continued)*

The following table provides information about the exposure to credit risk and expected credit losses (“ECLs”) for trade receivables.

Group	Gross carrying amount/ Net balance	
	2024 RM	2023 RM
Current (not past due)	22,502,816	24,919,189
1 - 30 days past due	1,763,029	4,265
31 - 60 days past due	1,248,625	--
More than 60 days	48	3,675
	<u>25,514,518</u>	<u>24,927,129</u>

As at the end of the reporting period, the Group did not recognise any allowance for impairment loss.

**Inter-company balances***Risk management objectives, policies and processes for managing the risk*

The Company monitors the ability of the subsidiaries to repay the balances on an individual basis.

*Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

*Recognition and measurement of impairment loss*

Generally, the Company considers amounts due from subsidiaries to have low credit risk. The Company assumes that there is a significant increase in credit risk when the subsidiaries’ financial position deteriorates significantly. The Company considers amounts due from subsidiaries to be credit impaired when:

- The subsidiaries are unlikely to repay its amount due to the Company in full; or
- The subsidiaries are continuously loss making and is having deficit shareholders’ fund.

The Company determines the probability of default for amount individually using internal information available.

**NOTES TO FINANCIAL STATEMENTS (continued)****21. Financial instruments (continued)****21.4 Credit risk (continued)****Inter-company balances (continued)***Recognition and measurement of impairment loss (continued)*

The following table provides information about the exposure to credit risk for amounts due from subsidiaries as at the end of the reporting period.

	<b>Gross carrying amount/ Net balance</b>	
	<b>2024 RM</b>	<b>2023 RM</b>
<b>Company</b>		
Low credit risk	<u>5,000,000</u>	<u>29,000,020</u>

As at the end of the reporting period, the Company did not recognise any allowance for impairment losses.

**Cash and cash equivalents and deposits with licensed banks**

The cash and cash equivalents and deposits are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance are not material and hence, it is not provided for.

**Other receivables**

Credit risks on other receivables is mainly arising from interest receivables from deposits with licensed banks. These interest receivables will be received at the end of each deposit tenure. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

**Other investments**

At the end of the reporting period, the Group and the Company invested in quoted and unquoted shares. In prior year, the Group also invested in dual currency investments, which were held with licensed banks. The maximum exposure to credit risk is represented by the carrying amounts in the statements of financial position.

**21.5 Liquidity risk**

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from their various payables.

The Group and the Company maintain a level of cash and cash equivalents deemed adequate by the management to ensure, as far as possible, that they will have sufficient liquidity to meet their liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

**NOTES TO FINANCIAL STATEMENTS (continued)****21. Financial instruments (continued)****21.5 Liquidity risk (continued)***Maturity analysis*

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM	Contractual interest rate %	Contractual cash flows RM	Under 1 year RM
<b>Group</b>				
<b>2024</b>				
<i>Non-derivative financial liabilities</i>				
Trade and other payables	<u>13,518,145</u>	--	<u>13,518,145</u>	<u>13,518,145</u>
<b>2023</b>				
<i>Non-derivative financial liabilities</i>				
Trade and other payables	<u>7,555,666</u>	--	<u>7,555,666</u>	<u>7,555,666</u>
<b>Company</b>				
<b>2024</b>				
<i>Non-derivative financial liabilities</i>				
Trade and other payables	<u>397,000</u>	--	<u>397,000</u>	<u>397,000</u>
<b>2023</b>				
<i>Non-derivative financial liabilities</i>				
Trade and other payables	<u>367,500</u>	--	<u>367,500</u>	<u>367,500</u>

**21.6 Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's financial position or cash flows.

**Currency risk**

The Group is exposed to foreign currency risk on sales that are denominated in currencies other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily U.S. Dollar ("USD"), Singapore Dollar ("SGD") and Euro ("EUR").

*Risk management objectives, policies and processes for managing the risk*

The Group does not generally hedge its exposure to fluctuations in foreign exchange rate. Exposure to foreign currency is monitored on an on-going basis and the Group endeavours to keep the net exposures to an acceptable level.



**NOTES TO FINANCIAL STATEMENTS (continued)****21. Financial instruments (continued)****21.6 Market risk (continued)****Currency risk (continued)***Exposure to foreign currency risk*

The Group's exposure to foreign currencies (currencies which are other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was as follows:

Group	USD	Denominated in	EUR
	RM	SGD RM	RM
<b>2024</b>			
Trade and other receivables	847,667	22,547	--
Cash and cash equivalents	<u>7,588,694</u>	<u>775,880</u>	<u>482,643</u>
	<u>8,436,361</u>	<u>798,427</u>	<u>482,643</u>
<b>2023</b>			
Trade and other receivables	888,554	38,667	--
Cash and cash equivalents	<u>10,022,355</u>	<u>335,616</u>	<u>696,136</u>
	<u>10,910,909</u>	<u>374,283</u>	<u>696,136</u>

*Currency risk sensitivity analysis*

A 10% (2023: 10%) strengthening of the Ringgit Malaysia against the following currencies at the end of the reporting period would have decreased post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

Group	Profit or loss	
	2024 RM	2023 RM
USD	(641,163)	(829,229)
SGD	(60,680)	(28,446)
EUR	<u>(36,681)</u>	<u>(52,906)</u>

A 10% (2023: 10%) weakening of Ringgit Malaysia against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

**Interest rate risk**

The Group's and the Company's exposure to changes in interest rates relates primarily to short-term deposits and other investments. Short-term receivables and payables are not significantly exposed to interest rate risk.

**NOTES TO FINANCIAL STATEMENTS (continued)****21. Financial instruments (continued)****21.6 Market risk (continued)****Interest rate risk (continued)**

*Risk management objectives, policies and processes for managing the risk*

There is no formal hedging policy with respect to interest rate exposure. Exposure to interest rate risk is monitored on an ongoing basis and the Group and the Company endeavour to keep the exposure to an acceptable level.

*Exposure to interest rate risk*

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	<b>Group</b>		<b>Company</b>	
	<b>2024 RM</b>	<b>2023 RM</b>	<b>2024 RM</b>	<b>2023 RM</b>
<b>Fixed rate instruments</b>				
Deposits with licensed banks	79,587,179	55,492,457	21,954,975	24,670,942
Dual currency investments with licensed banks	--	2,001,060	--	--
	<u>79,587,179</u>	<u>57,493,517</u>	<u>21,954,975</u>	<u>24,670,942</u>
<b>Floating rate instruments</b>				
Liquid investments	<u>1,068,501</u>	<u>1,032,691</u>	<u>--</u>	<u>--</u>

*Interest rate risk sensitivity analysis*

**(a) Fair value sensitivity analysis for fixed rate instruments**

The Group and the Company do not account for any fixed rate financial assets at fair value through profit or loss and the Group and the Company do not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

**(b) Cash flow sensitivity analysis for variable rate instruments**

A change of 100 basis points ("bp") in interest rates at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss of the Group by RM8,121 (2023: RM7,848). This analysis assumes all other variables, in particular foreign currency rates, remain constant.

**Other price risk**

Price risk arises from the Group's and the Company's investment in quoted shares.

*Risk management objectives, policies and processes for managing the risk*

Management of the Group and the Company monitors the other investments on a portfolio basis. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Managing Director.

**NOTES TO FINANCIAL STATEMENTS (continued)****21. Financial instruments (continued)****21.6 Market risk (continued)****Other price risk (continued)***Price risk sensitivity analysis*

This analysis assumes that all other variables remain constant and the Group's and the Company's investments moved in correlation with the FTSE Bursa Malaysia KLCI ("FBMKLCI").

A 10% (2023: 10%) strengthening in FBMKLCI at the end of the reporting period would have increased post-tax profit or loss of the Group and the Company by RM654,000 (2023: RM574,000) and RM426,000 (2023: RM381,000) respectively for investments classified as fair value through profit or loss. A 10% (2023: 10%) weakening in FBMKLCI would have equal but opposite effect on profit or loss.

**21.7 Fair value information**

The carrying amounts of cash and cash equivalents, deposits with licensed banks, short-term receivables and payables reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

The table below analyses other financial instruments at fair value and carrying amounts shown in the statements of financial position.

	Fair value of financial instruments carried at fair value				Total fair value RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM		
<b>Group</b>						
<b>2024</b>						
<b>Financial assets</b>						
Quoted shares	8,604,994	--	--	8,604,994	8,604,994	8,604,994
Unquoted shares	--	--	1,000	1,000	1,000	1,000
Liquid investments	--	1,068,501	--	1,068,501	1,068,501	1,068,501
<b>2023</b>						
<b>Financial assets</b>						
Quoted shares	7,557,695	--	--	7,557,695	7,557,695	7,557,695
Unquoted shares	--	--	1,000	1,000	1,000	1,000
Dual currency investments with licensed banks	--	2,001,060	--	2,001,060	2,001,060	2,001,060
Liquid investments	--	1,032,691	--	1,032,691	1,032,691	1,032,691
<b>Company</b>						
<b>2024</b>						
<b>Financial assets</b>						
Quoted shares	5,604,787	--	--	5,604,787	5,604,787	5,604,787
<b>2023</b>						
<b>Financial assets</b>						
Quoted shares	5,009,132	--	--	5,009,132	5,009,132	5,009,132

**NOTES TO FINANCIAL STATEMENTS (continued)**

**21. Financial instruments (continued)**

**21.7 Fair value information (continued)**

**Level 2 fair value**

**Dual currency investments with licensed banks and liquid investments**

Fair values of dual currency investments with licensed banks and liquid investments are determined by reference to statements provided by the respective financial institutions, with which the placements were entered into.

**Level 3 fair value**

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

***Financial instruments carried at fair value***

Type	Description of valuation technique and inputs used	Significant unobservable inputs	Inter relationship between significant unobservable inputs and fair value measurements
Unquoted shares	The fair value of unquoted shares is based on the adjusted net asset method by reference to the fair value of the assets and liabilities of the investee.	Net assets value	The higher/lower the value of net assets, the higher/lower the fair value.

**22. Capital management**

The Group’s objectives when managing capital is to maintain a strong capital base and safeguard the Group’s ability to continue as a going concern, so as to maintain investors, creditors and market confidence and to sustain future development of the business. The Directors monitor the adequacy of capital on an ongoing basis.

There was no change in the Group’s approach to capital management during the financial year.

The Group is not subject to any externally imposed capital requirements.

**23. Capital commitments**

	Group	
	2024 RM	2023 RM
<b>Capital expenditure in respect of purchase of property, plant and equipment</b>		
Contracted but not provided for	34,000	870,000

**NOTES TO FINANCIAL STATEMENTS (continued)****24. Related parties****Significant related party transactions**

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Group and the Company are shown below. The balances related to the below transactions are shown in Note 9.

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>A. Subsidiaries</b>				
Dividend income	--	--	40,500,015	29,000,020
<b>B. Related company</b>				
Management fee	71,834	--	71,834	--
<b>C. Key management personnel Directors</b>				
- Fees	278,500	336,000	265,000	300,000
- Salaries, bonus and allowances	10,723,800	10,910,731	69,000	51,500
- Other benefits	--	14,151	--	--
	<u>11,002,300</u>	<u>11,260,882</u>	<u>334,000</u>	<u>351,500</u>

**25. Comparative figures**

The following comparatives have been reclassified to conform with current year's presentation.

	Group		Company	
	As restated RM	As previously reported RM	As restated RM	As previously reported RM
<b>Statements of financial position</b>				
Other investments	7,126,667	--	3,125,607	--
Short-term funds	--	3,033,751	--	--
Cash and cash equivalents	100,815,642	--	22,268,848	--
Cash and bank balances	<u>--</u>	<u>104,908,558</u>	<u>--</u>	<u>25,394,455</u>
<b>Statements of profit or loss and other comprehensive income</b>				
Revenue	257,001,387	257,106,324	--	--
Other income	1,994,766	3,568,190	--	674,692
Distribution expenses	(4,755,465)	(2,536,309)	--	--
Administrative expenses	(23,121,454)	(25,813,609)	(609,984)	(982,778)
Other expenses	(472,999)	--	(372,794)	--
Finance income	<u>1,678,361</u>	<u>--</u>	<u>674,692</u>	<u>--</u>

**STATEMENT BY DIRECTORS PURSUANT TO  
SECTION 251(2) OF THE COMPANIES ACT 2016**

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In the opinion of the Directors, the financial statements set out on pages 65 to 99 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 April 2024 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

**Dato' Cheah See Yeong**  
Director

**Cheah Jia Ming**  
Director

Date: 23 August 2024

**STATUTORY DECLARATION PURSUANT TO  
SECTION 251(1)(b) OF THE COMPANIES ACT 2016**

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I, **Tan Sew Eng**, the officer primarily responsible for the financial management of APOLLO FOOD HOLDINGS BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 65 to 99 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Tan Sew Eng, MIA CA 13526, at Johor Bahru in the State of Johor on 23 August 2024.

**Tan Sew Eng**

Before me:

**Lau Lay Sung**  
Commissioner for Oaths  
J-246



## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF APOLLO FOOD HOLDINGS BERHAD

Registration Number: 199401005792 (291471-M)  
(Incorporated in Malaysia)

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Apollo Food Holdings Berhad, which comprise the statements of financial position as at 30 April 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 65 to 99.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 April 2024, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

#### Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and Other Ethical Responsibilities*

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Valuation of inventories

Refer to Note 8 - Inventories.

#### The key audit matter

The Group sells various types of products, such as compound chocolates, chocolate confectionery products and cakes, which are subject to changing customer preferences and expiry. As at 30 April 2024, the Group has reported inventories balance of RM24,287,696.

We have identified the valuation of inventories as a key audit matter as the judgement applied by the Group on the determination of net realisable value involves expectations of current market prices and plans for future sales.

#### How the matter was addressed in our audit:

Our audit procedures performed in this area included, amongst others:

- We obtained understanding on the Group's policy for inventory provisions and evaluated management's assessment and determination of net realisable value of inventories.
- We assessed the basis for the inventory provisions and the consistency of the provisioning with the Group's policy.
- We reviewed the inventories movement report and expiry date report to evaluate the adequacy of inventory provisions.
- We compared the post year end selling prices of finished goods against their carrying amounts to ascertain that finished goods are measured at the lower of cost and net realisable value.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors' report.

### **Other Matters Relating to Comparative Information**

The financial statements of the Group and of the Company as at and for the year ended 30 April 2023, excluding the retrospective adjustments described in Note 25 to the financial statements, were audited by another auditor who expressed an unmodified opinion on those financial statements on 10 August 2023.

As part of our audit of the financial statements as at and for the year ended 30 April 2023, we also audited the retrospective adjustments described in Note 25 to the financial statements that were applied to restate the comparative information.

We were not engaged to audit, review, or apply any procedures to the comparative information, other than with respect to the retrospective adjustments described in Note 25. Accordingly, we do not express an opinion or any other form of assurance on comparative information. However, in our opinion, the retrospective adjustments described in Note 25 to the financial statements are appropriate and have been properly applied.

### **Information Other than the Financial Statements and Auditors' Report Thereon**

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Directors for the Financial Statements**

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Auditors' Responsibilities for the Audit of the Financial Statements (continued)**

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Matter**

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**KPMG PLT**  
(LLP0010081-LCA & AF 0758)  
Chartered Accountants

**Eric Kuo Sze-Wei**  
Approval Number: 03473/11/2025 J  
Chartered Accountant

Johor Bahru

Date: 23 August 2024

**ANALYSIS OF SHAREHOLDINGS  
AS AT 01 AUGUST 2024**

Statement of shareholdings according to the record of depositors as at 01 August 2024

TOTAL NUMBER OF ISSUED SHARES	:	80,000,000
ISSUED SHARE CAPITAL	:	RM84,325,454
CLASS OF SHARES	:	Ordinary Shares
NO. OF SHAREHOLDERS	:	2,275
VOTING RIGHTS	:	One vote per ordinary share

**A) List of Substantial Shareholders**

	Name	Direct		Indirect	
		No. of Shares Held	%	No. of Shares Held	%
1	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR SCOOP CAPITAL SDN. BHD.	59,828,365	74.785	-	-
2	DATO' CHEAH SEE YEONG	-	-	59,828,365*	74.785
3	DATIN SOON GOCK LAN @ SOON GEOK LIN	-	-	59,828,365*	74.785

**Note :**

\* By virtue of their interest in Scoop Capital Sdn. Bhd.

**B) List of directors' shareholdings in the Company**

	Name	Direct		Indirect	
		No. of Shares Held	%	No. of Shares Held	%
1	DATO' CHEAH SEE YEONG	-	-	59,828,365*	74.785
2	CHEAH JIA MING	-	-	-	-
3	FOO SWEE ENG	-	-	-	-
4	JOHNSON KANDASAMY A/L DAVID NAGAPPAN	5,000	0.006	18,000#	0.023
5	DATO' SRI MUTHANNA BIN ABDULLAH	-	-	-	-

**Note :**

\*By virtue of their interest in Scoop Capital Sdn. Bhd.

# By virtue of his wife's shareholding.

**ANALYSIS OF SHAREHOLDINGS  
AS AT 01 AUGUST 2024 (continued)**

**C) List of 30 largest securities account holders**

	<b>Name</b>	<b>No. of Shares Held</b>	<b>%</b>
1	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEGDED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR SCOOP CAPITAL SDN. BHD.	59,828,365	74.785
2	KAM LOONG MINING SDN BHD	2,678,000	3.347
3	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR EASTSPRING INVESTMENTSSMALL-CAP FUND	2,584,900	3.231
4	FOO KHEN LING	1,068,000	1.335
5	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR UBS AG SINGAPORE (FOREIGN)	1,000,500	1.250
6	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (EASTSPRINGESG)	795,200	0.994
7	LIANG CHIANG HENG	530,000	0.662
8	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR BANK JULIUS BAER & CO. LTD. (SINGAPORE BCH)	352,500	0.440
9	LEE TOONG HIAN	284,000	0.355
10	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR EASTSPRING INVESTMENTS ISLAMIC SMALL-CAP FUND	250,000	0.312
11	LIM AH CHOO	230,000	0.287
12	LIANG KIM POH	225,000	0.281
13	TAN CHOW KOI	200,000	0.250
14	YAP KUM MING	171,500	0.214
15	CHAI KOON KHOW	167,800	0.209
16	SIEW KIM MAN	165,300	0.206
17	CHOY WEE CHIAP	154,900	0.193
18	CIMB ISLAMIC NOMINEES (TEMPATAN) SDN BHD TABUNG WARISAN NEGERI SELANGOR (AL-WARA')	153,200	0.191
19	SHARAYU SUNDARARAJ	150,000	0.187
20	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR UBS AG (SG BR-TST-ASING)	128,800	0.161
21	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEGDED SECURITIES ACCOUNT FOR LEE JOO BEE (PENANG-CL)	124,700	0.155
22	GAN THENG PUAT @ YEOW THENG PUAT	121,200	0.151
23	SOW TIAP	110,000	0.137
24	KENANGA NOMINEES (TEMPATAN) SDN BHD LOW SOCK KUA	95,000	0.118
25	TOKIO MARINE LIFE INSURANCE MALAYSIA BHD AS BENEFICIAL OWNER (NPF)	82,400	0.103
26	CHOY WEE CHIAP	80,000	0.100



**ANALYSIS OF SHAREHOLDINGS  
AS AT 01 AUGUST 2024 (continued)**

**C) List of 30 largest securities account holders (continued)**

	Name	No. of Shares Held	%
27	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEGDED SECURITIES ACCOUNT FOR LOW SAY HEAN	78,000	0.097
28	GOH SIANG GIANG	65,000	0.081
29	LOW PEK SEE	62,700	0.078
30	TAN PENG LIM	62,100	0.077
	<b>Total</b>	<b>71,999,065</b>	<b>89.998</b>

**D) Distribution of Shareholdings**

Size	No. of Holders	%	No. of Shares Held	%
Less than 100	73	3.208	875	0.001
1 to 1,000	837	36.791	573,434	0.716
1,001 to 10,000	1,193	52.439	4,252,826	5.316
10,001 to 100,000	149	6.549	3,699,000	4.623
100,001 to less than 5% of issued shares	22	0.967	11,645,500	14.556
5% and above of issued shares	1	0.043	59,828,365	74.785
<b>Total</b>	<b>2,275</b>	<b>100.000</b>	<b>80,000,000</b>	<b>100.000</b>

**LIST OF PROPERTIES  
AS AT 30 APRIL 2024**

Location	Existing Use	Tenure	Approximate Age of Building (Years)	Land Area (square meters)	Carrying Amount At 30 April 2024 (RM '000)
70, Jalan Langkasuka Larkin Industrial Area 80350 Johor Bahru, Johor	Factory building / Corporate office	99 years leasehold expiring on 08.08.2109	35	7,762	4,467
47 & 49, Jalan Saga 14 Taman Desa Cemerlang 81800 Ulu Tiram, Johor	2 units of intermediate double storey terrace house	Freehold	27	328	206
3, 3A & 3B, Jalan Kilang Larkin Industrial Area 80350 Johor Bahru, Johor	Factory building / Cake Production	99 years leasehold expiring on 08.08.2109	55	8,377	3,005
4, 4A & 4B, Jalan Petaling Larkin Industrial Area 80350 Johor Bahru, Johor	Factory building / Waffle production & warehouse	99 years leasehold expiring on 08.08.2109	56	7,661	3,345
5, Jalan Kilang Larkin Industrial Area 80350 Johor Bahru, Johor	Factory building / Cake warehouse	99 years leasehold expiring on 08.08.2109	57	7,751	2,605
3, Jalan Asas Larkin Industrial Area 80350 Johor Bahru, Johor	Factory building / Waffle production & warehouse	99 years leasehold expiring on 08.08.2109	18	11,914	5,065
HS(D) 510994 TLO 786A Larkin Industrial Area 80350 Johor Bahru, Johor	Vacant land	99 years leasehold expiring on 17.09.2111	-	4,046	1,503
6, Jalan Petaling Larkin Industrial Estate 80350 Johor Bahru, Johor	To be occupied as factory	92 years leasehold expiring on 21.08.2109	49	11,659	3,266
1, Jalan Asas Larkin Industrial Estate 80350 Johor Bahru, Johor	Workshop & store	99 years leasehold expiring on 18.12.2110	49	9,510	3,233
8, Jalan Petaling Larkin Industrial Estate 80350 Johor Bahru, Johor	Factory building	99 years leasehold expiring on 11.04.2111	34	5,042	1,590
<b>Total</b>					<b>28,285</b>

**FORM OF PROXY**

<b>CDS ACCOUNT NO.</b>	<b>NO. OF SHARES HELD</b>

I/We \_\_\_\_\_ [NRIC NO: \_\_\_\_\_]

of \_\_\_\_\_ being a

member/members of **APOLLO FOOD HOLDINGS BERHAD** [Registration No.: 199401005792 (291471-M)] do hereby appoint:

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

failing him, the Chairman of the meeting as \* my/our proxy to attend and to vote for \* me/us on \* my/our behalf at the 30<sup>th</sup> Annual General Meeting of the Company will be conducted virtually through live streaming from broadcast venue at Tricor Business Centre, Gemilang Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur (“Broadcast Venue”) using the Remote Participation and Voting (“RPV”) facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. in Malaysia via its TIH Online website at <https://tth.online> on Wednesday, 23<sup>rd</sup> day of October 2024 at 10.00 a.m. and at any adjournment thereof.

*Please indicate with a cross (X) in the spaces whether you wish your votes to be cast for or against the resolution. In the absence of such specific directions, your proxy will vote or abstain as he thinks fit*

	FOR	AGAINST
<b>Ordinary Business:</b>		
Ordinary Resolution 1 - Approval of Single Tier Final Dividend		
Ordinary Resolution 2 - Approval of Directors' Fees for financial year ended 30 April 2024		
Ordinary Resolution 3 - Approval of Directors' Fees for financial year ending 30 April 2025		
Ordinary Resolution 4 - Approval of payment of Directors' Benefit		
Ordinary Resolution 5 - Re-election of Director – Ms Foo Swee Eng		
Ordinary Resolution 6 - Re-election of Director – Dato' Cheah See Yeong		
Ordinary Resolution 7 - Re-election of Director – Mr Cheah Jia Ming		
Ordinary Resolution 8 - Re-election of Director – Dato' Sri Muthanna bin Abdullah		
Ordinary Resolution 9 - Re-appointment of Messrs KPMG PLT as Auditors		
<b>Special Business:</b>		
Ordinary Resolution 10 - Proposed establishment of Share Buy-Back Authority		
Ordinary Resolution 11 - Proposed Gratuity Payment to the Former Directors - Mr Liang Chiang Heng		
Ordinary Resolution 12 - Proposed Gratuity Payment to the Former Directors - Mr Liang Kim Poh		
Ordinary Resolution 13 - Proposed Gratuity Payment to the Former Directors - En Halid bin Hasbullah		

\*Strike out whichever not applicable

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024

\_\_\_\_\_  
Signature of Member(s)/Common Seal

\_\_\_\_\_  
Contact No (during office hours)

\*\* Manner of execution:

- (a) If you are an individual member, please sign where indicated.
- (b) If you are a corporate member which has a common seal, this Form of Proxy should be executed under seal in accordance with the constitution of your corporation.
- (c) If you are a corporate member which does not have a common seal, this Form of Proxy should be affixed with the rubber stamp of your company (if any) and executed by:
  - (i) at least two (2) authorised officers, of whom one shall be a director; or
  - (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

**NOTES:**

1. The 30th AGM will be conducted virtually through live streaming from Broadcast Venue using the RPV facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. in Malaysia via its TIIH Online website at <https://tjih.online>. Members are to attend, speak (including posing questions to the Board of Directors via real time submission of typed texts) and vote (collectively, “participate”) remotely at this 30th AGM via RPV facilities provided by Tricor. Members/proxies/corporate representatives/attorneys are advised to follow the procedures of RPV as stated in the Administrative Guide of the 30th AGM.
2. According to the Revised Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 7 April 2022, an online meeting platform located in Malaysia is recognised as the meeting venue and all meeting participants of a fully virtual general meeting are required to participate in the meeting online.
3. For the purpose of determining who shall be entitled to participate this 30<sup>th</sup> AGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at **15 October 2024**. Only a member whose name appears on this Record of Depositors shall be entitled to participate this 30<sup>th</sup> AGM via RPV.
4. A member entitled to participate at this 30<sup>th</sup> AGM via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.
5. A member of the Company who is entitled to participate at the 30<sup>th</sup> AGM of the Company may appoint not more than two (2) proxies to participate instead of the member at the Annual General Meeting.
6. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.
7. Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
8. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 (“Central Depositories Act”) which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
9. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
10. The appointment of a proxy may be made in a hard copy form or by electronic form. In the case of appointment made in hardcopy form, the Form of Proxy must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. In the case of electronic appointment, the Form of Proxy must be deposited via TIIH Online at <https://tjih.online>. Please follow the procedure as set out in the Administrative Guide for the electronic lodgement of Form of Proxy. All Form of Proxy submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the Annual General Meeting or adjourned Annual General Meeting at which the person named in the appointment proposes to vote.
11. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the Annual General Meeting or adjourned Annual General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
12. Please ensure ALL the particulars as required in the Form of Proxy are completed, signed and dated accordingly.
13. Last date and time for lodging the Form of Proxy is **Monday, 21 October 2024 at 10.00 a.m.**
14. For a corporate member who has appointed a representative instead of a proxy to participate this meeting must request authorised representative to register himself/herself for RPV via TIIH Online website at <https://tjih.online>. Procedures for RPV can be found in the Administrative Guide of the 30<sup>th</sup> AGM.

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Postage

**THE SHARE REGISTRAR**  
**APOLLO FOOD HOLDINGS BERHAD**  
Registration No.: 199401005792 (291471-M)  
c/o Tricor Investor & Issuing House Services Sdn Bhd  
Unit 32-01, Level 32, Tower A Vertical Business Suite,  
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Malaysia



**APOLLO**

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