

**QUARTERLY REPORT**

Quarterly report on consolidated results for the financial quarter ended 31 March 2022  
The figures have not been audited.

**CONDENSED CONSOLIDATED COMPREHENSIVE INCOME STATEMENT FOR THE QUARTER ENDED 31 MARCH 2022**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31-Mar-22 RM' 000	PRECEDING YEAR COMPARATIVE QUARTER 31-Mar-21 RM' 000	CURRENT YEAR TO DATE 31-Mar-22 RM' 000	PRECEDING YEAR COMPARATIVE PERIOD 31-Mar-21 (Restated) RM' 000
<b>Continuing Operations :</b>				
Revenue	9,861	16,464	9,861	16,464
Operating Expenses	(7,954)	(10,145)	(7,954)	(10,145)
Other Operating Income	1,134	471	1,134	471
<b>Profit From Operations</b>	<b>3,041</b>	<b>6,790</b>	<b>3,041</b>	<b>6,790</b>
Finance Costs	(16)	(21)	(16)	(21)
<b>Profit/(Loss) Before Tax</b>	<b>3,025</b>	<b>6,769</b>	<b>3,025</b>	<b>6,769</b>
Taxation	(858)	(1,708)	(858)	(1,708)
<b>Profit/(Loss) from Continuing Operations</b>	<b>2,167</b>	<b>5,061</b>	<b>2,167</b>	<b>5,061</b>
<b>Other Comprehensive Income:</b>				
Gain/(loss) on Available For Sale Investments	-	-	-	-
Income Tax Relating To Other Components Of Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income For The Period</b>	<b>2,167</b>	<b>5,061</b>	<b>2,167</b>	<b>5,061</b>
<b>Profit Attributable to :</b>				
Equity holders of the parent	2,167	5,061	2,167	5,061
Non-controlling interest	-	-	-	-
	<b>2,167</b>	<b>5,061</b>	<b>2,167</b>	<b>5,061</b>
<b>Total Comprehensive Income Attributable to :</b>				
Equity holders of the parent	2,167	5,061	2,167	5,061
Non-controlling interest	-	-	-	-
	<b>2,167</b>	<b>5,061</b>	<b>2,167</b>	<b>5,061</b>
<b>EPS (sen) : Basic</b>	<b>1.07</b>	<b>2.50</b>	<b>1.07</b>	<b>2.50</b>
<b>: Diluted</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2021)

**APEX EQUITY HOLDINGS BERHAD [ 199001016563 (208232-A ) ]**  
**CONDENSED CONSOLIDATED FINANCIAL POSITION AS AT 31 MARCH 2022**

	AS AT 31-Mar-22 RM' 000	AS AT 31-Dec-21 (Audited) RM' 000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property , Plant and Equipment	12,189	11,969
Investment Properties	27,091	27,093
Rights of Use Assets	425	618
Other asset	4,119	4,045
	<u>43,824</u>	<u>43,725</u>
<b>Current Assets</b>		
Marketable Securities Held for Trading	2,354	2,242
Receivables	119,651	136,067
Fixed Deposits With Financial Institutions	218	214
Cash and Short Term Funds	204,569	196,305
	<u>326,792</u>	<u>334,828</u>
Non-current Asset Held for Sale - Associate Company	-	4,904
	<u>326,792</u>	<u>339,732</u>
<b>TOTAL ASSETS</b>	<b><u>370,616</u></b>	<b><u>383,457</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable to Equity Holders of the Parent</b>		
Share Capital	221,940	221,940
Reserves	122,447	120,280
Treasury Shares	(7,459)	(7,459)
	<u>336,928</u>	<u>334,761</u>
<b>Minority Interests</b>	-	-
<b>TOTAL EQUITY</b>	<b><u>336,928</u></b>	<b><u>334,761</u></b>
<b>Non-Current Liabilities</b>		
Lease Liabilities	105	197
	<u>105</u>	<u>197</u>
<b>Current Liabilities</b>		
Payables	28,217	42,516
Lease Liabilities	365	362
Taxation	-	613
Bank Borrowings	5,001	5,008
	<u>33,583</u>	<u>48,499</u>
<b>TOTAL LIABILITIES</b>	<b><u>33,688</u></b>	<b><u>48,696</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>370,616</u></b>	<b><u>383,457</u></b>
<b>Net assets per share (RM)</b>	<b><u>1.66</u></b>	<b><u>1.65</u></b>

**(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2021)**

**APEX EQUITY HOLDINGS BERHAD [ 199001016563 (208232-A ) ]  
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2022**

	Share Capital RM' 000	Fair Value Reserve RM' 000	Unappropriated Profit RM' 000	Treasury Shares RM' 000	Attributable to Equity Holders of the Parent RM' 000	Non- Controlling Interest RM' 000	Total Equity RM' 000
<b>3 months ended 31 March 2022</b>							
Balance at beginning of year 2021	221,940	2,131	118,149	(7,459)	334,761	-	334,761
Total comprehensive income for the period	-	-	2,167	-	2,167	-	2,167
Balance at end of period 2021	<u>221,940</u>	<u>2,131</u>	<u>120,316</u>	<u>(7,459)</u>	<u>336,928</u>	<u>-</u>	<u>336,928</u>
<b>3 months ended 31 March 2021</b>							
Balance at beginning of year 2021 As previously stated	221,940	2,131	102,750	(7,459)	319,362	-	319,362
Total comprehensive income for the period	-	-	5,061	-	5,061	-	5,061
Balance at end of period 2020	<u>221,940</u>	<u>2,131</u>	<u>107,811</u>	<u>(7,459)</u>	<u>324,423</u>	<u>-</u>	<u>324,423</u>

**(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2021)**

**APEX EQUITY HOLDINGS BERHAD [ 19901016563 (208232-A )]  
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE PERIOD ENDED 31 MARCH 2022**

	<b>3 months ended 31-Mar-22 RM' 000</b>	<b>3 months ended 31-Mar-21 RM' 000</b>
<b>Net Profit/(Loss) before tax</b>	3,025	6,769
<b>Adjustments for :-</b>		
Non-cash items		
- Depreciation	228	175
- Gain on disposal of an associate company	(280)	-
- Unrealised (gain)/loss on marketable securities held for trading	(33)	6
- (Reversal)/provision of impairment loss on receivables	(456)	60
Non-operating items (which are investing/financing)	(3,429)	(3,052)
<b>Operating profit before changes in working capital</b>	<u>(945)</u>	<u>3,958</u>
<b>Changes in working capital</b>		
Net change in current assets	16,792	6,567
Net change in current liabilities	(14,388)	(1,785)
Dividend Income	-	-
Interest income	3,445	3,073
Interest expense	(16)	(21)
Income tax paid	(1,542)	(1,281)
Tax refund	-	-
<b>Net cash flows from operating activities</b>	<u>3,346</u>	<u>10,511</u>
<b>Investing Activities</b>		
Purchase of property, plant & equipment	(254)	-
Proceeds from disposal of an associate company	5,184	-
Withdrawal/(placement) of fixed deposits	(4)	(6)
<b>Net cash in investing activities</b>	<u>4,926</u>	<u>(6)</u>
<b>Net change in Cash &amp; Cash Equivalents</b>	8,272	10,505
<b>Cash &amp; Cash Equivalents at beginning of period</b>	191,296	149,884
<b>Cash &amp; Cash Equivalents at end of period</b>	<u>199,568</u>	<u>160,389</u>
<b>Cash &amp; Cash Equivalents at end of period comprise :</b>		
Cash,Bank Balances and Deposits	204,569	165,391
Bank Overdrafts	(5,001)	(5,002)
	<u>199,568</u>	<u>160,389</u>
	-	-

**(The Condensed Consolidated Cashflow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2021)**

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]  
NOTES TO THE FINANCIAL STATEMENTS  
FOR FINANCIAL QUARTER ENDED 31 MARCH 2022**

**Notes (In compliance with MFRS 134)**

**1. Basis of Preparation and Group Accounting Policies**

The quarterly report has been prepared in accordance with the Malaysian Financial Reporting Standards 134 “Interim Financial Reporting” and Chapter 9 Part K of the Listing Requirements of Bursa Malaysia Securities Berhad.

The quarterly financial statements have been prepared based on accounting policies and method of computation consistent with those adopted in the most recent Annual Financial Statements for the year ended 31 December 2021.

**2. Condensed Financial Statements**

This set of Quarterly Condensed Financial Statements (“QCFS”) should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2021.

**3. Audit Report**

The Audit Report of the Company’s preceding Annual Financial Statements for the year ended 31 December 2021 was not subject to any qualification.

**4. Seasonal or Cyclical Factors**

The Group’s business operations are not subject to any seasonal or cyclical factors. However, it’s business is influenced largely by the stock market velocity and any retail market cycles and sentiments that may affect its trading volumes and revenue.

**5. Unusual Items**

The Group’s assets, liabilities, equity, net income or cash flows were not affected by any unusual items.

**6. Material Changes in Estimates**

There were no material changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years, which have a material effect in the current quarter.

**7. Debt and Equity Securities**

There have been no issuance, cancellations, repurchase, resale and repayments of debt and equity securities during the 3 months ended 31 March 2022.

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**8. Dividends Paid**

Dividends paid by the Company since the end of previous financial year were as follows:-

- (i) 4<sup>th</sup> interim single tier dividend of 1 sen per share amounting to RM2,026,402 on 6 April 2022 in respect of the financial year ended 31 December 2021; and
- (ii) a special single tier dividend of 9 sen per share amounting to RM18,237,600 on 6 April 2022 in respect of the financial year ended 31 December 2021.

**9. Segment Analysis**

The basis of segmentation is based on operating segment. The Group's operating segments are as follows:

- (i) Stock and securities broking
- (ii) Property holding and property development
- (iii) Money lending
- (iv) Investment holdings and others

The segment information for the current period is as follows:

Period ended 31 March 2022	Investment holdings and others	Stock and Securities broking	Property Holding & Property Development	Money Lending *	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	5	9,753	103	-	9,861
Inter-segment revenue	201	0	339	-	540
Reportable segment profit/(loss)	(366)	2,912	479	-	3,025
Total segment assets	237,765	253,650	119,499	-	610,914
Less: elimination					(240,298)
Group total					370,616

\* Temporarily cease operations

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]**  
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Period ended 31 March 2021	Investment holdings and others	Stock and securities broking	Property Holding & Property Development	Money lending *	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	6	16,318	140	-	16,464
Inter-segment revenue	57	0	346	-	403
Reportable segment profit/(loss)	(68)	6,467	370	-	6,769
Total segment assets	243,722	248,003	117,761	-	609,486
Less: elimination					(238,878)
Group total					370,608

**10. Valuation of Property, Plant and Equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

**11. Material Events Subsequent to Reporting Quarter**

There were no material events subsequent to the end of the current quarter.

**12. Changes in Composition of the Group**

There were no significant changes in the composition of the Company during the quarter, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinued operations, other than as follows:

- (i) On 23 March 2021, JF Apex Securities Berhad, a subsidiary of the Company has entered into Share Sale Agreement with certain third parties (who are acting together as purchasers) for the proposed disposal of its entire 43% equity interest representing 10,105,000 issued and fully paid-up ordinary shares in its associate, Astitute Fund Management Berhad ("AFMB") (formerly known as Apex Investment Services Berhad), for a cash consideration of RM5,183,865.

AFMB has ceased as an associate company of the Group upon completion of disposal on 9 March 2022.

**13. Contingent Liabilities or Contingent Assets**

There were no contingent assets and contingent liabilities as at the date of this condensed consolidated interim financial report other than contingent liabilities as disclosed in the Note 23.

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]  
NOTES TO THE FINANCIAL STATEMENTS  
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**14. Related Party Transaction**

There were no significant transactions with related party during the 3 months ended 31 March 2022.

**Additional information required by the Bursa Malaysia Securities Bhd Listing Requirements**

**15. Review of Group Results**

The Group's results for the current 3 months ended 31 March 2022 registered lower revenue of RM9.86 million as compared to RM16.46 million in the corresponding period due to lower brokerage income on lower securities transactions. Consequently, profit before tax decreased 55% to RM3.03 million as compared to RM6.77 million in the corresponding period. The performance analysis of various active segments is set out below:

Stock and futures broking	:	Profit before tax decreased 55% to RM2.91 million as compared to RM6.64 million in the corresponding period due to lower brokerage income on lower securities transactions.
Property holding and property development	:	Profit before tax increased 30% to RM0.48 million from RM0.37 million in the corresponding period due to higher interest income.
Investment holding and others	:	Recorded a higher loss before tax of RM0.37 million as compared to RM0.07 million in the corresponding period due to higher expenses.

**16. Explanatory Comments on Any Material Change in the Profit Before taxation for the Quarter Reported on as Compared with the Immediate Preceding Quarter**

The Group recorded lower revenue of RM9.61 million in the current quarter as compared to RM10.06 million in the preceding quarter due to lower brokerage income on lower securities transaction. Consequently, profit before tax decreased 8% to RM3.03 million as compared to RM3.28 million in the preceding quarter.

**17. Prospect**

As most emerging market ("EM") economies continue to recover from the COVID-19 pandemic, the Russia-Ukraine conflict and inflation risks now dominate the outlook. The circumstances surrounding geopolitical tensions continue to evolve quickly in unexpected ways, and the implications for global economies are highly uncertain. The conflict is likely to adversely affect economic activity for most parts of the emerging world and raise inflationary pressure broadly including Malaysia as one of EM economies.

The Malaysian equity market has been subdued for the past quarter due to weak sentiment and this trend is expected to continue into the next quarter.

Amidst the adverse business environment, the Group envisages a challenging outlook for the quarter ahead. Nevertheless, the Group is cautiously optimistic that the stockbroking business to remain profitable.



**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]  
NOTES TO THE FINANCIAL STATEMENTS  
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**18. Profit Forecast or Profit Guarantee**

The Group has not entered into any scheme that requires it to present forecast results or guarantee any profits.

**19. Taxation**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Comparative Quarter	Current Year To date	Preceding Year Comparative Period
	31-Mar-2022	31-Mar-2021	31-Mar-2022	31-Mar-2021
	RM'000	RM'000	RM'000	RM'000
Current year tax expense	858	1,708	858	1,708
Previous years under/(over) provision	-	-	-	-
	<b>858</b>	<b>1,708</b>	<b>858</b>	<b>1,708</b>

The effective tax rate for the 12 months ended 31 December 2021 is higher than the statutory income tax rate due to certain expenses are not allow for tax.

**20. Status of Corporate Proposals**

The Company does not have any corporate proposals announced but not completed as at the end of the current quarter and the date of issue of this quarterly report.

**21. Group Borrowings**

The Group's borrowings as at 31 March 2022: -

	RM'000
Bank Overdraft - Secured	5,001
<b>Total short term borrowings</b>	<b>5,001</b>

**22. Off Balance Sheet Financial Instruments**

There were no contracts involving off balance sheet risk as at the end of the current quarter and the date of issue of the quarterly report.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**23. Material Litigation**

There was no material litigation as at the date of issue of the quarterly report, which in the opinion of the directors would have a material adverse effect on the financial results of the Group, other than as follows:

(A) Federal Court Civil Application No. 08(f)-399-09/2021(W)

On 17 September 2021, the Company filed an application for leave to appeal to the Federal Court ("**Leave Application**") against the entire decision of the Court of Appeal, which allowed Appeal 1551 (as disclosed in Noted (B) below).

The Leave Application originally fixed for hearing on 10 May 2022 was vacated by the Federal Court due to the reorganization of cases.

The Federal Court has now fixed the Leave Application for hearing on 10 August 2022.

(B) Court of Appeal Civil Appeal No. W-02(IM)(NCC)-1551-08/2019 ("**Appeal 1551**")

On 25 February 2019, Concrete Parade Sdn. Bhd. ("Concrete Parade"), a corporate shareholder of the Company filed an oppression suit vide Kuala Lumpur High Court Originating Summons No. WA-24NCC-56-02/2019 ("OS 56") against amongst others, the Company and JF Apex seeking amongst others a declaration that the Heads of Agreement and the Business Merger Agreement ("BMA") related to the Proposed Merger\*, as illegal and/or unlawful and/or null and void.

On 7 August 2019, the High Court dismissed OS 56. Concrete Parade subsequently appealed to the Court of Appeal against the dismissal of OS 56 vide Appeal 1551. The hearing of Appeal 1551 concluded on 18 February 2021 with decision reserved to 18 August 2021.

On 16 April 2021, the Company announced that Mercury Securities Sdn Bhd ("Mercury") had vide its letter dated 15 April 2021 informed the Company that it was not seeking a further extension of the Conditions Fulfillment Period for the BMA which had been mutually extended for 10 times for a period of more than 2 years. As a result, the BMA had lapsed, and the Proposed Merger has been discontinued.

In light that the BMA had lapsed, the Company had through its solicitors informed Court of Appeal of this development.

On 18 August 2021, the Court of Appeal allowed Appeal 1551 with costs.

On 7 February 2022, the Company obtained an order from the Court of Appeal to stay part of the Court of Appeal of 18 August 2021 where the Company need not sell the treasury shares held by it pending the disposal of its application for leave to appeal to the Federal Court, as disclosed in (A) above.

*\* Proposed Merger -  
Proposed merger of businesses of the Company and Mercury for a consideration of RM140m*

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**24. Profit before tax is arrived at after (charging)/crediting:**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31-Mar-2022 RM'000	Preceding Year Comparative Quarter 31-Mar-2021 RM'000	Current Year To Date 31-Mar-2022 RM'000	Preceding Year Comparative Period 31-Mar-2021 RM'000
- Interest expenses	(16)	(21)	(16)	(21)
- Depreciation	(228)	(176)	(228)	(176)
- Dividend income	*	-	*	-
- Change in fair value of marketable securities	33	(6)	33	(6)
- Gain on disposal of an associate company	280	-	280	-
- Gain/(loss) on marketable securities	(254)	581	(254)	581
- Interest income	3,445	3,073	3,445	3,073
- (Provision)/Write-back of impairment loss for receivables	457	(60)	457	(60)
- Foreign exchange gain/(loss)	26	21	26	21

\* less than RM1,000

**25. Earnings per Share**

The basic earnings per share have been calculated based on the following:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31-Mar-2022	Preceding Year Comparative Quarter 31-Mar-2021	Current Year To Date 31-Mar-2022	Preceding Year Comparative Period 31-Mar-2021
Net profit/(loss) attributable to equity holders of the parent (RM'000)	2,167	5,061	2,167	5,061
No of ordinary shares in issued ('000)	213,563	213,563	213,563	213,563
Less: treasury shares ('000)	(10,923)	(10,923)	(10,923)	(10,923)
Adjusted number of ordinary shares ('000)	202,640	202,640	202,640	202,640
Basic earnings per share (Sen)	1.07	2.50	1.07	2.50

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]  
NOTES TO THE FINANCIAL STATEMENTS  
FOR FINANCIAL QUARTER ENDED 31 MARCH 2022**

26. **Dividends**

The Board of Directors does not recommend payment of dividend in respect of the financial period ended 31 March 2022.