

**AFC GROUP HOLDINGS LIMITED**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2018**

**AFC GROUP HOLDINGS LIMITED**  
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**FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2018**

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# **AFC GROUP HOLDINGS LIMITED**

## **DIRECTORS' PROFILES**

### **YANG XIA**

Yang Xia is a Chinese National with more than 30 years of experience in commerce and finance. Prior to starting his own business, he held management and leadership roles in the Chinese Government's finance department and in major nationally owned Chinese companies. He is a former director general of the Anhui Chaohu Foreign Trade and Economic Relations Commission. He currently holds directorships in various Chinese companies spanning a range of industries.

In 2007 Mr Xia formed his own investment company, Guangdong Yinrui Investment & Management Company. While a majority of his investments are in China, he has also invested in a chemical company in Thailand. Mr Xia is currently in the process of expanding his investment activities into Australia and New Zealand having founded NZ Silveray Group Limited in February 2014.

### **HAO LONG**

Mr. Hao Long moved to New Zealand in 2002 and graduated from Massey University with a double major in Accounting and Marketing. He is a Chartered Accountant (CA), a member of Chartered Accountants Australia and New Zealand, and a Chartered Member of the Institute of Director (CMIInstD). He has over 12 years professional accounting experience, including working for a Big 4 accounting firm plus governance and management experience in the commercial sectors in China and New Zealand.

Mr. Long joined AFC in 2015 and is the Executive Director and CFO of AFC Group Holdings Ltd, and the CEO of AFC Longview Limited.

### **BO XIAN CAO**

Mr. Bo Xian Cao is a Chinese National and a New Zealand Citizen. He moved to New Zealand in 1994 and he has over 22 years business experience in China and New Zealand. He has held various executive positions in export related sectors specifically primary industries (including Hydroponics) and Skin Care industries. Mr. Cao has developed skills in trading between New Zealand and Asian countries specialising in Hong Kong and China.

Mr. Cao joined AFC in 2016 and he is currently the director of AFC Group Holdings Limited, and Chairman of the Audit and Risk committee.

### **QIANG LI**

Mr. Qiang Li had more than 10 years' experience in the health industry before he came to New Zealand in 2001 to study for his MBA qualification. He joined GMP Dairy Limited in 2004. He gained experience in R&D, purchasing, production department. He's also promoted New Zealand health products into the Chinese market successfully while he was working with GMP. He joined the GMP management group in 2010, and during that time promoted the "KAWALA" brand of milk products into the Chinese market.

Mr. Li joined AFC in 2016 and is an Independent Director of AFC Group Holdings Limited, and member of the Audit and Risk committee.

### **ZILEI WANG**

Mr. Zilei Wang graduated from Shanghai International Studies University, where he obtained a Master Degree of Arts in English Language and Literature. He is a member of The Chinese Institute of Certified Public Accountants (CICPA) and has business experience in corporate finance, cross-border mergers and acquisitions, corporate governance and financial management in New Zealand. He sits on the Board of several private companies in New Zealand.

Mr. Wang joined AFC in 2018 and is an Independent Director of AFC Group Holdings Limited, and member of the Audit and Risk committee.

# AFC GROUP HOLDINGS LIMITED

## DIRECTORS' REPORT

The interim financial statements of AFC Group Holdings Limited ("AFC Group") for the period ended 30 September 2018 have not been audited.

The net assets of AFC Group were NZ\$4,635 thousand, with a 6% decrease from the half year position as at 30 September 2017. Cash and cash equivalent products was NZ\$522 thousand, and property, plant and equipment were NZ\$1,874 thousand.

The revenue for the period to 30 September 2018 was NZ\$1,645 thousand. AFC Group experienced a net loss of NZ\$78 thousand for the period, which is NZ\$171 thousand less than the loss incurred in the period ended 30 September 2017.

The Group operates in a number of business segments in New Zealand. These are:

### International Marketing

AFC International Trading Group Limited is a bridge for trade between Australia, New Zealand and China by integrating the resources, markets, capital and talents of China and New Zealand, and increasing the number of products agency.

### Vineyard and Winery

We have built a series of projects of the world's top sweet white wine brands based on the principles of quality priority, value discovery, value enhancement and differentiated management. At the same time, Longview Estate has also launched a selection of fine wines in cooperation with the famous New Zealand estates.

### Manufacturing

AFC Biotechnology Manufacture Co Ltd has the highest capacity, the most automated and intelligent GMP standard mask production line in New Zealand. Its products and brands are loved and favoured by consumers in New Zealand and China. In order to provide business partners with opportunities for cooperation and development, we will also launch few new products this year.

### Corporate

AFC Group has further improved its comprehensive financial team and management system, and formulated policies and procedures covering all aspects from top to bottom.

Overall, the company has a qualitative improvement on the system and management, brand building and publicity, work production and financial processes, staffing, managerial level, or employee's work awareness.



Hao Long  
Director of the Board/ CFO

**AFC GROUP HOLDINGS LIMITED**  
**INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2018**

	Unaudited 6 Months September 2018 \$	Unaudited 6 Months September 2017 \$
Operating Revenue	1,645,065	4,890,074
Cost of Sales	(741,080)	(4,030,331)
<b>Gross profit</b>	<u>903,985</u>	<u>859,743</u>
Other Income	10,810	35,712
<b>Expenses</b>		
Selling and Distribution Expenses	(435,703)	(136,906)
Administration Expenses	(559,952)	(1,002,375)
<b>Operating profit / (loss)</b>	(80,860)	(243,826)
Finance Income	2,719	579
Finance Expense	(99)	(6,160)
	<u>2,620</u>	<u>(5,581)</u>
<b>Profit / (Loss) before income tax</b>	(78,240)	(249,407)
Income tax	(200)	-
<b>Net profit / (loss) for the period</b>	<u>(78,440)</u>	<u>(249,407)</u>
Other comprehensive income	-	-
<b>Total comprehensive income / (loss) for the period</b>	<u>(78,440)</u>	<u>(249,407)</u>
<b>Profit/(loss) and Total Comprehensive Income/(Loss)</b>		
<b>Attributable to:</b>		
Equity holders of the parent	(87,824)	(230,027)
Non-controlling interest	9,384	(19,380)
	<u>(78,440)</u>	<u>(249,407)</u>
<b>Profit / (loss) per share:</b>		
Basic earnings per share (cents per share)	(0.00002)	(0.00007)
Diluted earnings per share (cents per share)	(0.00002)	(0.00007)

**AFC GROUP HOLDINGS LIMITED**  
**INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2018**

	Notes	Issued Share Capital \$	Accumulated Loss \$	Equity Holders \$	Non- Controlling Interests \$	Total \$
<b>Balance as at 1 April 2017</b>		<b>28,679,503</b>	<b>(24,706,885)</b>	<b>3,972,618</b>	<b>1,014,071</b>	<b>4,986,689</b>
<b>Comprehensive income</b>						
Net profit for the financial period		-	(230,027)	(230,027)	(19,380)	(249,407)
Other comprehensive income		-	-	-	-	-
<b>Total comprehensive income</b>		<b>-</b>	<b>(230,027)</b>	<b>(230,027)</b>	<b>(19,380)</b>	<b>(249,407)</b>
<b>Transactions with owners</b>						
Ordinary Shares Issued		-	-	-	200,000	200,000
Exercise of Warrants	3	-	-	-	-	-
Share Issue Costs	3	-	-	-	-	-
Treasury Shares		-	-	-	-	-
<b>Total transactions with owners</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>200,000</b>	<b>200,000</b>
<b>Balance as at 30 September 2017 (unaudited)</b>		<b>28,679,503</b>	<b>(24,936,912)</b>	<b>3,742,591</b>	<b>1,194,691</b>	<b>4,937,282</b>
<b>Balance as at 1 April 2017</b>		<b>28,679,503</b>	<b>(24,706,885)</b>	<b>3,972,618</b>	<b>1,014,071</b>	<b>4,986,689</b>
<b>Comprehensive income</b>						
Net loss for the financial year		-	(412,406)	(412,406)	(60,416)	(472,822)
Other comprehensive income		-	-	-	-	-
<b>Total comprehensive income</b>		<b>-</b>	<b>(412,406)</b>	<b>(412,406)</b>	<b>(60,416)</b>	<b>(472,822)</b>
<b>Transactions with owners</b>						
Ordinary Shares Issued		-	-	-	200,000	200,000
Exercise of Warrants	3	-	-	-	-	-
Share Issue Costs	3	-	-	-	-	-
<b>Total transactions with owners</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>200,000</b>	<b>200,000</b>
<b>Balance as at 31 March 2018 (audited)</b>		<b>28,679,503</b>	<b>(25,119,291)</b>	<b>3,560,212</b>	<b>1,153,655</b>	<b>4,713,867</b>
<b>Comprehensive income</b>						
Net loss for the period		-	(87,824)	(87,824)	9,384	(78,440)
Other comprehensive income		-	-	-	-	-
<b>Total comprehensive income/(loss)</b>		<b>-</b>	<b>(87,824)</b>	<b>(87,824)</b>	<b>9,384</b>	<b>(78,440)</b>
<b>Transactions with owners</b>						
Ordinary shares issued	3	-	-	-	-	-
Exercise of Warrants		-	-	-	-	-
Share Issue Costs		-	-	-	-	-
<b>Total transactions with owners</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at 30 September 2018 (unaudited)</b>		<b>28,679,503</b>	<b>(25,207,115)</b>	<b>3,472,388</b>	<b>1,163,039</b>	<b>4,635,427</b>

**AFC GROUP HOLDINGS LIMITED**  
**INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2018**

	Note	Unaudited At 30 September 2018 \$	Audited At 31 March 2018 \$
<b>SHAREHOLDERS EQUITY</b>			
Issued share capital	3	28,679,503	28,679,503
Accumulated losses		(25,207,115)	(25,119,291)
<b>Total Equity attributable to shareholders of the company</b>		<b>3,472,388</b>	<b>3,560,212</b>
Non-controlling Interest		1,163,039	1,153,655
<b>Total shareholders funds</b>		<b>4,635,427</b>	<b>4,713,867</b>
<i>Represented by:</i>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	522,113	665,779
Inventories	5	1,041,286	1,308,632
Trade, other and related party receivables	6	1,194,922	1,298,761
Prepayments and other current assets		236,045	313,793
<b>Total current assets</b>		<b>2,994,366</b>	<b>3,586,965</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	1,874,042	1,912,123
Intangible assets and goodwill	8	2,121	2,249
Deferred tax assets	2	-	-
<b>Total non-current assets</b>		<b>1,876,163</b>	<b>1,914,372</b>
<b>Total assets</b>		<b>4,870,529</b>	<b>5,501,337</b>
<b>CURRENT LIABILITIES</b>			
Trade, other and related party payables	9	235,102	787,470
<b>Total current liabilities</b>		<b>235,102</b>	<b>787,470</b>
<b>Total liabilities</b>		<b>235,102</b>	<b>787,470</b>
<b>Net assets</b>		<b>4,635,427</b>	<b>4,713,867</b>

For and on behalf of the Board,




*The interim financial statements are to be read in conjunction with the notes to the financial statements set out on pages 8 to 23.*

**AFC GROUP HOLDINGS LIMITED**  
**INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2018**

	Note	Unaudited 6 Months September 2018 \$	Unaudited 6 Months September 2017 \$
<b>Cash flows from operating activities</b>			
<i>Cash was received from:</i>			
Receipts from customers		1,785,676	4,934,054
Receipts from related parties	10	3,972	478,173
Interest received		2,719	579
Other receipts		10,810	32,717
<i>Cash was applied to:</i>			
Payments to suppliers and employees		(1,531,680)	(5,750,378)
Payments to related parties	10	(349,431)	(289,073)
Interest paid		(99)	(6,160)
Net cash outflow from operating activities		<u>(78,033)</u>	<u>(600,088)</u>
<b>Cash flows from investing activities</b>			
<i>Cash was applied to:</i>			
Purchase of property, plant and equipment	7	(16,385)	(24,962)
Purchase of intangible assets	8	-	(1,500)
Net cash outflow from investing activities		<u>(16,385)</u>	<u>(26,462)</u>
<b>Cash flows from financing activities</b>			
<i>Cash was received from:</i>			
Proceeds from issue of equity to non-controlling interests		-	200,000
Receipts from related parties	10	-	6,151
<i>Cash was applied to:</i>			
Payments to related parties	10	(40,744)	(61,936)
Net cash outflow from financing activities		<u>(40,744)</u>	<u>144,215</u>
<b>Net decrease in cash and cash equivalents</b>		<u>(135,162)</u>	<u>(482,335)</u>
Foreign currency translation adjustment		(8,504)	2,995
<b>Cash and cash equivalents at the beginning of the period</b>		665,779	777,841
<b>Cash and cash equivalents at the end of the period</b>		<u><u>522,113</u></u>	<u><u>298,501</u></u>



# **AFC GROUP HOLDINGS LIMITED**

## **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

### **FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2018**

#### **1. ACCOUNTING POLICIES**

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##### **REPORTING ENTITY**

AFC Group Holdings Limited (the "Company") is a company incorporated and domiciled in New Zealand and registered under the Companies Act 1993. The Company is listed on the Alternative Market of the New Zealand Stock Exchange ("NZAX") and the addresses of its registered office and principal place of business are disclosed in the Corporate Information section of this report. The Company is an FMC Reporting Entity under the Financial Markets Conduct Act 2013 and its financial statements comply with the Companies Act 1993 and the Financial Markets Conduct Act 2013.

The interim consolidated financial statements of AFC Group Holdings Limited for the six month period ended 30 September 2018 comprise the Company and its subsidiaries (together referred to as the "Group"). For the purposes of complying with generally accepted accounting practice in New Zealand ("NZ GAAP"), the Group is a for-profit entity. The principal activity of the Company and the Group is to produce, manufacture and purchase food, health, and cosmetic products for distribution in New Zealand and the Chinese markets. The Group is also operates in the winery and vineyard industry has manufacturing operations.

##### **1.1 Statement of compliance**

These interim financial statements have been prepared in accordance with NZ GAAP. These interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with AFC Group Holdings Limited's Annual Report for the year ended 31 March 2018.

The condensed interim consolidated financial statements were approved and authorised for issue by the directors on 14/12/2018. The directors are not able to amend the financial statements after issue.

##### **1.2 Basis of preparation**

The interim consolidated financial statements are prepared on a cost basis except for financial assets which are carried at amortised cost. The interim consolidated financial statements for the Group are presented in New Zealand dollars (\$), which is the functional currency of all entities within the Group. All financial information has been rounded to the nearest dollar unless otherwise stated.

##### **1.3 Significant accounting policies**

The preparation of the interim financial statements in compliance with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 1.4.

AFC Group Holdings Limited has applied the same accounting policies and methods of computation in its interim consolidated financial statements as were applied in the annual financial statements for the year ended 31 March 2018, except for those that relate to new standards and interpretations effective for the first time for periods beginning on (or after) 1 April 2018 and will be adopted in the 2019 annual financial statements.

None of the new standards and amendments that are effective for the first time for periods beginning on (or after) 1 April 2018 have a material effect on Group.

# AFC GROUP HOLDINGS LIMITED

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2018

#### 1.4 Critical accounting judgments and key sources of estimation uncertainty

The same significant judgments, estimates and assumptions included in the notes to the financial statements in the Group's financial statements for the year ended 31 March 2018 have been applied to these Interim Consolidated Financial Statements.

## 2. INCOME TAX

The Group calculates the period's income tax expense using 28% which is the tax rate that would be applicable to the expected total annual earnings (September 2017: 28%)

The Group has tax losses of \$969,582 brought forward from 31 March 2018. Losses can be carried forward indefinitely under New Zealand tax law (assuming shareholder continuity requirements are met and approval of the Inland Revenue Department is obtained).

The Group has not recognised a deferred tax asset on its Statement of Financial Position as at reporting date. In deciding whether to recognise the deferred tax assets, the Group has determined if the utilisation of deferred assets is probable and whether it is likely that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted.

## 3. AUTHORISED AND ISSUED SHARE CAPITAL

Balance as at 31 March 2018	Shares Issued	
	No.	\$
<b>Ordinary shares</b>		
Balance at 1 April 2017		
Ordinary shares on issue	3,664,253,194	28,679,577
Treasury shares	(37,082)	(74)
<b>Ordinary shares on issue at 1 April 2017 excluding treasury shares</b>	<b>3,664,216,112</b>	<b>28,679,503</b>
<b>Movement for 2018 financial year</b>		
Ordinary shares authorised and issued	-	-
<b>Ordinary shares on issue at 31 March 2018</b>	<b>3,664,216,112</b>	<b>28,679,503</b>
<b>Movement to 30 September 2018</b>		
Ordinary shares authorised and issued	-	-
<b>Ordinary shares on issue at 30 September 2018 excluding treasury shares</b>	<b>3,664,216,112</b>	<b>28,679,503</b>

The company has not issued any new shares during the period.

All ordinary shares issued are fully paid. All ordinary shares rank equally with one vote attached to each fully paid ordinary share and have equal dividend rights and no par value. The Group has not declared or proposed to pay any dividends for the period ended 30 September 2018 (September 2017: Nil).

**AFC GROUP HOLDINGS LIMITED**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2018**

**3. AUTHORISED AND ISSUED SHARE CAPITAL (continued)**

Treasury shares are those shares acquired by the company from shareholders who exercised their minority buy back rights at the time shares were issued to NZ Silveray Group Limited. These shares are held by the company until the directors resolve to reissue the shares or to cancel the shares. At reporting date, the company held 37,082 treasury shares which were acquired during 2016.

**4. CASH AND CASH EQUIVALENTS**

	September 2018 \$	March 2018 \$
Cash at bank and on hand	522,113	665,779
<b>Total cash and cash equivalents</b>	<b>522,113</b>	<b>665,779</b>

The carrying amount of cash and cash equivalents approximates their fair value. Cash at bank earns interest at floating rates on daily deposit balances.

**5. INVENTORIES**

	September 2018 \$	March 2018 \$
Work in progress	157,829	54,545
Finished goods	889,631	930,762
Raw materials	84,810	136,194
Inventory in transit	-	312,016
Write down of closing stock	(90,984)	(124,885)
<b>Total Inventories</b>	<b>1,041,286</b>	<b>1,308,632</b>
<b>Write down of closing stock</b>		
Opening write down of closing stock	(124,885)	(241,374)
Reversal of prior year's write down of closing stock to profit and loss	53,809	241,374
Current period's write down of closing stock charged to profit and loss	(19,908)	(124,885)
<b>Closing provision for closing stock</b>	<b>(90,984)</b>	<b>(124,885)</b>

There has been \$19,908 charged to the profit and loss for inventory in the current year and there is \$90,984 has been written down to net realisable value (March 2018: \$124,885). Assessing write downs for inventory obsolescence and net realisable value involves making estimates and judgements in relation to future selling prices between the most recent store stock counts and reporting date.

**AFC GROUP HOLDINGS LIMITED**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2018**

**6. TRADE, OTHER AND RELATED PARTY RECEIVABLES**

		<b>September 2018</b>	<b>March 2018</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
Trade receivables - third parties		316,069	490,615
Trade receivables - related parties	10	774,122	778,227
Allowance for impairment losses		(1,150)	(35,085)
<b>Total trade receivables</b>		<u>1,089,041</u>	<u>1,233,757</u>
Other related party receivables	10	105,881	65,004
<b>Total trade and related party receivables</b>		<u>1,194,922</u>	<u>1,298,761</u>

Trade debtors are non-interest bearing and receipt is normally on 30 days terms. Related party receivables are non-interest bearing and repayable on demand as disclosed in note 10.

The directors consider that there is no material difference between the carrying value and fair value of trade debtors and related party receivables. The Group's management considers that all financial assets that are not impaired or past due for each of the reporting dates under review are of good credit quality. The directors also consider that the receivables that are past due and not impaired are fully recoverable.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and related party receivables. The main component of this allowance is a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

	<b>September 2018</b>	<b>March 2018</b>
	<b>\$</b>	<b>\$</b>
<b>Movement in the allowance for impairment losses</b>		
Opening Balance 1 April	35,085	20,411
(Decrease)/Increase in provision	(33,935)	14,674
<b>Closing Balance 30 September/31 March</b>	<u>1,150</u>	<u>35,085</u>

**AFC GROUP HOLDINGS LIMITED**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2018**

**7. PROPERTY, PLANT AND EQUIPMENT**

	Land \$	Buildings \$	Land Improvements \$	Plant & Equipment \$	Motor Vehicles \$	Computer Equipment \$	Fixture & Fittings, Office Equipment \$	Bearer Plants - Grape Vines \$	Total \$
<b>As at 31 March 2018</b>									
<b>Cost</b>									
Cost as at 1 April 2017	320,000	901,166	50,000	426,796	94,790	13,703	183,971	80,000	<b>2,070,426</b>
Additions	-	-	-	12,790	3,954	4,569	20,442	-	<b>41,755</b>
<b>Cost as at 31 March 2018</b>	<b>320,000</b>	<b>901,166</b>	<b>50,000</b>	<b>439,586</b>	<b>98,744</b>	<b>18,272</b>	<b>204,413</b>	<b>80,000</b>	<b>2,112,181</b>
<b>Accumulated Depreciation</b>									
Accumulated Depreciation at 1 April 2017	-	(231)	-	(28,147)	(21,945)	(4,568)	(18,291)	(6,000)	<b>(79,182)</b>
Depreciation charge for the year	-	(2,756)	-	(62,695)	(18,068)	(5,947)	(25,860)	(5,550)	<b>(120,876)</b>
<b>Accumulated Depreciation at 31 March 2018</b>	<b>-</b>	<b>(2,987)</b>	<b>-</b>	<b>(90,842)</b>	<b>(40,013)</b>	<b>(10,515)</b>	<b>(44,151)</b>	<b>(11,550)</b>	<b>(200,058)</b>
<b>Carrying Amount</b>									
Cost	320,000	901,166	50,000	439,586	98,744	18,272	204,413	80,000	<b>2,112,181</b>
Accumulated Depreciation	-	(2,987)	-	(90,842)	(40,013)	(10,515)	(44,151)	(11,550)	<b>(200,058)</b>
<b>Carrying Amount 31 March 2018</b>	<b>320,000</b>	<b>898,179</b>	<b>50,000</b>	<b>348,744</b>	<b>58,731</b>	<b>7,757</b>	<b>160,262</b>	<b>68,450</b>	<b>1,912,123</b>
<b>As at 30 September 2018</b>									
<b>Cost</b>									
Cost as at 1 April 2018	320,000	901,166	50,000	439,586	98,744	18,272	204,413	80,000	<b>2,112,181</b>
Additions	-	4,033	-	1,559	-	10,170	623	-	<b>16,385</b>
<b>Cost as at 30 September 2018</b>	<b>320,000</b>	<b>905,199</b>	<b>50,000</b>	<b>441,145</b>	<b>98,744</b>	<b>28,442</b>	<b>205,036</b>	<b>80,000</b>	<b>2,128,566</b>
<b>Accumulated Depreciation</b>									
Accumulated Depreciation at 1 April 2018	-	(2,987)	-	(90,842)	(40,013)	(10,515)	(44,151)	(11,550)	<b>(200,058)</b>
Depreciation charge for the period	-	(1,295)	-	(26,713)	(8,104)	(3,961)	(11,826)	(2,567)	<b>(54,466)</b>
<b>Accumulated Depreciation at 30 September 2018</b>	<b>-</b>	<b>(4,282)</b>	<b>-</b>	<b>(117,555)</b>	<b>(48,117)</b>	<b>(14,476)</b>	<b>(55,977)</b>	<b>(14,117)</b>	<b>(254,524)</b>
<b>Carrying Amount</b>									
Cost	320,000	905,199	50,000	441,145	98,744	28,442	205,036	80,000	<b>2,128,566</b>
Accumulated Depreciation	-	(4,282)	-	(117,555)	(48,117)	(14,476)	(55,977)	(14,117)	<b>(254,524)</b>
<b>Carrying Amount 30 September 2018</b>	<b>320,000</b>	<b>900,917</b>	<b>50,000</b>	<b>323,590</b>	<b>50,627</b>	<b>13,966</b>	<b>149,059</b>	<b>65,883</b>	<b>1,874,042</b>

**AFC GROUP HOLDINGS LIMITED**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2018**

**8. INTANGIBLE ASSETS**

	Goodwill	Brands	Trademarks	Distribution Right Asset	Total
	\$	\$	\$	\$	\$
<b>Year ended 31 March 2018</b>					
<b>Cost</b>					
Cost as at 1 April 2017	495,785	31,161	1,100	454,467	982,513
Additions by	-	-	1,500	-	1,500
<b>Cost as at 31 March 2018</b>	<b>495,785</b>	<b>31,161</b>	<b>2,600</b>	<b>454,467</b>	<b>984,013</b>
<b>Accumulated Amortisation</b>					
Accumulated amortisation 1 April 2017	-	-	(109)	(265,093)	(265,202)
Amortisation for the year	-	-	(242)	(75,750)	(75,992)
<b>Accumulated amortisation as at 31 March 2018</b>	<b>-</b>	<b>-</b>	<b>(351)</b>	<b>(340,843)</b>	<b>(341,194)</b>
<b>Accumulated Impairment</b>					
Accumulated amortisation 1 April 2017	(495,785)	(31,161)	-	(21,208)	(548,154)
Impairment for the	-	-	-	(92,416)	(92,416)
<b>Accumulated impairment as at 31 March 2018</b>	<b>(495,785)</b>	<b>(31,161)</b>	<b>-</b>	<b>(113,624)</b>	<b>(640,570)</b>
<b>Carrying Amount</b>					
Cost	495,785	31,161	2,600	454,467	984,013
Accumulated amortisation	-	-	(351)	(340,843)	(341,194)
Accumulated impairment	(495,785)	(31,161)	-	(113,624)	(640,570)
<b>Carrying Amount 31 March 2018</b>	<b>-</b>	<b>-</b>	<b>2,249</b>	<b>-</b>	<b>2,249</b>
<b>Period ended 30 September 2018</b>					
<b>Cost</b>					
Cost as at 1 April 2018	495,785	31,161	2,600	454,467	984,013
Additions by	-	-	-	-	-
Fully written off	-	-	-	(454,467)	(454,467)
<b>Cost as at 30 September 2018</b>	<b>495,785</b>	<b>31,161</b>	<b>2,600</b>	<b>-</b>	<b>529,546</b>
<b>Accumulated Amortisation</b>					
Accumulated amortisation 1 April 2018	-	-	(351)	(340,843)	(341,194)
Amortisation for the period	-	-	(128)	-	(128)
Fully written off	-	-	-	340,843	340,843
<b>Accumulated amortisation as at 30 September 2018</b>	<b>-</b>	<b>-</b>	<b>(479)</b>	<b>-</b>	<b>(479)</b>

**AFC GROUP HOLDINGS LIMITED**  
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**8. INTANGIBLE ASSETS (continued)**

	Goodwill	Brands	Trademarks	Distribution Right Asset	Total
	\$	\$	\$	\$	\$
<b>Period ended 30 September 2018 (continued)</b>					
<b><i>Accumulated Impairment</i></b>					
Accumulated Impairment 1 April 2018	(495,785)	(31,161)	-	(113,624)	(640,570)
Impairment for the period	-	-	-	-	-
Fully written off	-	-	-	113,624	113,624
<b>Accumulated impairment as at 30 September 2018</b>	<b>(495,785)</b>	<b>(31,161)</b>	<b>-</b>	<b>-</b>	<b>(526,946)</b>
<b><i>Carrying Amount</i></b>					
Cost	495,785	31,161	2,600	-	529,546
Accumulated amortisation	-	-	(479)	-	(479)
Accumulated impairment	(495,785)	(31,161)	-	-	(526,946)
<b>Carrying Amount 30 September 2018</b>	<b>-</b>	<b>-</b>	<b>2,121</b>	<b>-</b>	<b>2,121</b>

The goodwill and brands were allocated to the Longview Estate winery and vineyard and have a \$nil carrying balance as at 30 September 2018 (31 March 2018: \$nil).

Amortisation and impairment charges of \$128 are recognised under administration expenses in the Statement of Comprehensive Income.

The distribution right asset is allocated to National Dairy Group Limited. During the March 2018 financial year, the distribution right asset suffered impairment as a result of the distribution right agreement with Guangdong ceasing trading.

**9. TRADE, OTHER AND RELATED PARTY PAYABLES**

	Note	September 2018 \$	March 2018 \$
Trade payables		53,547	155,762
Accruals		99,823	203,045
Related party payables	10	41,603	391,034
Other payables		40,129	37,629
		<u>235,102</u>	<u>787,470</u>

The normal trade credit terms granted to the Group range from 30 to 90 days. The trade creditors are unsecured and non-interest bearing. The carrying amount disclosed above is a reasonable approximation of fair value.

Related party payables are unsecured and repayable on demand. The related party payables except for NZ Silveray Limited are non-interest bearing. For NZ Silveray Limited, interest is charged at 7.04% for amounts advanced up to \$600,000 and at 8.32% for amounts advanced over \$600,000.

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**10. RELATED PARTIES**

Related party transactions have arisen where a person(s) has control or significant influence over the reporting entity or where two entities are controlled or jointly controlled by a person(s) that has control or significant influence over the reporting entity.

**Related Parties:**

Australasian International Group Limited	Company associated to company's major shareholder
Bo Xian Cao	Director of company and subsidiaries
E Way Holdings Group Limited	Company associated with director, Mr Bo Xian Cao
E Way Trading Limited	Company associated with director, Mr Bo Xian Cao
Federation of New Zealand Shenzhen Societies Inc.	Company associated to company's major shareholder
Guangdong Farmside International Trading Co. Limited	Company associated to company's major shareholder
Guangdong Sanjiang Industry Development Limited	Company associated to company's major shareholder
Guangdong Silver Fern Network Technology Co. Limited	Company associated to company's major shareholder
Guangdong Yinrui Investment & Management Company	Company associated to company's major shareholder
Hao Long	Director of company and subsidiaries, senior employee of AFC, director of NZ Silveray Group Limited
Howard & Co Chartered Accountants Limited	Company associated with director Mr Hao Long
KWXS Trading Limited	Company associated with Shuang Xia, director of subsidiary
Lin Fang	Shareholder of company
May Sun Trading Limited	Company associated to company's major shareholder
New Zealand Asia-Pacific Cultural Exchange Centre Limited	Company associated to company's major shareholder
NZ Guangdong Business Development Corporation Limited	Company associated with director, Mr Bo Xian Cao
New Zealand Guangdong General Association of Commerce Inc	Company associated with director, Mr Bo Xian Cao
New Zealand National Trade Limited	Company associated with director, Mr Qiang Li
NZ Silveray Group Limited	Company's major shareholder
Qiang Li	Director of company
Super Life NZ Ltd	Company associated to company's major shareholder
Tongqu Trading Group Limited	Company associated with director, Mr Zilei Wang
Yang Xia	Director of company and subsidiary
Yinrui Shen	Director of subsidiary and shareholder



**AFC GROUP HOLDINGS LIMITED**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2018**

**10. RELATED PARTIES (continued)**

**Related party balances**

The following balances were held with related parties at year end.

		<b>September 2018</b>	<b>March 2018</b>
<b>Related Party Receivables</b>	<b>Nature of Transactions</b>	<b>\$</b>	<b>\$</b>
Australasian International Group Limited	Sale of products	101,642	121,608
Guangdong Farmside International Trading Co. Limited	Sale of products and refund of Distribution Fees	667,085	648,800
KWXS Trading Limited	Advances	132	-
NZ Silveray Group Limited	Sales of products, advances and interest	52,291	-
Super Life NZ Limited	Sale of products	58,853	72,823
		<b>880,003</b>	<b>843,231</b>

		<b>September 2018</b>	<b>March 2018</b>
<b>Related Party Payables</b>	<b>Nature of Transactions</b>	<b>\$</b>	<b>\$</b>
Australasian International Group Limited	Purchase of goods	-	380,718
E Way Holdings Group Limited	Director fee	-	3,833
Guangdong Farmside International Trading Co. Limited	Purchase of goods and services	26,029	-
Guangdong Silver Fern Network Technology Co. Limited	Purchase of goods and services	9,632	-
New Zealand Asia-Pacific Cultural Exchange Centre Limited	Purchase of goods and services	-	1,500
NZ Silveray Group Limited	Management fee	4,983	4,983
Tongqu Trading Group Limited	Director fee	959	-
		<b>41,603</b>	<b>391,034</b>

The related parties receivables and payables are unsecured advances and repayable on demand. There is no collateral or guarantees for related parties payables.

Sales made to related parties in China are made on extended terms with payment due 3 months from the date the goods are received by the related party.

Balances receivable from or payable to NZ Silveray Group are unsecured and repayable on demand. Interest is charged at 7.04% per annum for amounts below \$600,000 and 8.32% per annum for amounts above \$600,000.

**AFC GROUP HOLDINGS LIMITED**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
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**10. RELATED PARTIES (continued)**

	<b>September 2018</b>	<b>March 2018</b>
	<b>\$</b>	<b>\$</b>
<b>Related party transactions</b>		

**Sales of products or services provided to the following:**

Australasian International Group Limited (sales of products)	108,780	184,320
E Way Holdings Group Limited	1,280	2,162
E Way Trading Limited	13,506	30,146
Federation of New Zealand Shenzhen Societies Inc.	-	438
Guangdong Farmside International Trading Co., Ltd (sales of products)	610,991	889,618
Howard & Co Chartered Accountants	-	1,176
KWXS Trading Limited	115	-
Mr Bo Xian Cao	-	1,176
New Zealand Asia-Pacific Cultural Exchange Centre Limited	-	324
New Zealand Guangdong General Association of Commerce Inc.	300	491
NZ Silveray Group Limited	2,058	69
Super Life NZ Limited (sales of products)	-	392,352
	<b>737,030</b>	<b>1,502,272</b>

**Expenses repaid/recharged on behalf of the Group:**

Guangdong Farmside International Trading Co. Ltd	21,246	33,729
Guangdong Silver Fern Network Technology Co. Limited	8,632	1,056
Guangdong Yinrui Investment & Management Company Limited	-	18,647
Other related parties	93	29,806
	<b>29,971</b>	<b>83,238</b>

**Purchases from the following for services or products provided:**

Australasian International Group Limited (purchase of goods)	307,509	664,447
Australasian International Group Limited (marketing services)	156,000	-
E Way Holdings Group Limited	20,000	41,000
Guangdong Farmside International Trading Co. Limited (purchase of goods)	55,509	702,782
Guangdong Farmside International Trading Co. Limited (sales commission)	2,307	2,497
Guangdong Sanjiang Industry Development Limited	-	18,398
Guangdong Yinrui Investment & Management Company	9,423	12,243
Howard & Co Chartered Accountants Limited	10,000	20,000
May Sun Trading Limited	-	12,000
New Zealand Asia-Pacific Cultural Exchange Centre Limited	2,595	12,342
New Zealand National Trade Limited	8,750	-
NZ Guangdong Business Development Corporation Limited	-	1,696
NZ Silveray Group Limited	26,000	56,333
Tongqu Trading Group Limited	4,167	-
	<b>602,260</b>	<b>1,543,738</b>

**Interest received or debited on related party balances:**

Guangdong Farmside International Trading Co. Limited	105	189
NZ Silveray Group Limited	135	-
	<b>240</b>	<b>189</b>

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**10. RELATED PARTIES (continued)**

	<b>September 2018</b>	<b>March 2018</b>
	<b>\$</b>	<b>\$</b>
<b>Related party transactions (continued)</b>		

**Interest paid or credited on related party balances:**

NZ Silveray Group Limited - on advances	-	10,315
NZ Silveray Group Limited - on deferred consideration payable for Distribution Right Asset	-	3,010
	-	<b>13,325</b>

**Other transactions:**

NZ Silveray Group Limited - deferred consideration payable for Distribution Right Asset extinguished due to Distribution Rights agreement ceasing	-	276,991
	-	<b>276,991</b>

The have been no share placement during the period ended 30 September 2018.

**Key Management Personnel**

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, and include the directors and the Chief Executive. Remuneration paid to key management personnel is as follows:

	<b>September 2018</b>	<b>March 2018</b>
	<b>\$</b>	<b>\$</b>
Short-term employee benefits	3,422	11,324
Directors' fees	67,666	114,667
Other remuneration	114,077	180,608
	<b>185,165</b>	<b>306,599</b>

**11. COMMITMENTS AND CONTINGENCIES**

The Group leases offices and warehouse under a non-cancellable operating lease expiring in three years. The Group also leases additional vineyard land in Whangarei which is just under five hectares in area. The lease is for a term of three years less one day and commenced 1 March 2016. The Group has also entered into operating leases for eftpas and printing equipment with lease terms expiring in three years.

	<b>September 2018</b>	<b>March 2018</b>
	<b>\$</b>	<b>\$</b>
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Less than one year	187,438	193,383
Between one and five years	92,938	183,200
More than five years	-	-
Total operating lease commitments	<b>280,376</b>	<b>376,583</b>

The Group has no capital commitments at 30 September 2018 (31 March 2018: Nil)

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**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
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**12. FINANCIAL INSTRUMENTS**

**Categories of financial assets and liabilities**

The carrying amounts presented in the statement of financial position relate to the following categories of assets and liabilities:

<b>30 September 2018</b>	<b>Loans and receivables</b>	<b>Financial liabilities at amortised cost</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<i>Financial Assets:</i>			
Cash and cash equivalents	522,113	-	522,113
Trade debtors and other receivables	314,919	-	314,919
Related party receivables	880,003	-	880,003
<b>Total financial assets</b>	<b>1,717,035</b>	<b>-</b>	<b>1,717,035</b>
<i>Financial liabilities:</i>			
Trade creditors and other payables	-	188,442	188,442
Related party payables and loans	41,603	-	41,603
<b>Total financial liabilities</b>	<b>41,603</b>	<b>188,442</b>	<b>230,045</b>
<b>31 March 2018</b>			
<i>Financial Assets:</i>			
Cash and cash equivalents	665,779	-	665,779
Trade debtors and other receivables	455,530	-	455,530
Related party receivables	843,231	-	843,231
<b>Total financial assets</b>	<b>1,964,540</b>	<b>-</b>	<b>1,964,540</b>
<i>Financial liabilities:</i>			
Trade creditors and other payables	-	396,436	396,436
Related party payables and loans	391,034	-	391,034
<b>Total financial liabilities</b>	<b>391,034</b>	<b>396,436</b>	<b>787,470</b>

The fair value of the financial instruments of the Group approximates their carrying value.

The use of financial instruments exposes the Group to credit, interest rate and liquidity risks. The Group's overall risk management programme seeks to minimise potential adverse effects on the Group's financial performance.

**13. INVESTMENT IN SUBSIDIARIES**

<b>Name of subsidiary</b>	<b>Principal activity</b>	<b>Ownership interest and voting rights</b>	
		<b>September 2018</b>	<b>March 2018</b>
AFC Longview Limited	Vineyard and winery	51%	51%
AFC International Trading Group Limited	Commodity trading	100%	100%
National Dairy Group Limited	Non-Trading	100%	100%
AFC Biotechnology Manufacture Co Limited	Manufacturing	51%	51%
AFC GoGlobal Education Limited	Non-Trading	100%	100%
AFC Education Investment Limited	Non-Trading	100%	100%

# AFC GROUP HOLDINGS LIMITED

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2018

#### 13. INVESTMENT IN SUBSIDIARIES (continued)

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All the subsidiaries are incorporated in New Zealand and have 31 March balance dates. They also apply uniform accounting policies with the parent company.

#### 14. SEGMENT REPORTING

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The Group's operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments on an entity. The Group has determined the Group's Board of Directors as its chief operating decision-maker as the board is responsible for allocating resources and assessing the performance of the operating segments and making strategic and operating decisions. Income and expenses directly associated with each segment are included in determining each segment's performance.

The Group operates in a number of business segments in New Zealand. The Group has determined its operating segments into four segments, namely international marketing and distribution, vineyard and winery, manufacturing and corporate. These segments reflect the different type of industry sectors within which the Group operates. The Company is considered to be in the corporate operating segment. Information regarding the operations of each reportable operating segment is included below.

##### ***International marketing and distribution***

AFC International Trading Group Limited, which sources packaged food products, cosmetics and health products.  
National Dairy Group Limited, which sources food products for distribution for China. National Dairy Group Limited became non-active during the period.

##### ***Vineyard and winery***

AFC Longview Limited, a vineyard and winery based in Whangarei which produces and sells a number of varieties and blends of wine.

##### ***Manufacturing***

AFC Biotechnology Manufacture Co Limited which manufactures disposable face masks.

##### ***Corporate***

The operations of this segment include providing accounting, management and administration services to other segments of the Group. AFC GoGlobal Ecommerce Limited and AFC Education Investment Limited did not trade during the period and have been included under this segment.

No operating segments have been aggregated to form the above reportable operating segments. The Group's taxation has not been allocated to segments and is included centrally. Financing has been allocated to segments. Sales between the segments of the Group are carried out at an arm's length basis in a similar manner to transactions with third parties.

**AFC GROUP HOLDINGS LIMITED**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
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**14. SEGMENT REPORTING (continued)**

The following tables present revenue and profit information for the Group's operating segments for the six months ended 30 September 2018 and 2017, respectively:

**For the six months ended 30 September 2018**

	International Marketing	Vineyard and winery	Corporate	Manufacturing	Eliminations and adjustments	Period ended 30 September 2018
	\$	\$	\$	\$	\$	\$
<b>Operating Income</b>						
Revenue from external customers	876,069	347,547	-	421,449	-	1,645,065
Inter-segment Revenue	-	314	-	432,999	(433,313)	-
Other Income	59,577	6,746	3,582	691	(59,786)	10,810
Finance Income	105	-	61,671	115	(59,172)	2,719
<b>Total Revenue</b>	<b>935,751</b>	<b>354,607</b>	<b>65,253</b>	<b>855,254</b>	<b>-</b>	<b>1,658,594</b>
<b>Operating Expenses</b>						
Finance Expense	2,742	31,204	135	25,190	(59,172)	99
Amortisation and impairment losses	128	-	-	-	-	128
Depreciation	3,164	15,833	11,285	24,184	-	54,466
<b>Segment profit/(loss) before tax</b>	<b>(168,028)</b>	<b>(59,341)</b>	<b>(62,119)</b>	<b>(82,688)</b>	<b>(11,219)</b>	<b>(383,395)</b>

**For the six months ended 30 September 2017**

	International Marketing	Vineyard and winery	Corporate	Manufacturing	Eliminations and adjustments	Period ended 30 September 2017
	\$	\$	\$	\$	\$	\$
<b>Operating Income</b>						
Revenue from external customers	4,010,349	338,805	-	540,920	-	4,890,074
Inter-segment Revenue	17,076	9,087	-	375,360	(401,523)	0
Other Income	42,606	5,830	89,829	5,970	(108,523)	35,712
Finance Income	122	19	32	406	-	579
<b>Total Revenue</b>	<b>4,070,153</b>	<b>353,741</b>	<b>89,861</b>	<b>922,656</b>	<b>(510,046)</b>	<b>4,926,365</b>
<b>Operating Expenses</b>						
Finance Expense	54,345	14,248	6,151	8,871	(77,455)	6,160
Amortisation and impairment losses	168,281	-	-	-	-	168,281
Depreciation	3,124	17,843	9,830	28,259	-	59,056
<b>Segment profit/(loss) before tax</b>	<b>(314,947)</b>	<b>(143,972)</b>	<b>128,522</b>	<b>104,421</b>	<b>(23,431)</b>	<b>(249,407)</b>

**AFC GROUP HOLDINGS LIMITED**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
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**14. SEGMENT REPORTING (continued)**

The following tables present assets and liabilities information for the Group's operating segments as at 30 September 2018 and 31 March 2018, respectively:

**As at 30 September 2018**

	International Marketing	Vineyard and winery	Corporate	Manufacturing	Eliminations and adjustments	Period ended 30 September 2018
	\$	\$	\$	\$	\$	\$
<b>Assets</b>						
Segment assets	814,595	2,238,425	4,759,273	1,697,763	(4,639,527)	4,870,529
Capital Expenditure	623	5,592	10,170	-	-	16,385
Segment Liabilities	362,018	869,774	107,597	738,743	(1,843,030)	235,102

**As at 31 March 2018**

	International Marketing	Vineyard and winery	Corporate	Manufacturing	Eliminations and adjustments	Year ended 31 March 2018
	\$	\$	\$	\$	\$	\$
<b>Assets</b>						
Segment assets	872,765	2,159,273	4,884,550	2,201,335	(4,616,586)	5,501,337
Capital Expenditure	11,543	9,504	1,119	19,589	-	41,755
Segment Liabilities	395,935	833,607	170,755	1,218,481	(1,831,308)	787,470

The eliminations and adjustments of segment profit, assets and liabilities relate to intercompany transactions and balances which are eliminated on consolidation.

**15. NET TANGIBLE ASSETS PER SHARE**

The net tangible assets and number of shares are as follows:

	September 2018	March 2018
	\$	\$
Total Assets	4,870,529	5,501,337
Less Intangible assets	2,121	2,249
Tangible assets	4,868,408	5,499,088
Less total liabilities	235,102	787,470
Net tangible assets	4,633,306	4,711,618
Number of ordinary shares on issue	3,664,253,194	3,664,253,194
Net tangible assets / liabilities per share in cents	0.0013	0.0013

**AFC GROUP HOLDINGS LIMITED**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
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**16. CONTINGENT LIABILITIES**

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The Group has no contingent liabilities at 30 September 2018 (31 March 2018 : Nil)

**17. EVENTS AFTER THE REPORTING PERIOD**

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There are no significant events after the reporting period.

**18. SEASONALITY OF INTERIM OPERATIONS**

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The vineyard and winery segment harvest its grapes in the second half of the financial year, and processes the grapes into bottles in the interim period. This does not affect the sales for the segment.

There are no other significant seasonality or cyclicity of business affecting the interim operations.



# **AFC GROUP HOLDINGS LIMITED**

## **CORPORATE INFORMATION**

### **SOLICITORS**

DLA Piper New Zealand  
P O Box 160  
Auckland 1140

### **AFC GROUP HOLDINGS LIMITED**

Security code: AFC  
Listed on NZAX Market  
NZ Company number: 1799581

### **SHARE REGISTRAR**

Computershare Investor Services Limited  
Private Bag 92119  
Level 2, 159 Hurstmere Road  
Takapuna  
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### **HEAD OFFICE / REGISTERED OFFICE**

AFC Group Holdings Limited  
245 Ti Rakau Drive  
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Auckland 2013

### **ACCOUNTANTS**

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### **TELEPHONE**

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### **WEBSITE**

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### **AUDITORS**

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### **BANKERS**

ANZ Bank New Zealand Limited