

**ACME HOLDINGS BERHAD**  
**(COMPANY NO : 189740-X)**  
**(INCORPORATED IN MALAYSIA)**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2018**  
**(THE FIGURES HAVE NOT BEEN AUDITED)**

	Note	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE PERIOD</u>	
		CURRENT QUARTER ENDED 31 MARCH 2018 RM'000	CORRESPONDING PRECEDING QUARTER ENDED 31 MARCH 2017 RM'000	CUMULATIVE PERIOD ENDED 31 MARCH 2018 RM'000	CORRESPONDING PRECEDING PERIOD ENDED 31 MARCH 2017 RM'000
Revenue		7,913	17,792	27,731	44,593
Cost of sales		(4,778)	(12,690)	(17,585)	(41,106)
Gross profit		<u>3,135</u>	<u>5,102</u>	<u>10,146</u>	<u>3,487</u>
Other income		225	11	475	224
Administrative and general expenses		(2,249)	(1,245)	(4,705)	(3,866)
Selling and distribution expenses		(524)	(608)	(1,094)	(1,106)
Finance costs		(19)	0	(23)	0
Profit/(Loss) before tax	16	<u>568</u>	<u>3,260</u>	<u>4,799</u>	<u>(1,261)</u>
Tax expense	18	(700)	120	(1,711)	182
Net profit/(loss) for the financial year		<u>(132)</u>	<u>3,380</u>	<u>3,088</u>	<u>(1,079)</u>
Other comprehensive income for the financial year		0	0	0	0
Total comprehensive income for the financial year		<u>(132)</u>	<u>3,380</u>	<u>3,088</u>	<u>(1,079)</u>
Profit/(Loss) for the financial period attributable to:-					
- Owners of the Company		(130)	3,384	3,091	(1,051)
- Non-controlling interests		(2)	(4)	(3)	(28)
		<u>(132)</u>	<u>3,380</u>	<u>3,088</u>	<u>(1,079)</u>
Earnings/(Loss) per share:-	24				
- Basic (sen)		(0.06)	1.61	1.47	(0.50)
- Diluted (sen)		<u>(0.06)</u>	<u>1.61</u>	<u>1.47</u>	<u>(0.50)</u>

Note:-

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2017.

**ACME HOLDINGS BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2018**

	(Unaudited) 31 MARCH 2018 RM'000	(Audited) 31 MARCH 2017 RM'000
<b>Non-current assets</b>		
Property, plant and equipment	14,050	14,896
Investment properties	8,963	9,275
Land held for property development	14,679	14,454
	37,692	38,625
<b>Current assets</b>		
Property development costs	4,045	20,545
Accrued billings	0	15,855
Inventories	19,142	5,199
Trade and other receivables	21,946	7,844
Prepayments	704	690
Current tax assets	88	42
Cash and cash equivalents	6,042	1,902
	51,967	52,077
<b>Current liabilities</b>		
Trade and other payables	16,977	28,047
Short-term bank borrowings	341	0
Current tax liabilities	487	824
	17,805	28,871
<b>Net current assets</b>	34,162	23,206
<b>Non-current liabilities</b>		
Long-term bank borrowings	536	0
Deferred tax liabilities	2,033	1,716
<b>Net assets</b>	69,285	60,115
<b>Financed by:-</b>		
Share capital	226,051	219,970
Treasury shares	(13,874)	(13,874)
Reverse acquisition reserve	(193,196)	(193,196)
Currency translation reserve	(3)	(3)
Retained profits	50,748	47,657
<b>Equity Attributable to Owners of the Company</b>	69,726	60,554
Non-controlling interests	(441)	(439)
	69,285	60,115
<b>Net Assets per Share Attributable to Owners of the Company (sen)<sup>(2)</sup></b>	30.32	28.88

Notes:-

(1) The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2017.

(2) Based on 229,973,500 ordinary shares in issue after excluding 8,784,500 treasury shares as at 31 March 2018 and 209,703,500 ordinary shares in issue after excluding 8,784,500 treasury shares as at 31 March 2017 respectively

**ACME HOLDINGS BERHAD**  
 (COMPANY NO : 189740-X)  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2018**  
 (THE FIGURES HAVE NOT BEEN AUDITED)

	----- Non-Distributable -----					Distributable		Non-controlling interests RM'000	Total equity RM'000
	Share Capital RM'000	Treasury shares RM'000	Share Premium RM'000	Reverse Acquisition Reserve RM'000	Currency Translation Reserve RM'000	Retained Profits RM'000	Equity attributable to owners of the Company RM'000		
<b>CUMULATIVE YEAR ENDED 31 MARCH 2018</b>									
Balance as at 1 April 2017	218,488	(13,874)	1,482	(193,196)	(3)	47,657	60,554	(439)	60,115
Profit (representing total comprehensive income) for the financial year	0	0	0	0	0	3,091	3,091	(3)	3,088
Transition to Companies Act, 2016	1,482		(1,482)						
Transactions with owners: Issuance of shares pursuant to private placement	6,081						6,081		6,081
Balance as at 31 March 2018	<u>226,051</u>	<u>(13,874)</u>	<u>0</u>	<u>(193,196)</u>	<u>(3)</u>	<u>50,748</u>	<u>69,726</u>	<u>(442)</u>	<u>69,284</u>

**CORRESPONDING PRECEDING YEAR ENDED 31 MARCH 2017**

Balance as at 1 April 2016	218,488	(13,874)	1,482	(193,196)	(3)	48,708	61,605	(411)	61,194
Loss (representing total comprehensive income) for the financial year	0	0	0	0	0	(1,051)	(1,051)	(28)	(1,079)
Balance as at 31 March 2017	<u>218,488</u>	<u>(13,874)</u>	<u>1,482</u>	<u>(193,196)</u>	<u>(3)</u>	<u>47,657</u>	<u>60,554</u>	<u>(439)</u>	<u>60,115</u>

Notes:-

- (1) The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2017.
- (2) Pursuant to Section 74 of the Companies Act 2016, all shares issued before or upon the commencement of the Act on 31 January 2017 shall have no par value. Accordingly, the amount standing to the credit of share premium has been transferred to share capital on 31 January 2017.

**ACME HOLDINGS BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2018**  
**(THE FIGURES HAVE NOT BEEN AUDITED)**

	<b>CUMULATIVE PERIOD ENDED 31 MARCH 2018 RM'000</b>	<b>CORRESPONDING PRECEDING PERIOD ENDED 31 MARCH 2017 RM'000</b>
<b>Cash flows from operating activities</b>		
Profit/(Loss) before tax	4,799	(1,261)
<b>Adjustments for:-</b>		
Depreciation	1,444	1,227
(Gain)/Loss on disposal of plant, property and equipment	0	(1)
Impairment loss on receivables	189	0
Interest income	(149)	(54)
Inventories written down	0	109
Reversal of inventories written down	0	(43)
Operating profit/(loss) before working capital changes	<u>6,283</u>	<u>(23)</u>
<b>Changes in:-</b>		
Property development costs	16,275	5,519
Progress billings	15,855	(11,291)
Inventories	(13,943)	281
Receivables and prepayments	(14,305)	5,789
Payables	(11,070)	4,312
Cash generated from operations	<u>(905)</u>	<u>4,587</u>
Interest paid	(23)	0
Tax paid	(1,778)	(2,780)
Tax refunded	0	6
Net cash from operating activities	<u>(2,706)</u>	<u>1,813</u>
<b>Cash flows from investing activities</b>		
Interest received	149	54
Proceeds from disposal of plant, property and equipment	0	1
Purchase of property, plant and equipment	(285)	(4,249)
Net cash from/(used in) investing activities	<u>(136)</u>	<u>(4,194)</u>
<b>Cash flows from financing activity</b>		
Placement of term deposits pledged as security	(4)	(5)
Proceeds from private placement	6,081	0
Drawdown of hire purchase loan	1,067	0
Repayment of hire purchase creditor	(167)	0
Net cash used in financing activity	<u>6,977</u>	<u>(5)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>4,135</b>	<b>(2,386)</b>
<b>Cash and cash equivalents brought forward</b>	<b>1,718</b>	<b>4,104</b>
<b>Cash and cash equivalents carried forward</b>	<b><u>5,853</u></b>	<b><u>1,718</u></b>
<b>Cash and cash equivalents comprise the following:-</b>		
Cash and bank balances	5,853	1,718
Term deposits with licensed banks	189	184
	<u>6,042</u>	<u>1,902</u>
Term deposits pledged as security	(189)	(184)
	<u>5,853</u>	<u>1,718</u>

*Note:-*

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2017.*

# ACME HOLDINGS BERHAD

(COMPANY NO: 189740-X)  
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## NOTES TO THE INTERIM FINANCIAL REPORT

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### 1. Basis of Preparation

The interim financial report has been prepared in accordance with requirements of FRS 134: "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2017.

The same accounting policies and methods of computation are followed in the interim financial report as compared with the annual financial statements for the financial year ended 31 March 2017 except for the adoption of the following Financial Reporting Standards ("FRSs"):

Standard/Interpretation	Effective for financial periods beginning on or after
Amendments to FRS 107 <i>Disclosure Initiative</i>	1 January 2017
Amendments to FRS 112 <i>Recognition of Deferred Tax Assets for Unrealised Losses</i>	1 January 2017
Amendments to FRS 12 <i>Disclosure of Interests in Other Entities</i>	1 January 2017
FRS 9 <i>Financial Instruments</i>	1 January 2018
Amendments to FRS 10 and FRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Yet to be confirmed

The adoption of the above FRSs did not have any significant impacts on the financial statements of the Group.

In November 2011, the MASB issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS") Framework. The issuance was made in conjunction with the MASB's plan to converge with International Financial Reporting Standards ("IFRS") in 2012. The MFRS Framework is a fully IFRS-compliant framework and equivalent to IFRSs.

The MFRS Framework is to be applied by all entities other than private entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 *Agriculture* and/or IC Interpretation 15 *Agreements for the Construction of Real Estate*, including their parents, significant investors and joint venturers ("Transitioning Entities"). As announced by the MASB on 28 October 2015, Transitioning Entities are allowed to defer the adoption of the MFRS Framework to annual periods beginning on or after 1 January 2018.

Being a Transitioning Entity as defined above, the Group and the Company have elected to continue preparing their financial statements in accordance with the FRS Framework and will first present the financial statements in accordance with the MFRS Framework for the financial year ending 31 March 2019. Management is currently examining the financial impacts of transition to the MFRS Framework.

### 2. Seasonal or Cyclical Factors

The interim operations of the Group were not affected by any seasonal or cyclical factors.

**ACME HOLDINGS BERHAD**

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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**3. Unusual Items**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the interim period.

**4. Changes in Estimates**

There were no changes in estimates of amounts reported in the prior financial period that have a material effect in the current interim period.

**5. Debt and Equity Securities**

The Company had on 19th of January 2018 announced that it proposed to undertake a private placement exercise involving up to 10% of the total number of the Company's issued shares representing up to 21,848,800 new ordinary shares. On the 29th of March 2018, 20,270,000 new ordinary shares ("Placement Shares") were allotted to third parties. The Placement Shares were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on the 4th of April 2018. Subsequent to the completion of the private placement exercise, the Company's issued and paid-up share capital increased from RM219,969,958 to RM226,050,958.

**6. Dividend Paid**

There was no payment of dividend during the interim period.

**7. Segment Information**

<u>Analysis by activity</u>	Manufacturing RM'000	Property development RM'000	Group RM'000
<u>Revenue</u>			
Total revenue	15,753	11,978	27,731
Intersegment revenue	0	0	0
External revenue	<u>15,753</u>	<u>11,978</u>	<u>27,731</u>
<u>Results</u>			
Segment results	158	4,516	4,674
Interest income	0	149	149
Interest expense	(23)	0	(23)
Profit/(Loss) before tax	<u>135</u>	<u>4,665</u>	<u>4,800</u>
Tax expense	(298)	(1,413)	(1,711)
Net profit/(loss) for the financial year	<u>(163)</u>	<u>3,252</u>	<u>3,089</u>
<u>Assets</u>			
Segment assets	36,194	47,296	83,490
Income tax assets	87	0	87
Total assets	<u>36,281</u>	<u>47,296</u>	<u>83,577</u>

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

There were no changes in the valuation of property, plant and equipment since the last audited financial statements for the financial year ended 31 March 2017.

**ACME HOLDINGS BERHAD**(COMPANY NO: 189740-X)  
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Save for the disclosure in Note 22, there were no material events after the reporting period that have not been reflected in the interim financial report.

**10. Changes in Composition**

There were no changes in the Group's composition during the interim period.

**11. Changes in Contingent Liabilities or Contingent Assets**

There were no changes in contingent liabilities or contingent assets since 1 April 2017.

**12. Capital Commitments**

The capital commitments as at 31 March 2018 were as follows:-

	<b>RM'000</b>
Approved and contracted for	<u>4,974</u>

**13. Review of Performance**

(a) Cumulative Period Vs Corresponding Preceding Period

	<b>Current Quarter Ended 31 March 2018 RM'000</b>	<b>Corresponding Preceding Quarter Ended 31 March 2017 RM'000</b>	<b>Changes RM'000</b>	<b>Cumulative Period Ended 31 March 2018 RM'000</b>	<b>Corresponding Preceding Period Ended 31 March 2017 RM'000</b>	<b>Changes RM'000</b>
<u>Revenue</u>						
Manufacturing	4,566	4,264	302	15,753	16,225	(472)
Property	3,347	13,528	(10,181)	11,978	28,368	(16,390)
	<u>7,913</u>	<u>17,792</u>	<u>(9,879)</u>	<u>27,731</u>	<u>44,593</u>	<u>(16,862)</u>
<u>Profit/(Loss) before tax</u>						
Manufacturing	(1,116)	(427)	(689)	135	131	4
Property	1,686	3,687	(2,001)	4,665	(1,392)	6,057
	<u>570</u>	<u>3,260</u>	<u>(2,690)</u>	<u>4,800</u>	<u>(1,261)</u>	<u>6,061</u>

The Group recorded profit before tax of RM4,800,000 for current year ended 31 March 2018 as compared to loss before tax of RM1,261,000 for the previous corresponding year ended 31 March 2017. The profit for the current period is mainly due to revenue recognised by the Property Development Division.

**ACME HOLDINGS BERHAD**(COMPANY NO: 189740-X)  
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## (b) Current Quarter Vs Immediate Preceding Quarter

	<b>Current Quarter Ended 31 March 2018 RM'000</b>	<b>Immediate Preceding Quarter Ended 31 December 2017 RM'000</b>	<b>Changes RM'000</b>
<u>Revenue</u>			
Manufacturing	4,566	4,291	275
Property development	3,347	6,976	(3,629)
	<u>7,913</u>	<u>11,267</u>	<u>(3,354)</u>
<u>Profit/(Loss) before tax</u>			
Manufacturing	(1,116)	697	(1,813)
Property development	1,686	1,993	(307)
	<u>570</u>	<u>2,690</u>	<u>(2,120)</u>

The Group recorded profit before tax of RM570,000 in the current quarter as compared to profit before tax of RM2,690,000 in the immediate preceding quarter mainly due to loss incurred by the Manufacturing Division.

**14. Prospects**

The Group will continue to adopt a cautious business approach albeit the improving financial performance and the Group performance is expected to remain challenging in the coming financial year.

**15. Profit Forecast**

There was no profit forecast being previously announced or disclosed in a public document.

**16. Profit/(Loss) Before Tax**

	<b>Current Quarter Ended 31 March 2018 RM'000</b>	<b>Corresponding Preceding Quarter Ended 31 March 2017 RM'000</b>	<b>Cumulative Period Ended 31 March 2018 RM'000</b>	<b>Corresponding Preceding Period Ended 31 March 2017 RM'000</b>
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Profit/(Loss) before tax is arrived at after charging:-

Depreciation of:-

- Property, plant and equipment	241	279	1,132	915
- Investment properties	78	78	312	312
Impairment loss on receivables	189	0	189	0
Interest expense	19	0	23	0
Inventories written down	0	109	0	109



**ACME HOLDINGS BERHAD**(COMPANY NO: 189740-X)  
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Gain on disposal of property, plant and equipment	0	1	0	1
Gain on foreign exchange	0	0	76	71
Interest income	18	0	149	54
Reversal of inventories written down	0	4	0	43

**17. Additional Disclosure Information**

## (a) Foreign Exchange Exposure / Hedging Policy

As at 31 March 2018, the Group's exposure to foreign currency risk was not significant.

The Group does not engage in any formal hedging activities.

**18. Tax Expense**

	<b>Current Quarter Ended 31 March 2018 RM'000</b>	<b>Corresponding Preceding Quarter Ended 31 March 2017 RM'000</b>	<b>Cumulative Period ended 31 March 2018 RM'000</b>	<b>Corresponding Preceding Period Ended 31 March 2017 RM'000</b>
Tax based on results for the financial period:-				
Malaysian income tax	(699)	6	(1,710)	(11)
Deferred tax	(1)	114	(1)	193
	<u>(700)</u>	<u>120</u>	<u>(1,711)</u>	<u>182</u>

The income tax expense of RM1,710,000 for the current year relates mainly to income tax on taxable profit of the Property Development Division.

**19. Retained Profits**

	<b>As At 31 March 2018 RM'000</b>	<b>As At 31 March 2017 RM'000</b>
Total retained profits/(accumulated losses) of the Company and its subsidiaries:-		
- Realised	(129,962)	(134,481)
- Unrealised	(130)	(130)
	<u>(130,092)</u>	<u>(134,611)</u>
Consolidation adjustments and eliminations	180,840	182,268
Total retained profits as per statement of financial position	<u>50,748</u>	<u>47,657</u>

## ACME HOLDINGS BERHAD

(COMPANY NO: 189740-X)

(INCORPORATED IN MALAYSIA)

### NOTES TO THE INTERIM FINANCIAL REPORT

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#### 20. Corporate Proposals

On 4 April 2018, an additional allotment of 20,270,000 ordinary shares was listed and quoted on the Main Market of Bursa Malaysia Securities Berhad, marking completion of the Private Placement.

#### 21. Loans and Borrowings

The Group's borrowings as at 31 March 2018 are as follows:

	<u>RM'000</u>
<b>Long term</b>	
Secured	
Hire purchase creditors	536
<b>Short term</b>	
Secured	
Hire purchase creditors	341

#### 22. Changes in Material Litigation

Supportive Technology Sdn Bhd ("STSB"), a wholly-owned subsidiary of the Company, has appealed to the Special Commissioners of Income Tax ("SCIT") against the decision of the Director General of Inland Revenue ("DGIR") to reject STSB's application for relief in respect of error or mistake made in STSB's tax returns for the year of assessment 2003, 2004 and 2005 amounting to RM2,226,827.84, RM7,088,694.44 and RM9,627,068.88 respectively.

As updated in the notes to the interim financial report for the quarter ended 30 June 2017, on 13 June 2017, the Appellant informed the court that the hearing date has subsequently been vacated as the Appellant's witness is not in the country. The court has fixed 13.9.2018 and 14.9.2018 for the hearing. The status remains unchanged.

#### 23. Dividend Declared/Recommended

There was no declaration/recommendation of dividend during the interim period.

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**NOTES TO THE INTERIM FINANCIAL REPORT**

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**24. Earnings/(Loss) per Share**

The basic earnings/(loss) per share is calculated by dividing the net profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the interim period as follows:-

	<b>Current Quarter Ended 31 March 2018</b>	<b>Corresponding Preceding Quarter Ended 31 March 2017</b>	<b>Cumulative Period Ended 31 March 2018</b>	<b>Corresponding Preceding Period Ended 31 March 2017</b>
Net profit/(loss) for the financial period attributable to owners of the Company (RM'000)	(130)	3,384	3,091	(1,051)
Weighted average number of ordinary shares ('000)	209,815	209,704	209,815	209,704
Basic earnings/(loss) per share (sen)	<u>(0.06)</u>	<u>1.61</u>	<u>1.47</u>	<u>(0.50)</u>

The diluted earnings/(loss) per share equal the basic earnings/(loss) per share due to the anti-dilutive effect of the share warrants which has been ignored in calculating the diluted earnings/(loss) per share.

**25. Audit Qualification**

The audit report on the Group's annual financial statements for the preceding financial year was not subject to any qualification.

**BY THE ORDER OF THE BOARD**

**DATO' SRI DR LEE KUANG SHING**  
**EXECUTIVE CHAIRMAN**  
28 May 2018