

ACME HOLDINGS BERHAD

Company No.: 198901012432 (189740-X)
(Incorporated in Malaysia)

Interim Financial Report
For The First Quarter Ended 30 June 2024 (Unaudited)

ACME HOLDINGS BERHAD
COMPANY NO.: 198901012432 (189740-X)
(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2024
(THE FIGURES HAVE NOT BEEN AUDITED)

	Note	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
		CURRENT QUARTER ENDED 30 JUNE 2024 RM'000	CORRESPONDING PRECEDING QUARTER ENDED 30 JUNE 2023 RM'000	CUMULATIVE PERIOD ENDED 30 JUNE 2024 RM'000	CORRESPONDING PRECEDING PERIOD ENDED 30 JUNE 2023 RM'000
Revenue		20,908	10,295	20,908	10,295
Cost of sales		(16,625)	(8,355)	(16,625)	(8,355)
Gross profit		<u>4,283</u>	<u>1,940</u>	<u>4,283</u>	<u>1,940</u>
Other income		50	92	50	92
Administrative and general expenses		(1,499)	(848)	(1,499)	(848)
Finance costs		(146)	(30)	(146)	(30)
Share of result of joint venture		0	(11)	0	(11)
Profit before tax	16	<u>2,688</u>	<u>1,143</u>	<u>2,688</u>	<u>1,143</u>
Taxation	17	(779)	(370)	(779)	(370)
Net profit, representing total comprehensive income for the financial period		<u>1,909</u>	<u>773</u>	<u>1,909</u>	<u>773</u>
Total comprehensive income attributable to:-					
- Owners of the Company		1,909	773	1,909	773
- Non-controlling interests		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
		<u>1,909</u>	<u>773</u>	<u>1,909</u>	<u>773</u>
Earnings per share attributable to owners of the Company (sen)	22				
- Basic		<u>0.53</u>	<u>0.22</u>	<u>0.53</u>	<u>0.22</u>
- Diluted		<u>0.53</u>	<u>0.22</u>	<u>0.53</u>	<u>0.22</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 2024.

ACME HOLDINGS BERHAD
COMPANY NO : 198901012432 (189740-X)
(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	(Unaudited) 30 JUNE 2024 RM'000	(Audited) 31 MARCH 2024 RM'000
Non-current assets		
Property, plant and equipment	1,490	1,457
Right-of-use asset	33	50
Investment properties	5,638	5,708
	7,161	7,215
Current assets		
Inventory properties	66,214	66,086
Trade and other receivables	49,413	37,956
Contract assets	21,163	27,881
Contract costs	3,676	3,582
Current tax assets	171	161
Investment securities	170	175
Cash and cash equivalents	11,271	7,917
	152,078	143,758
Current liabilities		
Trade and other payables	28,378	23,570
Contract liabilities	73	57
Lease liability	35	53
Borrowings	8,243	4,541
Current tax liabilities	936	821
	37,665	29,042
Net current assets	114,413	114,716
Non-current liabilities		
Trade payables	4,871	2,959
Borrowings	0	4,117
Deferred tax liabilities	1,302	1,363
	115,401	113,492
Net assets		
Financed by:-		
Share capital	91,448	91,448
Treasury shares	(13,874)	(13,874)
Share options reserve	2,302	2,302
Retained profits	35,525	33,616
	115,401	113,492
Equity Attributable to Owners of the Company	115,401	113,492
Net Assets per Share Attributable to Owners of the Company (sen)⁽²⁾	32	32

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 2024.

(2) Based on 358,758,600 shares in issue after excluding 8,784,500 treasury shares as at 30 June 2024 and 31 March 2024.

ACME HOLDINGS BERHAD
COMPANY NO : 198901012432 (189740-X)
(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2024
(THE FIGURES HAVE NOT BEEN AUDITED)

	----- Attributable to owners of the parent -----				
	--Non-distributable--				
	Share Capital RM'000	Treasury Shares RM'000	Share Options Reserve RM'000	Retained Profits RM'000	Total Equity RM'000
CUMULATIVE PERIOD ENDED 30 JUNE 2024					
Balance as at 1 April 2024	91,448	(13,874)	2,302	33,616	113,492
Total comprehensive income for the financial period	0	0	0	1,909	1,909
Balance as at 30 June 2024	91,448	(13,874)	2,302	35,525	115,401
CORRESPONDING PRECEDING PERIOD ENDED 30 JUNE 2024					
Balance as at 1 April 2023	91,448	(13,874)	2,302	26,774	106,650
Total comprehensive profit for the financial period	0	0	0	773	773
Balance as at 30 June 2023	91,448	(13,874)	2,302	27,547	107,423

Notes:-

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2024.

ACME HOLDINGS BERHAD
COMPANY NO : 198901012432 (189740-X)
(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2024
(THE FIGURES HAVE NOT BEEN AUDITED)

	CUMULATIVE PERIOD ENDED 30 JUNE 2024 RM'000	CORRESPONDING PRECEDING PERIOD ENDED 30 JUNE 2023 RM'000
Cash flows from operating activities		
Profit before tax	2,688	1,143
Adjustments for:-		
Accretion of interest	1	1
Depreciation of investment properties	69	70
Depreciation of property, plant and equipment	169	20
Depreciation of right-of-use assets	17	17
Fair value loss on investment securities	5	3
Interest expense	140	13
Interest income	(27)	(92)
Share of result of joint venture	0	11
Unwinding discount on retention sum payable	(388)	(149)
Operating profit before working capital changes	2,674	1,037
Changes in:-		
Inventory properties	(128)	5,963
Contract assets	6,718	(7,418)
Contract costs	(94)	(613)
Receivables	(11,458)	(11,674)
Payables	7,109	2,498
Contract liabilities	16	(132)
Cash generated from/(used in) operations	4,837	(10,339)
Income tax paid	0	(156)
Income tax refund	(734)	(13)
Interest paid	(140)	0
Net cash from/(used in) operating activities	3,963	(10,508)
Cash flows from investing activities		
Interest received	27	92
Purchase of property, plant and equipment	(203)	(1,568)
Net cash used in investing activities	(176)	(1,476)
Cash flows from financing activities		
Net changes in short term borrowings	(415)	6,008
Payment of lease liability	(18)	(18)
Net cash (used in)/from financing activities	(433)	5,990
Net increased/(decrease) in cash and cash equivalents	3,354	(5,994)
Cash and cash equivalents brought forward	7,917	18,015
Cash and cash equivalents carried forward	11,271	12,021

Note:-

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2024.

NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation

The interim financial report has been prepared in accordance with requirements of MFRS 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 2024.

The financial statements of the Group for the financial year ending 31 March 2025 will be prepared under the Malaysian Financial Reporting Standards Framework ("MFRS"). The MFRS framework is a fully IFRS-compliant framework and equivalent to IFRSs. The explanatory notes attached to this Report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since financial year ended 31 March 2024.

Adoption of New and Amendments/Improvements to MFRS

The significant accounting policies, methods of computation and basis of consolidation adopted by the Group for the preparation of the interim financial report are consistent with those adopted in the annual audited financial statements for the year ended 31 March 2024.

The Group also applied the following standards, IC Interpretations and amendment to standard that have been issued by the Malaysian Accounting Standard Board ("MASB") effective from 1 April 2024.

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

Amendments to MFRS 101 Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current

Standards Issued But Not Yet Effective

The following are accounting standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the Group:

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

Effective for annual periods beginning on or after 1 January 2027

MFRS 18 Presentation and Disclosure in Financial Statements

The initial application of the above new standard/amendments to MFRSs is not expected to have any material impact to the financial statements of the Group and of the Company upon adoption, except for MFRS 18 Presentation and Disclosure in Financial Statements.

MFRS 18 introduces new requirements on presentation within the statements of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to MFRS 107 Statement of Cash Flows and MFRS 134 Interim financial Reporting.

NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation (Cont'd)

The amendments will have an impact on the Group's and on the Company's presentation of statements of comprehensive income, statements of cash flows and additional disclosures in the notes to the financial statements but not on the measurement or recognition of any items in the Group's and the Company's financial statements. The Group is currently assessing the impact of MFRS 18 and plans to adopt the new standard on the required effective date.

2. Seasonal or Cyclical Factors

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

3. Unusual Items

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

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

There were no issuances, repurchases and repayments of debt and equity securities during the current interim period.

6. Dividend Paid

There was no payment of dividend during the current interim period.

7. Segment Information

<u>Analysis by activity</u>	Property development RM'000	Others RM'000	Group RM'000
<u>Revenue</u>			
Total revenue	20,608	300	20,908
Intersegment revenue	0	0	0
External revenue	<u>20,608</u>	<u>300</u>	<u>20,908</u>
<u>Results</u>			
Segment results	3,007	(242)	2,765
Interest income	62	1	63
Interest expense	(140)	0	(140)
Profit before tax	<u>2,929</u>	<u>(241)</u>	<u>2,688</u>
Taxation	(679)	(100)	(779)
Net profit	<u>2,250</u>	<u>(341)</u>	<u>1,909</u>
<u>Assets</u>			
Segment assets	155,824	3,244	159,068
Income tax assets	167	4	171
Total assets	<u>155,991</u>	<u>3,248</u>	<u>159,239</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 2024.

NOTES TO THE INTERIM FINANCIAL REPORT

9. Material Events After The Reporting Period

There were no material events after the reporting period that have not been reflected in the interim financial report.

10. Changes in Composition

On 4 June 2024, the Company acquired 1 ordinary share representing 100% equity interest in Pacific Horizon Sdn Bhd (“PHSB”) for a total cash consideration of RM1. Consequently, PHSB became a direct wholly-owned subsidiary of the Company.

11. Changes in Contingent Liabilities or Contingent Assets

There were no changes in contingent liabilities or contingent assets since 1 April 2024.

12. Capital Commitments

Contracted but not provided for:

RM'000

Investment Properties 4,760

13. Review of Performance

(a) Cumulative Period Vs Corresponding Preceding Period

	Current Quarter Ended 30 June 2024 RM'000	Corresponding Preceding Quarter Ended 30 June 2023 RM'000	Changes RM'000	Cumulative Period Ended 30 June 2024 RM'000	Corresponding Preceding Period Ended 30 June 2023 RM'000	Changes RM'000
<u>Revenue</u>						
Property development	20,608	9,995	10,613	20,608	9,995	10,613
Others	300	300	0	300	300	0
	<u>20,908</u>	<u>10,295</u>	<u>10,613</u>	<u>20,908</u>	<u>10,295</u>	<u>10,613</u>
<u>Profit before tax</u>						
Property development	2,929	1,025	1,904	2,929	1,025	1,904
Others	(241)	118	(359)	(241)	118	(359)
	<u>2,688</u>	<u>1,143</u>	<u>1,545</u>	<u>2,688</u>	<u>1,143</u>	<u>1,545</u>

Property Development Division

During the cumulative period under review, the Property Development Division recorded a substantially higher revenue of RM20.9 million as compared to RM10.3 million in the corresponding preceding period ended 30 June 2023. The substantial increase in revenue was mainly derived from the robust sales of two newly launched development projects namely Marina Residence and Mandarin Residence.

In the circumstance, the Group's profit before tax also improved substantially to RM2.7 million in the cumulative period under review from RM1.1 million in the corresponding preceding period ended 30 June 2023.

NOTES TO THE INTERIM FINANCIAL REPORT

13. Review of Performance (Cont'd)

(b) Current Quarter Vs Immediate Preceding Quarter

	Current Quarter Ended 30 June 2024 RM'000	Immediate Preceding Quarter Ended 31 March 2024 RM'000	Changes RM'000
<u>Revenue</u>			
Property development	20,608	15,958	4,650
Others	300	300	0
	<u>20,908</u>	<u>16,258</u>	<u>4,650</u>
<u>Profit before tax</u>			
Property development	2,929	2,982	(53)
Others	(241)	146	(387)
	<u>2,688</u>	<u>3,128</u>	<u>(440)</u>

The Group's turnover for the reporting quarter was higher at RM20.9 million, mainly due to increased construction progress for phase 1 of the Marina Residence, which resulted in higher revenue compared to RM16.3 million in the immediate preceding quarter.

The Group recorded a lower profit before tax of RM2.7 million in the current quarter, as compared to profit before tax of RM3.1 million in the immediate preceding quarter.

14. Prospects

The Group has launched phase 1 of the Marina Residence, a property development project which consist of 202 units to be built on 3 blocks of 12-storey condominiums located in Teluk Air Tawar, Seberang Perai Utara, Penang in February 2023. As at 23 August 2024, the project has achieved take-up rate of 94%.

Given the overwhelming response, the Group has launched phase 2 of the Marina Residence in May 2024. This final phase of our Teluk Air Tawar development project is expected to achieve gross development value ("GDV") of about RM 103.43 million. As at 23 August 2024, the project has achieved take-up rate of 24%.

In September 2023, the Group launched the Mandarin Residence, an affordable housing project consisting of 2 blocks of 39-storey apartments (646 units) located in Bandar Baru Air Itam, Penang. The GDV is approximately RM 243.44 million, with a take up rate of about 66% as at 23 August 2024.

Lagenda Etika Sdn. Bhd. ("LESB" or the "Developer"), a wholly-owned subsidiary of the Company had on 2 May 2023 entered into a Definitive Agreement with Pertubuhan Keselamatan Sosial ("PERKESO" or the "Landowner") whereby LESB will undertake the proposed planning, design, construction and completion of the development of (i) 2 Blocks of 54 storey Service Apartment, (ii) 11 storey car park and commercial retail and (iii) 1 storey basement car park to be constructed on a piece of development land located at Jalan Kia Peng, Wilayah Persekutuan Kuala Lumpur with a total land area measuring approximately 1.87 acres. The gross development value of this project is estimated to be about RM1.5 billion.

NOTES TO THE INTERIM FINANCIAL REPORT

14. Prospects (Cont'd)

The Group had on 7 November 2022 entered into a Joint Venture Agreement with Koperasi Kampung Melayu Balik Pulau Berhad to jointly develop 7 pieces of land located at Balik Pulau, Penang with total land area of approximately 178.34 acres into a multi-phased integrated development which is projected to generate a gross development value of approximately RM1.4 billion.

Both the above joint venture projects are expected to contribute positively to the Group's revenue and bottom line sustainably over the mid to long-term.

15. Profit Forecast

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

16. Profit Before Tax

	Quarter Ended 30 June 2024 RM'000	Preceding Quarter Ended 30 June 2023 RM'000	Period Ended 30 June 2024 RM'000	Preceding Period Ended 30 June 2023 RM'000
After charging:-				
Depreciation of				
- Property, plant and equipment	169	20	169	20
- Investment properties	69	70	69	70
- Right-of-use assets	17	17	17	17
Finance costs on				
- Accretion of interest	1	1	1	1
- Commitment fee	5	16	5	16
- Interest expenses	140	13	140	13
And crediting:-				
Interest income	27	92	27	92

17. Taxation

	Current Quarter Ended 30 June 2024 RM'000	Corresponding Preceding Quarter Ended 30 June 2023 RM'000	Cumulative Period Ended 30 June 2024 RM'000	Corresponding Preceding Period Ended 30 June 2023 RM'000
Tax based on results for the financial period:-				
Malaysian income tax	(839)	(435)	(839)	(435)
Deferred tax	60	(65)	60	65
	<u>(779)</u>	<u>(370)</u>	<u>(779)</u>	<u>(370)</u>

The income tax expense of RM0.8 million for the current quarter ended 30 June 2024 relates mainly due to taxable profit of the Property Development Division.

18. Corporate Proposals

There was no corporate proposal announced but not completed as at 23 August 2024, being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

NOTES TO THE INTERIM FINANCIAL REPORT

19. Loans and Borrowings

The Group's borrowings as at 30 June 2024 are as follows:

<u>Bank borrowings (secured)</u>	Short term RM'000
Bank Overdraft	2,964
Term Loans	5,279
	<u>8.243</u>

All borrowings are denominated in Ringgit Malaysia.

20. Changes in Material Litigation

As at the date of this interim financial report, there is no litigation or arbitration against the Group, which has a material effect on the financial position of the Group, and the Board is not aware of any material proceedings pending or of any fact likely to give rise to any proceedings.

21. Dividend Declared/Recommended

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

22. Earnings Per Share

(a) Basic earnings per share

The basic earnings per share is calculated by dividing the net profit attributable to owners of the Company by the weighted average number of ordinary shares in issued excluding treasury shares as follows:-

	Current Quarter Ended 30 June 2024	Corresponding Preceding Quarter Ended 30 June 2023	Cumulative Period Ended 30 June 2024	Corresponding Preceding Period Ended 30 June 2023
Net profit for the financial period attributable to owners of the Company (RM'000)	1,909	773	1,909	773
Weighted average number of ordinary shares ('000)	358,759	358,759	358,759	358,759
Basic earnings per share (sen)	<u>0.53</u>	<u>0.22</u>	<u>0.53</u>	<u>0.22</u>

NOTES TO THE INTERIM FINANCIAL REPORT

22. Earnings Per Share (Cont'd)

(b) Diluted earnings per share

The diluted earnings per share is calculated by dividing the net profit attributable to owners of the Company by the weighted average number of ordinary shares in issued excluding treasury shares after adjustment for all dilutive potential ordinary shares as follows:-

	Current Quarter Ended 30 June 2024	Corresponding Preceding Quarter Ended 30 June 2023	Cumulative Period Ended 30 June 2024	Corresponding Preceding Period Ended 30 June 2023
Net profit for the financial period attributable to owners of the Company (RM'000)	1,909	773	1,909	773
Weighted average number of ordinary shares ('000)	358,759	358,759	358,759	358,759
Effect of warrants ('000)	0	0	0	0
Weighted average number of ordinary shares (diluted) ('000)	358,759	358,759	358,759	358,759
Diluted earnings per share (sen)	0.53	0.22	0.53	0.22

23. 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

LIM SHIOU GHAY
INDEPENDENT NON-EXECUTIVE CHAIRMAN
30 August 2024