

ACE ACHIEVE INFOCOM LIMITED

(Incorporated in Bermuda)

Financial Statements and Dividend Announcement for the 12 months ended April 30, 2015

PART I – INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT.

- 1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the Group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

UNAUDITED GROUP RESULTS FOR 12 MONTHS ENDED APRIL 30, 2015 Statement of comprehensive income

	Group		Change %
	Unaudited	Audited	
	May 14 to Apr 15 RMB'000	May 13 to Apr 14 RMB'000	
Revenue	235,295	237,822	-1
Cost of sales	(175,188)	(162,453)	8
Gross profit	60,107	75,369	-20
Other operating income	1,411	3,342	-58
Selling and distribution expenses	(10,367)	(11,673)	-12
Administrative expenses	(17,405)	(18,457)	-6
Other operating expenses	(2,339)	(3,895)	-40
Finance expenses	(16,240)	(20,509)	-21
Profit before income tax	15,167	24,177	-37
Income tax expense	(2,126)	(3,247)	-35
Net profit for the financial year	13,041	20,930	-38
Total comprehensive income for the financial year	13,041	20,930	-38
Attributable to:			
Equity holders of the Company	13,041	20,930	-38

(a) Note: Profit before income tax was arrived at after charging/(crediting) the following:

	Unaudited	Audited
	May 14 to Apr 15	May 13 to Apr 14
	RMB'000	RMB'000
Depreciation of plant and equipment	542	399
Amortisation of intangible assets	3,288	3,580
Allowance for impairment of trade receivables	2,336	3,895
Interest expenses	14,899	16,980
Provision for warranty	1,176	1,189
Interest income	(89)	(79)
Government incentives received	(1,303)	(3,123)

- (b) (i) A statement of financial position (for the Issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

	The Company		The Group	
	30-Apr-15	30-Apr-14	30-Apr-15	30-Apr-14
	RMB'000	RMB'000	RMB'000	RMB'000
	Unaudited	Audited	Unaudited	Audited
ASSETS				
Current Assets				
Contract work-in-progress	-	-	215,141	190,304
Trade receivables	-	-	483,251	509,705
Other receivables, deposits and prepayments	16	7	97,025	70,478
Due from subsidiaries (non-trade)	166,586	169,889	-	-
Due from related parties (non-trade)	-	-	135	6,171
Cash and bank balances	4	131	17,366	67,505
Total current assets	166,606	170,027	812,918	844,163
Non-Current Assets				
Plant and equipment	-	-	1,449	1,651
Investment in subsidiaries company	15,646	15,646	-	-
Intangible assets	-	-	8,978	9,493
Total non-current assets	15,646	15,646	10,427	11,144
Total assets	182,252	185,673	823,345	855,307

	The Company		The Group	
	30-Apr-15	30-Apr-14	30-Apr-15	30-Apr-14
	RMB'000	RMB'000	RMB'000	RMB'000
	Unaudited	Audited	Unaudited	Audited
LIABILITIES AND EQUITY				
Current Liabilities				
Trade payables	-	-	125,230	69,193
Other payables and accruals	3,769	2,701	70,019	21,959
Due to directors (non-trade)	59	117	1,135	329
Provision for warranty	-	-	5,523	4,346
Bank borrowings	-	-	161,339	303,044
Total current liabilities	3,828	2,818	363,246	398,871
Non-Current Liabilities				
Bank borrowings	-	-	6,000	16,000
Deferred taxes liabilities	-	-	36,932	34,806
Total non-current liabilities	-	-	42,932	50,806
Total liabilities	3,828	2,818	406,178	449,677
Equity attributable to equity holder of the Company				
Share capital	92,938	92,938	92,938	92,938
Share premium	85,226	85,226	85,226	85,226
Statutory reserves	-	-	29,713	27,616
Capital reserve	-	-	3,332	3,332
Retained earnings	260	4,691	205,958	196,518
Total equity	178,424	182,855	417,167	405,630
Total liabilities and equity	182,252	185,673	823,345	855,307

1(b)(ii) Aggregate amount of Group's borrowings and debts securities

Amount repayable in 1 year or less, or on demand

Group April 30, 2015 Unaudited		Group April 30, 2014 Audited	
Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
161,339	-	303,044	-

Amount repayable after 1 year

Group April 30, 2015 Unaudited		Group April 30, 2014 Audited	
Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
6,000	-	16,000	-

Details of any collateral

As at April 30, 2014 and April 30, 2015, the Group's borrowings comprised of mainly bank loans and utilised trade factoring facilities. Bank borrowings are secured over certain trade receivables; certain intangible assets; guaranteed by a director of the Company; third parties; a key management personnel and third parties financial institutions.

1(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Unaudited May 14 to Apr 15 RMB'000	Audited May 13 to Apr 14 RMB'000
Cash Flow from Operating Activities		
Profit before income tax	15,167	24,177
Adjustments for :		
Amortisation of intangible assets	3,288	3,580
Depreciation of plant and equipment	542	399
Finance expense	16,240	20,509
Interest income	(89)	(79)
Operating cash flow before working capital changes	35,148	48,586
Inventories	-	363
Contract work-in-progress	(24,837)	(138,037)
Trade receivables	26,454	29,276
Other receivables	(30,192)	(9,628)
Trade payables	56,037	10,044
Other payables, accruals and provisions	39,755	1,484
Cash from / (used in) operations	102,365	(57,912)
Income tax paid	-	(8)
Interest paid	(12,595)	(24,154)
Net cash generated from / (used in) operating activities	89,770	(82,074)
Cash Flows from Investing Activities		
Additions of plant and equipment	(340)	(976)
Additions of intangible assets	(2,773)	(3,952)
Interest received	89	79
Repayments from related parties	6,036	545
Net cash generated from / (used in) investing activities	3,012	(4,304)

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

	Unaudited	Audited
	May 14 to Apr 15 RMB'000	May 13 to Apr 14 RMB'000
Cash flows from financing activities		
Proceeds from bank borrowings	167,913	391,760
Repayment of bank borrowings	(319,618)	(292,478)
Loans from third parties and a related party	57,739	4,074
Repayments to third parties and a related party	(48,257)	(2,510)
Advances from / (repayment to) directors	806	(259)
Dividends paid	(1,504)	-
Proceed from share issue	-	21,500
Share issue expenses	-	(1,009)
Movements in restricted cash balance	(9,973)	2,081
Net cash (used in) / generated from financing activities	(152,894)	123,159
Net (decrease) / increase in cash and cash equivalents	(60,112)	36,781
Cash and cash equivalents at the beginning of the financial year	62,336	25,555
Cash and cash equivalents at the end of the year	2,224	62,336
Total cash and bank balances	17,366	67,505
Restricted cash balances	(15,142)	(5,169)
Cash and cash equivalents for purpose of consolidated statement of cash flows	2,224	62,336

1 (d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to equity holders of the Company					
	Share capital	Share premium	Statutory reserves	Capital reserve	Retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Group						
Balance at 01.05.2013	71,438	86,235	24,507	3,332	178,697	364,209
Total comprehensive income for the financial year	-	-	-	-	20,930	20,930
Issuance of ordinary shares	21,500	-	-	-	-	21,500
Share issue expenses	-	(1,009)	-	-	-	(1,009)
Transfer to statutory reserves	-	-	3,109	-	(3,109)	-
Balance at 30.04.2014	92,938	85,226	27,616	3,332	196,518	405,630
Balance at 01.05.2014	92,938	85,226	27,616	3,332	196,518	405,630
Total comprehensive income for the financial year	-	-	-	-	13,041	13,041
Payment of dividends	-	-	-	-	(1,504)	(1,504)
Transfer to statutory reserves	-	-	2,097	-	(2,097)	-
Balance at 30.04.2015	92,938	85,226	29,713	3,332	205,958	417,167
	Share capital	Share premium	Retained earnings	Total		
	RMB'000	RMB'000	RMB'000	RMB'000		
Company						
Balance at 01.05.2013	71,438	86,235	6,747	164,420		
Total comprehensive loss for the financial year	-	-	(2,056)	(2,056)		
Issue of ordinary shares	21,500	-	-	21,500		
Share issue expenses	-	(1,009)	-	(1,009)		
Balance at 30.04.2014	92,938	85,226	4,691	182,855		
Balance at 01.05.2014	92,938	85,226	4,691	182,855		
Total comprehensive loss for the financial year	-	-	(2,927)	(2,927)		
Payment of dividends	-	-	(1,504)	(1,504)		
Balance at 30.04.2015	92,938	85,226	260	178,424		

1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Number of ordinary shares issued and fully paid	
As at April 30, 2014	752,000,000
As at April 30, 2015	752,000,000

There were no outstanding convertibles or treasury shares as at 30 April 2014 and 30 April 2015.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 30 April 2015	As at 30 April 2014
Total number of issued shares	752,000,000	752,000,000
Less: Treasury shares	-	-
Number of issued shares excluding treasury shares	752,000,000	752,000,000

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

During the current financial year and the immediately preceding financial year, the Company does not have any outstanding treasury shares.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group and the Company has applied the same accounting policies and methods of computation in the financial statements for the current financial year compared to the audited financial statements for the financial year 30 April 2014, except for the adoption of the new and revised Financial Reporting Standards ("FRS"), Interpretations of FRS ("INT FRS") and amendments to FRSs that are relevant to its operations and effective for annual periods beginning on or after 1 May 2014.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of , the change.**

The adoption of the new and revised FRS, INT FRSs and amendments to FRSs effective from 1 May 2014, as mentioned in Paragraph 4 above, has no material financial impact on the financial statements of the Group and Company for the financial year reported on.

6. **Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-**

	Unaudited (12 months) May 14 to Apr 15	Audited (12 months) May 13 to Apr 14
Earnings per ordinary share for the year based on net profit attributable to shareholders		
Based on weighted average number of ordinary shares on issue (RMB)	0.017	0.030
Weighted average number of ordinary shares on issue for basic earnings per share	752,000,000	703,780,822

There is no dilutive instrument outstanding, hence the diluted earnings per share is the same as the basic earnings per share.

7. **Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**

- (a) **Current financial period reported on; and**
 (b) **immediately preceding financial year.**

	Company		Group	
	Unaudited Apr 30, 2015	Audited Apr 30, 2014	Unaudited Apr 30, 2015	Audited Apr 30, 2014
Net asset value per ordinary share based on the issued capital at the end of the year (RMB)	0.24	0.24	0.55	0.54
Number of shares used in calculating net asset value	752,000,000	752,000,000	752,000,000	752,000,000

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:-
- (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

Income statement

Turnover, costs and earnings (based on Actual Group basis)

Revenue

The Group's revenue decreased by approximately 1% from RMB237.8 million in FY2014 to RMB235.30 million in FY2015.

Division	May 14 to Apr 15		May 13 to Apr 14	
	Revenue RMB'000	Sales mix ratio (%)	Revenue RMB'000	Sales mix ratio (%)
ICT System Integration	150,766	64.08	156,969	66.00
Business Support Solutions	72,401	30.77	76,535	32.18
Maintenance & Servicing	12,128	5.15	4,318	1.82
Total	235,295	100.00	237,822	100.00

Gross profit and Gross profit margin

The Group's gross profit decreased from RMB75.37 million in FY2014 to RMB60.11 million in FY2015. It was mainly due to keen competitions in the ICT System Integration segment especially in the second half of the financial year. Accordingly, a lower gross margin was recorded in FY2015.

Other operating income

The Group's other operating income decreased from RMB3.34 million in last financial year to RMB1.41 million in the current financial year. This is mainly due to the lower government incentive received in the current financial year.

Other operating expenses

Other operating expenses decreased from RMB3.90 million in last financial year to RMB2.34 million in the current financial year. This was mainly due to lower allowance for impairment of trade receivables.

Selling and distribution expenses

The Group's selling and distribution expenses decreased by 12% from RMB11.67 million in last financial year to RMB10.37 million in current financial year. It was mainly due to lower headcount in FY2015 as compared to prior year.

Administrative expenses

The Group's administrative expenses decreased by 6% from RMB18.46 million in last financial year to RMB17.41 million in the current financial year. It was mainly due to lower professional fee incurred during the current financial year.

Finance expenses

The Group's finance expenses decreased 21% from RMB20.51 million in last financial year to RMB16.24 million in the current financial year. The decrease was mainly attributable to decrease in finance charges in relation to guarantees and bank borrowings during the current year.

Balance sheet

Cash and bank balances

The cash and bank balances decreased from RMB67.51 million as at 30 April 2014 to RMB17.37 million as at 30 April 2015. It was mainly due to the repayment of bank borrowing.

Trade receivables

Trade receivables decreased from RMB509.71 million as at 30 April 2014 to RMB483.25 million as at 30 April 2015 as a result of better collection of receivables during the current year.

Other receivables, deposits and prepayments

Other receivables, deposits and prepayments increased from RMB70.48 million as at 30 April 2014 to RMB97.03 million as at 30 April 2015. It was mainly due to increase of advances to the suppliers during the financial year.

Due from related parties (non-trade)

Amount due from related parties (non-trade) decreased from RMB6.17 million as at 30 April 2014 to RMB0.13 million as at 30 April 2015. It was mainly due to repayment from these parties.

Amount recoverable on contract work-in-progress

Work-in-progress increased from RMB190.30 million as at 30 April 2014 to RMB215.14 million as at 30 April 2015. This was mainly attributed to increase in a few major projects in supply and installations of cloud computed facilities for China Unicom.

Trade payable

Trade payable increased from RMB69.19 million as at 30 April 2014 to RMB125.23 million as at 30 April 2015. It was mainly due to the slower payment to the suppliers and the repayment terms of certain suppliers which are subject to the receipts from customers.

Other payables and accruals

Other payables and accruals increased from RMB21.96 million as at 30 April 2014 to RMB70.02 million as at 30 April 2015. It was mainly due to the increase of advance from customers during the current financial year.

Provision for warranty

Provision for warranty increased from RMB4.35 million as at 30 April 2014 to RMB5.52 million as at 30 April 2015. It was mainly due to additional provisions for revenue recognised during the current financial year.

Cash flow

Net cash generated from operating activities

Net cash inflow from operating activities were RMB89.77 million for the year ended 30 April 2015 as compared with a net cash outflow of RMB82.07 million in the last corresponding year. The net cash outflow was mainly due to slower payment to the suppliers during the financial year.

Net cash generated from investing activities

Net cash inflow from investing activities were RMB3.01 million for the year ended 30 April 2015 as compared with a net cash outflow of RMB4.30 million in the last corresponding year. This was mainly due to repayment from the related parties.

Net cash used in financing activities

Net cash outflow from financing activities for the year ended 30 April 2015 amounted to RMB152.89 million as compared with a net cash inflow of RMB 123.16 million in the last corresponding year was mainly due to the repayment of bank borrowings during the financial year.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

For the financial year ended April 30 2015, the growth of China's economy has significantly slowed down. Despite the launching of the 4G business by the telco operators, there is a slowdown in overall investments due to the impact of macroeconomic environment and market conditions. This has also led to the increase in market competition.

To cope with these external changes, the Group will strive to strengthen new product development and explore new business opportunities. At the same time, it has reorganised the operational structure into three business segments, i.e. ICT System Integration, Business Support Solutions and Maintenance and Servicing, and re-established management priorities and evaluation indicators for each business segment, with a view to improve the profitability of the Group.

In the near future, the Group will not only adjust according to the macro economic trends in China, but also grapple with the transformation of 4G network operating environment, to further align its business structure and foster new business growth in telecommunications software, hardware and service, mobile Internet and "Internet Plus", including investment in technology upgrading.

Barring any unforeseen circumstances, the Group expects to remain profitable for the financial year ending April 30 2016.

11. Dividend

(a) Current financial period reported on

Any dividend declared for the current financial period reported on?

No dividends have been declared for the current financial period reported on.

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of Dividend : First and Final
Dividend Type : Cash
Dividend Rate : RMB0.002 per ordinary share
Tax Rate : Not Applicable

(c) Total Annual Dividend

Not applicable.

(d) Date payable

Not applicable.

(e) Books closure date

Not applicable

12. If no dividend has been declared (recommended), a statement to that effect.

No dividend is recommended for the period under review.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920 (1) (a) (ii). If no IPT mandate has been obtained, a statement to that effect.

The Group did not obtain a general mandate from shareholders for IPTS.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

14. **Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Geographical segments are not presented as the Group operates predominantly in the PRC. Revenue of approximately RMB133,175,681 (2014: RMB165,751,623) is derived from 3 (2014: 3) external customers located in the PRC. Assets of the Group are mainly located in the PRC.

Business Segments

	ICT System Integration RMB'000	Business Support Solutions RMB'000	Maintenance & Servicing RMB'000	Total RMB'000
<u>2015</u>				
Revenue	150,766	72,401	12,128	235,295
Cost of sales	(121,895)	(44,928)	(8,365)	(175,188)
Segment result	28,871	27,473	3,763	60,107
Unallocated other income				1,322
Unallocated costs				(30,111)
Finance income				89
Finance expenses				(16,240)
Profit before income tax				15,167
Income tax expense				(2,126)
Net profit after income tax				13,041
Assets and Liabilities				
Unallocated assets and total assets				823,345
Unallocated liabilities and total liabilities				406,178

	ICT System Integration RMB'000	Business Support Solutions RMB'000	Maintenance & Servicing RMB'000	<u>Total</u> RMB'000
<u>2014</u>				
Revenue	156,969	76,535	4,318	237,822
Cost of sales	(106,710)	(53,581)	(2,162)	(162,453)
Segment result	50,259	22,954	2,156	75,369
Unallocated other income				3,263
Unallocated costs				(34,025)
Finance income				79
Finance expenses				(20,509)
Profit before income tax				24,177
Income tax expense				(3,247)
Net profit after income tax				20,930
Assets and Liabilities				
Unallocated assets and total assets				855,307
Unallocated liabilities and total liabilities				449,677

- 15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable.

16. Breakdown of sales as follows:

	THE GROUP		
	FY2015 RMB'000	FY2014 RMB'000	% change
(a) Sales reported for first half year	121,377	104,842	15.77
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	15,641	15,480	1.04
(a) Sales reported for second half year	113,918	132,980	(14.33)
(b) Operating (loss) / profit after tax before deducting non-controlling interests reported for second half year	(2,600)	5,450	(52.29)

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

Not applicable.

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Not applicable.

BY ORDER OF THE BOARD

Deng Zelin
Executive Chairman
26 June 2015