

MELATI EHSAN HOLDINGS BERHAD (673293-X)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2016**

(The figures have not been audited)

| | Individual Quarter | | Cumulative Quarter | |
|---|---|--|---|---|
| | Current Year Quarter 30/11/2016 RM | Preceding Year Corresponding Quarter 30/11/2015 RM | Current Period To-Date 30/11/2016 RM | Preceding Year Corresponding Period To-Date 30/11/2015 RM |
| Revenue | 21,808,210 | 19,705,504 | 21,808,210 | 19,705,504 |
| Cost of sales | (18,347,003) | (16,701,893) | (18,347,003) | (16,701,893) |
| Gross profit | <u>3,461,207</u> | <u>3,003,611</u> | <u>3,461,207</u> | <u>3,003,611</u> |
| Other income | 136,863 | 867,638 | 136,863 | 867,638 |
| Administrative expenses | (2,620,704) | (2,340,774) | (2,620,704) | (2,340,774) |
| Finance costs | (2,005) | (10,967) | (2,005) | (10,967) |
| Share of results of a joint venture, net of tax | (17,631) | (17,723) | (17,631) | (17,723) |
| Profit before tax | <u>957,730</u> | <u>1,501,785</u> | <u>957,730</u> | <u>1,501,785</u> |
| Taxation | (454,000) | (435,200) | (454,000) | (435,200) |
| Profit for the financial period | <u>503,730</u> | <u>1,066,585</u> | <u>503,730</u> | <u>1,066,585</u> |
| Other comprehensive income, net of tax | - | - | - | - |
| Item that may be reclassified subsequently to profit or loss | - | - | - | - |
| Item that will not be reclassified subsequently to profit or loss | - | - | - | - |
| Total comprehensive income | <u>503,730</u> | <u>1,066,585</u> | <u>503,730</u> | <u>1,066,585</u> |
| Profit attributable to: Owners of the parent | <u>503,730</u> | <u>1,066,585</u> | <u>503,730</u> | <u>1,066,585</u> |
| Total comprehensive income attributable to: Owners of the parent | <u>503,730</u> | <u>1,066,585</u> | <u>503,730</u> | <u>1,066,585</u> |
| Earnings per ordinary share attributable to equity holders of the Company (sen): | | | | |
| Basic | <u>0.42</u> | <u>0.89</u> | <u>0.42</u> | <u>0.89</u> |
| Diluted | <u>0.42</u> | <u>0.89</u> | <u>0.42</u> | <u>0.89</u> |

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 August 2016.

MELATI EHSAN HOLDINGS BERHAD (673293-X)**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 NOVEMBER 2016**

(The figures have not been audited)

| | As At 30/11/2016 RM | As At 31/08/2016 RM (Audited) |
|--|---------------------------|--|
| ASSETS | | |
| Non-current assets | | |
| Property, plant & equipment | 4,621,648 | 4,214,246 |
| Land held for property development | 63,999,085 | 63,877,054 |
| Investment in a joint venture | 2,270,798 | 2,288,429 |
| Goodwill on consolidation | 506,455 | 506,455 |
| Deferred tax assets | 1,588,437 | 1,640,456 |
| Total non-current assets | <u>72,986,423</u> | <u>72,526,640</u> |
| Current assets | | |
| Property development costs | 35,111,522 | 34,886,004 |
| Inventories | 44,971,046 | 46,153,483 |
| Trade and other receivables | 97,461,585 | 98,715,221 |
| Current tax assets | 3,311,534 | 3,218,034 |
| Cash and bank balances | 10,560,014 | 31,102,449 |
| Total current assets | <u>191,415,701</u> | <u>214,075,191</u> |
| TOTAL ASSETS | <u>264,402,124</u> | <u>286,601,831</u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to owners of the parent | | |
| Share capital | 60,000,217 | 60,000,217 |
| Treasury shares | (551,119) | (550,014) |
| Reserves | 150,728,112 | 150,224,382 |
| TOTAL EQUITY | <u>210,177,210</u> | <u>209,674,585</u> |
| LIABILITIES | | |
| Non-current liabilities | | |
| Borrowings | 1,761,488 | 1,290,000 |
| Deferred tax liabilities | 1,400,000 | 1,421,019 |
| Total non-current liabilities | <u>3,161,488</u> | <u>2,711,019</u> |
| Current liabilities | | |
| Trade and other payables | 50,944,555 | 74,181,221 |
| Borrowings | 118,871 | 35,006 |
| Total current liabilities | <u>51,063,426</u> | <u>74,216,227</u> |
| TOTAL LIABILITIES | <u>54,224,914</u> | <u>76,927,246</u> |
| TOTAL EQUITY AND LIABILITIES | <u>264,402,124</u> | <u>286,601,831</u> |
| Net assets per share attributable to the equity holders of the Company (RM) | <u>1.76</u> | <u>1.76</u> |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 August 2016.

MELATI EHSAN HOLDINGS BERHAD (673293-X)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2016**

(The figures have not been audited)

| | ----- Non-distributable ----- | | | | Distributable | Total equity RM |
|---|-------------------------------|---------------------|------------------------------------|-----------------------|-------------------------|--------------------|
| | Share capital RM | Share premium RM | Reverse acquisition reserves RM | Treasury shares RM | Retained earnings RM | |
| Balance as at 1 September 2015 | 60,000,217 | 19,830,264 | (34,450,921) | (466,539) | 136,765,978 | 181,678,999 |
| Profit for the financial year | - | - | - | - | 30,170,228 | 30,170,228 |
| Other comprehensive income, net of tax | - | - | - | - | - | - |
| Total comprehensive income | - | - | - | - | 30,170,228 | 30,170,228 |
| Transaction with owners | | | | | | |
| Repurchase of own shares | - | - | - | (83,475) | - | (83,475) |
| Dividend paid | - | - | - | - | (2,091,167) | (2,091,167) |
| Total transaction with owners | - | - | - | (83,475) | (2,091,167) | (2,174,642) |
| Balance as at 31 August 2016/ 1 September 2016 | 60,000,217 | 19,830,264 | (34,450,921) | (550,014) | 164,845,039 | 209,674,585 |
| Profit for the financial period | - | - | - | - | 503,730 | 503,730 |
| Other comprehensive income, net of tax | - | - | - | - | - | - |
| Total comprehensive income | - | - | - | - | 503,730 | 503,730 |
| Transaction with owners | | | | | | |
| Repurchase of own shares | - | - | - | (1,105) | - | (1,105) |
| Total transaction with owners | - | - | - | (1,105) | - | (1,105) |
| Balance as at 30 November 2016 | <u>60,000,217</u> | <u>19,830,264</u> | <u>(34,450,921)</u> | <u>(551,119)</u> | <u>165,348,769</u> | <u>210,177,210</u> |

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 August 2016.

MELATI EHSAN HOLDINGS BERHAD (673293-X)**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2016**

(The figures have not been audited)

| | Current Period To-Date 30/11/2016 RM | Preceding Year Corresponding Period To-Date 30/11/2015 RM |
|---|---|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before tax | 957,730 | 1,501,785 |
| Adjustments for: | | |
| Depreciation of property, plant and equipment | 193,289 | 186,342 |
| Loss on disposal of property, plant & equipment | 16,427 | - |
| Interest expense | 18,218 | 10,967 |
| Interest income | (70,422) | (265,226) |
| Share of results of a joint venture, net of tax | 17,631 | 17,723 |
| Operating profit before working capital changes | 1,132,873 | 1,451,591 |
| Changes in working capital: | | |
| Land held for property development | (122,031) | - |
| Property development costs | (225,518) | (226,557) |
| Inventories | 1,182,437 | - |
| Amount due from contract customers | 1,646,677 | 2,840,386 |
| Trade and other receivables | (393,041) | 30,395,416 |
| Amount due to contract customers | (2,861,176) | (5,545,284) |
| Trade and other payables | (20,375,977) | (30,658,554) |
| Net cash used in operations | (20,015,756) | (1,743,002) |
| Tax paid | (516,500) | (876,000) |
| Net cash used in operating activities | (20,532,256) | (2,619,002) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Fixed deposits pledged | (13,692) | (17,716) |
| Interest received | 70,422 | 265,226 |
| Proceeds from disposal of property, plant and equipment | 71,698 | - |
| Purchase of property, plant and equipment | (114,816) | (192,801) |
| Net cash from investing activities | 13,612 | 54,709 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Interest paid | (17,731) | (90,674) |
| Repayment of hire purchase payables | (18,647) | (241,786) |
| Repayment of term loans | - | (4,360,000) |
| Repurchase of own shares | (1,105) | (4,649) |
| Net cash used in financing activities | (37,483) | (4,697,109) |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | (20,556,127) | (7,261,402) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD | 29,145,599 | 40,095,990 |
| CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD | A14 8,589,472 | 32,834,588 |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 August 2016.