

**MELATI EHSAN HOLDINGS BERHAD (673293-X)****CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE SECOND QUARTER ENDED 28 FEBRUARY 2019**

(The figures have not been audited)

|  | Individual Quarter                          |  | Cumulative Quarter                            |   |
|--|---|--|---|---|
|  | Current Year<br>Quarter<br>28/02/2019<br>RM | Preceding Year<br>Corresponding<br>Quarter<br>28/02/2018<br>RM<br>(Restated) | Current Period<br>To-Date<br>28/02/2019<br>RM | Preceding Year<br>Corresponding<br>Period To-Date<br>28/02/2018<br>RM<br>(Restated) |
| Revenue  | 63,646,402                                  | 46,821,015   | 104,096,058                                   | 91,018,129  |
| Cost of sales  | (58,480,479)                                | (42,940,698)   | (96,009,371)                                  | (84,036,502)  |
| Gross profit   | <u>5,165,923</u>                            | <u>3,880,317</u>   | <u>8,086,687</u>                              | <u>6,981,627</u>  |
| Other income   | 674,437                                     | 172,161  | 937,711                                       | 481,065   |
| Administrative expenses  | (4,402,554)                                 | (2,988,295)  | (7,250,607)                                   | (5,561,952)   |
| Finance costs  | (377,275)                                   | (26,683)   | (606,276)                                     | (54,990)  |
| Share of results of a joint venture, net of tax                                  | 246,035                                     | (18,402)   | 1,093,507                                     | (35,480)  |
| Profit before tax  | <u>1,306,566</u>                            | <u>1,019,098</u>   | <u>2,261,022</u>                              | <u>1,810,270</u>  |
| Taxation   | (994,386)                                   | (601,000)  | (1,377,386)                                   | (774,000)   |
| Profit for the financial period  | <u>312,180</u>                              | <u>418,098</u>   | <u>883,636</u>                                | <u>1,036,270</u>  |
| Other comprehensive income, net of tax   | -   | -  | -   | -   |
| Total comprehensive income   | <u>312,180</u>                              | <u>418,098</u>   | <u>883,636</u>                                | <u>1,036,270</u>  |
| Profit attributable to:  |   |  |   |   |
| Owners of the parent   | <u>312,180</u>                              | <u>418,098</u>   | <u>883,636</u>                                | <u>1,036,270</u>  |
| Total comprehensive income attributable to:                                      |   |  |   |   |
| Owners of the parent   | <u>312,180</u>                              | <u>418,098</u>   | <u>883,636</u>                                | <u>1,036,270</u>  |
| Earnings per ordinary share attributable to equity holders of the Company (sen): |   |  |   |   |
| Basic  | <u>0.26</u>                                 | <u>0.35</u>  | <u>0.74</u>                                   | <u>0.87</u>   |
| Diluted  | <u>0.26</u>                                 | <u>0.35</u>  | <u>0.74</u>                                   | <u>0.87</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 2018.

**MELATI EHSAN HOLDINGS BERHAD (673293-X)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2019**

(The figures have not been audited)

|  | As At<br>28/02/2019<br>RM | As At<br>31/08/2018<br>RM<br>(Restated) | As At<br>01/09/2017<br>RM<br>(Restated) |
|--|---------------------------|---|---|
| <b>ASSETS</b>  |                           |   |   |
| <b>Non-current assets</b>  |                           |   |   |
| Property, plant & equipment  | 5,216,119                 | 5,414,321                               | 5,289,618                               |
| Land held for property development   | 47,944,416                | 48,325,174                              | 64,608,025                              |
| Investment in a joint venture  | 4,574,850                 | 3,481,343                               | 2,213,286                               |
| Goodwill on consolidation  | 506,455                   | 506,455                                 | 506,455                                 |
| Deferred tax assets  | 2,484,097                 | 2,484,097                               | 2,477,248                               |
| Other receivables  | 5,778,695                 | 5,778,695                               | -                                       |
|  | <u>66,504,632</u>         | <u>65,990,085</u>                       | <u>75,094,632</u>                       |
| <b>Current assets</b>  |                           |   |   |
| Property development costs   | 16,152,651                | 16,152,651                              | 31,115,959                              |
| Inventories  | 8,982,156                 | 10,061,637                              | 46,546,240                              |
| Trade and other receivables  | 282,815,476               | 225,260,845                             | 128,131,140                             |
| Current tax assets   | 1,406,298                 | 2,596,371                               | 2,252,871                               |
| Cash and bank balances   | 17,369,096                | 19,808,683                              | 37,767,831                              |
|  | <u>326,725,677</u>        | <u>273,880,187</u>                      | <u>245,814,041</u>                      |
| <b>TOTAL ASSETS</b>  | <u>393,230,309</u>        | <u>339,870,272</u>                      | <u>320,908,673</u>                      |
| <b>EQUITY AND LIABILITIES</b>  |                           |   |   |
| <b>Equity attributable to owners of the parent</b>                                 |                           |   |   |
| Share capital  | 79,830,481                | 60,000,217                              | 60,000,217                              |
| Treasury shares  | (949,950)                 | (708,670)                               | (569,716)                               |
| Reserves   | 132,702,730               | 151,649,358                             | 150,507,083                             |
| <b>TOTAL EQUITY</b>  | <u>211,583,261</u>        | <u>210,940,905</u>                      | <u>209,937,584</u>                      |
| <b>LIABILITIES</b>   |                           |   |   |
| <b>Non-current liabilities</b>   |                           |   |   |
| Borrowings   | 854,530                   | 1,441,893                               | 1,850,613                               |
| Deferred tax liabilities   | 1,451,283                 | 1,451,283                               | 1,400,000                               |
|  | <u>2,305,813</u>          | <u>2,893,176</u>                        | <u>3,250,613</u>                        |
| <b>Current liabilities</b>   |                           |   |   |
| Trade and other payables   | 144,339,746               | 110,870,998                             | 106,554,648                             |
| Borrowings   | 34,888,267                | 15,100,193                              | 565,828                                 |
| Current tax liabilities  | 113,222                   | 65,000                                  | 600,000                                 |
|  | <u>179,341,235</u>        | <u>126,036,191</u>                      | <u>107,720,476</u>                      |
| <b>TOTAL LIABILITIES</b>   | <u>181,647,048</u>        | <u>128,929,367</u>                      | <u>110,971,089</u>                      |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <u>393,230,309</u>        | <u>339,870,272</u>                      | <u>320,908,673</u>                      |
| <b>Net assets per share attributable to the equity holders of the Company (RM)</b> | <u>1.78</u>               | <u>1.77</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 2018.

**MELATI EHSAN HOLDINGS BERHAD (673293-X)**
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SECOND QUARTER ENDED 28 FEBRUARY 2019**

(The figures have not been audited)

|  | ----- Non-distributable ----- |                     |                                    |                       | Distributable           |                    |
|--|-------------------------------|---------------------|------------------------------------|-----------------------|-------------------------|--------------------|
|  | Share capital<br>RM           | Share premium<br>RM | Reverse acquisition reserves<br>RM | Treasury shares<br>RM | Retained earnings<br>RM | Total equity<br>RM |
| Balance as at 1 September 2018<br>(As previously stated) | 60,000,217                    | 19,830,264          | (34,450,921)                       | (708,670)             | 166,400,608             | 211,071,498        |
| Effect on adopting MFRSs                                 | -                             | -                   | -                                  | -                     | (130,593)               | (130,593)          |
| Balance as at 1 September 2018<br>(As restated)          | <u>60,000,217</u>             | <u>19,830,264</u>   | <u>(34,450,921)</u>                | <u>(708,670)</u>      | <u>166,270,015</u>      | <u>210,940,905</u> |
| Profit for the financial period                          | -                             | -                   | -                                  | -                     | 883,636                 | 883,636            |
| Other comprehensive income, net of tax                   | -                             | -                   | -                                  | -                     | -                       | -                  |
| Total comprehensive income                               | -                             | -                   | -                                  | -                     | 883,636                 | 883,636            |
| <b>Transaction with owners</b>                           |                               |                     |                                    |                       |                         |                    |
| Repurchase of own shares                                 | -                             | -                   | -                                  | (241,280)             | -                       | (241,280)          |
| Dividend paid  | -                             | -                   | -                                  | -                     | -                       | -                  |
| Total transaction with owners                            | -                             | -                   | -                                  | (241,280)             | -                       | (241,280)          |
| Transfer pursuant to Companies Act 2016                  | 19,830,264                    | (19,830,264)        | -                                  | -                     | -                       | -                  |
| Balance as at 28 February 2019                           | <u>79,830,481</u>             | <u>-</u>            | <u>(34,450,921)</u>                | <u>(949,950)</u>      | <u>167,153,651</u>      | <u>211,583,261</u> |
| Balance as at 1 September 2017<br>(As previously stated) | 60,000,217                    | 19,830,264          | (34,450,921)                       | (569,716)             | 165,181,161             | 209,991,005        |
| Effect on adopting MFRSs                                 | -                             | -                   | -                                  | -                     | (53,421)                | (53,421)           |
| Balance as at 1 September 2017<br>(As restated)          | <u>60,000,217</u>             | <u>19,830,264</u>   | <u>(34,450,921)</u>                | <u>(569,716)</u>      | <u>165,127,740</u>      | <u>209,937,584</u> |
| Profit for the financial period                          | -                             | -                   | -                                  | -                     | 1,036,270               | 1,036,270          |
| Other comprehensive income, net of tax                   | -                             | -                   | -                                  | -                     | -                       | -                  |
| Total comprehensive income                               | -                             | -                   | -                                  | -                     | 1,036,270               | 1,036,270          |
| <b>Transaction with owners</b>                           |                               |                     |                                    |                       |                         |                    |
| Repurchase of own shares                                 | -                             | -                   | -                                  | (24,346)              | -                       | (24,346)           |
| Dividend paid  | -                             | -                   | -                                  | -                     | -                       | -                  |
| Total transaction with owners                            | -                             | -                   | -                                  | (24,346)              | -                       | (24,346)           |
| Balance as at 28 February 2018                           | <u>60,000,217</u>             | <u>19,830,264</u>   | <u>(34,450,921)</u>                | <u>(594,062)</u>      | <u>166,164,010</u>      | <u>210,949,508</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 2018.

**MELATI EHSAN HOLDINGS BERHAD (673293-X)****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SECOND QUARTER ENDED 28 FEBRUARY 2019**

(The figures have not been audited)

|   | <b>Current Period<br/>To-Date<br/>28/02/2019<br/>RM</b> | <b>Preceding Year<br/>Corresponding<br/>Period To-Date<br/>28/02/2018<br/>RM<br/>(Restated)</b> |
|---|---|---|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                           |   |   |
| Profit before tax   | 2,261,022   | 1,810,270   |
| Adjustments for:  |   |   |
| Depreciation of property, plant and equipment                         | 202,114   | 192,565   |
| Impairment losses   | 13,379  | -   |
| Reversal of impairment losses   | (109,859)   | (16,266)  |
| Finance costs   | 606,276   | 54,990  |
| Interest income   | (99,239)  | (257,827)   |
| Share of results of a joint venture, net of tax                       | (1,093,507)   | 35,480  |
| Operating profit before working capital changes                       | 1,780,186   | 1,819,212   |
| Working capital changes:  |   |   |
| Land held for property development                                    | 380,758   | (4,892,057)   |
| Property development costs  | -   | 2,975,079   |
| Inventories   | 1,079,481   | 1,541,382   |
| Trade and other receivables   | (61,058,321)  | (26,431,264)  |
| Contract assets   | 3,600,170   | 9,441,436   |
| Trade and other payables  | 36,958,203  | (10,804,766)  |
| Contract liabilities  | (3,571,118)   | 13,314,403  |
| Cash used in operations   | (20,830,641)  | (13,036,575)  |
| Tax paid  | (772,462)   | (618,000)   |
| Tax refunded  | 633,371   | 225,000   |
| Net cash used in operating activities                                 | (20,969,732)  | (13,429,575)  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                           |   |   |
| Interest received   | 99,239  | 257,827   |
| Purchase of property, plant and equipment                             | (3,912)   | (119,468)   |
| Placement of fixed deposits pledged                                   | (35,660)  | -   |
| Net cash from investing activities                                    | 59,667  | 138,359   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                           |   |   |
| Interest paid   | (524,613)   | (55,651)  |
| Repayments of hire purchase payables                                  | (143,072)   | (82,552)  |
| Repayments of term loans  | (1,885,309)   | (191,193)   |
| Repurchase of own shares  | (241,280)   | (24,346)  |
| Drawdown of term loan   | 21,229,092  | -   |
| Net cash from/(used in) financing activities                          | 18,434,818  | (353,742)   |
| <b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>                      | (2,475,247)   | (13,644,958)  |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF<br/>FINANCIAL PERIOD</b> | 17,769,464  | 37,767,831  |
| <b>CASH AND CASH EQUIVALENTS AT END OF<br/>FINANCIAL PERIOD</b>       | 15,294,217  | 24,122,873  |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 August 2018.