

MELATI EHSAN HOLDINGS BERHAD (673293-X)**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 29 FEBRUARY 2020**

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 29/02/2020 RM	Preceding Year Corresponding Quarter 28/02/2019 RM	Current Period To-Date 29/02/2020 RM	Preceding Year Corresponding Period To-Date 28/02/2019 RM
Revenue	103,427,910	63,646,402	162,848,923	104,096,058
Cost of sales	(99,445,225)	(58,480,479)	(154,141,298)	(96,009,371)
Gross profit	<u>3,982,685</u>	<u>5,165,923</u>	<u>8,707,625</u>	<u>8,086,687</u>
Other income	2,968,923	674,437	3,282,545	937,711
Administrative expenses	(5,024,297)	(4,402,554)	(8,337,881)	(7,250,607)
Finance costs	(642,756)	(377,275)	(1,276,722)	(606,276)
Share of results of a joint venture, net of tax	517,009	246,035	426,918	1,093,507
Profit before tax	<u>1,801,564</u>	<u>1,306,566</u>	<u>2,802,485</u>	<u>2,261,022</u>
Taxation	(357,640)	(994,386)	(775,640)	(1,377,386)
Profit for the financial period	<u>1,443,924</u>	<u>312,180</u>	<u>2,026,845</u>	<u>883,636</u>
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	<u>1,443,924</u>	<u>312,180</u>	<u>2,026,845</u>	<u>883,636</u>
Profit attributable to:				
Owners of the parent	<u>1,443,924</u>	<u>312,180</u>	<u>2,026,845</u>	<u>883,636</u>
Total comprehensive income attributable to:				
Owners of the parent	<u>1,443,924</u>	<u>312,180</u>	<u>2,026,845</u>	<u>883,636</u>
Earnings per ordinary share attributable to equity holders of the Company (sen):				
Basic	<u>1.22</u>	<u>0.26</u>	<u>1.71</u>	<u>0.74</u>
Diluted	<u>1.22</u>	<u>0.26</u>	<u>1.71</u>	<u>0.74</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 2019.

MELATI EHSAN HOLDINGS BERHAD (673293-X)**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 29 FEBRUARY 2020**

(The figures have not been audited)

	As At 29/02/2020 RM	As At 31/08/2019 RM (Audited)
ASSETS		
Non-current assets		
Property, plant & equipment	5,127,418	5,313,259
Inventories	64,410,585	64,409,041
Investment in a joint venture	6,703,177	6,276,259
Goodwill on consolidation	506,455	506,455
Deferred tax assets	854,951	854,951
Other receivables	6,264,105	6,264,105
	<u>83,866,691</u>	<u>83,624,070</u>
Current assets		
Inventories	31,831,904	30,777,617
Contract assets	19,537,461	8,442,057
Trade and other receivables	166,238,097	256,998,807
Current tax assets	929,000	678,000
Cash and bank balances	96,013,237	18,380,661
	<u>314,549,699</u>	<u>315,277,142</u>
TOTAL ASSETS	<u>398,416,390</u>	<u>398,901,212</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	79,830,481	79,830,481
Treasury shares	(949,950)	(949,950)
Reserves	134,429,879	132,403,034
TOTAL EQUITY	<u>213,310,410</u>	<u>211,283,565</u>
LIABILITIES		
Non-current liabilities		
Borrowings	542,153	915,566
Deferred tax liabilities	1,451,283	1,451,283
	<u>1,993,436</u>	<u>2,366,849</u>
Current liabilities		
Trade and other payables	130,330,234	102,632,927
Contract liabilities	43,417,644	40,948,401
Borrowings	8,727,666	40,842,470
Current tax liabilities	637,000	827,000
	<u>183,112,544</u>	<u>185,250,798</u>
TOTAL LIABILITIES	<u>185,105,980</u>	<u>187,617,647</u>
TOTAL EQUITY AND LIABILITIES	<u>398,416,390</u>	<u>398,901,212</u>
Net assets per share attributable to the equity holders of the Company (RM)	<u>1.80</u>	<u>1.78</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 2019.

MELATI EHSAN HOLDINGS BERHAD (673293-X)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 29 FEBRUARY 2020**

(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 2018	60,000,217	19,830,264	(34,450,921)	(708,670)	165,543,766	210,214,656
Profit for the financial period	-	-	-	-	2,497,285	2,497,285
Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	2,497,285	2,497,285
Transaction with owners						
Repurchase of own shares	-	-	-	(241,280)	-	(241,280)
Dividend paid	-	-	-	-	(1,187,096)	(1,187,096)
Total transaction with owners	-	-	-	(241,280)	(1,187,096)	(1,428,376)
Transfer pursuant to Companies Act 2016	19,830,264	(19,830,264)	-	-	-	-
Balance as at 31 August 2019	<u>79,830,481</u>	<u>-</u>	<u>(34,450,921)</u>	<u>(949,950)</u>	<u>166,853,955</u>	<u>211,283,565</u>
Balance as at 1 September 2019	79,830,481	-	(34,450,921)	(949,950)	166,853,955	211,283,565
Profit for the financial period	-	-	-	-	2,026,845	2,026,845
Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	2,026,845	2,026,845
Transaction with owners						
Repurchase of own shares	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Total transaction with owners	-	-	-	-	-	-
Balance as at 29 February 2020	<u>79,830,481</u>	<u>-</u>	<u>(34,450,921)</u>	<u>(949,950)</u>	<u>168,880,800</u>	<u>213,310,410</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 2019.

MELATI EHSAN HOLDINGS BERHAD (673293-X)**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 29 FEBRUARY 2020**

(The figures have not been audited)

	Current Period To-Date 29/02/2020 RM	Preceding Year Corresponding Period To-Date 28/02/2019 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	2,802,485	2,261,022
Adjustments for:		
Depreciation of property, plant and equipment	217,273	202,114
Finance costs	1,276,722	606,276
Gain on disposal of property, plant and equipment	(4,000)	-
Interest income	(148,329)	(99,239)
Impairment losses on:		
- trade receivables	-	13,379
Reversal of impairment losses on:		
- trade receivables	(2,594,860)	(109,859)
Share of results of a joint venture, net of tax	(426,918)	(1,093,507)
Operating profit before working capital changes	1,122,373	1,780,186
Working capital changes:		
Land held for property development	(1,544)	380,758
Property development costs	(1,054,287)	-
Inventories	-	1,079,481
Trade and other receivables	93,355,569	(61,058,321)
Contract assets	(11,095,404)	3,600,170
Trade and other payables	27,870,409	36,958,203
Contract liabilities	2,469,243	(3,571,118)
Cash from/(used in) operations	112,666,359	(20,830,641)
Tax paid	(1,216,640)	(772,462)
Tax refunded	-	633,371
Net cash from/(used in) operating activities	111,449,719	(20,969,732)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	148,329	99,239
Proceeds from disposal of property, plant and equipment	4,000	-
Purchase of property, plant and equipment	(31,432)	(3,912)
Placement of fixed deposits pledged	(333,542)	(35,660)
Net cash (used in)/from investing activities	(212,645)	59,667
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(1,449,824)	(524,613)
Repayments of hire purchase payables	(136,751)	(143,072)
Repayments of term loans	(77,872,955)	(1,885,309)
Repurchase of own shares	-	(241,280)
Drawdown of term loan	45,521,490	21,229,092
Net cash (used in)/from financing activities	(33,938,040)	18,434,818
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	77,299,034	(2,475,247)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	16,272,728	17,769,464
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	93,571,762	15,294,217

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 August 2019.