



Be with ME

**ANNUAL
GENERAL
MEETING**

2018

MELATI EHSAN HOLDINGS BERHAD

(Company No. 673293-X)

(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED AT THE THIRTEENTH ANNUAL GENERAL MEETING (“AGM”) HELD ON TUESDAY, 27 FEBRUARY 2018

At the Thirteenth AGM, the shareholders raised the following questions on the business and operations of the Group which were duly responded by Chairman/Management:-

NO.	QUESTIONS	THE COMPANY’S RESPONSES
1.	<p><u>Current Projects and Business Plan</u></p> <p>How many on-going projects and what are the future business plans of the Group?</p>	<p>The Company was currently undergoing the following construction projects:-</p> <ol style="list-style-type: none">1) Pembangunan Wilayah Ekonomi Pantai Timur (“ECER”), Jalan Persekutuan Laluan 8 & 9, Central Spine Road - Seksyen 3E1 : Mentara ke Merapoh;2) 673 units Perumahan Penjawat Awam 1 Malaysia (“PPA1M”) at Sentul, Kuala Lumpur;3) TNB Quarters @ Kelana Jaya - 240 units Apartment at Kelana Jaya, Petaling Jaya; and4) Construction Contract for “Cadangan Pembangunan Bercampur: Fasa 1 (“PHB-Conlay”) <p>The Group would focus on the affordable housing segment i.e. PPA1M in the year 2018.</p>
2.	<p><u>Sustainability of PPA1M Project</u></p> <p>There were plenty of PPA1M Projects in Malaysia. How the Group determine the sustainability of PPA1M Project?</p>	<p>The Group is optimistic towards the sales performance of Melati Ehsan’s PPA1M Project and will contribute to the revenue of the Group as the project is strategically located in a high demand area.</p>

MELATI EHSAN HOLDINGS BERHAD

(Company No. 673293-X)

(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED AT THE THIRTEENTH ANNUAL GENERAL MEETING (“AGM”) HELD ON TUESDAY, 27 FEBRUARY 2018

NO.	QUESTION	THE COMPANY’S RESPONSES
3.	<p><u>Inventories</u></p> <p>Does the Group have any alternative plan to deal with the inventories of RM46,546,240.00 since year 2016?</p>	<p>The Group had disposed part of the inventories and currently pending for the state consent. The Group estimated that the transaction be completed by end of year 2018. The Shareholders would refer to the announcement released to Bursa Malaysia Securities Berhad on 26 January 2018.</p>
4)	<p><u>Trade and Other Receivables</u></p> <p>Trade and other receivables increased from RM98,715,221.00 to RM128,184,561.00 as at 31 August 2017. What are the reasons for such increase?</p>	<p>The increase in the Trade Receivables was mainly attributable to the increase of retention sums of Conlay Project and PP1AM Project. The ageing of trade receivables will be reduced from 150 days to 60 days without retention sum. The retention sum estimated to be recovered within 3 years.</p>
5)	<p><u>Administrative Expenses</u></p> <p>What is the factors contributing to increase in administrative expenses?</p>	<p>The increase in administrative expenses was mainly due to increase in the operating costs i.e. staff costs. The Group have employed more experienced staff and skilled workers to meet the high demand of customers especially on Conlay Project which involved more technical issues.</p>

MELATI EHSAN HOLDINGS BERHAD

(Company No. 673293-X)

(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED AT THE THIRTEENTH ANNUAL GENERAL MEETING (“AGM”) HELD ON TUESDAY, 27 FEBRUARY 2018

NO.	QUESTION	THE COMPANY’S RESPONSES
6)	<p><u>Provision for Liquidated Damages</u></p> <p>What was the factors contributing to provision for liquidated damages?</p>	<p>The provision of liquidated damages was due to delay in delivery of 135 units of shops of Taman Ehsan Jaya Project in Pandamaran, Klang. The amount of liquidated damages was obtained in consultation with the auditors for an estimated delay up to 31 December 2017. The Project has obtained the Certificate of Completion and Compliance (CCC) on 8 January 2018.</p>
7)	<p><u>Female Representative in the Board</u></p> <p>Whether the Company has any plan to promote gender diversity and invite female representative on the board?</p>	<p>The Board recognised the importance of gender diversity in the board. The Board viewed that selection and appointment of new directors should be based on the skill sets, knowledge and experience which could add value to the Board. Management is constantly looking for suitable female representative to join on Board.</p>
8)	<p><u>Re-appointment of Independent Director after 12 years</u></p> <p>Whether the Company has any plan in relation to re-appointment of Datuk Alias Bin Ali when his tenure of office more than 12 years?</p>	<p>Datuk Alias Bin Ali was the former Secretary General of Ministry of Health and had more than 30 year’s experiences in the civil service. Datuk Alias Bin Ali had contributed a lot to the Melati Ehsan Group and thus, the Group would seek Shareholders’ approval for retention of Datuk Alias as Independent Director after 12 years of services.</p>