

Matrix Concepts ventures into healthcare with Mawar takeover

SEREMBAN: Housing developer Matrix Concepts Holdings Bhd is venturing into the healthcare sector through its appointment as the exclusive manager of Pusat Hemodialisis Mawar's (PHM) specialist hospital division, haemodialysis centre and clinics here.

Matrix Concepts' 70%-owned subsidiary Matrix Medicare Sdn Bhd (MMSB) yesterday inked the agreement with PHM to manage the operations for 30 years, providing services relating to non-clinical matters including financial, administration and management of resources.

The latest venture is expected to provide a steady recurring income stream, with the group further diversifying its earnings base, as its portfolio already consists of construction, education and hospitality business units.

Matrix Concepts group executive deputy chairman Datuk Lee Tian Hock (*pic*), also PHM chairman, said MMSB would make an upfront RM23.4 million payment to PHM by Oct 1 for the exclusive rights.

In return, MMSB would be entitled to a 15% management fee on the gross operating revenue (GOR) provided the centre and clinics' annual GOR totalling not less than RM48 million, he told reporters after the signing ceremony between MMSB and PHM yesterday.

"We are positive about our partnership with PHM, with a healthy patient base, as it allows us a swift entry into the healthcare sector without the typical lengthy setting-up period, thus providing the group with an immediate incremental revenue stream.

PHOTO BY MOHD IZWAN MOHD NAZAM



"This partnership will also provide us with an ideal platform to familiarise ourselves with the hospital industry, as we look forward to establishing a major medical centre in the central business district of our Bandar Sri Sendayan township," said Lee, owning the remaining 30% equity interest in MMSB.

At the ceremony, Matrix Concepts group managing director Ho Kong Soon signed for MMSB, while PHM was represented by deputy chairman Lau Chee Boon and treasurer Datuk Tan Suan Ching.

Lee said PHM was an independent charitable organisation established in 1995 to provide medical care for patients diagnosed with kidney diseases before founding the Mawar Medical Centre (PPM), a specialist hospital.

PPM ceased operations in November 2018 after the health ministry revoked its operating licence. It was reported that most of its medical specialists resigned due to payment issues. Lee said a new licence to operate the centre was approved by the ministry last Wednesday. — *Bernama*