

Matrix in joint venture with Nissin, Nihon

PETALING JAYA: Property developer Matrix Concepts Holdings Bhd has inked agreements with Japan's Nissin Ex Co Ltd and Nihon House Corp to jointly venture into the manufacturing of prefabricated building materials using the Industrialised Building System (IBS) technology.

According to a Bursa Malaysia filing yesterday, the joint venture (JV) will be undertaken by JV company Matrix IBS Sdn Bhd (MIBS), which will manufacture, market and sell pre-fabricated concrete materials using the IBS technology.

The agreements inked between Matrix Concepts and the two Japanese firms are a JV-cum-shareholders' agreement as well as a subscription agreement.

The proposed shareholding structure of MIBS has an investment ratio of 80% by Matrix Concepts, 12% by Nissin Ex and the remaining 8% by Nihon House, with the pro-

posed share capital of MIBS amounting to a total of RM5mil. Collectively, the three firms will provide cash advances to assist in its start-up operations totalling RM22.5mil.

Matrix Concepts is responsible for providing guaranteed sales in terms of the volume of orders, subject to the capability and availability of production and delivery by MIBS for the first three years.

For the subsequent years, MIBS will be given the priority to participate in the projects undertaken by Matrix Concepts and its subsidiary companies.

Meanwhile, Nihon House will provide and share its knowhow of all related technical skills and knowledge for the development of the IBS in connection with the conduct of the business. Nissin Ex, on the other hand, is to act as coordinator for the business, especially between Japan and Malaysia due to the difference in business culture, technical skills and

knowledge of each country.

The agreements signed will not have any effect on the issued and paid-up share capital of Matrix Concepts, nor the net assets, earnings per share or gearing of the group for the financial year ended March 31, 2017.

The board's composition for MIBS shall be a total of five members, comprising three representative directors from Matrix Concepts and one representative director each from Nissin Ex and Nihon House.

Nissin Ex is a Japanese multi-trading company which specialises in selling flooring, paneling and decking products for use in residential and commercial projects.

Nihon House, meanwhile, is also a Japanese company with its principal business in providing pre-cast concrete materials.

It is also involved in marketing, selling and installing prefabricated houses under the brand name of "NC House".