

# MATRIX CONCEPTS HOLDINGS BERHAD

(Incorporated in Malaysia-Co. No. 414615-U)

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013



### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

|   | INDIVIDUAL QUARTER                                  |  | CUMULATIVE QUARTER                                  |   |
|---|---|--|---|---|
|   | CURRENT PERIOD<br>QUARTER<br>30 June 2013<br>RM'000 | PRECEDING YEAR<br>CORRESPONDING<br>QUARTER<br>30 June 2012<br>RM'000 | CURRENT PERIOD<br>TO DATE<br>30 June 2013<br>RM'000 | PRECEDING YEAR<br>CORRESPONDING<br>PERIOD<br>30 June 2012<br>RM'000 |
| Revenue   | 147,322   | N/A  | 302,913   | N/A   |
| Cost of Sales   | (93,720)  | N/A  | (174,828)   | N/A   |
| <b>Gross Profit</b>   | <b>53,602</b>                                       | <b>N/A</b>   | <b>128,085</b>                                      | <b>N/A</b>  |
| Other Income  | 362   | N/A  | 586   | N/A   |
| Selling and Marketing Expenses  | (1,452)   | N/A  | (3,733)   | N/A   |
| Administrative and general expenses   | (11,614)  | N/A  | (22,387)  | N/A   |
| <b>Operating Profit</b>   | <b>40,898</b>                                       | <b>N/A</b>   | <b>102,551</b>                                      | <b>N/A</b>  |
| Finance Costs   | (310)   | N/A  | (485)   | N/A   |
| <b>Profit Before Taxation</b>   | <b>40,588</b>                                       | <b>N/A</b>   | <b>102,066</b>                                      | <b>N/A</b>  |
| Income Tax Expenses   | (10,547)  | N/A  | (26,041)  | N/A   |
| <b>Profit For The Period</b>  | <b>30,041</b>                                       | <b>N/A</b>   | <b>76,025</b>                                       | <b>N/A</b>  |
| <b>Profit attributable to :</b>   |   |  |   |   |
| Equity Holders of the Company   | 30,041  | N/A  | 76,025  | N/A   |
| Minority Interest   | -   | N/A  | -   | N/A   |
|   | <b>30,041</b>                                       | <b>N/A</b>   | <b>76,025</b>                                       | <b>N/A</b>  |
| <b>Earnings Per Share Attributable To<br/>Equity Holders Of The Company</b> |   |  |   |   |
| - Basic (sen)   | 13.1  | N/A  | 50.4  | N/A   |
| - Diluted (sen)   | 12.8  | N/A  | 48.7  | N/A   |

*Notes:*

N/A Not applicable.

1. The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended ("FYE") 31 December 2012 and the accompanying explanatory notes attached to this interim financial statements.

2. No comparative figures for the preceding year's corresponding quarter and period are available as Matrix Concepts Holdings Berhad ("Matrix Concepts") was listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") on 28 May 2013.

**MATRIX CONCEPTS HOLDINGS BERHAD***(Incorporated in Malaysia-Co. No. 414615-U)***QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

|   | <b>(UNAUDITED)</b>    | <b>(AUDITED)</b>        |
|---|-----------------------|-------------------------|
|   | <b>As at</b>          | <b>As at</b>            |
|   | <b>30 JUNE 2013</b>   | <b>31 December 2012</b> |
|   | <b>RM'000</b>         | <b>RM'000</b>           |
| <b>ASSETS</b>                                       |                       |                         |
| <b>Non-current assets</b>                           |                       |                         |
| Property, plant and equipment                       | 12,040                | 11,517                  |
| Investment properties                               | 16,631                | 1,400                   |
| Development properties                              | 30,314                | 30,314                  |
| Deferred tax assets                                 | 1,942                 | 2,017                   |
| Goodwill arising on consolidation                   | *                     | *                       |
|   | <u>60,927</u>         | <u>45,248</u>           |
| <b>Current assets</b>                               |                       |                         |
| Development properties in progress                  | 400,073               | 373,764                 |
| Inventories   | 2,553                 | 2,401                   |
| Trade and other receivables                         | 118,067               | 134,983                 |
| Deposits, cash and bank balance                     | 211,360               | 30,727                  |
|   | <u>732,053</u>        | <u>541,875</u>          |
| <b>TOTAL ASSETS</b>                                 | <b><u>792,980</u></b> | <b><u>587,123</u></b>   |
| <b>EQUITY AND LIABILITIES</b>                       |                       |                         |
| <b>Equity attributable to owners of the Company</b> |                       |                         |
| Share capital                                       | 300,000               | 51,101                  |
| Share premium                                       | 67,316                | -                       |
| Share option  | 888                   | -                       |
| Capital reserve                                     | 303                   | 303                     |
| Retained profits                                    | 149,780               | 290,529                 |
|   | <u>518,287</u>        | <u>341,933</u>          |
| Non-controlling interest                            | *                     | *                       |
| <b>TOTAL EQUITY</b>                                 | <b><u>518,287</u></b> | <b><u>341,933</u></b>   |
| <b>Non-current liabilities</b>                      |                       |                         |
| Borrowings  | 16,090                | 17,863                  |
|   | <u>16,090</u>         | <u>17,863</u>           |
| <b>Current liabilities</b>                          |                       |                         |
| Trade and other payables                            | 198,278               | 210,774                 |
| Borrowings  | 8,806                 | 4,480                   |
| Dividend payable                                    | 30,375                | -                       |
| Current tax liabilities                             | 21,144                | 12,073                  |
|   | <u>258,603</u>        | <u>227,327</u>          |
| <b>TOTAL LIABILITIES</b>                            | <b><u>274,693</u></b> | <b><u>245,190</u></b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b>                 | <b><u>792,980</u></b> | <b><u>587,123</u></b>   |
| <b>Net Assets Per Share (RM)</b>                    | <b><u>1.73</u></b>    | <b><u>6.69</u></b>      |

**Notes:**

\* Represents RM1.00.

- The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended ("FYE") 31 December 2012 and the accompanying explanatory notes attached to this interim financial statements.

**MATRIX CONCEPTS HOLDINGS BERHAD**  
*(Incorporated in Malaysia-Co. No. 414615-U)*  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013**



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

|  | Share<br>Capital<br>RM'000 | Share<br>Premium<br>RM'000 | Share<br>Option<br>RM'000 | Retained<br>Profits<br>RM'000 | Capital<br>Reserve<br>RM'000 | Non-Controlling<br>Interest<br>RM'000 | Total<br>RM'000 |
|--|----------------------------|----------------------------|---------------------------|-------------------------------|------------------------------|---------------------------------------|-----------------|
| <b><u>6 months ended 30 JUNE 2013 (Unaudited)</u></b>        |                            |                            |                           |                               |                              |                                       |                 |
| As at 1 January 2013   | 51,101                     | -                          | -                         | 290,529                       | 303                          | *                                     | 341,933         |
| Issuance of bonus shares                                     | 186,399                    | -                          | -                         | (186,399)                     | -                            | -                                     | -               |
| Issuance of new ordinary shares pursuant to the Public Issue | 62,500                     | 75,000                     | -                         | -                             | -                            | -                                     | 137,500         |
| Share issue expenses   | -                          | (7,684)                    | -                         | -                             | -                            | -                                     | (7,684)         |
| Total comprehensive income for the period                    | -                          | -                          | -                         | 76,025                        | -                            | -                                     | 76,025          |
| Dividend   | -                          | -                          | -                         | (30,375)                      | -                            | -                                     | (30,375)        |
| Options granted under ESOS                                   | -                          | -                          | 888                       | -                             | -                            | -                                     | 888             |
| As at 30 June 2013   | <u>300,000</u>             | <u>67,316</u>              | <u>888</u>                | <u>149,780</u>                | <u>303</u>                   | <u>*</u>                              | <u>518,287</u>  |

Notes:

\* Represents RM1.00.

1. The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2012.
2. No comparative figures are available for the preceding year's corresponding quarter as Matrix Concepts was listed on the Main Market of Bursa Securities on 28 May 2013.

**MATRIX CONCEPTS HOLDINGS BERHAD**  
*(Incorporated in Malaysia-Co. No. 414615-U)*  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 JUNE 2013**



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

|  | <b>FOR THE<br/>6 MONTHS<br/>PERIOD ENDED<br/>30 June 2013<br/>RM'000</b> | <b>FOR THE<br/>6 MONTHS<br/>PERIOD ENDED<br/>30 June 2012<br/>RM'000</b> |
|--|--|--|
| <b>Cash Flow From Operating Activities</b>       |  |  |
| Profit before income tax                         | 102,066  | N/A  |
| Adjustments for :-                               |  |  |
| Option reserve                                   | 888  | N/A  |
| Depreciation                                     | 1,212  | N/A  |
| Interest Income                                  | (388)  | N/A  |
| Interest expenses                                | 485  | N/A  |
| Operating profit before working capital changes  | 104,263  | N/A  |
| Increase in inventories                          | (152)  | N/A  |
| Increase in development properties               | (7,918)  | N/A  |
| Increase in development properties-in-progress   | (18,391)   | N/A  |
| Decrease in receivables                          | 16,915   | N/A  |
| Decrease in payables                             | (12,495)   | N/A  |
| Cash generated from operations                   | 82,222   | N/A  |
| Interest received                                | 388  | N/A  |
| Interest paid                                    | (485)  | N/A  |
| Tax paid   | (16,896)   | N/A  |
| Net cash provided by operating activities        | 65,229   | N/A  |
| <b>Cash Flow From Investing Activities</b>       |  |  |
| Purchase of property, plant and equipment        | (1,735)  | N/A  |
| Investment properties                            | (15,231)   | N/A  |
| Net cash used in investing activities            | (16,966)   | N/A  |
| <b>Cash Flow From Financing Activities</b>       |  |  |
| Proceed from issuance of share                   | 137,500  | N/A  |
| Repayment of term loan                           | (1,651)  | N/A  |
| Hire purchase instalments paid                   | (291)  | N/A  |
| Share issuance expenses paid                     | (7,684)  | N/A  |
| Net cash generated from financing activities     | 127,874  | N/A  |
| Net changes in cash and cash equivalents         | 176,137  | N/A  |
| Cash and cash equivalents at beginning of period | 30,394   | N/A  |
| Cash & cash equivalents at end of period         | 206,531  | N/A  |
| Cash and cash equivalents comprise of :-         |  |  |
| Cash and bank balance                            | 211,360  | N/A  |
| Bank overdrafts                                  | (4,829)  | N/A  |
|  | 206,531  | N/A  |

Notes:

N/A Not applicable.

- The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2012.
- No comparative figures are available for the preceding year's corresponding quarter as Matrix Concepts was listed on the Main Market of Bursa Securities on 28 May 2013.

**MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)**  
**(INCORPORATED IN MALAYSIA)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30**  
**JUNE 2013**

**A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (MFRS 134):**

**A1. Accounting Policies and Basis of Preparation**

The interim financial report is unaudited and is prepared in accordance with MFRS134 “Interim Financial Reporting” and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”). As Matrix Concepts Holdings Berhad (“**Matrix Concepts**” or the “**Company**”) was only listed on the Main Market of Bursa Securities on 28 May 2013, there are no comparative figures for the corresponding period of the preceding financial year.

The interim financial statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2012 as disclosed in the Prospectus of the Company dated 8 May 2013 and the accompanying explanatory notes attached to these interim financial statements.

These explanatory notes attached to these interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2012.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the Prospectus dated 8 May 2013 except for the adoption of the following Standards, Amendments and Issues Committee (“**IC**”) Interpretations that have been issued by the Malaysian Accounting Standards Board (“**MASB**”):

| <b>MFRS, Amendments to MFRS and IC Interpretations</b> |  | <i>Effective for annual periods beginning on or after</i> |
|--|--|---|
| Amendments to MFRS 101                                 | Presentation of Items of Other Comprehensive Income  | 1 July 2012   |
| MFRS 3   | Business Combinations  | 1 January 2013  |
| MFRS 10  | Consolidated Financial Statements  | 1 January 2013  |
| MFRS 11  | Joint Arrangements   | 1 January 2013  |
| MFRS 12  | Disclosure of Interests in Other Entities  | 1 January 2013  |
| MFRS 13  | Fair Value Measurement   | 1 January 2013  |
| MFRS 119   | Employee Benefits (revised)  | 1 January 2013  |
| MFRS 127   | Consolidated and Separate Financial Statements (revised)                                   | 1 January 2013  |
| MFRS 128   | Investments in Associates and Joint Ventures (revised)                                     | 1 January 2013  |
| Amendments to MFRS 1                                   | First-time Adoption of MFRS – Government Loans   | 1 January 2013  |
| Amendments to MFRS 7                                   | Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities | 1 January 2013  |
| Amendments to MFRS 10                                  | Consolidated Financial Statements: Transition Guidance                                     | 1 January 2013  |
| Amendments to MFRS 11                                  | Joint Arrangements: Transition Guidance  | 1 January 2013  |
| Amendments to MFRS 12                                  | Disclosure of Interests in Other Entities: Transition Guidance                             | 1 January 2013  |

Adoption of the above standards and interpretations did not have any material effect on the financial performance or position of the Group.

**MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)**  
**(INCORPORATED IN MALAYSIA)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30**  
**JUNE 2013**

**A2. Seasonal or Cyclical Factors**

The results for the current financial quarter ended 30 June 2013 under review and the financial period-to-date were not materially affected by seasonal or cyclical factors.

**A3. Items of unusual nature and amount**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group that were unusual because of their nature, size or incidence during the current financial quarter ended 30 June 2013 under review and the financial period-to-date.

**A4. Material Changes in Estimates**

There were no changes in the estimates of amounts reported in prior financial years that had a material effect on the current financial quarter ended 30 June 2013 under review and the financial period-to-date.

**A5. Issuance, cancellations, repurchase, resale and repayments of debts and equity securities**

Save as disclosed below, there were no issuance, cancellations, repurchase, resale and repayments of debts and equity securities during the financial quarter ended 30 June 2013 under review and the financial period-to-date.

In conjunction with and as an integral part of the listing of the Company on the Main Market of Bursa Securities, Matrix Concepts had on 23 May 2013 allotted 62,500,000 new ordinary shares of RM1.00 each in the Company (“**Matrix Concepts Shares**”) pursuant to the Company’s initial public offering at an issue price of RM2.20 per Matrix Concepts Share.

The entire issued and paid-up share capital of the Company of RM300,000,000 comprising 300,000,000 Matrix Concepts Shares were listed and quoted on the Main Market of Bursa Securities on 28 May 2013.

**A6. Dividends Paid**

There was no dividend paid during the current financial quarter ended 30 June 2013 under review and the financial period-to-date. Please refer to Note B10 on dividends declared.

**A7. Segmental Information**

The Group’s profits for the financial quarter ended 30 June 2013 under review and the financial period-to-date were derived solely from the Group’s property development business. As such, no segmental reporting was prepared.

**A8. Valuation of property, plant and equipment**

Save for the valuations disclosed below, there were no valuations carried out on property, plant and equipment of the Group during the financial quarter ended 30 June 2013 under review and the financial period-to-date:

- (i) The valuation of a parcel of freehold agriculture land held under Grant 20703, Lot 912 in the Mukim of Rasah, Daerah of Seremban, Negeri Sembilan; and

**MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)**  
**(INCORPORATED IN MALAYSIA)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30**  
**JUNE 2013**

- (ii) The valuation of a piece of freehold agriculture land held under HS(D) 176671, PT 17805, Mukim of Labu, Seremban, Negeri Sembilan

**A9. Commitments**

The commitments of the Company as at the end of the financial quarter ended 30 June 2013 under review and the financial period-to-date are as follows:

|   | <b>Current<br/>quarter ended<br/>30.06.2013<br/>RM'000</b> | <b>Cumulative<br/>period-to-date<br/>30.06.2013<br/>RM'000</b> |
|---|--|--|
| Contracted but not provided for:        |  |  |
| - Land held for property development    | -  | 36,000   |
| - Construction of Matrix Global Schools | 80,000   | 80,000   |
| <b>Total</b>                            | <b>80,000</b>  | <b>116,000</b>   |

**A10. Material subsequent event**

There were no material events subsequent to the end of the financial quarter ended 30 June 2013 under review up to the date of this report which is likely to substantially affect the results of the operations of the Group.

**A11. Significant event during the period**

There were no significant events outside the ordinary course of business during the financial quarter ended 30 June 2013 that have not been reflected in this interim financial statements.

**A12. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the current quarter under review.

**A13. Contingent Liabilities and Contingent Assets**

The Group does not have any material contingent assets to be disclosed as at 30 June 2013.

Details of contingent liabilities of the Group for the financial quarter ended 30 June 2013 under review and the financial period-to-date are as follows:

|   | <b>Current<br/>quarter ended<br/>30.06.2013<br/>RM'000</b> | <b>Cumulative<br/>period-to-date<br/>30.06.2013<br/>RM'000</b> |
|---|--|--|
| Corporate guarantees given to financial institutions and a third party for facilities granted to certain subsidiary companies | 3,100  | 33,721   |

**MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)**  
**(INCORPORATED IN MALAYSIA)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30**  
**JUNE 2013**

**A14. Significant Related Party Disclosures**

Save as disclosed below, there was no other significant related party transactions during the financial quarter ended 30 June 2013 under review and the financial period-to-date:

|   | <b>Current<br/>quarter ended<br/>30.06.2013<br/>RM'000</b> | <b>Cumulative<br/>period-to-date<br/>30.06.2013<br/>RM'000</b> |
|---|--|--|
| Purchase of building materials from related parties | 11,497   | 21,153   |
| Rental payments made to related parties             | 21   | 42   |
| Sales of development property to related parties    | 435  | 435  |

**B. ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS**

**B1. Review of Performance**

For the financial quarter ended 30 June 2013 under review, the Group recorded revenue of RM147.3 million and profit before tax of RM40.6 million. Further thereto, for the financial period-to-date, the Group has recorded revenue of RM302.9 million and a profit before tax of RM102.1 million. The Group's operating results for the current quarter under review and financial period-to-date were derived from the Group's property development activities and the sale of land. The Group's revenue for the current quarter under review was mainly contributed by sales from residential and commercial properties comprising 77% while 18% were from the sales of industrial development properties. The remaining 5% of the Group's revenue for the financial quarter ended 30 June 2013 under review was derived from the sales of land. Notwithstanding the above, the Group's revenue for the financial period-to-date can be segmented from the sales of residential and commercial properties, industrial properties and the sale of land based on the percentages of 76%, 21% and 3% respectively.

There are no comparative figures available for the preceding year's corresponding quarter and period as Matrix Concepts was listed on the Main Market of Bursa Securities on 28 May 2013.

**B2. Comparison with preceding quarter's results**

The Group had achieve revenue of RM147.3 million during the financial quarter ended 30 June 2013 under review, as compared to a revenue of RM155.6 million achieved for the financial quarter ended 31 March 2013, being the immediate preceding financial quarter. The decrease in revenue was mainly due to the higher revenue recognition in the residential and commercial properties sold for the Impiana Casa, Kluang and Nusari Aman, Bandar Sri Sendayan development projects during the financial quarter ended 31 March 2013 and the decrease in revenue recognised for the sales of industrial land during the financial period under review.

The Group had also recorded a profit before tax of RM40.6 million during the financial quarter ended 30 June 2013 under review, as compared to a profit before tax of RM61.5 million achieved in the immediate preceding financial quarter. This decrease was mainly due to the decrease in revenue generated from the sale of industrial land, which commanded a substantially better margin. In addition, the Group's revenue recognised from residential properties during the quarter under review, the majority of which comprises of single storey units compared to the immediate preceding quarter where the majority of revenue recognised were from double storey units, which provided better margins. Furthermore, the Group had also incurred an immediate impact on staff costs of RM0.9 million as a result of the employee share option scheme granted during the financial quarter under review .



**MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)**  
**(INCORPORATED IN MALAYSIA)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30**  
**JUNE 2013**

**B3. Prospects**

The Group is currently focused on the further development of its township development projects in Bandar Sri Sendayan in Seremban, Negeri Sembilan and Taman Seri Impian in Kluang, Johor through the recent launches of residential properties located in these 2 said township development projects. Further, the Group envisages to further launch residential properties located in the Bandar Sri Sendayan township development during the fourth quarter of the current financial year. In addition to the Group's township development projects, the Group had, in July 2013, also launched a commercial development known as Lobak Commercial Centre (Phase 1).

Premised on the above, the Group is confident that the revenue streams of the Group will be sustained through the launches of the development projects as mentioned above.

**B4. Profit guarantee or profit forecast**

No profit guarantee or profit forecast has been issued by the Group previously in any public document.

**B5. Taxation**

|                       | <b>Current<br/>quarter ended<br/>30.06.2013<br/>RM'000</b> | <b>Cumulative<br/>period-to-date<br/>30.06.2013<br/>RM'000</b> |
|-----------------------|--|--|
| Current tax expenses  | 10,827   | 25,966   |
| Deferred tax expenses | (280)  | 75   |
|                       | <b>10,547</b>  | <b>26,041</b>  |

The Group's effective tax rate of 26.0% for the financial quarter ended 30 June 2013 under review was marginally higher than the statutory corporate tax rate of 25% due to the non-deductible expenses for tax purposes.

**B6. Status of corporate proposals**

**(i) Proposed acquisition of a piece of land held under HS(D) 176671, PT 17805, Mukim of Labu, Seremban, Negeri Sembilan**

The Company had on 8 July 2013 announced that Matrix Concepts Sdn Bhd, a wholly-owned subsidiary of Matrix Concepts, had entered into a sale and purchase agreement with Koperasi Sendayan Labu Seremban Berhad (formerly known as Koperasi Peneroka-Peneroka Rancangan Felcra Sendayan Labu Berhad) for the proposed acquisition of a piece of freehold agriculture land held under HS(D) 176671, PT 17805, Mukim of Labu, Seremban, Negeri Sembilan measuring approximately 95.9 hectares for a cash consideration of approximately RM47.5 million.

Barring any unforeseen circumstances, the Board is of the view that this said proposed acquisition is expected to be completed by the 3<sup>rd</sup> quarter of 2014. Please refer to the Company's announcement dated 8 July 2013 for further details of this proposed acquisition.

**MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)**  
**(INCORPORATED IN MALAYSIA)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30**  
**JUNE 2013**

**(ii) Proposed acquisition of a piece of land held under Grant 20703, Lot 912 in the Mukim of Rasah, Daerah of Seremban, Negeri Sembilan**

The Company had on 8 July 2013 announced that Matrix Concepts Sdn Bhd, a wholly-owned subsidiary of Matrix Concepts, had entered into a sale and purchase agreement with TJ Integrated Sdn Bhd for the proposed acquisition of a parcel of freehold agriculture land held under Grant 20703, Lot 912, Mukim of Rasah, Daerah of Seremban, Negeri Sembilan measuring approximately 78.7 hectares for a cash consideration of approximately RM59.3 million.

Barring any unforeseen circumstances, the Board is of the view that this said proposed acquisition is expected to be completed about 4 months from the date of this sale and purchase agreement or within 7 days upon securing the approval of the Estate Land Board, whichever the later. Please refer to the Company's announcement dated 8 July 2013 for further details of this proposed acquisition.

**(iii) Proposed acquisition of two pieces of land held under Grant 43406, Lot 1191 and Grant 65499, Lot 1637 both in Section 46, Bandar Kuala Lumpur, Daerah of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur**

The Company has on 26 August 2013 announced that Superb Approach Sdn Bhd, a wholly-owned subsidiary of Matrix Concepts, had entered into a sale and purchase agreement with Chong Hoe Realty Sdn Bhd for the proposed acquisition of two pieces of freehold commercial and vacant land held under Grant 43406, Lot 1191 and Grant 65499, Lot 1637 both in Section 46, Bandar Kuala Lumpur, Daerah of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur measuring approximately 1.1 acres for a cash consideration of approximately RM43.6 million.

Barring any unforeseen circumstances, the Board is of the view that this said proposed acquisition is expected to be completed about 3 months from the date of this sale and purchase agreement. Please refer to the Company's announcement dated 26 August 2013 for further details of this proposed acquisition.

**B7. Status of utilisation of proceeds**

The proposed utilisation of the proceeds from the Public Issue is as follows:

| <b>Purpose</b>                       | <b>Time frame for utilisation from the date of listing</b> | <b>Proposed Utilisation RM'000</b> | <b>Actual Utilisation RM'000</b> | <b>Deviation</b>       |          |
|--------------------------------------|--|------------------------------------|----------------------------------|------------------------|----------|
|                                      |  |                                    |                                  | <b>RM'000</b>          | <b>%</b> |
| Working capital                      | 24 months  | 55,000                             | -                                | <sup>(1)</sup> (1,184) | (2.2)    |
| Infrastructure and common facilities | 24 months  | 55,000                             | 27,884                           | -                      | -        |
| Construction of clubhouse            | 24 months  | 10,000                             | 7,489                            | -                      | -        |
| Repayment of bank borrowings         | 12 months  | 11,000                             | -                                | -                      | -        |
| Estimated listing expenses           | 1 month  | 6,500                              | 7,684                            | <sup>(1)</sup> 1,184   | 18.2     |
| <b>Total</b>                         |  | <b>137,500</b>                     | <b>43,057</b>                    |                        |          |

*Note:*

(1) The additional listing expenses of approximately RM1.2 million was due to underestimation of miscellaneous expenses relating to the Company's listing on the Main Market of Bursa Securities such as printing costs and campaigning expenses. This amount has been adjusted against the gross proceeds allocated for working capital.

**MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)**  
**(INCORPORATED IN MALAYSIA)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30**  
**JUNE 2013**

**B8. Group borrowings and debt securities**

The Group's borrowings as at 30 June 2013 are as follows:

|                              | <b>RM'000</b>        |
|------------------------------|----------------------|
| <b>Short term borrowings</b> |                      |
| <u>Secured:</u>              |                      |
| Hire purchase creditors      | 412                  |
| Term loans                   | 3,565                |
| Bank overdrafts              | 4,829                |
|                              | <u>8,806</u>         |
| <br>                         |                      |
| <b>Long term borrowings</b>  |                      |
| <u>Secured:</u>              |                      |
| Hire purchase creditors      | 167                  |
| Term loans                   | 15,923               |
|                              | <u>16,090</u>        |
| <b>Total Borrowings</b>      | <u><b>24,896</b></u> |

The Group does not have any borrowings that are denominated in foreign currency.

**B9. Changes in Material Litigation**

There was no material litigation involving the Group as at the date of this report.

**B10. Dividends**

The Board of Directors of the Company has on 26 August 2013, declared a Second Interim Dividend of 7 sen per Matrix Concepts Share held less 25% Malaysian Income Tax for the financial year ending 31 December 2013, to be paid on 10 October 2013 to all holders of ordinary shares whose names appeared in the Record of Depositors at the close of business on 27 September 2013.

The Board of Directors of the Company had on 23 May 2013 declared a First Interim Dividend of 13.5 sen per Matrix Concepts Share held less 25% Malaysian Income Tax for the financial year ending 31 December 2013, which was paid on 8 July 2013 to all holders of ordinary shares whose names appeared in the Record of Depositors at the close of business on 28 June 2013.

**B11. Realised and unrealised profits/losses disclosure**

The breakdown of retained profits of the Group is as follows:

|   | <b>Unaudited</b>      |
|---|-----------------------|
|   | <b>as at</b>          |
|   | <b>30.06.2013</b>     |
|   | <b>RM'000</b>         |
| Total retained profits of the Group                                 |                       |
| - Realised  | 148,180               |
| - Unrealised  | 11,545                |
|   | <u>159,725</u>        |
| Less: Consolidation adjustments                                     | (9,945)               |
| Total Group retained profits as per Statement of Financial Position | <u><b>149,780</b></u> |

**MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)**  
**(INCORPORATED IN MALAYSIA)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30**  
**JUNE 2013**

**B12. Earnings Per Share**

**(i) Basis Earning per share**

The calculation of basic earnings per share was based on the profit attributable to equity holders of the Company and divided by the weighted average number of ordinary shares in issue during the period under review.

|   | <b>Current Quarter Ended</b> |                   | <b>Cumulative Period-To-Date</b> |                   |
|---|------------------------------|-------------------|----------------------------------|-------------------|
|   | <b>30.06.2013</b>            | <b>30.06.2012</b> | <b>30.06.2013</b>                | <b>30.06.2012</b> |
| Profit attributable to equity holders of the Company (RM'000) | 30,041                       | N/A               | 76,025                           | N/A               |
| Weighted average number of ordinary shares ('000)             | 228,843                      | N/A               | 150,928                          | N/A               |
| Basic Earnings per share (sen)                                | 13.1                         | N/A               | 50.4                             | N/A               |

*Note:*

*N/A Not applicable.*

**(ii) Diluted Earning per share**

The calculation of diluted earnings per share was based on the profit attributable to equity holders of the Company and divided by the weighted average number of ordinary shares that have in issue upon full exercise of the option under the ESOS granted, adjusted for the number of such share that would have been issued at fair value during the period under review.

|   | <b>Current Quarter Ended</b> |                   | <b>Cumulative Period-To-Date</b> |                   |
|---|------------------------------|-------------------|----------------------------------|-------------------|
|   | <b>30.06.2013</b>            | <b>30.06.2012</b> | <b>30.06.2013</b>                | <b>30.06.2012</b> |
| Profit attributable to equity holders of the Company (RM'000) | 30,041                       | N/A               | 76,025                           | N/A               |
| Weighted average number of ordinary shares ('000)             | 228,843                      | N/A               | 150,928                          | N/A               |
| Effect of potential exercise of ESOS                          | 5,141                        | N/A               | 5,141                            |                   |
| Weighted average number of ordinary shares ('000)             | 233,984                      | N/A               | 233,984                          | N/A               |
| Diluted earning per share(sen)                                | 12.8                         | N/A               | 48.7                             | N/A               |

*Note:*

*N/A Not applicable.*

**MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)**  
**(INCORPORATED IN MALAYSIA)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30**  
**JUNE 2013**

**B13. Notes to the Statement of Comprehensive Income**

|   | Current Quarter Ended |            | Cumulative Period-To-Date |            |
|---|-----------------------|------------|---------------------------|------------|
|   | 30.06.2013            | 30.06.2012 | 30.06.2013                | 30.06.2012 |
|   | RM'000                | RM'000     | RM'000                    | RM'000     |
| Included in the profit for the period are:                                |                       |            |                           |            |
| - Interest income   | (236)                 | N/A        | (388)                     | N/A        |
| - Other income including investment income                                | -                     | N/A        | -                         | N/A        |
| - Interest expenses   | 311                   | N/A        | 486                       | N/A        |
| - Depreciation of property, plant and equipment                           | 647                   | N/A        | 1,212                     | N/A        |
| - Receivables written off   | -                     | N/A        | -                         | N/A        |
| - Inventories written off   | -                     | N/A        | -                         | N/A        |
| - Gain/(loss) on disposal of quoted or unquoted investments or properties | -                     | N/A        | -                         | N/A        |
| - Impairment of assets  | -                     | N/A        | -                         | N/A        |
| - Realised gain/(loss) on foreign exchange                                | -                     | N/A        | -                         | N/A        |
| - Realised gain/(loss) on derivatives                                     | -                     | N/A        | -                         | N/A        |
| - Rental income on properties   | (16)                  | N/A        | (39)                      | N/A        |

There were no exceptional items for the current quarter under review.

*Note:*

N/A      *Not applicable.*

**B14. Auditors' report**

The auditors' report for the preceding audited financial statements was not subject to any qualification.

**B15. Authority For Issue**

The interim financial statements were reviewed by the Audit Committee of the Company and duly authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 26 August 2013.

By order of the Board of Directors

**Dato' Lee Tian Hock**  
Group Managing Director / Chief Executive Officer

Date: 26 August 2013