



**Matrix Parking**

**MATRIX PARKING SOLUTION HOLDINGS BERHAD**

[Registration No. 201801021141 (1283160-X)]

(Incorporated in Malaysia)

**FINANCIAL STATEMENTS FOR THE  
31<sup>ST</sup> DECEMBER 2019**

**CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”)**

THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE ACE MARKET OR MAIN MARKET OF BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY SEERS BERHAD. SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATIONS, AND, IF APPROPRIATE, CONSULTATION WITH STOCKBROKER, MANAGER, SOLICITOR, ACCOUNTANT AND OTHER PROFESSIONAL ADVISERS.

**MATRIX PARKING SOLUTION HOLDINGS BERHAD [Registration No. 201801021141 (1283160-X)]  
(Incorporated in Malaysia)**

**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME FOR 31<sup>ST</sup> DECEMBER 2019**

	Individual 6 months ended	Cumulative 12 months ended	
	31 <sup>st</sup> December 2019	31 <sup>st</sup> December 2019	31 <sup>st</sup> December 2018
	RM	RM	RM
Revenue	6,198,453	11,827,718	9,157,421
Direct costs	(1,802,974)	(5,526,207)	(4,453,678)
<b>Gross profit</b>	<b>4,395,479</b>	<b>6,301,511</b>	<b>4,703,743</b>
Other operating income	32,029	69,256	88,426
Other operating expenses	(3,480,547)	(4,814,175)	(3,393,202)
Employees benefit expense	-	-	(241,380)
Finance costs	(889,157)	(971,655)	(137,027)
<b>Profit before tax</b>	<b>57,804</b>	<b>584,937</b>	<b>1,020,560</b>
Income tax expenses	(182,337)	(274,740)	(293,128)
	<b>(124,533)</b>	<b>310,197</b>	<b>727,432</b>
Listing Expenses	(707,270)	(707,270)	-
	<b>(831,803)</b>	<b>(397,073)</b>	<b>727,432</b>
<b>Net (loss)/profit for the financial year</b>	<b>(831,803)</b>	<b>(397,073)</b>	<b>727,432</b>
<b>Other comprehensive income</b>	<b>32,029</b>	<b>69,256</b>	<b>88,426</b>
<b>Total comprehensive income for the financial period</b>	<b>32,029</b>	<b>69,256</b>	<b>88,426</b>
<b>(Loss)/Profit for the financial period attributable: Owners of the Company</b>	<b>(831,803)</b>	<b>(397,073)</b>	<b>727,432</b>
<b>EARNING/(LOSS) PER ORDINARY SHARE (SEN)</b>	<b>(0.42)</b>	<b>(0.20)</b>	<b>0.40</b>

The Unaudited Consolidated Statement of Profit and Loss and other Comprehensive Income should read in conjunction with the accompanying explanation notes attached to this interim financial statement.

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**MATRIX PARKING SOLUTION HOLDINGS BERHAD [Registration No. 201801021141 (1283160-X)]  
(Incorporated in Malaysia)**

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31<sup>ST</sup> DECEMBER 2019**

	As at 31.12.2019 RM	As at 31.12.2018 RM
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	4,821,949	4,517,086
Right-of-use Asset	9,727,335	-
<b>TOTAL NON-CURRENT ASSETS</b>	<b>14,549,284</b>	<b>4,517,086</b>
<b>CURRENT ASSETS</b>		
Trade receivables	260,218	287,833
Other receivables, prepare expenses and refundable deposits	2,725,325	1,073,189
Deposits with financial institution	1,148,406	205,794
Cash and bank balances	511,799	1,444,521
<b>TOTAL CURRENT ASSETS</b>	<b>4,645,748</b>	<b>3,011,337</b>
<b>TOTAL ASSETS</b>	<b>19,195,032</b>	<b>7,528,423</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Share capital	5,601,000	3,001,000
Retained earnings	429,121	1,521,956
Reserves	(285,233)	(285,233)
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>5,744,888</b>	<b>4,237,723</b>
<b>NON-CURRENT LIABILITIES</b>		
Terms loans	1,320,380	1,236,191
Lease liability	5,424,333	-
Deferred tax liabilities	485,719	458,000
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>7,230,432</b>	<b>1,694,191</b>
<b>CURRENT LIABILITIES</b>		
Other payables and accrued expenses	1,157,477	1,210,166
Lease liability	4,823,326	-
Bank overdraft	237,379	333,798
Tax liabilities	1,530	52,545
<b>TOTAL CURRENT LIABILITIES</b>	<b>6,219,712</b>	<b>1,596,509</b>
<b>TOTAL LIABILITIES</b>	<b>13,450,144</b>	<b>3,290,700</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>19,195,032</b>	<b>7,528,423</b>
<b>NET ASSETS PER ORDINARY SHARE (SEN)</b>	<b>2.87</b>	<b>2.35</b>

The Unaudited Consolidated Statement of Financial Position should read in conjunction with the accompanying explanation notes attached to this interim financial statement.



**MATRIX PARKING SOLUTION HOLDINGS BERHAD [Registration No. 201801021141 (1283160-X)]  
(Incorporated in Malaysia)**

**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR 31<sup>ST</sup> DECEMBER 2019**

<b>GROUP</b>	<b>Share Capital RM</b>	<b>Revaluation Reserve RM</b>	<b>Merger Reserve RM</b>	<b>Capital Reserve RM</b>	<b>Retained Earnings RM</b>	<b>Total RM</b>
Balance as at 1 <sup>st</sup> January 2018	1,000,000	1,594,651			794,524	3,389,175
Net profit for the financial year					727,432	727,432
Other comprehensive loss for the year		(121,264)				(121,264)
Shares granted to employees				241,380		241,380
Transaction with owners						
Incorporation of the company	1,000					1,000
Adjustment arising from restructuring exercise	2,000,000		(2,000,000)			-
Balance as at 31 <sup>st</sup> December 2018	3,001,000	1,473,387	(2,000,000)	241,380	1,521,956	4,237,723
At 1 <sup>st</sup> January 2019, previously stated	3,001,000	1,473,387	(2,000,000)	241,380	1,521,956	4,237,723
Adjustment on initial application of MFRS16, net of tax	-	-	-	-	(195,760)	(195,760)
At 1 <sup>st</sup> January 2019, restated	3,001,000	1,473,387	(2,000,000)	241,380	1,326,196	4,041,963
Net (loss)/profit for the period					(397,073)	(397,073)
Dividend paid for the year					(500,002)	(500,002)
Issuance of shares	2,600,000					2,600,000
Balance as at 31 <sup>st</sup> December 2019	<b>5,601,000</b>	<b>1,473,387</b>	<b>(2,000,000)</b>	<b>241,380</b>	<b>429,121</b>	<b>5,744,888</b>

The Unaudited Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to this interim financial statement.

**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR 31<sup>ST</sup> DECEMBER 2019**

	<b>31.12.2019</b>	<b>31.12.2018</b>
	<b>RM</b>	<b>RM</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	(122,333)	1,020,560
Adjustment for:		
Adjustment on initial application of MFRS 16	(195,760)	-
Depreciation of property, plant and equipment	501,049	537,897
Depreciation of right-of-use asset	4,961,435	-
Impairment loss on trade receivables	46,013	-
Impairment loss on other receivables	132,626	-
Finance costs	136,413	137,027
Interest income	(13,420)	(35,915)
Operating profit/(loss) before working capital changes	<u>5,446,023</u>	<u>1,900,949</u>
<b>Changes in working capital: -</b>		
Decrease/(Increase) in trade receivables	(18,398)	88,804
Increase in other receivables, prepaid expenses and refundable deposits	(1,710,661)	(498,866)
Increase/(Decrease) in other payables and accrued expenses	(52,689)	524,782
Cash generated from/(used in) operations	<u>3,664,275</u>	<u>2,015,669</u>
Interest paid	(136,413)	(137,027)
Interest income	13,420	35,915
Tax paid	(348,032)	(379,413)
Tax refund	49,996	46,432
<b>Net cash from/(used in) operating activities</b>	<u>3,243,246</u>	<u>1,581,576</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(912,443)	(974,831)
(Placement)/withdrawal of fixed deposits	(942,612)	-
Proceeds from disposal of properties, plant and equipment	32,430	-
<b>Net cash used in investing activities</b>	<u>(1,822,625)</u>	<u>(974,831)</u>

	31.12.2019 RM	31.12.2018 RM
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from drawdown of term loans	500,000	-
Proceeds from issuance of shares	2,600,000	1,000
Repayment of least payment	(4,441,111)	-
Repayment of term loan obligations	(415,811)	(233,395)
Increase of fixed deposit pledged with licensed bank	-	(6,516)
Dividend paid	(500,002)	-
<b>Net cash (used in)/from financing activities</b>	<b>(2,256,924)</b>	<b>(238,911)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(836,303)</b>	<b>367,834</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR/DATE OF INCORPORATION</b>	<b>1,110,723</b>	<b>742,889</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>274,420</b>	<b>1,110,723</b>
Cash and cash equivalents at end of year consist of:		
Cash and bank balances	511,799	1,444,521
Bank overdraft	(237,379)	(333,798)
	<b>274,420</b>	<b>1,110,723</b>

The Unaudited Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory note attached to this interim financial statement.

**PART A – EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR  
31<sup>ST</sup> DECEMBER 2019**

**A1. BASIS OF PREPARATION**

Matrix Parking Solution Holdings Berhad (“Matrix” or “the Company”) was incorporated in Malaysia on 8 June 2018 as a private limited company under the Companies Act 2016. The Company was later converted into a public limited company on 14 December 2018. The Company’s business office is located at Y-BG-02, D’Aman Kayangan, No.1, Jalan PJU 1A/41, Ara Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan.

The interim financial statements of Matrix Parking Solution Holdings Berhad and its subsidiaries (“the Group”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting.

This is the interim financial report on the consolidated results for 31<sup>st</sup> December 2019 announced by the Company in compliance with Paragraph 6.12 of the LEAP Market’s Listing Requirements of Bursa Securities.

The unaudited interim financial statements ended 31<sup>st</sup> December 2019 should be read in conjunction with the audited combined financial statements of the Group for the financial year ended 31<sup>st</sup> December 2018.

The comparative financial statements figure of the Group for the financial year ended 31<sup>st</sup> December 2018 had been adjusted to reflect the implementation of MFRS 16, at the retain earning only.

**A2. CHANGES IN ACCOUNTING POLICIES**

At the date of authorization of the unaudited interim financial statements, the accounting policies, adopted are consistent with those disclosed in the latest set of audited financial statements as at 31<sup>st</sup> December 2018.

The following are MFRSs, Amendments to MFRSs and IC Interpretations that have been issued by Malaysian Accounting Standards Board (“MASB”) and these MASB had been adopted by the Group:

<b>MFRSs</b>	<b>Effective Date</b>
MFRS 16 <i>Leases</i>	1 January 2019
IC Interpretation 23 <i>Uncertainty over Income Tax Treatments</i>	1 January 2019
Amendments to MFRS 3 <i>Annual Improvements to MFRS Standards 2015-2017 Cycle</i>	1 January 2019
Amendments to MFRS 9 <i>Prepayment Features with Negative Compensation</i>	1 January 2019
Amendments to MFRS 11 <i>Annual Improvements to MFRS Standards 2015-2017 Cycle</i>	1 January 2019

**PART A – EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR  
31<sup>ST</sup> DECEMBER 2019**

**A2. CHANGES IN ACCOUNTING POLICIES (CONT'D)**

The Group had reflected in the financial statements the impact of implementing these MASB.

**A3. SEASONAL OR CYCLICAL FACTORS**

The businesses of the Group were not affected by any seasonal or cyclical factors during the current financial period.

**A4. UNUSUAL ITEMS**

There were no material unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial period.

**A5. MATERIAL CHANGES IN ESTIMATES**

There were no material changes in accounting estimates in the current financial period.

**A6. DEBT AND EQUITY SECURITIES**

During the period the Company had issued 20,000,000 shares under the private placement at the indicate price of RM 0.13 per share in conjunction with the listing on the LEAP Market of Bursa Malaysia Securities Berhad.

Other than that, there were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial period.

**A7. SEGMENTAL INFORMATION**

The Group's revenue based on its products is presented as follows: -

	6 months ended 31/12/2019 RM	12 months ended 31/12/2019 RM	12 months ended 31/12/2018 RM
Car park operator			
And Jockey services	5,643,251	10,725,407	7,987,878
Management	<u>555,202</u>	<u>1,102,311</u>	<u>1,169,543</u>
Consultancy	<u>6,198,453</u>	<u>11,827,718</u>	<u>9,157,421</u>



**PART A – EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE  
2<sup>ND</sup> HALF-YEAR ENDED 31 DECEMBER 2018 (CONT'D)**

**A8. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD**

There were no other material events subsequent to the end of the current financial period.

**A9. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no material changes in the composition of the Group for the current financial period.

**A10. CONTINGENT ASSETS AND CONTINGENT LIABILITIES**

There were no contingent assets and contingent liabilities as at the date of this interim financial report.

**A11. CAPITAL COMMITMENTS**

Capital expenditure commitment as below: -

	<b>As At</b> 30/6/2019	<b>As At</b> 30/6/2018
Car park Contracted by not provided for	<u>1,222,000</u>	<u>0</u>

**PART B - ADDITIONAL INFORMATION REQUIRED UNDER THE LEAP MARKET LISTING REQUIREMENTS**

**B1. REVIEW OF PERFORMANCE**

The Group achieved a revenue of RM11.8 million for the 12 months period to 31<sup>st</sup> December 2019 as compared to RM9.1 million for the previous 12 months period to 31<sup>st</sup> December 2018, an increase of 29%.

The Group achieved a profit before tax of RM584,937 after accounting for MFRS 9 of RM169,547 and MFRS 16 which is RM324,563, as at 31<sup>st</sup> December 2019.

The increase in the finance cost was due to the adjustments made for the MFRS 16 amounted to RM834,628 which affected the Group.

However, the Group incurred a net loss after tax of RM397,073 as at 31<sup>st</sup> December 2019 as compared to profit of RM727,423 as at 31<sup>st</sup> December 2018, mainly due to the following:

- a) The additional provision for MFRS 9 of RM169,547 for the Group;
- b) The adoption of MFRS 16 which resulted in additional provision of RM324,563; and
- c) The listing expenses incurred by the Group amounted to RM707,270;

The first adoption of MFRS 16 had resulted in the increase of provision to the Group. However, in this coming year, this MFRS 16, will not have significant impact to the Group.

**B2. PROSPECTS OF THE GROUP**

The Group remains committed to continuously looking for new parking site and new investment so as to increase its revenue base. There were no changes in the business direction of the Group which may have an impact on the business segments of the Group.

**B3. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST AND PROFIT GUARANTEE**

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

**PART C - OTHER INFORMATION**

**C1. STATUS OF CORPORATE PROPOSALS**

1) Proposed Acquisition

On 7 February 2020 the Company had entered into a conditional share sale agreement (“SSA”) with Mohd Izzuddin Bin Osman, Rafizuddin Bin Ramly and Mohd Hata Bin Hashim (collectively, the “Vendors”) for the purchase by the Company from the Vendors of 40% equity interest in Smart Integra Tech Sdn Bhd (“SITSB”) for a purchase consideration of RM1,400,000 (“Purchase Consideration”) to be satisfied by a cash consideration of RM75,000 and the issuance of 8,281,250 new ordinary shares in Matrix (“Matrix Shares”) at an issued price of RM0.16 each (“Consideration Shares”) (“Proposed Acquisition”). On the even date, in conjunction with the Proposed Acquisition and subject to its completion, Matrix also proposed to subscribe for new redeemable convertible preference shares in SITSB amounting to a total of RM3,500,000 (“Proposed Subscription of RCPS”);

2) Private Placement

On 7 February 2020, the Company had proposed to undertake a private placement of up to 40,000,200 new Matrix Shares (“Placement Shares”) representing up to 20% of the issued shares in Matrix (“Proposed Private Placement”).

3) Proposed Bonus Issue of warrants

On 18 February 2020, the Company proposed to undertake a proposed bonus issue of 100,000,500 new warrants (“Warrants”) on the basis of 1 Warrant for every 2 existing ordinary shares in Matrix (“Matrix Shares” or “Shares”) held by shareholders of the Company (“Entitled Shareholders”) on an entitlement date to be determined and announced later by the Board (“Entitlement Date”).

The above proposals are now pending the approval of Bursa Malaysia and Shareholders.

**C2. UTILISATION OF PROCEEDS**

The status of utilisation of the proceeds, RM2.6 million as at 31/12/2019 are as follows: -

<b>Purposes</b>	<b>Proposed Utilisation</b>	<b>Actual Utilisation*</b>	<b>Proceeds Balance</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>
Purchase of parking site equipment	200,000	200,000	-
Purchase of parking facility	800,000	800,000	-
General working capital	892,730*	892,730	-
Estimated listing expenses	707,270*	707,270	-
	<b>2,600,000</b>	<b>2,600,000</b>	<b>-</b>

\*There is a change to the allocation of the utilization, as the extra listing expenses of RM7,270 will be allocated from the general working capital.

### **C3. MATERIAL LITIGATION**

As at the date of this report, save as disclosed below, we are not engaged in any material litigation, claim or arbitration either as plaintiff or defendant and our Directors do not know of any proceeding pending or threatened or of any fact likely to give rise to any proceeding which might materially or adversely affect our financial position or our subsidiaries.

**Johor Bahru High Court Suit No: JA-22NCVC-62-04/2016**

**Plaintiff : Luxury Connection Sdn Bhd**

**Defendant : Matrix Parking Solution Sdn Bhd**

The Plaintiff had sued the Defendant in respect of dispute arising from a License Agreement dated 31st July 2012. Pursuant to the License Agreement, the Defendant as the licensee was to manage and operate the car park at Menara Zurich located at No. 15, Jalan Dato' Abdullah Tahir, 80300 Johor Bahru.

The dispute was mainly on the extension of the license period under the License Agreement. The Plaintiff in their court action is suing for amongst others for the Court to declare that the extension of the license period by the Defendant to be invalid and that the Defendant's services had been terminated. The Plaintiff also contended that the Defendant had breached the terms of the license agreement. The Plaintiff is asking for damages on the basis that the Defendant was to vacate the car park based on a court order obtained by the Plaintiff but failed to do so.

The Defendant on the other hand amongst others counter claimed that the extension of the license period was valid and asked that the Plaintiff specifically performed the License Agreement or in the alternative damages. The Defendant also claimed for the sum of RM188,430.90 for over payment of licence fee as a result of the setting aside of a previously agreed arrangement between the Plaintiff and Defendant in a separate court action.

The trial of the court action had proceeded on 25th October 2018, 18th November 2018 and 2nd December 2018. The Court subsequently delivered its decision on 21st March 2019.

The Court had allowed the Plaintiff's claim and dismissed the Defendant's counterclaim. The Court had also ordered the Defendant to pay the Plaintiff cost of RM35,000.00 which had been paid.

The Defendant had lodged an appeal to the Court of Appeal against the decision of the High Court and the appeal is now fixed for hearing on 24<sup>th</sup> June 2020.

The solicitors acting for the Defendant is of the view that the Defendant has a reasonable chance of success in their Appeal because the extension of the license period as prescribed under the terms of the license agreement is valid and the Defendant had not breached the terms of the license agreement to the extent rendering it sufficient for the Plaintiff to terminate the license agreement.

**As at the date of this report, our Directors confirm that there are no contingent**

**liabilities incurred by us or our subsidiaries, which upon becoming enforceable, may have a material effect on our financial position or our subsidiaries.**

**C4. DIVIDENDS**

The Board had made payment for the single-tier final dividend of RM0.00175 per ordinary share for the financial year ended 31<sup>st</sup> December 2018 totaling RM350,001.75 on 9<sup>th</sup> August 2019.

The Board had also made payment for the single-tier interim dividend of RM0.00075 per ordinary share for the financial year ended 31<sup>st</sup> December 2019, totaling RM150,000.75 on 9<sup>th</sup> August 2019.

**C5. (LOSS)/EARNINGS PER SHARE**

- (i) The basic (loss)/earnings per share for the current financial year and financial year-to-date are computed as follows: -

	<b>Cumulative 12 months ended</b>	
	<b>Unaudited</b>	<b>Audited</b>
	<b>31.12.2019</b>	<b>31.12.2018</b>
	<b>RM</b>	<b>RM</b>
Profit attributable to owners of the group	(397,073)	727,432
Number of ordinary shares in issue	200,001,000	180,001,000
Basic earnings per share (sen)	(0.20)	0.40

- (ii) Diluted earnings per share is the same as the basic earnings per share as there were no potential dilutive instruments.

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