



Matrix Parking

MATRIX PARKING SOLUTION HOLDINGS BERHAD

[Registration No. 201801021141 (1283160-X)]

(Incorporated in Malaysia)

**FINANCIAL STATEMENTS FOR THE
31ST DECEMBER 2022**

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.

**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR 31ST DECEMBER 2022**

	Individual 6 months ended	Individual 6 months ended	Cumulative 12 months ended	
	31 st December 2022	31 st December 2021	31 st December 2022	31 st December 2021
	RM	RM	RM	RM
Revenue	6,941,642	2,761,140	11,276,827	5,823,306
Direct costs	(4,045,790)	(54,463)	(6,826,727)	(1,700,091)
Gross profit	2,895,852	2,706,677	4,450,100	4,123,215
Other operating income	32,001	2,675,810	350,023	2,890,227
Other operating expenses	(2,224,556)	(3,070,247)	(4,184,977)	(4,407,570)
Operating (loss)/profit	703,297	2,312,240	615,146	2,605,872
Share of associates results	(392,082)	(660,038)	(392,082)	(660,038)
Finance costs	(583,704)	(277,426)	(720,367)	(668,691)
Profit/ (Loss) before tax	(272,489)	1,374,776	(497,303)	1,277,143
Non-controlling interest	(1,987)	-	(1,987)	-
Income tax expenses	(11,988)	405	(11,988)	405
	(286,464)	1,374,371	(511,278)	1,276,738
Corporate exercise / Listing expenses	-	-	-	(9,696)
Profit/ (Loss) for the financial year	(286,464)	1,374,371	(511,278)	1,267,042
Other comprehensive income	32,001	2,675,810	350,023	2,890,227
Total comprehensive income for the financial period	32,001	2,675,810	350,023	2,890,227
Profit/ (Loss) for the financial period attributable: Owners of the Company	(286,464)	1,374,371	(511,278)	1,267,042
EARNING/ (LOSS) PER ORDINARY SHARE (SEN)	(0.13)	0.62	(0.23)	0.57

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.

[The rest of this page had been intentionally left blank]

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2022**

	31.12.2022	Audited 31.12.2021
	RM	RM
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	4,579,529	3,654,593
Investment in associates	344,805	780,726
Other investments	1,300,000	1,300,000
Right of use Asset	7,624,597	10,828,474
TOTAL NON-CURRENT ASSETS	13,848,931	16,563,793
CURRENT ASSETS		
Receivables	2,906,504	2,926,790
Amount owing by associates	154,572	4,679
Other Investment	566,084	1,170,222
Cash and bank balances	1,714,729	359,893
Tax recoverable	356,859	386,348
TOTAL CURRENT ASSETS	5,698,748	4,847,932
TOTAL ASSETS	19,547,679	21,411,725
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	9,257,000	9,257,000
Retained earnings	(1,292,354)	(917,023)
Reserves	(303,401)	(327,454)
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	7,661,245	8,012,523
NON-CURRENT LIABILITIES		
Loan and borrowings	2,317,555	2,498,775
Lease liability	3,333,743	3,072,115
Deferred tax liabilities	472,902	465,280
TOTAL NON-CURRENT LIABILITIES	6,124,200	6,036,170
CURRENT LIABILITIES		
Payables	2,508,396	1,635,638
Lease liability	2,445,584	4,778,449
Loan and borrowing	808,254	948,945
TOTAL CURRENT LIABILITIES	5,762,234	7,363,032
TOTAL LIABILITIES	11,886,434	13,399,202
TOTAL EQUITY AND LIABILITIES	19,547,679	21,411,725
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.034	0.036

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

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR 31ST DECEMBER 2022

GROUP	Share Capital RM	Revaluation Reserve RM	Merger Reserve RM	Capital Reserve RM	Retained Earnings RM	Total RM
Balance as at 1 st January 2021	9,257,000	1,306,701	(2,000,000)	241,380	(2,114,186)	6,690,895
Profit for the financial year	-	-	-	-	1,267,042	1,267,042
Period Year adjustment					(69,879)	(69,879)
Issuance of shares		-	-	-	-	
Other comprehensive for financial year	-	124,465	-	-		124,465
Balance as at 31 st December 2021	9,257,000	1,431,166	(2,000,000)	241,380	(917,023)	8,012,523
At 1 st January 2022, previously stated	9,257,000	1,431,166	(2,000,000)	241,380	(917,023)	8,012,523
Period year adjustment					135,948	135,948
Other comprehensive for financial year		24,053				24,053
Loss for the period	-	-	-	-	(511,278)	(511,278)
Balance as at 31 st December 2022	9,257,000	1,455,219	(2,000,000)	241,380	(1,292,354)	7,661,245

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 31ST DECEMBER 2022

	31.12.2022	Audited
	RM	31.12.2021
		RM
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	(497,303)	1,259,283
Adjustment for:		
Depreciation of property, plant and equipment	456,262	502,647
Depreciation of right-of-use asset	4,175,013	4,837,904
Gain on disposal of ROU	(55,530)	-
Fair value gain on other investment	(30,862)	(26,756)
Impairment (gain)/ loss on trade receivables	(4,035)	(1,337)
Impairment (gain)/ loss on other receivables	21,597	(39,375)
Impairment (gain)/ loss on right of use assets	-	(1,719,396)
Impairment of goodwill	6,284	-
Amount owing by an associate	61,886	474
Impairment loss on associate	43,839	-
Waiver of rental	-	(4,822,406)
Finance costs	720,367	668,691
Interest income	-	(1,128)
PPE write off	-	1,205,478
Bad debt writes off	-	15,618
Share of result of associates	392,082	660,038
Operating profit before working capital changes	5,289,599	2,539,735
Changes in working capital: -		
(Increase)/ Decrease in receivables	2,724	29,262
(Decrease)/ Increase in payables	861,770	58,242
Cash generated from operations	6,154,093	2,627,239
Interest paid	(720,265)	(668,691)
Tax paid	(3,157)	(171,424)
Tax refund	44,063	
Net cash from operating activities	5,474,734	1,787,124
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,381,198)	(600,876)
Acquisition of associates	-	(500,000)
Investment in financial asset	(740,000)	-
Advance to an associate	(211,779)	(3,368)
(Withdrawal)/ Placement of fixed deposits	-	96,750
Interest received	297,259	1,128
(Proceeds from sale)/ Purchase of other investment	1,375,000	450,001
Additional of ROU	(1,261,455)	-
Net cash used in investing activities	(1,922,173)	(556,366)

	31.12.2022	31.12.2021
	RM	RM
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(1,886,700)	
Drawdown of hire purchase	211,300	(1,233,397)
Drawdown of term loan	443,582	-
Repayment of term loan	(972,023)	
Repayment of HP loans	(56,556)	(211,621)
Amount due to directors	2,000	(29,980)
Amount due to shareholders	8,986	-
	-	-
Net cash from financing activities	(2,249,411)	(1,474,998)
NET DECREASE IN CASH AND CASH EQUIVALENTS	1,303,150	(244,240)
CASH AND CASH EQUIVALENTS AT BEGINING OF YEAR/DATE OF INCORPORATION	187,088	431,328
CASH AND CASH EQUIVALENTS AT END OF YEAR	1,490,238	187,088
Cash and cash equivalents at end of year consist of:		
Cash and bank balances	1,714,729	359,893
Bank overdraft	(224,491)	(172,805)
	1,490,238	187,088

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
31ST DECEMBER 2022**

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 31st December 2022 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 31st December 2022 should be read in conjunction with the audited combined financial statements of the Group for the financial year ended 31st December 2021.

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 31st December 2021.

**PART A – EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR
31ST DECEMBER 2022**

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

There are no changes to the equity for the group.

A7. SEGMENTAL INFORMATION

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

	6 months ended 31/12/2022 RM	6 month ended 31/12/2021 RM	12 months ended 31/12/2022 RM	12 months ended 31/12/2021 RM
Car park operator And Jockey services	6,504,222	2,297,180	10,482,467	4,988,365
Management Consultancy	437,420	463,960	794,360	834,941
	<u>6,941,642</u>	<u>2,761,140</u>	<u>11,276,827</u>	<u>5,823,306</u>

**PART A – EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR
THE 2ND HALF-YEAR ENDED 31 DECEMBER 2022 (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

During the year there is no change to the composition of the group.

A10. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

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

A11. CAPITAL COMMITMENTS

Capital expenditure commitment as below: -

	As At	As At
	31/12/2022	31/12/2021
Car park Contracted by not provided for	<u>1,172,000</u>	<u>1,172,000</u>

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

B1. REVIEW OF PERFORMANCE

The Group achieved a revenue of RM11.3 million for the 12 months period to 31st December 2022 as compared to RM5.82 million for the previous 12 months period to 31st December 2021, a increase of 93.6%

The Group incurred a loss before tax of RM0.49 million for the 12 month period to 31 Dec 2022 as compare to profit before tax of RM1.27 million for the previous 12 months period 31st December 2021. The Group achieved a operation profit of RM0.62 million for the 12 month period to 31st Dec 2022 and after accounting for the loss of associate company, of RM0.39 million and finance cost of RM0.72 million, the group incurred a loss before tax of RM0.49 million.

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.

The Group leverage on technology to improve the operations of parking facilities by deploying and integrating the latest applications, improving the infrastructure and ultimately make the most of what we have to offer to move our business forward.

The intelligent platform will integrate the data across all aspects of the parking process thus, creating a more efficient data-driven payment processes. With this addition into our parking management and operation, it would strengthen our ability in cash controls, customer service and will lower the operating expenses.

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

There is no corporate proposal announce during the period.

C2. BORROWINGS

As at the reporting date, the Group's borrowings (all denominated in RM) are as follows:-

	12 months Ended 31.12.2022 RM	12 months Ended 31.12.2021 RM
<u>Current liabilities</u>		
Secured		
Term loan	517,389	735,965
Overdraft	224,491	172,804
Hire purchase	66,374	40,176
Sub-total	808,254	948,945
<u>Non-current liabilities</u>		
Secured		
Term loan	2,028,422	2,254,568
Hire purchase	289,133	144,207
Sub-total	2,317,555	2,498,775
Total	3,125,809	3,447,720

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 we wish to inform that the court of appeal has held the following decision on 30 June 2021:

1. There was no fundamental breach of the license agreement.
2. The Court has allowed the Defendant's claim for refund of the excess license fee of RM188,430.00 subject to the signage rental fee of RM2,150 being deducted for the period from 21/10/2015-25/5/2018 with interest of 5% per annum from date of judgment to full settlement.
3. General damages to be assessed by another High Court Judge.

The Plaintiff has then filed an application for stay at the High Court for the assessment of damages, however this application was dismissed with cost of RM3,000.00.

The hearing for assessment of damages fixed on 28th to 30th June 2022 was subsequently postpone to 16th Apr 2023 and 11th June 2023.

Further the Federal court has also dismissed the plaintiff's application for leave to appeal with cost of RM30,000.00.

C4. DIVIDENDS

The Directors did not declare any interim dividend in respect of the financial year ending 31 December 2022.

C5. EARNINGS/ (LOSS) PER SHARE

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

	Cumulative 12 months ended	
	Unaudited	Unaudited
	31.12.2022	31.12.2021
Profit / (Loss) attributable to owners of the group (RM'000)	(511,278)	1,267,042
Weighted number of ordinary shares in issue ('000)	222,851,000	222,851,000
Basic earnings/ (loss) per share (sen)	(0.23)	0.57

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

[The rest of this page has been intentionally left blank]