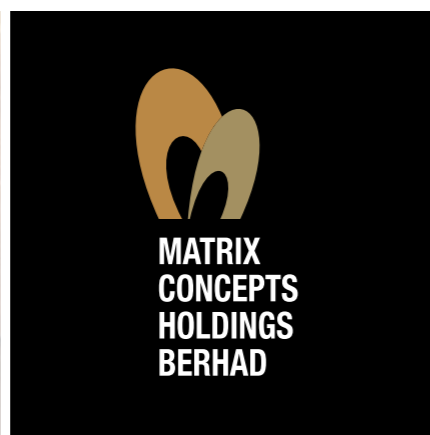




www.mchb.com.my



MATRIX CONCEPTS HOLDINGS BERHAD | PROSPECTUS



MATRIX CONCEPTS HOLDINGS BERHAD

Nurturing Environments, Enriching Lives.

(Company No. 414615-U)
(Incorporated in Malaysia under the Companies Act, 1965)

Prospectus

This Prospectus is dated 8 May 2013

PUBLIC ISSUE OF 62,500,000 NEW ORDINARY SHARES OF RM1.00 EACH IN OUR COMPANY COMPRISING:

- 10,000,000 NEW ORDINARY SHARES OF RM1.00 EACH AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- 8,808,000 NEW ORDINARY SHARES OF RM1.00 EACH AVAILABLE FOR APPLICATION BY THE ELIGIBLE DIRECTORS AND EMPLOYEES OF OUR COMPANY AND SUBSIDIARIES ("GROUP") AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF OUR GROUP; AND
- 43,692,000 NEW ORDINARY SHARES OF RM1.00 EACH AVAILABLE FOR PRIVATE PLACEMENT TO SELECTED INVESTORS

OFFER FOR SALE OF 37,500,000 ORDINARY SHARES OF RM1.00 EACH IN OUR COMPANY COMPRISING:

- 32,500,000 ORDINARY SHARES OF RM1.00 EACH AVAILABLE FOR PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY; AND
- 5,000,000 ORDINARY SHARES OF RM1.00 EACH AVAILABLE FOR PRIVATE PLACEMENT TO SELECTED INVESTORS

AT AN ISSUE/OFFER PRICE OF RM2.20 PER ORDINARY SHARE OF RM1.00 EACH PAYABLE IN FULL UPON APPLICATION IN CONJUNCTION WITH THE LISTING OF MATRIX CONCEPTS HOLDINGS BERHAD ON THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD

PRINCIPAL ADVISER, MANAGING UNDERWRITER, CO-UNDERWRITER AND CO-PLACEMENT AGENT



Hong Leong Investment Bank Berhad (110209-W)

(Formerly known as MIMB Investment Bank Berhad)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

CO-UNDERWRITER AND CO-PLACEMENT AGENT



KENANGA INVESTMENT BANK BERHAD

Company No. 15678-H

(A Participating Organisation of Bursa Malaysia Securities Berhad)



INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THE PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER. THERE ARE CERTAIN RISK FACTORS WHICH PROSPECTIVE INVESTORS SHOULD CONSIDER. TURN TO SECTION 4 FOR "RISK FACTORS".

RESPONSIBILITY STATEMENTS

Our Directors, Promoters and Offerors (as defined in this Prospectus) have seen and approved this Prospectus and they collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement in this Prospectus false and/or misleading.

Hong Leong Investment Bank Berhad (Formerly known as MIMB Investment Bank Berhad), being our Principal Adviser, Managing Underwriter, Co-Underwriter and Co-Placement Agent, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the initial public offering ("IPO").

STATEMENTS OF DISCLAIMER

The Securities Commission Malaysia ("SC") has approved this issue, offer or invitation for the IPO and a copy of this Prospectus has been registered with the SC. The approval and registration of this Prospectus should not be taken to indicate that the SC recommends the IPO or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Prospectus. The SC has not, in any way, considered the merits of the securities being offered for investment.

The SC is not liable for any non-disclosure in this Prospectus by us and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT IN OUR COMPANY. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN DOUBT AS TO THE COURSE OF ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

The valuation included in this Prospectus should not be construed as an endorsement by the SC on the value of the subject assets.

Approval has been obtained from Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the listing of and quotation for the securities being offered. Admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of the IPO, our Company or our securities.

A copy of this Prospectus, together with the application form, has also been lodged with the Registrar of Companies who takes no responsibility for its contents.

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OTHER STATEMENTS

The acceptance of applications for the securities being issued is conditional upon permission being granted by Bursa Securities for the listing of and quotation for the securities being issued on the Official List of Bursa Securities. If the permission is not applied for in the form for the time being required by Bursa Securities before the third day on which Bursa Securities is open after the date of issue of this Prospectus or not granted within 6 weeks from the date of issue of this Prospectus (or such longer period as may be specified by the SC), provided that our Company is notified by Bursa Securities within the aforesaid timeframe, all monies paid in respect of any application accepted will be returned in full, without interest to the applicants, at the applicants' own risk. If any such monies are not returned within 14 days after our Company become liable to repay it, the provision of sub-section 243(2) of the Capital Markets and Services Act, 2007 ("CMSA") shall apply.

You are advised to note that recourse for false or misleading statements or acts made in connection with the Prospectus is directly available through Sections 248, 249 and 357 of the CMSA.

Securities listed on Bursa Securities are offered to the public premised on full and accurate disclosure of all material information concerning the issue for which any of the persons set out in Section 236 of the CMSA, e.g. directors and advisers, are responsible.

This Prospectus is prepared and published solely under the Laws of Malaysia. Our Shares are offered in Malaysia solely based on the contents of this Prospectus. Our Directors, Promoters, Offerors, Principal Adviser, Managing Underwriter, Co-Underwriters and Co-Placement Agents have not authorised anyone to provide you with information which is not contained in this Prospectus.

This Prospectus has not been and will not be made to comply with the laws of any jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or with or by any regulatory authority or other relevant body of any jurisdiction other than Malaysia.

This Prospectus is not intended to be issued, circulated or distributed, and the IPO will not be made in any country or jurisdiction other than Malaysia or to persons who are subject to the laws of any country or jurisdiction other than the Laws of Malaysia. The IPO to which this Prospectus relates is only available to persons receiving this Prospectus electronically or otherwise within Malaysia.

We will not, prior to acting on any acceptance in respect of our IPO, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto whether or not any enquiry or investigation is made in connection to it. It is your sole responsibility to consult your legal and/or other professional advisers as to whether the IPO would result in the contravention of any laws or jurisdictions of Malaysia.

Further, it shall also be your sole responsibility to ensure that your application for the IPO would be in compliance with the terms of the IPO and would not be in contravention of any laws of countries or jurisdictions other than Malaysia to which you may be subject to. We will further assume that you had accepted the IPO in Malaysia. However, we reserve the right, in our absolute discretion, to treat any acceptance as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

Our Shares are classified as Shariah-compliant by the Shariah Advisory Council of the SC ("SAC") via its letters dated 2 October 2012 and 2 May 2013, based on our audited financial information for the financial year ended 31 December 2012. This classification remains valid from the date of issue of this Prospectus until the next Shariah compliance review undertaken by the SAC. Updates on the classification will be released in the updated list of Shariah-compliant securities on the last Friday of May and November of each year.

ELECTRONIC PROSPECTUS

The contents of the Electronic Prospectus and the copy of this Prospectus registered with the SC are the same. This Prospectus can also be viewed or downloaded from Bursa Securities website at www.bursamalaysia.com.

You are advised that the Internet is not a fully secure medium. Your Internet application may be subject to risks in data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institution. These risks cannot be borne by the Internet Participating Financial Institution. If you doubt the validity or integrity of an Electronic Prospectus, you should immediately request from us, our Adviser or the Issuing House, a paper/printed copy of the Prospectus. If there is any discrepancy between the contents of the Electronic Prospectus and the paper/printed copy of this Prospectus, the contents of the paper/printed copy of this Prospectus which are identical to the copy of the Prospectus registered with the SC shall prevail.

In relation to any reference in this Prospectus to third party Internet sites (referred to as "**Third Party Internet Sites**"), whether by way of hyperlinks or by way of description of the Third Party Internet Sites, you acknowledge and agree that:

- (a) we do not endorse and are not affiliated in any way to the Internet sites. Accordingly, we are not responsible for the availability of, or the content or any data, files or other material provided on the Third Party Internet Sites. You bear all risks associated with the access to or use of the Third Party Internet Sites;
- (b) we are not responsible for the quality of products or services in the Third Party Internet Sites, particularly in fulfilling any of the terms of any of your agreements with the Third Party Internet Sites. We are also not responsible for any loss or damage or cost that you may suffer or incur in connection with or as a result of dealing with the Third Party Internet Sites or the use of or reliance on any data, file or other material provided by such parties; and
- (c) any data, information, file or other material downloaded from the Third Party Internet Sites is done at your own discretion and risk. We are not responsible, liable or under obligation for any damage to your computer system or loss of data resulting from the downloading of any such data, information, files or other material.

Where an Electronic Prospectus is hosted on the website of the Internet Participating Financial Institution, you are advised that:

- (a) the Internet Participating Financial Institution is only liable in respect of the integrity of the contents of an Electronic Prospectus, to the extent of the content of the Electronic Prospectus on the web server of the Internet Participating Financial Institution which may be viewed via your web browser or other relevant software. The Internet Participating Financial Institution is not responsible for the integrity of the contents of an Electronic Prospectus which has been obtained from the web server of the Internet Participating Financial Institution and subsequently communicated or disseminated in any manner to you or other parties; and
- (b) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an Electronic Prospectus, the accuracy and reliability of an Electronic Prospectus cannot be guaranteed because the Internet is not a fully secure medium.

The Internet Participating Financial Institution is not liable (whether in tort or contract otherwise) for any loss, damage or costs, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in an Electronic Prospectus which may arise in connection with or as a result of any fault with web browsers or other relevant software, any fault on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institution, and/or problems occurring during data transmission which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

INDICATIVE TIMETABLE

The indicative timing of events leading up to the listing of and quotation for our entire enlarged issued and paid-up share capital on the Main Market of Bursa Securities is set out below:

Event	Indicative date
Opening date of Application for the IPO	8 May 2013
Closing date of Application for the IPO	15 May 2013
Balloting of Applications	17 May 2013
Despatch of notices of allotment for the Shares to successful applicants	27 May 2013
Listing date	28 May 2013

Save for the opening date of the application for the IPO, these dates are tentative and are subject to changes which may be necessary to facilitate implementation procedures.

Applications will be accepted from 10.00 a.m. on 8 May 2013 and will remain open until 5.00 p.m. on 15 May 2013 or such later date or dates as our Board of Directors and Hong Leong Investment Bank Berhad at their absolute discretion may jointly decide.

Should the closing date of the applications be extended, the dates for the balloting, allotment and listing of our entire enlarged issued and paid-up share capital on the Main Market of Bursa Securities might be extended accordingly. We will notify all parties via an advertisement in a widely circulated English and Bahasa Malaysia newspaper in Malaysia in the event there is an extension of time on the closing date of the applications.

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include natural persons, firms, companies, bodies corporate and corporation, unless otherwise specified.

Any reference in this Prospectus to any provisions of the statutes, rules, regulations, enactments or rules of stock exchange shall (where the context admits), be construed as reference to provisions of such statutes, rules, regulations, enactments or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments or re-enactment to the statutes, rules, regulations, enactments or rules of stock exchange for the time being in force. Any reference to a time of a day in this Prospectus shall be reference to Malaysian time, unless otherwise stated.

Any references to "our Company" or "the Company" or "Matrix Concepts" in this Prospectus are to Matrix Concepts Holdings Berhad, reference to "our Group" or "the Group" or "Matrix Concepts Group" are to Matrix Concepts Holdings Berhad and its subsidiaries and reference to "we", "us", "our", and "ourselves" are to our Company, and where the context requires, our Company and our subsidiaries. Unless the context otherwise requires, reference to "Management" are to our Directors and key management personnel as at the date of this Prospectus, and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

This Prospectus includes statistical data provided by our Management and various third parties and cites third-party projections regarding growth and performance of the industries in which we operate. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus, provided that where no source is stated, it can be assumed that the information originated from us. We believe that the statistical data and projections cited in this Prospectus are useful in helping you to understand the major trends in the industries in which we operate. However, neither we nor our advisers have independently verified these data. Neither we nor our advisers make any representation as to the correctness, accuracy or completeness of such data and accordingly you should not place undue reliance on the statistical data cited in this Prospectus. Similarly, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. We give no assurance that the projected figures will be achieved, and you should not place undue reliance on the third-party projections cited in this Prospectus.

The information on our website, or any website directly or indirectly linked to such website does not form part of this Prospectus and you should not rely on it.

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FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, plans and objectives of our Management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, our performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such forward-looking statements reflect our Management's current view with respect to future events and are not a guarantee of future performance. Forward-looking statements can be identified by the use of forward-looking terminology such as the words "expect", "believe", "plan", "intend", "estimate", "anticipate", "aim", "forecast", "may", "will", "would", and "could", or similar expressions and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

- (i) demand for our products and services;
- (ii) our business strategies;
- (iii) plans and objectives of our Management for future operations;
- (iv) our financial position; and
- (v) our future earnings, cash flows and liquidity.

Our actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors beyond our control, including, without limitation:

- (i) the economic, political and investment environment in Malaysia and globally; and
- (ii) government policy, legislation and regulation.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to those discussed in Section 4 of this Prospectus on "Risk factors" and Section 12.4 of this Prospectus on "Management's discussion and analysis of financial condition, results of operations and prospects". We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the date of this Prospectus. Subject to the provisions of Section 238 of the CMSA, we expressly disclaim any obligation or undertaking to release publicly any update or revision to any forward-looking statement contained in this Prospectus to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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DEFINITIONS

Except where the context otherwise requires, the following definitions (in alphabetical order) shall apply throughout this Prospectus:

"1MDB"	:	1Malaysia Development Berhad (848230-V)
"1 Sendayan Club"	:	1 Sendayan Club Sdn Bhd (472451-U)
"1 Sendayan Education"	:	1 Sendayan Education Sdn Bhd (391386-D)
"Act"	:	The Companies Act, 1965 as amended from time to time and any re-enactment thereof
"ADA"	:	Authorised Depository Agent
"Ambang Kuasa"	:	Ambang Kuasa Sdn Bhd (705440-U)
"Application(s)"	:	The application(s) for the Public Issue Shares by way of Application Form, Electronic Share Application or Internet Share Application
"Application Form(s)"	:	The printed form(s) for the Application(s)
"ATM"	:	Automated teller machine
"Authorised Financial Institution(s)"	:	Authorised financial institution(s) participating in the Internet Share Application in respect to the payments for the Public Issue Shares
"BFR"	:	Base financing rate
"BLR"	:	Base lending rate
"Board"	:	Board of Directors of Matrix Concepts
"Bonus Issue"	:	A bonus issue of 186,399,060 new Shares to the existing shareholders of our Company on the basis of approximately 3.65 new Shares for every 1 existing Share held, which was completed on 18 March 2013
"BSS Development"	:	BSS Development Sdn Bhd (689638-X)
"Bursa Depository"	:	Bursa Malaysia Depository Sdn Bhd (165570-W)
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (635998-W)
"By-Laws"	:	Rules, terms and conditions governing the ESOS
"CCC"	:	Certificate of completion and compliance
"CCM"	:	Companies Commission of Malaysia
"CDS"	:	Central Depository System
"CDS Account"	:	An account established by Bursa Depository for a depositor for the recording of deposit of securities and for dealing in such securities by the depositor
"CF"	:	Certificate of fitness
"CMSA"	:	Capital Markets and Services Act, 2007, as amended from time to time and any re-enactment thereof
"Co-Underwriters" and "Co-Placement Agents"	:	HLIB and KIBB
"Director(s)"	:	Director(s) of our Company and shall have the meaning given in Section 4 of the Act

DEFINITIONS (Cont'd)

“EBITDA”	:	Earnings before interest, taxation, depreciation and amortisation
“Electronic Share Application”	:	An application for the Public Issue Shares through Participating Financial Institution’s ATM
“EPS”	:	Earnings per share
“ESOS”	:	Employee Share Option Scheme
“ESOS Options”	:	The right to subscribe for new Shares upon acceptance of an offer under the ESOS
“Fine Approach”	:	Fine Approach Sdn Bhd (592587-U)
“FPE”	:	Financial period ended
“FRS”	:	Financial Reporting Standards
“FYE”	:	Financial year(s) ended/ ending
“GDP”	:	Gross domestic product
“GDV”	:	Gross development value
“Government”	:	Government of Malaysia
“GP”	:	Gross profit
“HLIB”	:	Hong Leong Investment Bank Berhad (<i>Formerly known as MIMB Investment Bank Berhad</i>) (10209-W)
“IMR”	:	Independent Business and Market Research Consultants
“Insani Utama”	:	Insani Utama Sdn Bhd (204549-D)
“Internet Participating Financial Institution(s)”	:	The participating financial institution(s) for Internet Share Application as listed in Section 18 of this Prospectus
“Internet Share Application”	:	Application for the Public Issue Shares through an Internet Participating Financial Institution
“IPO”	:	Initial public offering of our Shares comprising the Public Issue and Offer for Sale
“IPO Price”	:	The Issue Price and Offer Price of RM2.20 for each IPO Share
“IPO Share(s)”	:	Public Issue Shares and Offer Shares, collectively
“ISO”	:	International Organisation for Standardisation, a developer and publisher of international standards
“Issue Price”	:	The issue price of RM2.20 for each Public Issue Share
“Issuing House” or “Equiniti”	:	Equiniti Services Sdn Bhd (11324-H)
“Juwasan Maju”	:	Juwasan Maju Sdn Bhd (268222-A)
“Juwasan Trading”	:	Juwasan Trading Sdn Bhd (542979-K)
“KIBB”	:	Kenanga Investment Bank Berhad (15678-H)
“KKTNJB”	:	Koperasi Kemajuan Tanah Negeri Johor Bhd (KOP870/(7))
“Kris Benua”	:	Kris Benua Sdn Bhd (249040-D)
“Listing”	:	Admission to the Official List and the listing of and quotation for our entire issued and paid-up share capital comprising 300,000,000 Shares on the Main Market of Bursa Securities

DEFINITIONS (Cont'd)

“Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities, as amended from time to time
“Listing Scheme”	:	The Bonus Issue, IPO, ESOS and Listing, collectively
“LPD”	:	15 April 2013, being the latest practicable date prior to printing of this Prospectus
“Magnitude Point”	:	Magnitude Point Sdn Bhd (579291-V)
“MAINS”	:	Majlis Agama Islam Negeri Sembilan
“Market Day”	:	A day when Bursa Securities is open for trading
“Masuda Corporation”	:	Masuda Corporation Sdn Bhd (417948-K)
“Matrix”	:	Matrix Concepts Sdn Bhd (295708-V)
“Matrix Concepts” or “Company”	:	Matrix Concepts Holdings Berhad (414615-U)
“Matrix Concepts Group” or “Group”	:	Matrix Concepts and its subsidiary companies, collectively
“MBI”	:	Menteri Besar Negeri Sembilan (Pemerbadanan)
“MCHB Management”	:	MCHB Management Services Sdn Bhd (448098-U)
“MCHB Natro”	:	MCHB Natro’ Green Sdn Bhd (414186-T)
“MCHB Properties”	:	MCHB Properties Sdn Bhd (972097-M)
“Meridian Effect”	:	Meridian Effect Sdn Bhd (585005-X)
“MHLA”	:	Ministry of Housing and Local Government
“MITI”	:	Ministry of International Trade and Industry
“NA”	:	Net assets
“NBV”	:	Net book value
“Offer for Sale”	:	The offer for sale of the Offer Shares at the Offer Price to be allocated in the manner set out in Section 3.3.2 of this Prospectus
“Offer Price”	:	The offer price of RM2.20 for each Offer Share
“Offer Share(s)”	:	The 37,500,000 Shares to be offered for sale by the Offerors
“Offeror(s)”	:	Dato’ Lee Tian Hock, Datin Yong Chou Lian, Ambang Kuasa, Magnitude Point, Target Venue, Meridian Effect and Fine Approach, collectively
“Official List”	:	A list specifying all securities which have been admitted for listing on Bursa Securities and not removed
“Participating Financial Institution(s)”	:	Participating financial institution(s) for the Electronic Share Application as listed in Section 18 of this Prospectus
“PAT”	:	Profit after taxation
“PBT”	:	Profit before taxation
“PE Multiple”	:	Price earnings multiple
“Pembinaan Juwasan”	:	Pembinaan Juwasan Sdn Bhd (415278-V)

DEFINITIONS (Cont'd)

"Placement Agreement"	:	The placement agreement dated 18 April 2013 between our Company, the Offerors and the Co-Placement Agents for the placement of 43,692,000 Public Issue Shares and the 37,500,000 Offer Shares available by way of private placement
"Principal Adviser" or "Managing Underwriter"	:	HLIB
"Promoter(s)"	:	Dato' Lee Tian Hock, Datin Yong Chou Lian, Ho Kong Soon, Lee Tian Huat, Yong Soi Mee, Ah Sam, Shining Term, Ambang Kuasa, Magnitude Point, Target Venue, Fine Approach, Lee Tian Onn, Tan Bee Ling, Yong Ing Kiat, Yong Ghee Kiat, Lee Geok Lin, Lee Geok Hoon, Lee Yoke Bee, Lee Yoke Fong, Teh Wei Cin, Cheong Yong Chieh, Meridian Effect and Yakin Teladan, collectively
"Prospectus"	:	This Prospectus dated 8 May 2013 issued by our Company
"Public" or "Malaysian Public"	:	Citizen(s) of Malaysia and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
"Public Issue"	:	The public issue of the Public Issue Shares at the Issue Price to be allocated in the manner set out in Section 3.3.1 of this Prospectus
"Public Issue Share(s)"	:	The 62,500,000 new Shares to be issued pursuant to the Public Issue payable in full upon application and subject to the terms and conditions of this Prospectus
"QA"	:	Quality Assurance
"QC"	:	Quality Control
"REHDA"	:	Real Estate and Housing Developers' Association
"Retail Offering"	:	The public issue of the 10,000,000 Public Issue Shares to be offered to the Malaysian Public in the manner set out in Section 3.3.1(i) of this Prospectus
"Riverine Projects"	:	Riverine Projects Sdn Bhd (589699-W)
"RM" and "sen"	:	Ringgit Malaysia and sen, respectively
"SC"	:	Securities Commission Malaysia
"Seventech"	:	Seventech Sdn Bhd (298112-A)
"SICDA"	:	Securities Industry (Central Depositories) Act, 1991 as amended from time to time and any re-enactment thereof
"Share(s)"	:	Ordinary share(s) of RM1.00 each in Matrix Concepts
"Shining Term"	:	Shining Term Sdn Bhd (580521-K)
"sq ft"	:	Square feet
"sqm"	:	Square metres
"Superb Approach"	:	Superb Approach Sdn Bhd (404543-A)
"Supreme Interest"	:	Supreme Interest Sdn Bhd (591923-W)
"Target Venue"	:	Target Venue Sdn Bhd (586008-X)

DEFINITIONS (Cont'd)

- "township" : A defined area usually within an urban or suburban context comprising residential homes, public amenities and commercial activities, and is relatively self-sufficient for the population's basic household needs. A township is smaller than a city, whereby a city commonly has at least a population of 500,000
- "Underwriting Agreement" : Conditional underwriting agreement dated 18 April 2013 between our Company, Managing Underwriter and the Co-Underwriters for the underwriting of 18,808,000 Public Issue Shares which are made available for application by the Malaysian Public and eligible Directors and Employees of our Group and persons who have contributed to the success of our Group
- "Yakin Teladan" : Yakin Teladan Sdn Bhd (576098-D)

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1. CORPORATE INFORMATION**BOARD OF DIRECTORS**

Name	Designation	Address	Occupation	Nationality
Dato' Haji Mohamad Haslah bin Mohamad Amin	Non-Independent Non-Executive Chairman	No. 3, Jalan TR 2/5 Tropicana Golf Resort 47410 Petaling Jaya Selangor Darul Ehsan	Company Director	Malaysian
Dato' Lee Tian Hock	Group Managing Director / Chief Executive Officer	No. 148, Jalan Dato' Kelana Maamor 70200 Seremban Negeri Sembilan Darul Khusus	Company Director	Malaysian
Ho Kong Soon	Group Deputy Managing Director / Chief Operating Officer	No. 393, Lorong S2 A9/9 Green Street Homes 1 70300 Seremban Negeri Sembilan Darul Khusus	Company Director	Malaysian
Dato' Firdaus Muhammad Rom bin Harun	Independent Non-Executive Director	No. 556, Jalan Cenderawasih 3 Taman Paroi Jaya 70400 Seremban Negeri Sembilan Darul Khusus	Company Director	Malaysian
Rezal Zain bin Abdul Rashid	Independent Non-Executive Director	47, Jalan Keruing Bukit Bandaraya 59100 Kuala Lumpur	Company Director	Malaysian
Dato' Ir. Batumalai a/l Ramasamy	Independent Non-Executive Director	No. 123, Jalan Meranti 2 Taman Bukit Chedang 70300 Seremban Negeri Sembilan Darul Khusus	Company Director	Malaysian

AUDIT COMMITTEE

Name	Designation	Directorship
Rezal Zain bin Abdul Rashid	Chairman	Independent Non-Executive Director
Dato' Firdaus Muhammad Rom bin Harun	Member	Independent Non-Executive Director
Dato' Ir. Batumalai a/l Ramasamy	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Rezal Zain bin Abdul Rashid	Chairman	Independent Non-Executive Director
Dato' Lee Tian Hock	Member	Group Managing Director / Chief Executive Officer
Dato' Firdaus Muhammad Rom bin Harun	Member	Independent Non-Executive Director

1. CORPORATE INFORMATION (Cont'd)**NOMINATION COMMITTEE**

Name	Designation	Directorship
Dato' Firdaus Muhammad Rom bin Harun	Chairman	Independent Non-Executive Director
Rezal Zain bin Abdul Rashid	Member	Independent Non-Executive Director
Dato' Ir. Batumalai a/l Ramasamy	Member	Independent Non-Executive Director

ESOS COMMITTEE

Name	Designation	Directorship
Rezal Zain bin Abdul Rashid	Chairman	Independent Non-Executive Director
Tee Kam Mee	Member	General Manager, Human Resource and Administration
Ong Eng Hock	Member	Corporate Legal Advisor
Tan Say Kuan	Secretary	Group Accountant

COMPANY SECRETARIES : Hoh Leong Ching (MAICSA 7006654)
Hoh Chee Mun (MIA 8891)
54B, Damai Complex
Jalan Lumut
50400 Kuala Lumpur
Tel no.: +603-4042 6522
Fax no.: +603-4043 8269

REGISTERED OFFICE : 54B, Damai Complex
Jalan Lumut
50400 Kuala Lumpur
Tel no: +603-4042 6522
Fax no: +603-4043 8269

HEAD OFFICE : Wisma Matrix
No. 57, Jalan Tun Dr. Ismail
70200 Seremban
Negeri Sembilan
Tel no: +606-764 2688
Fax no: +606-764 5514
Website: www.mchb.com.my
E-mail: matrix@mchb.com.my

AUDITORS/REPORTING ACCOUNTANTS : Wong Weng Foo & Co.(AF 0829)
41, Damai Complex
Jalan Dato Haji Eusoff
50400 Kuala Lumpur
Tel no: +603-4042 4280
Fax no: +603-4041 3141

SOLICITORS FOR THE LISTING : Cheang & Ariff
39 Court @ Loke Mansion
273A Jalan Medan Tuanku
50300 Kuala Lumpur
Tel no: +603-2691 0803
Fax no: +603-2692 8533

1. CORPORATE INFORMATION (Cont'd)

PRINCIPAL BANKERS	: Hong Leong Bank Berhad 69,70 & 71, Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Tel no: +606-762 9886 Fax no: +606-762 5925 AmBank (M) Berhad Unit No. 5-G, 5-1, 6-G & 6-1 Seremban City Centre Jalan Pasar 70000 Seremban Negeri Sembilan Tel no: +606-767 9564 Fax no: +606-767 8179 AmIslamic Bank Berhad Unit No. 5-G, 6-G & 6-1 AmBank Business Centre Jalan Pasar 70000 Seremban Negeri Sembilan Tel no: +606-764 7735 Fax no: +606-764 1537 Public Bank Berhad Cawangan Taman Munsyi Ibrahim No. 48 & 50, Jalan Dian 8 Taman Munsyi Ibrahim 81200 Johor Bahru Johor Tel no: +607-234 6820 / 6821 / 6859 Fax no: +607-234 6790
INDEPENDENT BUSINESS AND MARKET RESEARCH CONSULTANTS	: Vital Factor Consulting Sdn Bhd 75C & 77C Jalan SS22/19 Damansara Jaya 47400 Petaling Jaya Selangor Darul Ehsan Tel no: +603-7728 0248 Fax no: +603-7728 7248
VALUER	: Henry Butcher Malaysia (NS) Sdn Bhd No. 11, Ground Floor, Jalan Tunku Hassan 70000 Seremban Negeri Sembilan Darul Khusus Tel no: +606-761 8681 Fax no: +606-761 8687
ISSUING HOUSE	: Equiniti Services Sdn Bhd Level 8, Menara MIDF 82, Jalan Raja Chulan 50200 Kuala Lumpur Tel no: +603-2166 0933 Fax no: +603-2166 0688

1. CORPORATE INFORMATION (Cont'd)

SHARE REGISTRAR	:	Bina Management (M) Sdn Bhd Lot 10, The Highway Centre Jalan 51/205 46050 Petaling Jaya Selangor Darul Ehsan Tel no: +603-7784 3922 Fax no: +603-7784 1988
PRINCIPAL ADVISER, MANAGING UNDERWRITER, CO-UNDERWRITER AND CO-PLACEMENT AGENT	:	Hong Leong Investment Bank Berhad <i>(Formerly known as MIMB Investment Bank Berhad)</i> Level 23, Menara HLA No. 3, Jalan Kia Peng 50450 Kuala Lumpur Tel no: +603-2168 1168 Fax no: +603-2164 8880
CO-UNDERWRITER AND CO-PLACEMENT AGENT	:	Kenanga Investment Bank Berhad 8th Floor, Kenanga International Jalan Sultan Ismail 50250 Kuala Lumpur Tel no:+603-2164 9080 Fax no:+603-2161 4990
LISTING SOUGHT	:	Main Market of Bursa Securities
SHARIAH STATUS	:	Approved by the Shariah Advisory Council of the SC

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2. SUMMARY INFORMATION

This is a summary of the salient information in the Prospectus. It does not contain all the information that may be important to you. You should read and understand the entire Prospectus carefully before you decide to invest in our Company.

2.1 OUR BUSINESS

Our Company was established as Brilliant Radical Sdn Bhd in Malaysia on 24 December 1996, as a private limited company under the Act. Subsequently on 13 January 2003, we changed our name to Matrix Concepts Holdings Sdn Bhd. On 22 November 2004, we were converted into a public limited company and assumed our present name.

We are principally an investment holding company, while our subsidiary companies are mainly involved in property development, sales of land, investment holding, project management and procurement of building materials and administrative services.

Our Group was founded by Dato' Lee Tian Hock, our Group Managing Director / Chief Executive Officer. With approximately 30 years of experience in the property development industry, he has been instrumental in the success, growth and development of the Matrix Concepts Group since we commenced operations. He is supported by Mr Ho Kong Soon, our Group Deputy Managing Director / Chief Operating Officer, who brings with him more than 20 years of experience in the property development industry. Our Group's maiden property development project commenced in 1997, which was Taman Bahau in Negeri Sembilan, where 595 units of residential and commercial properties with a GDV of approximately RM34.9 million were successfully launched, sold and delivered in December 1998 for Phase 1 and March 1999 for Phase 2 for the residential properties and in November 1998 for the commercial properties.

Presently, our Group is undertaking the development of two township projects known as Bandar Sri Sendayan in Seremban, Negeri Sembilan and Taman Seri Impian in Kluang, Johor. In 2005, our Group, through Matrix, signed a joint venture agreement with KKTNJB to develop a 900-acre new township project known as Taman Seri Impian in Kluang, Johor. In the same year, our Group, through BSS Development, also signed a joint venture agreement with MBI to develop a new township project known as Bandar Sri Sendayan in Seremban, Negeri Sembilan spanning 5,233 acres.

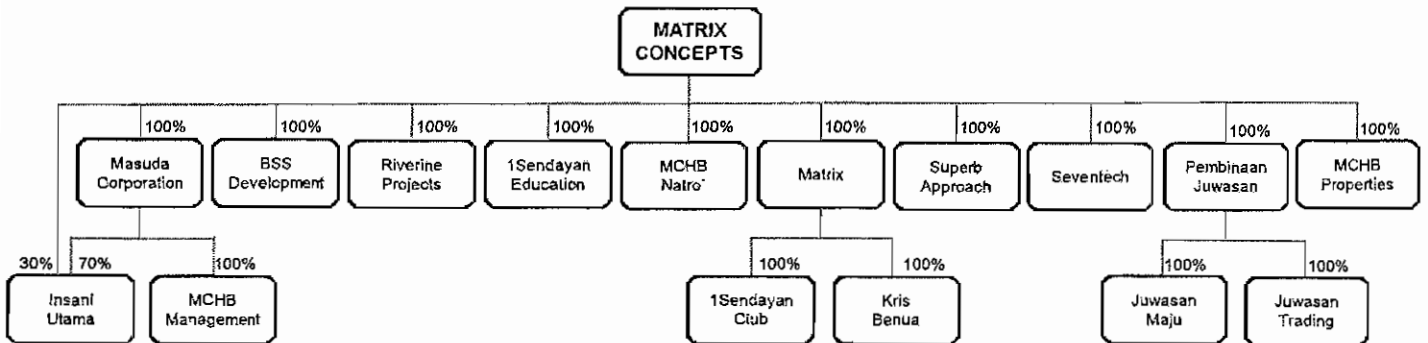
As at the LPD, based on our on-going projects, our Group has launched 3,128 units of residential, commercial, industrial and leisure properties with an estimated total GDV of RM1.4 billion. Of these, 2,807 units of properties were sold, representing approximately 89.7% of the total number of on-going development properties launched by our Group. In addition, our Group also has a land bank of approximately 1,568 acres located mainly in Seremban and Port Dickson, Negeri Sembilan and Kluang, Johor for future development, of which 1,457 acres of the land bank are owned by our joint-venture partners. All our land bank has been approved for development of residential, commercial, industrial, institutional and leisure properties.

Our Group is focused on building affordable residential and quality residential and commercial properties that are able to meet the demands for medium-end properties. The strength of our Group include amongst others, our marketing strategies, delivering end-products ahead of schedule, good customer service and a team of committed and responsible workforce. In line with demand for higher-end residential properties as well as part of our expansion plan, our Group began to venture into development projects that cater to the upper-middle and higher end markets in Bandar Sri Sendayan as well as other locations in Seremban, Negeri Sembilan as well as the district of Kluang, Johor.

2. SUMMARY INFORMATION (Cont'd)

In 2005, Matrix and MCHB Management were accredited with ISO 9001:2000 status for provision of project management and administrative management services in property development by BM TRADA Certification Ltd, a certification body accredited by the United Kingdom Accreditation Service. In 2009, Matrix, MCHB Management and Juwasan Maju upgraded their Quality Management System from ISO 9001:2000 to ISO 9001:2008 for project management, provision of construction and administrative management services in property development from BM TRADA Certification Ltd.

Our Group structure as at the LPD is set out below:



Further details on our history and business are set out in Section 7.1 of this Prospectus.

2.2 COMPETITIVE ADVANTAGES AND KEY STRENGTHS

We believe our competitive advantages and key strengths are:

- (i) We have developed a new integrated township;
- (ii) Our new township in Bandar Sri Sendayan is strategically located;
- (iii) We have on-going and future projects up till 2019;
- (iv) We achieved high take-up rates for properties developed by us;
- (v) We have an established track record;
- (vi) We have a diversified product portfolio;
- (vii) We have experience in joint-venture projects with the State Governments;
- (viii) Growth in launch prices of properties developed by us;
- (ix) We have high impact Government and industrial developments; and
- (x) We have qualified and experienced management team.

Further details on our competitive advantages and key strengths are set out in Section 5.2 of this Prospectus.

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2. SUMMARY INFORMATION (Cont'd)

2.3 OWNERSHIP AND MANAGEMENT

Our Promoters, substantial shareholders, Directors and key management are set out below:

2.3.1 Promoters and/or substantial shareholders

Name	Designation
Dato' Lee Tian Hock	Promoter and substantial shareholder
Datin Yong Chou Lian	Promoter and substantial shareholder
Ho Kong Soon	Promoter and substantial shareholder
Lee Tian Huat	Promoter and substantial shareholder
Yong Soi Mee	Promoter and substantial shareholder
Ah Sam	Promoter and substantial shareholder
Shining Term	Promoter and substantial shareholder
Ambang Kuasa	Promoter and substantial shareholder
Magnitude Point	Promoter and substantial shareholder
Target Venue	Promoter and substantial shareholder
Fine Approach	Promoter and substantial shareholder
Lee Tian Onn	Promoter
Tan Bee Ling	Promoter
Yong Ghee Kiat	Promoter
Yong Ing Kiat	Promoter
Lee Geok Lin	Promoter
Lee Geok Hoon	Promoter
Lee Yoke Bee	Promoter
Lee Yoke Fong	Promoter
Teh Wei Cin	Promoter
Cheong Yong Chieh	Promoter
Meridian Effect	Promoter
Yakin Teladan	Promoter
Tan Wan Fook	Substantial shareholder
Alice Tan Khiam Chow	Substantial shareholder
Supreme Interest	Substantial shareholder

2.3.2 Directors

Name	Designation
Dato' Haji Mohamad Haslah bin Mohamad Amin	Non-Independent Non-Executive Chairman
Dato' Lee Tian Hock	Group Managing Director / Chief Executive Officer
Ho Kong Soon	Group Deputy Managing Director / Chief Operating Officer
Dato' Firdaus Muhammad Rom bin Harun	Independent Non-Executive Director
Rezal Zain bin Abdul Rashid	Independent Non-Executive Director
Dato' Ir. Batumalai a/l Ramasamy	Independent Non-Executive Director

2. SUMMARY INFORMATION (Cont'd)

2.3.3 Key management

Name	Designation
Lee Fah Pin	General Manager, Projects
Tan Say Kuan	Group Accountant
Tee Kam Mee	General Manager, Human Resource and Administration
How Giok Wah	General Manager, Sales

Further information on our Promoters, substantial shareholders, Directors and key management and their direct and indirect shareholdings in our Company are set out in Section 9 of this Prospectus.

2.4 PRINCIPAL STATISTICS OF OUR IPO

The following statistics relating to our IPO are derived from the full text of this Prospectus and should be read in conjunction with the text:

	No. of Shares	Share Capital RM
Authorised share capital	2,000,000,000	2,000,000,000
Issued and fully paid-up share capital as at the date of this Prospectus	237,500,000	237,500,000
To be issued pursuant to the Public Issue	62,500,000	62,500,000
Enlarged issued and paid-up share capital upon Listing	300,000,000	300,000,000
New Shares to be issued assuming full exercise of ESOS Options	30,000,000	30,000,000
Enlarged issued and paid-up share capital assuming full exercise of ESOS Options	330,000,000	330,000,000
Existing Shares to be offered pursuant to the Offer for Sale	37,500,000	37,500,000
IPO Price		RM2.20
Proforma consolidated NA <i>(after the IPO and deducting the estimated listing expenses of RM6.5 million)</i>		RM472.9 million
Proforma consolidated NA per Share <i>(based on the enlarged issued and paid-up share capital after the IPO and deducting the estimated listing expenses of RM6.5 million)</i>		RM1.58
Market capitalisation <i>(based on the IPO Price and enlarged issued and paid-up share capital after the Listing)</i>		RM660.0 million

2. SUMMARY INFORMATION (Cont'd)

The IPO Price of RM2.20 per Share is payable in full upon application, subject to the terms and conditions of this Prospectus.

Further details on our IPO are set out in Section 3 of this Prospectus.

2.5 UTILISATION OF PROCEEDS

The Public Issue is expected to raise gross proceeds of RM137.5 million. The proceeds are expected to be utilised in the following manner:

Purpose	Time frame for utilisation from the date of listing	Amount RM'000
Working capital	24 months	55,000
Infrastructure and common facilities	24 months	55,000
Construction of clubhouse	24 months	10,000
Repayment of bank borrowings	12 months	11,000
Estimated listing expenses	1 month	6,500
Gross proceeds		137,500

Our Company will not receive any proceeds from the Offer for Sale. The gross proceeds of RM82.5 million will accrue entirely to the Offerors.

Further details on the utilisation of proceeds are set out in Section 3.7 of this Prospectus.

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2. SUMMARY INFORMATION (Cont'd)

2.6 FINANCIAL INFORMATION

2.6.1 Consolidated statement of comprehensive income

The following is a summary of the historical audited consolidated results of our Group for the past 4 financial years up to FYE 31 December 2012, as extracted from the audited consolidated financial statements of our Group and should be read in conjunction with the Accountants' Report together with the accompanying notes as set out in Section 13 of this Prospectus.

	<-----FYE 31 December ----->			
	2009	2010	2011	2012
	RM'000	RM'000	RM'000	RM'000
Revenue	204,046	195,633	624,250	456,069
Cost of sales	(157,688)	(138,917)	(475,828)	(263,341)
GP	46,358	56,716	148,422	192,728
Operating and administrative expenses	(19,586)	(24,369)	(46,776)	(47,267)
Other operating income	55	478	7,300	653
EBITDA	26,827	32,825	108,946	146,114
Finance costs	(539)	(1,060)	(568)	(1,012)
Depreciation	(1,891)	(1,804)	(2,040)	(2,338)
Share of (loss)/ profit of an associated company	1	-	(1)	-
PBT	24,398	29,961	106,337	142,764
Taxation	(5,266)	(7,946)	(26,401)	(39,279)
PAT	19,132	22,015	79,936	103,485
Attributable to:				
Equity holders of the Company	18,553	20,512	69,411	103,485
Minority interests	579	1,503	10,525	-
Effective tax rate (%)	21.6	26.5	24.8	27.5
No. of Shares assumed in issue ('000) ⁽¹⁾	237,500	237,500	237,500	237,500
Gross EPS (sen) ⁽²⁾	10.3	12.6	44.8	60.1
Net EPS (sen) ⁽³⁾	7.8	8.6	29.2	43.6
Fully diluted net EPS (sen) ⁽⁴⁾	6.2	6.8	23.1	34.5
GP margin (%)	22.7	29.0	23.8	42.3
PBT margin (%)	12.0	15.3	17.0	31.3
PAT margin (%)	9.4	11.3	12.8	22.7

Notes:

- (1) Based on the number of Shares assumed in issue after the Bonus Issue but immediately prior to the Public Issue.
- (2) Gross EPS is calculated based on PBT before non-controlling interests for the relevant financial year divided by the number of Shares in (1) above.
- (3) Net EPS is calculated based on PAT after non-controlling interests for the relevant financial year divided by the number of Shares in (1) above.
- (4) Fully diluted EPS is calculated based on PAT after non-controlling interests for the relevant financial year divided by the enlarged issued and paid-up share capital after the Listing Scheme of 300,000,000 Shares (excluding ESOS).
- (5) There were no exceptional items in all the financial years under review.

2. SUMMARY INFORMATION (Cont'd)

2.6.2 Proforma consolidated statement of financial positions

The summarised proforma consolidated statement of financial positions set out below have been prepared for illustrative purposes only to show the effects of the Listing Scheme on our audited consolidated statement of financial positions as at 31 December 2012, had the Listing Scheme been implemented and completed on 31 December 2012 and is prepared on the basis consistent with the accounting policies adopted by our Group.

The summarised proforma statement of financial positions have been extracted from and should be read in conjunction with the accompanying notes and assumptions included in the Reporting Accountants' letter on the Proforma Consolidated Financial Information set out in Section 12.2 of this Prospectus:

	<----- Proforma ----->			
	(I)	(II)	(III)	(III)
Audited as at 31 December 2012 RM'000	After Bonus Issue RM'000	After Proforma (I) and Public Issue RM'000	After Proforma (II) and the proposed utilisation of proceeds RM'000	After Proforma (II) and the proposed utilisation of proceeds RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	11,517	11,517	11,517	21,517
Investment properties	1,400	1,400	1,400	1,400
Development properties	30,314	30,314	30,314	30,314
Deferred income tax assets	2,017	2,017	2,017	2,017
Goodwill arising on consolidation	*	*	*	*
	45,248	45,248	45,248	55,248
Current assets				
Development properties in progress	373,764	373,764	373,764	428,764
Inventories	2,401	2,401	2,401	2,401
Trade receivables	101,040	101,040	101,040	101,040
Amount due from customers for construction contracts	18,818	18,818	18,818	18,818
Other receivables, deposits and prepayments	15,125	15,125	15,125	15,125
Deposits, cash and bank balances	30,727	30,727	168,227	85,727
	541,875	541,875	679,375	651,875
TOTAL ASSETS	587,123	587,123	724,623	707,123

2. SUMMARY INFORMATION (Cont'd)

	Audited as at 31 December 2012 RM'000	Proforma		
		(I) After Bonus Issue RM'000	(II) After Proforma (I) and Public Issue RM'000	(III) After Proforma (II) and the proposed utilisation of proceeds RM'000
EQUITY AND LIABILITIES				
Equity				
Share capital	51,101	237,500	300,000	300,000
Retained profits	290,529	104,433	104,433	101,597
Capital reserve	303	303	303	303
Share premium	-	-	75,000	71,033
Non-controlling interest	*	*	*	*
Total equity	341,933	341,933	479,433	472,933
Liabilities				
Non-current liabilities				
Hire purchase creditors	288	288	288	288
Term loans	17,575	17,575	17,575	6,575
	17,863	17,863	17,863	6,863
Current liabilities				
Trade payables	48,038	48,038	48,038	48,038
Progress billings	14,005	14,005	14,005	14,005
Retention sums	486	486	486	486
Other payables, deposits and accruals	127,634	127,634	127,634	127,634
Amount due to directors	8,000	8,000	8,000	8,000
Amount due to customers for construction contracts	12,611	12,611	12,611	12,611
Hire purchase creditors	582	582	582	582
Term loans	3,565	3,565	3,565	3,565
Bank overdrafts	333	333	333	333
Current income tax liabilities	12,073	12,073	12,073	12,073
	227,327	227,327	227,327	227,327
Total Liabilities	245,190	245,190	245,190	234,190
TOTAL EQUITY AND LIABILITIES	587,123	587,123	724,623	707,123
Number of ordinary shares in issue ('000)	51,101	237,500	300,000	300,000
NA (RM'000)	341,933	341,933	479,433	472,933
NA per share (RM)	6.69	1.44	1.60	1.58

Note:

* Represents RM1.

Further details on the financial information are set out in Section 12 of this Prospectus.

2. SUMMARY INFORMATION *(Cont'd)*

2.7 RISK FACTORS

You should carefully consider the following risk factors (which may not be exhaustive) in addition to the other information contained in this Prospectus before investing in our Shares:

- (i) Risks relating to our business and industry:
 - (a) We are exposed to inherent risks in the property development industry;
 - (b) Delay in completion of projects may adversely affect our business performance and financial position;
 - (c) Difficulty in sourcing strategically located land banks
 - (d) Our business and operations may be affected by cost of development for property projects;
 - (e) Property overhang;
 - (f) We are exposed to competitive risk;
 - (g) We depend on key management personnel for our continued success;
 - (h) Non-renewal and/or failure to obtain licences and permits;
 - (i) We are exposed to the risk of termination of our joint venture agreements;
 - (j) We may be affected by financial risks;
 - (k) Defects liability;
 - (l) The accounting outcomes of our Group may be affected as a result of any change to the FRS and related interpretations after the date of this Prospectus;
 - (m) Our operations may be affected by material litigations, claims or arbitrations;
 - (n) We are subject to government policies, legislations and regulations; and
 - (o) We are subject to political and local and global economic considerations.
- (ii) Risks relating to our Shares:
 - (a) There is no prior market for our Shares;
 - (b) Our Listing is exposed to risk of failure or delay;
 - (c) Control by the Promoters;
 - (d) Investment in the capital market exposes the investor to capital market risk; and
 - (e) Future sale or issuance of our Shares could adversely affect our Share price.

Further details on the risk factors are set out in Section 4 of this Prospectus.

2.8 FUTURE PLANS AND PROSPECTS

Backed by our invaluable experiences gained in the property development sector, our Group intends to further establish itself as one of the key players in the Malaysian property market by implementing the following plans to undertake the following development projects for the next five (5) years:

- (i) Hijayu, Idaman Yu, Sendayan Metropark, Sendayan Merchant Square, Sendayan TechValley, 1 Sendayan Clubhouse and Sendayan Auto City in Bandar Sri Sendayan, Negeri Sembilan;
- (ii) Taman Seri Impian in Kluang, Johor;
- (iii) Third 9 Residence in Seremban, Negeri Sembilan;
- (iv) Lobak Commercial Centre in Seremban, Negeri Sembilan; and
- (v) Kota Gadong Perdana in Seremban, Negeri Sembilan

2. SUMMARY INFORMATION (Cont'd)

The prospects of our Group are dependent on the following factors:

- (i) Good business performance;
- (ii) Competitive advantages and key strengths;
- (iii) Future plans to provide sustainable growth; and
- (iv) Industry prospects and outlook

Please refer to Section 5.7.2 and Section 5.7.4 of this Prospectus for further details on our future plans and prospects.

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3. PARTICULARS OF OUR IPO

3.1 OPENING AND CLOSING OF APPLICATION

The application for the IPO Shares will open at 10.00 a.m. on 8 May 2013 and will remain open until 5.00 p.m. on 15 May 2013 or such date or dates as our Board and HLIB at their absolute discretion may jointly decide. Late applications will not be accepted.

3.2 INDICATIVE TIMETABLE

The indicative timing of events leading up to the listing of and quotation for our entire enlarged issued and paid-up share capital on the Main Market of Bursa Securities is set out below:

Event	Indicative date
Opening date of Application for the IPO	8 May 2013
Closing date of Application for the IPO	15 May 2013
Balloting of Applications	17 May 2013
Despatch of notices of allotment for the Shares to successful applicants	27 May 2013
Listing date	28 May 2013

Save for the opening date of the application for the IPO, these dates are tentative and are subject to changes which may be necessary to facilitate implementation procedures.

Applications will be accepted from 10.00 a.m. on 8 May 2013 and will remain open until 5.00 p.m. on 15 May 2013 or such later date or dates as our Board and HLIB at their absolute discretion may jointly decide.

Should the closing date of the applications be extended, the dates for the balloting, allotment and listing of our entire enlarged issued and paid-up share capital on the Main Market of Bursa Securities might be extended accordingly. We will notify all parties via an advertisement in a widely circulated English and Bahasa Malaysia newspaper in Malaysia in the event there is an extension of time on the closing date of the applications.

3.3 DETAILS OF THE IPO

3.3.1 Public Issue

The 62,500,000 Public Issue Shares, representing approximately 20.83% of our enlarged issued and paid-up share capital, issued at the Issue Price are payable in full upon application, and is subject to the terms and conditions stated in this Prospectus and will be offered in the following manner:

(i) Malaysian Public

10,000,000 Public Issue Shares, representing approximately 3.33% of our enlarged issued and paid-up share capital, will be offered to the Malaysian Public by way of balloting, of which 50% will be set aside for Bumiputera investors.

3. PARTICULARS OF OUR IPO (Cont'd)

(ii) **Eligible Directors and employees of our Group and persons who have contributed to the success of our Group**

8,808,000 Public Issue Shares, representing approximately 2.94% of our enlarged issued and paid-up share capital, will be made available for application by eligible Directors and employees of our Group and persons who have contributed to the success of our Group.

A total of 273 persons are eligible for the Pink Form Shares allocation, comprising the following:

	Number of persons	Aggregate number of Shares allocated
Eligible Directors of our Group	4	600,000
Eligible employees of our Group	153	4,599,000
Persons who have contributed to the success of our Group	116	3,609,000
Total	273	8,808,000

The number of Pink Form Shares to be allocated to our Directors is as follows:

Name	Designation	Number of Pink Form Shares allocated
Dato' Haji Mohamad Haslah bin Mohamad Amin	Non-Independent Non-Executive Chairman	150,000
Rezal Zain bin Abdul Rashid	Independent Non-Executive Director	150,000
Dato' Firdaus Muhammad Rom bin Harun	Independent Non-Executive Director	150,000
Dato' Ir. Batumalai a/l Ramasamy	Independent Non-Executive Director	150,000
Total		600,000

The criteria for allocation to our Directors and employees are based on amongst others, length of service, seniority and job responsibilities, past contribution to our Group's success and potential contribution to our Group in the future.

The criteria for allocation to persons who have contributed to the success of our Group are based on amongst others, volume of transaction and length of relationship with our Group.

The above allocation is subject to our eligible Directors and employees and persons who have contributed to the success of our Group subscribing to their respective allocations.

3. PARTICULARS OF OUR IPO (Cont'd)

(iii) Selected investors by way of private placement

43,692,000 Public Issue Shares, representing approximately 14.56% of our enlarged issued and paid-up share capital, will be made available for application by way of private placement to selected investors.

3.3.2 Offer for Sale

The 37,500,000 Offer Shares, representing 12.50% of our enlarged issued and paid-up share capital, issued at the Offer Price are payable in full upon application, and is subject to the terms and conditions stated in this Prospectus and will be offered in the following manner:

(i) Bumiputera investors by way of private placement

32,500,000 Offer Shares, representing approximately 10.83% of our enlarged issued and paid-up share capital, will be made available for application by way of private placement to eligible Bumiputera investors approved by the MITI.

(ii) Selected investors by way of private placement

5,000,000 Offer Shares, representing approximately 1.67% of our enlarged issued and paid-up share capital, will be made available for application by way of private placement to selected eligible investors.

Details of the Offerors are set out below:

Name	Registered Address / Address	Position/ Relationship with our Group within the past 3 years	Shareholdings as at the LPD		Offer Shares		Shareholdings immediately after the IPO		
			No. of Shares (^{'000})	%	No. of Shares (^{'000})	% Before IPO ⁽¹⁾	% After IPO ⁽²⁾	No. of Shares (^{'000})	%
Ambang Kuasa	18-4-2 Jalan 5/101C Cheras Business Centre Taman Cheras 56100 Kuala Lumpur	Promoter and substantial shareholder	29,948	12.61	15,000	6.32	5.00	14,948	4.98
Magnitude Point	54B Complex Damai Jalan Lumut 50400 Kuala Lumpur	Promoter and substantial shareholder	27,620	11.63	8,500	3.58	2.83	19,120	6.37
Target Venue	54B Complex Damai Jalan Lumut 50400 Kuala Lumpur	Promoter and substantial shareholder	15,191	6.40	4,000	1.68	1.33	11,191	3.73

3. PARTICULARS OF OUR IPO (Cont'd)

Name	Registered Address / Address	Position/ Relationship with our Group within the past 3 years	Shareholdings as at the LPD		Offer Shares			Shareholdings immediately after the IPO	
			No. of Shares ('000)	%	No. of Shares ('000)	% Before IPO ⁽¹⁾	% After IPO ⁽²⁾	No. of Shares ('000)	%
Dato' Lee Tian Hock	No. 148 Jalan Dato' Kelana Maamor 70200 Seremban Negeri Sembilan Darul Khusus	Promoter, substantial shareholder and Director	63,884	26.90	4,000	1.68	1.33	59,884	19.96
Meridian Effect	54B Complex Damai Jalan Lumut 50400 Kuala Lumpur	Promoter	11,739	4.94	3,000	1.26	1.00	8,739	2.91
Fine Approach	18-4-2 Jalan 5/101C Cheras Business Centre Taman Cheras 56100 Kuala Lumpur	Promoter and substantial shareholder	14,501	6.11	2,000	0.84	0.67	12,501	4.17
Datin Yong Chou Lian	No. 148 Jalan Dato' Kelana Maamor 70200 Seremban Negeri Sembilan Darul Khusus	Promoter and substantial shareholder	2,072	0.87	1,000	0.42	0.33	1,072	0.36

Notes:

(1) Based on the issued and paid-up share capital of 237,500,000 Shares as at the LPD.

(2) Based on the enlarged issued and paid-up share capital of 300,000,000 Shares after the IPO (excluding ESOS Options).

Further details on the Offerors are disclosed in Section 9.1.2 of this Prospectus.

3.3.3 Underwriting arrangement and allocation of the IPO Shares

The allocations of our IPO Shares shall take into account the desirability of distributing our IPO Shares to a reasonable number of applicants with a view of broadening our Company's shareholding base to meet the public shareholding spread requirements of Bursa Securities and to establish a liquid market for our Shares.

The 18,808,000 Public Issue Shares available for application by the Malaysian Public, our eligible Directors and employees and persons who have contributed to the success of our Group in respect of Sections 3.3.1(i) and (ii) of this Prospectus are fully underwritten by the Co-Underwriters.

The 43,692,000 Public Issue Shares and 5,000,000 Offer Shares available for application by way of private placement to selected eligible investors in respect of Section 3.3.1(iii) and 3.3.2 (ii) respectively of this Prospectus are not underwritten as these shares are allocated to selected eligible investors whereby irrevocable undertakings from these investors have been obtained.

3. PARTICULARS OF OUR IPO (Cont'd)

The 32,500,000 Offer Shares under the Offer for Sale in respect of Section 3.3.2(i) will not be underwritten as these Shares are allocated by way of private placement to Bumiputera investors approved by the MITI whereby irrevocable undertakings from these investors have been obtained. In the event of an under-subscription of the 32,500,000 Offer Shares made available for application by eligible Bumiputera investors approved by the MITI under Section 3.3.2(i) of this Prospectus, the unsubscribed Offer Shares shall be made available for application by the Bumiputera public as part of the balloting process. Thereafter, any of the unsubscribed Offer Shares that are reallocated to the Bumiputera public (as part of the balloting process) which are not taken up by the Bumiputera public will be made available for application by the Malaysian Public and/or to selected eligible investors via placement.

In the event of an under-subscription of the 10,000,000 Public Issue Shares by the Public under Section 3.3.1(i) of this Prospectus, the unsubscribed Public Issue Shares will be made available to the selected eligible investors. The 8,808,000 Public Issue Shares under Section 3.3.1(ii) of this Prospectus which are not taken up by our eligible Directors and employees and persons who have contributed to the success of our Group will be first re-offered to our Group's other eligible Directors and employees and persons who have contributed to the success of our Group. Subsequently, any of the Public Issue Shares re-offered which are not taken up will be made available for application by the Malaysian Public on a fair and equitable manner and/or to selected eligible investors via placement. Any further Public Issue Shares not subscribed for will be made available for subscription by our Co-Underwriters based on the terms of the Underwriting Agreement.

There is no minimum subscription to be raised from the Public Issue.

The number of IPO Shares offered under the Public Issue and Offer for Sale will not be increased via any over-allotment or "greenshoe" option.

3.3.4 ESOS

In conjunction with our Listing, we are implementing an ESOS which entails the issuance of up to 10.0% of our enlarged issued and paid-up share capital (excluding treasury shares) at any one time pursuant to the options to be granted under the ESOS to our Group's eligible Directors and employees.

Our Directors may grant up to 30,000,000 ESOS Options to our Group's eligible Directors and employees prior to our Listing. The exercise price of such ESOS Options is the IPO Price.

The new Shares to be issued upon the exercise of the ESOS will rank *pari passu* in all respects with our then existing issued and fully paid-up ordinary shares, except that they will not be entitled to any dividend, rights, allotment or other distribution, the entitlement date of which is prior to the date of allotment of the said Shares. The new Shares will be subject to all the provisions of our Articles of Association.

The ESOS shall be administered by the ESOS committee which has been appointed by our Board and shall be governed by the By-Laws. The salient features of the By-Laws are as follows:

- (i) The ESOS shall be in force for five (5) years. However, our Board at its sole discretion, upon the recommendation of the ESOS committee, may extend the ESOS for up to another five (5) years or any other duration that is allowed by the relevant authorities;

3. PARTICULARS OF OUR IPO (Cont'd)

- (ii) The maximum number of new Shares which may be made available under the ESOS shall not be more than ten percent (10%) of the issued and paid-up share capital of the Company (excluding treasury shares) at the point in time when an Offer is made. The Company will for the duration of the ESOS make available sufficient number of new Shares in the unissued share capital of the Company to satisfy all subsisting ESOS Options which may be exercisable from time to time.
- (iii) Any employee or Director of our Group shall be eligible to participate in the Scheme and qualify for selection by the ESOS committee, if as at the Date of Allocation (where applicable):
 - (a) such employee or Director has attained the age of eighteen (18) years;
 - (b) such employee or Director has been employed on a full time basis and is on the payroll of any corporation in our Group and his/her employment has been confirmed; or
 - (c) such employee or Director is serving in a specific designation under an employment contract for a fixed duration of at least one (1) year;
 - (d) such employee or the Director is not a participant of any other ESOS implemented by any company within our Group which is in force for the time being; and
 - (e) in the case of a Director or employee (who is the chief executive or major shareholder of Matrix Concepts) and persons connected with them, the specific allocation of the new Shares to such Director, employee, or persons connected with them under the ESOS has been approved by the shareholders our Company at a general meeting provided always that the Director, employee, and persons connected to them shall not have voted on the resolution approving the said allocation.
- (iv) Eligibility, however, does not confer on an eligible person a claim or right to participate in the ESOS unless the ESOS committee has made an offer to the eligible person and the eligible person has accepted the ESOS Option Offer in accordance with the terms of the ESOS Option Offer and the Scheme.
- (v) If the ESOS Option is granted prior to the consummation of the IPO, the price at which the eligible party is entitled to subscribe for each new Share shall be the IPO Price. If the ESOS Option is granted after the consummation of the IPO, the price at which the eligible party is entitled to subscribe for each new Share shall be determined by the ESOS committee based on the five (5) day weighted average market price of Shares traded.

The ESOS By-Laws are set out in Section 15 of this Prospectus.

3. PARTICULARS OF OUR IPO (Cont'd)

Details of our proposed ESOS Options allocation to our eligible Directors and key management of our Group are as follows:

Name	Designation	Proposed ESOS Options allocation
<u>Directors</u>		
Dato' Haji Mohamad Haslah bin Mohamad Amin	Non-Independent Non-Executive Chairman	200,000
Dato' Lee Tian Hock	Group Managing Director / Chief Executive Officer	200,000
Ho Kong Soon	Group Deputy Managing Director / Chief Operating Officer	200,000
Dato' Firdaus Muhammad Rom bin Harun	Independent Non-Executive Director	100,000
Rezal Zain bin Abdul Rashid	Independent Non-Executive Director	100,000
Dato' Ir. Batumalai a/l Ramasamy	Independent Non-Executive Director	100,000
<u>Key management</u>		
Lee Fah Pin	General Manager, Projects	100,000
Tan Say Kuan	Group Accountant	100,000
Tee Kam Mee	General Manager, Human Resource and Administration	100,000
How Giok Wah	General Manager, Sales	100,000

3.4 SHARE CAPITAL

	No. of Shares	Share Capital RM
Authorised share capital	2,000,000,000	2,000,000,000
Issued and fully paid-up share capital as at the date of this Prospectus	237,500,000	237,500,000
To be issued pursuant to the Public Issue	62,500,000	62,500,000
Enlarged issued and paid-up share capital upon Listing	300,000,000	300,000,000
New Shares to be issued assuming full exercise of ESOS Options	30,000,000	30,000,000
Enlarged issued and paid-up share capital assuming full exercise of ESOS Options	330,000,000	330,000,000
Existing Shares to be offered pursuant to the Offer for Sale⁽¹⁾	37,500,000	37,500,000

Note:

- (1) The Offer for Sale would not have an effect on our issued and paid-up share capital as the Offer Shares are already in existence prior to the IPO.

3. PARTICULARS OF OUR IPO (Cont'd)

Our market capitalisation upon Listing, based on the Issue Price and our enlarged issued and paid-up share capital of 300,000,000 Shares amounts to RM660,000,000.

As at the date of this Prospectus, we have only 1 class of shares in Matrix Concepts, namely, ordinary shares of RM1.00 each. The Public Issue Shares will rank *pari passu* in all respects with our other existing issued and fully paid-up ordinary shares, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of allotment thereof.

Subject to any special rights attaching to any shares which may be issued by our Company in the future, the holders of ordinary shares in our Company shall, in proportion to the amount paid-up on the ordinary shares held by them, be entitled to share in the whole of the profits paid out by our Company as dividends and other distributions. In respect of the whole of any surplus in the event of winding up of our Company, such surplus shall be distributed among our members in proportion to the paid-up capital at the commencement of the winding up, in accordance with the Articles of Association of our Company.

At any general meeting of our Company, each shareholder shall be entitled to vote in person or by proxy or by attorney, and, on a show of hands, every person present who is a shareholder or representative or proxy or attorney of a shareholder shall have 1 vote, and, on a poll, every shareholder present in person or by proxy or by attorney or other duly authorised representative shall have one vote for each ordinary share held. A proxy may, but need not be, a member of our Company.

3.5 PURPOSE OF THE IPO

The purposes of the IPO are as follows:

- (i) to obtain listing of and quotation for our entire enlarged issued and paid-up share capital on the Main Market of Bursa Securities, which is expected to enhance our profile and corporate image;
- (ii) to enable us to tap on the capital markets for cost effective fund raising and to provide our Group with the financial flexibility in our choice of financing alternatives for our future expansion and growth;
- (iii) to further enhance our Group's presence and visibility in the property development industry; and
- (iv) to allow the investing community, including the Malaysian public, our eligible Directors and employees and persons who have contributed to the success of our Group to participate in our continuing growth by way of equity participation.

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3. PARTICULARS OF OUR IPO (Cont'd)

3.6 BASIS OF ARRIVING AT THE IPO PRICE

The IPO Price was determined and agreed upon by us and HLIB as the Adviser based on various factors after taking into account, inter-alia, the following factors:

- (i) our Group's audited consolidated NA per Share of RM6.69 as at 31 December 2012. Based on our enlarged issued and paid-up share capital of 300,000,000 Shares, the IPO price of RM2.20 per Share represents a premium of RM0.62 per Share or approximately 39.2% over the proforma consolidated NA per Share of approximately RM1.58 and a price to book ratio of approximately 1.39 times;
- (ii) based on the market value of our Group's properties as appraised by the Valuer, there is a total revaluation surplus of approximately RM242.9 million, or approximately RM0.81 per Share, as at 28 February 2013 which is not incorporated into the financial statements of our Group;
- (iii) our Group's operating and financial history as disclosed in Sections 5.1 and 12 respectively of this Prospectus. Based on our audited consolidated PAT for the FYE 31 December 2012 of RM103.5 million and enlarged issued and paid-up share capital upon Listing of 300,000,000 Shares, our Group's net EPS is 34.5 sen which translates into a net PE Multiple of 6.4 times;
- (iv) the overview and prospects of the industry in which our Group operates in terms of:
 - (a) the Malaysian economy and the construction sector;
 - (b) performance of the property sector;
 - (c) Government initiatives;
 - (d) policies for housing loans;
 - (e) population growth; and
 - (f) synergistic growth led by surrounding developments.

Further details on the overview and prospects of the industry in which our Group operates are outlined in Section 6 of this Prospectus; and

- (v) our strategies and future plans, which focus on property developments in Seremban, Negeri Sembilan and Kluang, Johor. Our overall business strategic direction is to create new townships or major property developments in undeveloped or under developed areas by incorporating unique developments that will provide critical mass to sustain business growth.

Further details of our future plans and strategies are outlined in Sections 5.3 and 5.7.2 of this Prospectus.

However, you should also note that the market price of the Shares upon Listing is subject to the uncertainties of market forces and other factors, which may affect the price of the Shares being traded. You should form your own views on the valuation of the IPO Shares before deciding to invest in our Shares.

3. PARTICULARS OF OUR IPO (Cont'd)

3.7 UTILISATION OF PROCEEDS

3.7.1 Proceeds from the IPO

The Public Issue is expected to raise gross proceeds of RM137.5 million for our Group, which shall be utilised in the following manner:

Purpose	Time frame for utilisation from the date of listing	Amount RM'000
Working capital ⁽ⁱ⁾	24 months	55,000
Infrastructure and common facilities ⁽ⁱⁱ⁾	24 months	55,000
Construction of clubhouse ⁽ⁱⁱⁱ⁾	24 months	10,000
Repayment of bank borrowings ^(iv)	12 months	11,000
Estimated listing expenses ^(v)	1 month	6,500
Gross proceeds		137,500

Pending the utilisation of proceeds arising from the Public Issue, the proceeds will be placed in interest-bearing accounts, money market instruments and/or deposits.

Notes:

- (i) A total of RM55.0 million from the proceeds of Public Issue will be allocated for working capital to finance our day-to-day operations, including payment to creditors, such as contractors and consultants, purchase of raw materials, administrative expenses, such as salaries and wages and other operating expenses, such as advertising and promotional activities, as detailed below:

	RM'000
Payment to creditors	25,000
Payment to suppliers for raw materials	20,000
Administrative expenses	6,000
Other operating expenses	4,000
Total	55,000

- (ii) A total of RM55.0 million of the gross proceeds will be allocated for the infrastructure works and common facilities for the Hijayu development project in Bandar Sri Sendayan, such as payment to creditors including contractors and consultants, payment to suppliers for raw materials, payment for leveling and earthworks, payment for road works and sewerage, drainage and internal piping, and other related incidental costs, as detailed below:

	RM'000
Payment to creditors	5,000
Payment to suppliers for raw material	10,000
Payment for leveling and earthworks	20,000
Payment for road works and sewerage, drainage and internal piping	15,000
Payment for other related incidental works	5,000
Total	55,000

3. PARTICULARS OF OUR IPO (Cont'd)

- (iii) We propose to allocate RM10.0 million of the gross proceeds for the construction of a clubhouse located in Bandar Sri Sendayan, Seremban, Negeri Sembilan as detailed below:

	RM'000
Payment to creditors	3,500
Payment to suppliers for raw materials	6,500
Total	10,000

Further details on the said clubhouse are outlined in Section 5.7.2.2 of this Prospectus.

- (iv) We propose to allocate approximately RM11.0 million of the gross proceeds for the repayment of bank borrowings which was utilised to part finance the development cost for the development of Nusari Aman 1B in Bandar Sri Sendayan.

The proposed repayment of our Group's bank borrowings is as set out below:

Type of facility / financing bank	Interest rate / Maturity	Purpose	Outstanding amount as at LPD RM'000	Repayment of bank borrowings RM'000	Outstanding amount after repayment RM'000
Term loan / Amlslamic Bank Berhad	BLR + 0.20% / 7 years	Working capital for the development of Bandar Sri Sendayan	11,000	11,000	-

- (v) The estimated listing expenses incidental to our Listing are as follows:

	RM'000
Professional fees	2,200
Fees to the authorities	320
Underwriting commission and placement fees	3,400
Advertising and printing costs	500
Miscellaneous	80
Total	6,500

Notes:

- (a) Professional fees include fees for the Adviser, Reporting Accountants, Solicitors, Independent Market Researcher, Valuer, Issuing House and other professional advisers.
- (b) Any variation to the estimated listing expenses will result in adjustment to our working capital.

Our Company will not receive any proceeds from the Offer for Sale. The gross proceeds of RM82.5 million will accrue entirely to the Offerors. The Offerors shall bear all expenses such as placement fees and other expenses relating to the Offer Shares estimated to be up to RM2.1 million.

3. PARTICULARS OF OUR IPO (Cont'd)

3.7.2 Financial impact from the utilisation of proceeds

The proposed utilisation of proceeds from the Public Issue is expected to have, amongst others, the following positive impact on our Group:

(i) Improved cash flow position

The additional working capital funds of RM55.0 million arising from the Public Issue are expected to strengthen the liquidity and cash flow position of our Group in the future. The Public Issue is also expected to enhance the future earnings and provide available financing for future attractive opportunities for our Group.

(ii) Interest savings

A portion of the proceeds from the Public Issue has been allocated for repayment of the Group's bank borrowings, amounting to RM11.0 million bearing interest rate as disclosed in Section 3.7.1 of this Prospectus. The Group expects interest savings of approximately RM0.8 million for the FYE 31 December 2013 based on the prevailing interest rate of 6.8% per annum. After the repayment of bank borrowings, our Group's gearing is expected to reduce from approximately 0.07 times to 0.02 times (based on our Group's proforma total borrowings and total equity as at 31 December 2012 after the Bonus Issue, IPO and utilisation of proceeds).

(iii) Lower gearing

With a lower gearing, our Group is in a better position to undertake new projects and raise new financing as and when the need arises, as compared to other property developers with a higher gearing. In addition, our Group's priority is to purchase land for future developments using internally generated funds, so as to incur lesser interest cost from borrowings, reduce our financial risks and reinforce our financial strengths. This will also put us in a better position in times of economic uncertainty, as compared to other property developers with a higher gearing.

3.8 DILUTION

Dilution is computed as the difference between the IPO Price paid by the applicants for our Shares under the IPO and the proforma consolidated NA per Share of our Group immediately after the IPO.

The following table illustrates such dilution on a per Share basis:

	RM
Issue Price	2.20
Consolidated NA per Share as at 31 December 2012 (after the Bonus Issue but before the Public Issue)	1.44
Increase in consolidated NA per Share attributable to the existing shareholders (after the Public Issue and proposed utilisation of proceeds)	0.14
Consolidated NA per Share after the Public Issue and proposed utilisation of proceeds	1.58
Dilution in consolidated NA per Share to new investors	0.62
Dilution in consolidated NA per Share to new investors as a percentage of the IPO Price	28.2%

3. PARTICULARS OF OUR IPO (Cont'd)

We will pay the brokerage at the rate of 1.0% on the IPO Price in respect of successful applications bearing the stamp of HLIB, member companies of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association or Issuing House.

We will pay the Co-Placement Agents, a placement fee at the rate of up to 2.5% of the value of the 43,692,000 Public Issue Shares reserved for private placement (being the number of Public Issue Shares reserved for private placement multiplied by the Issue Price).

The Offerors will pay the Co-Placement Agents a placement fee at the rate of up to 2.5% of the value of the 37,500,000 Offer Shares under Section 3.3.2 of this Prospectus.

3.10 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

The following are extracts of some of the salient terms contained in the Underwriting Agreement dated 18 April 2013 entered into between our Company, the Managing Underwriter and the Co-Underwriters, including terms which allow the Co-Underwriters to withdraw from their underwriting obligation after the opening of the Public Issue. The capitalised terms and numbering references used in this section shall have the respective meanings and numbering references as ascribed thereto in the Underwriting Agreement:

- 3.10.1 Pursuant to the terms of the Underwriting Agreement, HLIB has agreed to underwrite up to 9,404,000 Public Issue Shares and KIBB has agreed to underwrite up to 9,404,000 Public Issue Shares.
- 3.10.2 The underwriting obligations of our Co-Underwriters are subject to certain conditions precedents that must be satisfied on or prior to three (3) Market Days after the closing date of the Retail Offering or such later date as consented to in writing. In addition, our Managing Underwriter, acting in consultation with the Underwriters may, by notice in writing given to us at any time before the date of our Listing, terminate, cancel and withdraw their underwriting commitment under the Underwriting Agreement upon the occurrence of any of the following events:
- (i) there is any breach by our Company of any of the representations, warranties or undertakings set out in the Underwriting Agreement in any respect; or in the case of any warranties or representations or undertakings which are not qualified by any materiality requirements, in any material respect and in either event, where such misrepresentation or breach is capable of remedy, the same not being remedied within five (5) Market Days, but in any event no later than the closing date of the Retail Offering;
 - (ii) the Company withholds any material information from the Managing Underwriter and the Co-Underwriters,
 - (iii) there shall have occurred, happened or come into effect any event or series of events beyond the reasonable control of the Managing Underwriter or the Co-Underwriters by reason of Force Majeure which would have or can reasonably be expected to have, a Material Adverse Effect or which materially affect the success of the IPO or which is reasonably likely to have the effect of making any material obligation under the Underwriting Agreement incapable of performance in accordance with its terms, or by our Company. "**Material Adverse Effect**" means any material adverse effect, whether individually or in the aggregate, and whether or not arising in the ordinary course of business on:

3. PARTICULARS OF OUR IPO (Cont'd)

- (a) the condition (financial or otherwise), results of operations or business affairs or prospects of our Group taken as a whole;
- (b) the ability of our Company to perform in any material respect its obligations under or with respect to, or to consummate the transactions contemplated by the Underwriting Agreement and the Placement Agreement; or
- (c) the IPO.

"Force Majeure" means causes which are unpredictable and beyond the reasonable control of the party claiming force majeure which could not have been avoided or prevented by reasonable foresight, planning and implementation including but not limited to:

- (a) war, acts of warfare, sabotages, hostilities, invasion, incursion by armed force, act of hostile army, nation or enemy, civil war or commotion, hijacking, terrorism;
 - (b) riot, uprising against constituted authority, civil commotion, disorder, rebellion, organized armed resistance to the government, insurrection, revolt, military or usurped power; or
 - (c) natural catastrophe including but not limited to earthquakes, floods, fire, storm, lightning, tempest, explosions, accident, epidemics or other Acts of God.
- (iv) any government requisition or other occurrence of any nature whatsoever which is reasonably likely to have a Material Adverse Effect or affect the success of the IPO;
 - (v) any material adverse change in national or international monetary, financial and capital markets (including stock market conditions and interest rates), economic conditions or exchange control or currency exchange rates which in the reasonable opinion of the Underwriters is likely to have a Material Adverse Effect (whether in the primary market or in respect of dealings in the secondary market). For the avoidance of doubt, if the FTSE Bursa Malaysia KLCI ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:
 - (a) on or after the date of the Underwriting Agreement; and
 - (b) prior to the date of our Listing,

lower than 10%, of the level of index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to the date of the Underwriting Agreement and remains at or below that level for at least five (5) consecutive Market Days, it shall be deemed a material adverse change in the stock market condition;
 - (vi) trading of all securities on Bursa Securities has been suspended or other material form of general restriction in trading for three (3) consecutive Market Days or more;

3. PARTICULARS OF OUR IPO (Cont'd)

- (vii) any new law or regulation or change in law, regulation, directive, policy or ruling in any applicable jurisdiction which is reasonably likely to prejudice the success of the Listing or which is reasonably likely to have the effect of making any obligation under the Underwriting Agreement incapable of performance in accordance with its terms;
- (viii) the Retail Offering or the Pink Form Offering or the Placement Offering is stopped by our Company or the regulatory authorities for any reason whatsoever;
- (ix) the Listing does not take place on or before 28 May 2013 or within three (3) Market Days after the Settlement Date, whichever is earlier, or such other extended date as may be agreed by the Managing Underwriter. "**Settlement Date**" means the date of delivery of the acceptance form issued with this Prospectus together with the remittance of subscription monies payable on the application of the Underwritten Shares that have not been validly subscribed, by the Underwriters in accordance with Clause 8.1 of the Underwriting Agreement; and
- (x) the Placement Agreement shall have been terminated or rescinded in accordance with its terms thereof or any of the conditions precedent set forth in the Placement Agreement not having been satisfied in full or to the extent not satisfied as such, waived by the Co-Placement Agents in accordance with its terms.

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4. RISK FACTORS

You should evaluate and consider carefully, along with other matters in this Prospectus, the risks (which may not be exhaustive) below. Additional risks, whether known or unknown, may in the future have a material adverse effect on us or our Shares.

4.1 RISKS RELATING TO OUR BUSINESS AND INDUSTRY

4.1.1 We are exposed to inherent risks in the property development industry

Our Group is subject to inherent risks in the property development industry, which may include changes in economic and political conditions, inflation, changes in business conditions such as shortage of labour supply, increase in labour and raw material costs, rise in financing costs and fluctuating demand for properties.

We seek to minimise these risks through, inter-alia, careful identification of the type of property development projects to be undertaken, prudent financial policy, careful planning and close monitoring of our projects, effective human resource management and providing competitively priced properties with attractive designs.

4.1.2 Delay in completion of projects may adversely affect our business performance and financial position

The timely completion of property development projects may be subject to external factors which may be beyond the control of our Group, such as obtaining licences, permits or approvals from relevant regulatory authorities, availability and adequacy of raw materials and labour, weather conditions and changes in government policies. In the event the delay in delivery extends beyond the contractually specified period, the purchasers may also be entitled to claim liquidated ascertained damages under the terms of the sale and purchase agreements or they may choose to terminate the sale and purchase agreement and claim refund of all monies paid and/or damages for failure of delivery. There is no assurance that we will not experience significant delays in completion of our projects which may adversely affect our Group's reputation and financial performance.

To mitigate such risks, our Directors and management monitor the project schedules closely to minimise any delay in the completion of our projects. Our Group had implemented measures such as the launching of projects in phases and the monitoring of work done block by block or precinct by precinct to minimise any delay. In addition, our Group has also ensured that the infrastructure works are completed on a general basis before the official launch of a project. Nevertheless, as at the LPD, our Group has not experienced any delays in the completion of our development projects. Notwithstanding this, there can be no assurance that the aforementioned factors will not lead to delays in the completion of our property development projects.

4.1.3 Difficulty in sourcing strategically located land banks

The success of our Group in the property development industry is very much dependent on the location and size of our land bank in order to sustain our future growth. Failure to do so would impair our ability to compete effectively with other property developers which in turn may have a material adverse impact on our business and financial performance.

4. RISK FACTORS (Cont'd)

Although our Group possess strategic land banks and was able to purchase or jointly developed relatively attractive and sizeable land bank in the past, there can be no assurance that our Group will be able to continue to do so at commercially viable prices or terms in the future. As at the LPD, our Group has approximately 1,558 acres of land located in Negeri Sembilan and Johor held for on-going and future development. The said land bank is expected to be sufficient for our on-going and future development needs for the next six (6) years. Nevertheless, our Group will continue to identify strategic land bank for future acquisition and seek for opportunities with land owners to jointly develop such land on commercially viable profit sharing terms to ensure sustainability of our future growth.

4.1.4 Our business and operations may be affected by cost of development for property projects

Appreciation of land costs and fluctuation of construction costs are inherent risks in the property development industry. Higher cost of land and construction costs, such as cost of building materials, labour costs, sub-contractors fees and overheads, will affect the profit margin of property developers where the selling prices of its development properties and demand for these properties may be adversely affected.

Our Group's project management division which undertakes planning and management of projects enables us to better manage our development costs. In addition, we have a large pool of suppliers and sub-contractors which enables us to source for building materials and sub-contractors at reasonable prices.

Fluctuation in cost of raw materials such as iron and steel materials is an inherent risk in the property development industry. The building materials used in our property development projects represent a significant proportion of the total construction costs such as steel bars and metal, concrete, clay materials, concrete materials, premix, crusher run, aggregates, and quarry dusts, cement, wood materials and hardware materials. Any increase in the costs of these raw materials may adversely affect our Group's profit margin where the selling prices of our properties are fixed. Even if we are able to increase the selling price of our development properties, the demand may be adversely affected. In a situation where we have already launched our project and the cost of raw materials increased more than what we had planned for, then it will result in a lower gross profit margin for us. This is because we are unable to change our selling prices once we have published them and taken sales bookings. For illustration purposes, assuming an increase in construction costs by 10%, it will cause our GP margins to decrease by approximately 5% based on our financial results for FYE 31 December 2012. Notwithstanding this, during the FYE 31 December 2012, we were not affected by any substantial increase in material costs. However, as some of the building materials such as iron, steel and cement, are commodities where prices of these raw materials are subject to fluctuations in global market prices, all property developers that use these materials are equally affected.

There can be no assurance that any change in the cost of development for our Group's property projects will not have a material impact on our performance. As such, our Board seek to limit these risks by prudent management of our projects and closely monitoring the development costs while making reasonable efforts to maintain quality.

4. RISK FACTORS (Cont'd)

4.1.5 Property overhang

Property overhang is commonly caused by oversupply and/or low take-up rate of new launches by developers. A continuing rise in property overhang will have an impact on property developers within the industry. In 2012, the number of completed and unsold residential units reached 15,000 units, amounting to RM4.7 billion in Malaysia (Source: *Independent Assessment of Property Development Industry in Malaysia prepared by Vital Factor*). The property development industry is dependent on the economic and political conditions of Malaysia, and is usually one of the first few sectors to reflect the recovery or downturn in the economy.

However, some of the Government's initiatives would help to mitigate the property overhang risks. These include My First Home Scheme programme launched by the Government under the 2012 Budget to help young adults with earnings below RM3,000 per month to purchase their first home. Subsequently in the 2013 Budget, the Government announced that the income limit would be raised to RM5,000 per month for individual loans and RM10,000 per month for joint loans of husband and wife. Home buyers under this programme are allowed to obtain 100% financing loan from financial institutions and they do not have to pay a 10% down payment. According to the Budget 2012, the maximum property value allowed under the scheme had been increased from RM220,000 to RM400,000 effective from 1 January 2012. The aforementioned is aimed at stimulating the demand for properties and house ownership in Malaysia, which is expected to have a favourable impact on our Group's business.

Our Group will continue to implement various measures to ensure the viability and ability of our Group to withstand the effects arising from the property overhang risks. These include, inter-alia, delivering quality services and timely project completion, strengthening of our Group's credit control policies, close monitoring of project costs and sub-contractors' performance to ensure the profitability of our Group is sustained. We have also put in place a detailed in-house market study to determine the market demand and response for any project launched or to be launched by our Group.

4.1.6 We are exposed to competitive risk

Our Group is exposed to competition from other property development companies in Malaysia. There are a large number of local and foreign property developers undertaking property development in Malaysia and many of these property developers have significant financial, managerial, marketing and other resources. The competition arises in respect of the availability of strategically located and reasonably priced land for development, the supply of labour and raw materials and the selling prices of developed properties. Intense competition may result in highly competitive pricing which may consequently affect our Group's financial performance.

Our Group has taken pro-active measure to mitigate competitive risks by constantly reviewing our marketing strategies and monitoring market conditions. We also keep abreast of new architectural and engineering designs and trends to stay ahead of competition and to better meet the requirements of our customers. Furthermore, our Group is already in an advantageous position compared with our competitors as our land banks in Negeri Sembilan and Johor are strategically located within the vicinity of respective city centres or townships. Over the years, the value of houses and shop offices in these areas have been appreciating and our Board believes that this trend will continue in the future.

4. RISK FACTORS (Cont'd)

Notwithstanding this, there is no assurance that our pro-active measures can effectively mitigate the potential adverse effects of competition on our Group's financial performance and position.

4.1.7 We depend on key management personnel for our continued success

Our Group's success to-date can largely be attributed to the contributions and expertise of our existing Directors and key management personnel, some of whom have more than 20 years of experience in the property development industry. Our continued success will depend, to a significant extent, on our ability to retain the services of our Directors and key management personnel. The loss of the services of our Directors and key management personnel without suitable and timely replacement, or the inability to attract and retain other qualified personnel, could adversely affect our business operations.

As such, we have taken steps to ensure that our Group's employees are given recognition and adequately rewarded for their contribution to the success of our Group. We have also made continuous efforts to train and groom the junior members of our management team to gradually assume more responsibilities as part of our management succession plan.

4.1.8 Non-renewal and/or failure to obtain licences and permits

Our Group has obtained certain licences and permits from various governmental authorities and quality accreditations from internationally recognised bodies. However, some of these approvals, licences, permits and quality accreditations are subject to periodic review and renewal by the relevant governmental authorities. In addition, the standards of compliance required may from time to time be subject to changes. Non-renewal or revocation of our Group's approvals, licences, permits and quality accreditations may have an adverse impact on our operations, business and reputation, hence affecting our financial performance.

Our Group may also need to apply from time to time for new licences or permits for the new property development projects. Failure to obtain such licences or permits may cause disruption or delay in the progress of the new property development projects.

Although our Group has not experienced any revocation and/or non-renewal of the requisite approvals, licences, permits or quality accreditations, there is no assurance that the existing approvals, licences, permits or quality accreditations for certain subsidiaries will be renewed and obtained in a timely manner.

4.1.9 We are exposed to the risk of termination of our joint venture agreements

Due to the majority of our Group's projects being embarked upon on a joint venture basis, we are exposed to the risk of the termination of our joint venture agreements. However, based on our past track record, we have never faced the termination or abortion of any joint venture development projects that we have undertaken in the past as a result of any default of obligations or breach of responsibilities by us or our partners. We have always met our responsibilities as and when they are due and have never defaulted on any obligations.

Although our Group has never experienced any termination of our joint venture agreements as a result of any default of obligations by us or our partners, there is no assurance that we will not face any such risks in the future.

4. RISK FACTORS (Cont'd)

4.1.10 We may be affected by financial risks

Our working capital and capital expenditure requirements are funded by internally generated funds and external financing in the form of borrowings and credit arrangements with our suppliers and sub-contractors. We generally have credit terms of up to sixty (60) days with our suppliers and sub-contractors. Save as disclosed in Section 12.5.3 of this Prospectus, we do not have any other borrowings and indebtedness. As our Group has interest-bearing borrowings which are dependent on the prevailing interest rates, future fluctuations in interest rates could materially affect our Group's debt repayment obligations. Currently, we enjoy good credit standing with our bankers and have adequate credit facilities for our operations.

Our credit facilities may also be subject to periodic review and we are also bound by certain restrictive covenants pursuant to the credit facility agreements that we have entered into with our bankers and financiers, which may limit our Group's operating and financial flexibility. Such covenants are commonly contained in credit facility agreements of such nature. Any breach of such covenants may give rise to a right by the bankers or financiers to terminate the relevant credit facilities and/or enforce any security granted in relation to the particular credit facility. Our Directors and relevant key management personnel will continue to monitor our Group's compliance with all the covenants and take all precautions necessary to prevent any breaches.

In order to ensure our funding requirements are adequately met and external financing, where necessary, is secured on a timely basis, our Group practises prudent financial management. In addition, our Listing will enable us to tap the capital markets in the future to meet our funding requirements when the need arises. However, there is no assurance that we will have sufficient credit facilities for our working capital and capital expenditure requirements or that future fluctuations in interest rates will not adversely affect our ability to meet financial obligations as and when they become due and payable.

4.1.11 Defects liability

In line with industry practice and the nature of our development projects, our Group extends a defect liability period which ranges from 12 to 24 months from the official handing over of the completed projects, depending on the nature of the contract. During the defects liability period, we are liable for any repair work, reconstruction or rectification of any defects which may surface or identified during this period at our own cost. If we are required to rectify defects during the defects liability period, it may result in an increase in development costs and affect the profitability of that particular project.

Our Group had implemented various measures to mitigate this risk such as strict quality control procedures at various stages of our development projects to ensure that all the work specifications are met and defects are minimal. Furthermore, our project management team monitors and supervises the sub-contractors in order to ensure the timeliness of completion and the quality of the development projects. To-date, our Group has not been subject to any material defect liability claims. Nevertheless, there is no assurance that any repair, reconstruction or rectification works to be carried out during the specified defects liability period will not have a material and adverse impact on our Group's financial performance.

4. RISK FACTORS (Cont'd)

4.1.12 The accounting outcomes of our Group may be affected as a result of any change to the FRS and related interpretations after the date of this Prospectus

Recent developments in the financial reporting framework have seen many changes and updates made to the International Financial Reporting Standards ("IFRS") recently adopted by the Malaysian Accounting Standard Board ("MASB"). Hence, our Group is not excluded from the impact of new IFRSs and interpretations by the International Financial Reporting Interpretations Committee ("IFRIC"). Furthermore, there is a specific interpretation by IFRIC namely IC Interpretation 15: Agreements for the Construction of Real Estate ("IC 15") which would significantly affect the annual financial reporting of all property development companies.

The effective date of this IC 15 to all public companies engaged with property development activities is for the financial period beginning on or after 1 January 2014. Adoption of IC 15 would result in significant changes to the recognition of our Group's revenue. With the adoption of IC 15, our Group's revenue and corresponding development cost will only be recognised upon completion of our respective development projects, as opposed to the percentage of completion method presently adopted by our Group.

In the event our Group does not complete any property development project in any given financial year, compliance with IC 15 may result in our Group's profit for the said financial year to be materially and adversely affected. Therefore, with the adoption of IC 15, the timing for the completion of our property development projects will be crucial in ensuring the recognition of revenue and the eventual financial result of our Group is maintained.

The financial impact of the adoption of IC 15 is on the different basis of recognition of revenue by the Group from percentage of completion method to completion method. As the IC 15 is scheduled to be effective for the financial period beginning on or after 1 January 2014, it will have no financial impact on the Group for the FYEs 31 December 2009, 2010, 2011, 2012 and 2013. However, the potential financial impact for the FYE 31 December 2013 is a restatement of the audited financial statements to reflect the adoption of IC 15 as though it has been adopted in the FYE 31 December 2013 and is merely for comparison purposes. The actual financial impact on the adoption of IC 15 on the Group cannot be reasonably and reliably quantified at this juncture.

4.1.13 Our operations may be affected by material litigations, claims or arbitrations

As at the LPD, our Group is not engaged in any material litigation or material arbitration proceedings, which have or may have material effects on our business or financial position, and our Directors are unaware of any proceeding pending or threatened or of any fact likely to give rise to any proceedings, which may materially affect our Group's business or financial position.

However, there can be no assurance that there will be no proceedings in the future that could adversely affect the operations and profitability of our Group.

4. RISK FACTORS (Cont'd)

4.1.14 We are subject to government policies, legislations and regulations

The property development and construction industry in Malaysia is governed by regulations, acts and requirements which have been established to control and protect individual consumers as well as to set minimum standards for the property development and construction industries. The legislations, regulations and requirements that govern the property development and construction industries include, but are not limited to, the Malaysian Construction Industry Development Board Act 1994, the Housing Development (Control and Licensing) Act 1966, the Housing Development (Control and Licensing) Regulations 1989, the Housing Development (Housing Development Account) Regulations 1991, the Strata Titles Act 1985, the Building and Common Property (Maintenance and Management) Act 2007, the Street, Drainage and Building Act 1974, the Uniform Building By-laws 1984, the Architects Act 1967, the Town and Country Planning Act 1976, the Local Government Act 1976 and the Environmental Quality Act 1974.

Typically, these laws and regulations provide for substantial fines and potential criminal prosecution for breach. Breach of these laws can result in permit revocation, cessation of or restriction in operations and remedial work required to be carried out.

In addition, new laws and regulations could in the future, require us to incur additional costs, or affect our business, in ways that may have an adverse effect on our financial position.

We are also subjected to changes in Government policies for instance, the tighter housing loan policies imposed by Bank Negara Malaysia ("BNM") that may discourage demand for residential properties from potential home buyers such as the following:

- (i) Implementation of a maximum loan-to-value (LTV) ratio of 70% on 3 November 2010, which will be applicable to financing facilities taken out by borrowers on their third home onwards; and
- (ii) Requirement for financial institutions to assess borrower's net income and debt obligations before approval starting from 1 January 2012.

The tighter housing loan policies are mitigated by the fact that financing facilities for the purchase of the first and second homes by individuals are not affected and borrowers will continue to be able to obtain financing for these purchases at the present prevailing LTV level applied by individual banks based on their internal credit policies. As such, demand from individuals purchasing their first or second homes using financing facilities will not be affected by the new ruling.

Furthermore, the new method to assess a borrower's debt paying ability will curb speculative activities in property transactions that create large number of unoccupied homes. This in turn protects the interest of property developers including our Group by preventing property bubble.

The tighter housing loan policy imposed by BNM only applies to individuals who are buying their third residential property onwards. This policy is not expected to have any material financial impact on the Group as the majority of our customers are first time buyer and owner-occupiers.

Although our Group has and will continue to comply strictly with all of these laws and regulations under which our Group operates, there can be no assurance that changes to the present laws and regulations or the introduction of new ones will not adversely affect our Group's business.

4. RISK FACTORS (Cont'd)

4.1.15 We are subject to political and local and global economic considerations

Adverse developments in political and local and global economic conditions may materially affect the financial prospects of our Group. Political and economic uncertainties include, amongst others, risks of war, terrorism, riots, expropriation, nationalisation, renegotiation, and nullification of existing contracts, changes in interest rates and method of taxation may affect consumer and business confidence and spending. This will in turn impact on investment in properties developed by our Group.

While our Group seeks to mitigate such risks through prudent financial management and efficient operating procedures, there can be no assurance that any changes to these factors will not have a material adverse impact on the financial performance and position of our Group.

4.2 RISKS RELATING TO OUR SHARES

4.2.1 There is no prior market for our Shares

Prior to our IPO, there has been no public market for our Shares. Our Promoters, Managing Underwriter and Co-Underwriters cannot assure that an active market for our Shares will develop upon its Listing or, if developed, that such market will be sustained. We also cannot assure that the IPO Price will correspond to the price at which our Shares will be traded on the Main Market upon or subsequent to its Listing.

The IPO Price was arrived at after taking into consideration, inter-alia, our Group's financial and operating history and conditions, our competitive strengths and advantages, our future prospects and the prospects of the industry in which we operate in and the prevailing market conditions at the time of the Listing. The IPO Price may not be indicative of prices that may prevail in the trading market after the Listing. In recent years, the stock market in general, and the market for the securities of many companies in particular, has experienced volatile price movements which to a certain extent, driven by local and global market sentiments. Such fluctuations may increase the market risk of our Shares.

4.2.2 Our Listing is exposed to risk of failure or delay

The success of our Listing is exposed to the risk that it may be aborted or delayed on the occurrence of any one or more of the following events:

- (i) the eligible Bumiputera investors approved by the MITI and placed under the placement fail to acquire the IPO Shares allocated to them;
- (ii) our Co-Underwriters exercising their rights pursuant to the Underwriting Agreement in discharging themselves from their obligations; and
- (iii) we are unable to meet the public shareholding spread requirements i.e. at least 25% of our enlarged issued and paid-up share capital must be held by a minimum number of 1,000 public shareholders holding not less than 100 Shares each at the time of our admission to the Official List.

However, our Board endeavours to ensure that our Company complies with the various provisions of the Listing Requirements and the SC's Equity Guidelines, whichever is applicable and relevant to the above factors.

4. RISK FACTORS (Cont'd)

In the event of the failure of our Listing, all monies paid in respect of any application accepted from you will be returned in full without interest within 14 days, failing which, the provision of sub-section 243(2) of the CMSA shall apply accordingly.

In the event that the Listing is aborted after our Shares have been allotted to new investors, the return of monies to the holders of our Shares could only be achieved by way of cancellation of share capital as provided under the Act and its related rules. Such cancellation requires the sanction of our shareholders by special resolution in a general meeting, consent of our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya. There can be no assurance that such monies can be recovered within a short period of time or at all in such circumstances.

4.2.3 Control by the Promoters

Upon Listing, our Promoters will collectively hold, directly and indirectly, 184,808,780 Shares, which represent approximately 61.6% of the enlarged issued and paid-up share capital of our Company (excluding Public Issue Shares allocated to our Promoters under the pink form allocations and the exercise of ESOS Options) as set out in Section 9 of this Prospectus.

As a result, our Promoters may be able to influence the outcome of certain matters such as election of Directors and the approval of business ventures requiring the vote of the shareholders unless they are required to abstain from voting by law and/or the relevant authorities.

The introduction of corporate governance code that requires the formation of an Audit Committee, which includes 2 independent non-executive Directors, may effectively help to promote transparency in all material transactions and our Company's accountability, thereby safeguarding the interests of the minority shareholders. Our Promoters would also be required to abstain from voting if there are any related-party transactions, which may pose a conflict of interest to our Company.

4.2.4 Investment in the capital market exposes the investor to capital market risk

The performance of the local bourse is very much dependent on external factors such as the performance of the regional and global bourses and the inflow or outflow of foreign funds. Sentiments are also largely driven by internal factors such as the economic and political conditions of the country as well as the growth potential of the various sectors of the economy. These factors invariably contribute to the volatility of the local bourse. The market price of our Shares may fluctuate as a result of, amongst others, the following factors, some of which are beyond our control:

- (i) variations in our operating results;
- (ii) changes in securities analysts' estimates of our financial performance and recommendations;
- (iii) announcements by us of significant acquisitions, disposals, strategic alliances or joint ventures;
- (iv) fluctuations in stock market prices and volume;
- (v) change in market valuation of similar companies;

4. RISK FACTORS (Cont'd)

- (vi) involvement in material litigation, arbitration or other forms of dispute resolution;
- (vii) additions or departures of key personnel; and
- (viii) changes in general economic, political and regulatory conditions and stock market sentiments.

4.2.5 Future sale or issuance of our Shares could adversely affect our Share price

Any future sale, issuance or availability of our Shares can have an adverse effect on our Share price. The sale of a significant amount of our Shares in the public market after the IPO, or the perception that such sales may occur, could adversely affect the market price of our Shares. These factors also affect our ability to raise funds from the issue of additional equity securities.

If our Promoters sell, or are perceived to sell, substantial amounts of Shares in the public market following the expiry of the moratorium period, this may result in a dampening effect on our Share price.

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5. BUSINESS OVERVIEW

5.1 OVERVIEW

We are principally an investment holding company, while the principal activities of our subsidiary companies are as follows:

Subsidiary companies	Effective equity interest (%)	Principal activities
BSS Development	100	Property development and sales of land
Masuda Corporation	100	Property development and investment holding
Matrix	100	Property development and investment holding
MCHB Natro'	100	Landscape management
1 Sendayan Education	100	Intended principal activity is provision of education services
Riverine Projects	100	Property development
Superb Approach	100	Property development and investment holding
Seventech	100	Property development
MCHB Properties	100	Intended principal activity is property investment and rental of properties
Pembinaan Juwasan	100	Project management
Insani Utama	100	Property development
MCHB Management	100	Provision of management and administrative services
1 Sendayan Club	100	Intended principal activity is clubhouse operations
Kris Benua	100	Project management
Juwasan Maju	100	Project management and procurement of building materials
Juwasan Trading	100	Procurement of building materials

Our Group is focused on building affordable residential and quality residential and commercial properties that are able to meet the demands for medium-end properties. The strength of our Group include amongst others, our marketing strategies, delivering end-products ahead of schedule, good customer service and a team of committed and responsible workforce. In line with demand for higher-end residential properties as well as part of our expansion plan, our Group began to venture into development projects that cater to the upper-middle and higher end markets in Bandar Sri Sendayan as well as other locations in Seremban, Negeri Sembilan as well as the district of Kluang, Johor.

Presently, our Group is undertaking the development of two township projects known as Bandar Sri Sendayan in Seremban, Negeri Sembilan and Taman Seri Impian in Kluang, Johor. Further details on our property development projects are set out in Sections 5.5.6 and 5.7 of this Prospectus.

We will continue to focus on future property development projects in Seremban, Negeri Sembilan and Kluang, Johor. In addition to the residential, commercial and industrial properties, our Group has commenced development of our own leisure property in Bandar Sri Sendayan and will commence development of our own institutional properties in Bandar Sri Sendayan. Our other future development projects comprising residential and/or commercial properties are the Third 9 Residence, Lobak Commercial Centre and Kota Gadong Perdana in Seremban as well as Taman Seri Impian in Kluang. Further details on our future plans are set out in Section 5.7.2 of this Prospectus.

5. BUSINESS OVERVIEW (Cont'd)

5.2 COMPETITIVE ADVANTAGES AND KEY STRENGTHS

5.2.1 We have developed a new integrated township

Our new integrated township in Bandar Sri Sendayan in Seremban, Negeri Sembilan comprises residential, commercial, institutional, government, leisure and industrial developments. The size of the integrated township is 5,233 acres.

As at the LPD, the township is partially completed with basic public amenities, residential properties and retail businesses. Some of the retail businesses are already operational.

It is expected that the development of Bandar Sri Sendayan will attract various businesses to invest and set up operations in the new township, which would stimulate economic activities in the local community. As such, our developments would benefit from the growth potential in the new township, thus increasing the demand for our properties.

5.2.2 Our new township in Bandar Sri Sendayan is strategically located

Our on-going development of a new integrated township in Bandar Sri Sendayan is strategically located among other large developments and townships, as well as served by good infrastructure including roads, highways and railways.

Being located among other major developments will benefit Bandar Sri Sendayan through spill-over effects as well as creating the critical mass required to provide growth for the state. All these will attract further commercial and industrial investments, and encourage more residential investments in the area.

In addition, Seremban is one of the areas of emphasis for the National and State Government, where Seremban is part of the Kuala Lumpur Conurbation, the National Growth Conurbation, which is a level 1 priority development under the National Physical Plan. The planning strategies for the Kuala Lumpur Conurbation include enhancement of inter-urban and intra-city movement and promotion of development within the regions.

As at the LPD, the GDV of the Bandar Sri Sendayan Integrated Township is estimated at RM1.7 billion based on completed and on-going developments.

5.2.3 We have on-going and future projects up till 2019

As at the LPD, our Group has various on-going projects, which we started in 2010 and are scheduled to be completed by September 2014 with an estimated GDV of RM1.4 billion.

In addition, between June 2013 and 2019, we plan to undertake various property development projects in Seremban, Negeri Sembilan and Kluang, Johor, with an estimated total GDV of RM5.2 billion excluding educational institutions and Sendayan Icon Park.

Our continuous projects will ensure sustainability of our business and provide growth opportunities for our Group. Further details of our on-going and future projects are disclosed in Section 5.5.6 of this Prospectus.

5. BUSINESS OVERVIEW (Cont'd)

5.2.4 We achieved high take-up rates for properties developed by us

Since the commencement of our business and as at the LPD, we have sold a total of 20,056 units of completed residential and commercial properties, which represented 99.9% of all completed properties developed by us, which amounted to 20,079 units. Our high take-up rate for our properties indicates the strong demand for properties developed by us and the confidence level of customers regarding the quality and value of properties developed by us. This is a key advantage for us, as our track record of high take-up rate will provide us with the platform to develop and successfully sell our future properties.

5.2.5 We have an established track record

We have an established track record spanning approximately 16 years for our property development business. As at LPD, our Group had developed and launched approximately 23,000 units of residential, commercial and industrial properties. Our proven track record provides us with the following advantages and benefits:

- Over the years we have built a strong reputation, which provides us with high awareness to attract new customers;
- Our long years of experience provide some level of confidence of our ability to deliver, and the quality of our products and services.

Our proven track record provides us with a key competitive advantage particularly when compared to property developers with a shorter history.

5.2.6 We have a diversified product portfolio

We have a diversified property portfolio, which includes residential, commercial and industrial properties. We also supply undeveloped land. In our on-going and future projects, we also have leisure and institutional properties.

Within our residential property portfolio, we have developed and successfully sold bungalows, semi-detached houses, terrace houses and low-cost flats and townhouses. Our commercial and industrial properties are land and shop offices primarily built within the vicinity of our developed residential properties.

Our diversified product portfolio provides us with the advantage of growth opportunities, as well as business diversification to mitigate risk from over-dependency in any one area.

5.2.7 We have experience in joint-venture projects with the State Governments

Our Group has undertaken various projects through joint-venture with State Governments as well as government agencies and entities in Negeri Sembilan and Johor since 1999. Some of these include MBI, Yayasan Negeri Sembilan, South East Johore Development Authority and Housing and Local Government Unit of Negeri Sembilan. These projects include Taman Andalas, Taman Gadong Jaya, Taman Sendayan Indah, Taman Anggerik Tenggara, Taman Permai Impian, Taman Sri Intan and Bandar Sri Sendayan. Joint-venture projects with Government bodies accounted for 43.6%, 94.6% and 74.2% of the GDV of completed, on-going and future projects, respectively.

5. BUSINESS OVERVIEW (Cont'd)

Our experience in undertaking property development projects through joint-venture with various government departments, agencies and entities would assist us in bidding for new joint-venture projects with the government based on our past track record. Based on our track record, we have undertaken significant amount of joint-venture with Government bodies based on GDV. This is part of our overall business strategy of entering into joint-ventures with or purchasing land from whomever that helps maximise our profitability. Such entities could be Government bodies or private enterprises.

5.2.8 Growth in launch prices of properties developed by us

Over the years, our Group's development properties have shown increase in the launch price as listed in the table below:

Property Name	Initial Phase Sales*			Later Phase Sales*			Growth Rate between Initial Phase Sales and Later Phase Sales	
	RM/Unit	RM/sq ft	Transaction Date	RM/Unit	RM/sq ft	Transaction Date	RM/Unit (%)	Approximate Duration (Months)
Bandar Sri Sendayan								
Single-Storey Terrace Houses								
Nusari Bayu Series								
Nusari Bayu 1	81,888	84.86	03 March 2008	103,888	107.66	09 March 2010	26.9	24
Nusari Bayu 2A	100,888	104.12	16 November 2009	119,754	123.59	10 December 2010	18.7	13
Nusari Bayu 3 – Parcel 1	173,032	127.70	24 February 2011	182,599	134.76	29 July 2011	5.5	5
Nusari Bayu 3 – Parcel 2	194,782	143.75	25 July 2011	199,260	147.06	02 April 2012	2.3	9
Nusari Aman Series								
Nusari Aman 1A	132,707	129.72	07 June 2010	143,452	140.23	27 April 2011	8.1	10
Nusari Aman 2A	149,504	133.13	22 November 2010	153,022	136.26	22 June 2011	2.4	7
Nusari Aman 1B	150,559	122.11	13 February 2011	172,699	140.06	02 April 2012	14.7	14
Nusari Aman 2	177,554	145.42	30 November 2011	183,821	150.55	08 October 2012	3.5	11
Nusari Aman	191,302	141.18	02 May 2012	193,912	143.11	03 September 2012	1.4	4
Idaman Bayu Series								
Idaman Bayu 1	149,888	112.53	01 February 2010	171,936	129.08	01 November 2010	14.7	9
Hijayu Series								
Hijayu 1B	228,554	146.51	25 September 2012	240,457	154.14	29 November 2012	5.2	2
Double-Storey Terrace Houses								
Nusari Bayu Series								
Nusari Bayu 3 - Parcel 1	254,054	108.11	08 February 2011	281,599	119.83	12 July 2011	10.8	5
Nusari Bayu 3 - Parcel 2	289,612	123.24	21 July 2011	307,840	131.00	05 April 2012	6.3	9

5. BUSINESS OVERVIEW (Cont'd)

Property Name	Initial Phase Sales*			Later Phase Sales*			Growth Rate between Initial Phase Sales and Later Phase Sales	
	RM/Unit	RM/sq ft	Transaction Date	RM/Unit	RM/sq ft	Transaction Date	RM/Unit (%)	Approximate Duration (Months)
Nusari Aman Series								
Nusari Aman 2A	207,407	103.29	29 October 2010	224,301	111.70	24 May 2011	8.1	7
Nusari Aman 1B	213,739	105.55	06 May 2011	262,632	129.69	29 November 2011	22.9	6
Nusari Aman 2	262,554	112.88	29 November 2011	277,432	119.27	18 December 2012	5.7	13
Nusari Aman	279,172	116.96	02 July 2012	281,782	118.05	08 November 2012	0.9	4
Idaman Bayu Series								
Idaman Bayu 1	248,888	100.81	10 February 2010	263,021	106.53	15 April 2011	5.7	14
Hijayu Series								
Hijayu 1B	347,554	129.44	27 September 2012	355,732	132.49	28 December 2012	2.4	3
Single-Storey Semi-detached Houses								
Nusari Aman Series								
Cosmoxia	297,404	168.50	13 December 2010	331,096	187.59	22 March 2012	11.3	15
Nusari Aman 2A	314,899	178.41	28 January 2011	331,096	187.59	29 November 2011	5.1	10
Industrial Lot								
Sendayan TechValley	N/A	12.50	21 September 2010	N/A	26.00	13 September 2012	108.0	24
Taman Seri Impian								
Single-Storey Terrace Houses								
Taman Seri Impian 2 - Parcel 2	90,888	91.07	19 October 2007	92,888	93.07	02 January 2008	2.2	3
Taman Seri Impian 3 - Impiana Garden 1	108,888	100.92	30 September 2009	117,888	109.26	28 June 2010	8.3	9
Taman Seri Impian 3 - Impiana Garden 2	119,888	111.11	28 February 2011	140,155	129.89	08 July 2011	16.9	5
Taman Seri Impian 3 - Modena	143,888	110.43	28 July 2010	163,088	125.16	19 July 2011	13.3	12
Taman Seri Impian 4 - Impiana Casa 1	127,910	126.39	03 June 2011	153,022	151.21	15 May 2012	19.6	11
Double-Storey Terrace Houses								
Taman Seri Impian 2 - Parcel 1	149,888	71.61	30 July 2007	159,888	76.39	28 November 2008	6.7	16
Taman Seri Impian 2 - Parcel 2	159,888	76.39	14 January 2009	175,888	84.04	16 November 2009	10.0	10
Taman Seri Impian 4 - Impiana Casa 1	223,910	101.27	09 May 2011	243,502	110.13	15 May 2012	8.7	12

5. BUSINESS OVERVIEW (Cont'd)

Notes:

* *These are based on sales of our newly developed properties. Properties for Initial Phase Sales and Later Phase Sales are similar based on location, lot size, built-up area as well quality and finishing.*

N/A *Not applicable*

5.2.9 We have high impact Government and industrial developments

The developments of the new academia and training centre of the Royal Malaysian Air Force and Sendayan TechValley are expected to spur economic growth in Bandar Sri Sendayan.

This is due to the fact that the academia and training centre will house a large number of air force officials and their family members while Sendayan TechValley has already attracted various international automotive and aviation players to establish their operations in the area within Bandar Sri Sendayan.

The increased population of air force officials and their families as well as the workforce based in Sendayan TechValley will attract various retail businesses, which will increase economic activities in Bandar Sri Sendayan.

Establishment of operations by international automotive and aviation players would also attract their vendors and suppliers to set-up their operations in the vicinity as a result of cost savings and business opportunities.

5.2.10 We have qualified and experienced management team

We have a management team with qualified and experienced personnel to lead and manage our business operations. Our Group Managing Director / Chief Executive Officer, Dato' Lee Tian Hock is a graduate with a Bachelor of Science (Honours) Degree in Housing, Building and Planning with approximately 30 years of experience in the property development industry. Our Group Deputy Managing Director / Chief Operating Officer, Mr Ho Kong Soon is a graduate with a Bachelor of Science (Honours) Degree in Engineering and has more than 20 years of experience in the property development industry. In addition, our key management team also include qualified accountants and engineers.

Our management team of qualified and experienced personnel is beneficial for our Group's business operations, future growth and sustainability.

5.3 BUSINESS STRATEGIES

5.3.1 Overall Strategy

Our strategic vision is to undertake strategic property development projects and building key townships, using land that is cost competitive to enable us to create value for our shareholders.

When we started our business in the late 1990's, we were involved in relatively small developments with GDV ranging from RM3.0 million to RM35.0 million per project. Our focus at that time was on building small clusters of residential landed properties and low cost flats, and some shop offices. These jobs have given us the necessary experience and developed our skills to enable us to undertake larger projects.

5. BUSINESS OVERVIEW (Cont'd)

Over the years, we have undertaken larger and more projects simultaneously including multi-phased residential and commercial developments. Towards the end of 2000 a number of our projects had GDV in excess of RM100.0 million per project.

In the last two to three years, we had started to undertake major mixed residential and commercial developments. One example is our Taman Seri Impian in Kluang, Johor with GDV of approximately RM490.0 million based on our completed and on-going projects.

In addition, we started our conceptualisation and development of an integrated township incorporating residential, industrial, commercial, leisure, institutional, government and agricultural properties in Bandar Sri Sendayan on a previously undeveloped piece of land in Negeri Sembilan.

Our Bandar Sri Sendayan flagship project in total covers 5,233 acres. While our residential development covers middle and high-end residential properties, our development also include an industrial park that is planned for high-technology conglomerates that service the global markets. Other planned developments include among others, shop offices, retail cluster small-office/home-office (SoHo) buildings, educational institutions, clubhouse as well as a trade and exhibition centre.

In addition, we have also sold a large parcel of undeveloped land in Bandar Sri Sendayan for development of properties and facilities for the Royal Malaysian Air Force. Some of the expected developments to be undertaken by 1MDB will include residential properties for air force officials, administrative buildings and facilities, air force academia and training centre, golf course and leisure properties. The development is expected to commence in the third quarter of 2013 while the completion is expected by 2016. This will increase the critical mass in the vicinity to help sustain and grow our Bandar Sri Sendayan township.

As at LPD, our Bandar Sri Sendayan township project amounted to a GDV of approximately RM1.7 billion based on completed and on-going developments.

Our overall business strategic direction is to create new townships or major property developments on undeveloped or under developed areas by incorporating unique developments that will provide critical mass to sustain business growth.

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5. BUSINESS OVERVIEW (Cont'd)

5.3.2 Our current flagship development – Bandar Sri Sendayan

Bandar Sri Sendayan is a new integrated township located on a 5,233-acre plot of land in Seremban, Negeri Sembilan. According to the Planning and Development Guide 2020 of Negeri Sembilan, the State's prime potential development sectors are agriculture, tourism, industry and property. The development of Bandar Sri Sendayan is in line with the government's focus on the property sector.

More importantly, the development of Bandar Sri Sendayan is also undertaken based on the State's policies on housing and urbanisation, which is to create quality living environments, and safe, healthy and comfortable homes, as well as provision of urbanised and modern services to the community. These are reflected in the overview of the developments in Bandar Sri Sendayan as follows:

Residential Developments in Bandar Sri Sendayan

- Focus on development of medium to high-end residential properties including terrace houses, semi-detached houses and bungalows with modern design and concepts;
- Create a safe environment by developing gated and guarded residential communities with perimeter fencing as well as police beat houses for police taskforce patrol services;
- Build walkways in residential areas to link to the nearest public amenities such as schools, public community shops with courtyard as playground for children and sport facilities in the local areas;
- Completed 2,727 units of single-storey and double-storey terrace houses, single-storey and double-storey semi-detached houses;
- Undertaking development of 2,181 units of residential properties comprising single-storey and double-storey terrace houses and single-storey semi-detached houses;
- Planned to develop 3,930 units of residential properties comprising single and double-storey terrace houses, double-storey semi-detached houses, double-storey bungalows and bungalow lots; and
- Areas zoned for residential developments include Nusari Bayu, Nusari Aman, Idaman Bayu, Idaman Yu and Hijayu.



Single-Storey and Double-Storey Terrace Houses



Single-Storey Semi-detached Houses

5. BUSINESS OVERVIEW (Cont'd)

Commercial Developments in Bandar Sri Sendayan

- Focus on development of double-storey and three-storey shop offices, small office home office (SoHo) units, trade and exhibition centre with modern design and concepts as well as commercial plots;
- Develop open areas for alfresco activities such as open-air dining and shopping, external walkways with tiles and landscaping, and interlocking paver car parks;
- Planning to develop trade and exhibition centre with leisure development comprising two floating restaurants separated by a lake as well as a cultural village. Commercial development in exhibition centre includes retail space for various targeted businesses such as lifestyle and fashion boutiques, leather and designer goods, household goods, DIY stores, and medical and pharmaceutical outlets;
- Completed 46 units of single-storey community shops, 25 units of double-storey shop offices, 18 lots of commercial plots and one single-storey stall;
- Undertaking development of 29 units of double-storey shop offices, 9 units of three-storey shop offices and 6 lots of commercial plots, which are ready for sale;
- Planned to develop 551 units of double-storey shop offices, 4 units of three-storey shop offices and 21 lots of commercial plots; and
- Areas zoned for commercial developments include Sendayan Metropark, Sendayan Merchant Square, Sendayan TechValley, Sendayan Icon Park, Sendayan Auto City as well as some areas within 1 Sendayan Clubhouse, Nusari Aman, Nusari Bayu, Nusari Hijayu and Idaman Yu.



Single-Storey Community Shops and Artist Impression of Double / Three-Storey Shop Offices

Industrial Developments in Bandar Sri Sendayan

- Development of industrial properties and plots;
- Focus on development of ecofriendly techno-entrepreneur park, namely Sendayan TechValley by taking advantage of its strategic location to boost local economic activities;
- Easily accessible via various modes of transportation including air, land, rail and sea;
- Targeted industries in Sendayan TechValley include high impact industries such as international automotive and aircraft part manufacturers to attract their supporting industries as well as knowledge-based, information and communications technology, biotechnology, research and development, manufacturing and processing businesses;
- Other suitable businesses include those related to medical and scientific devices and parts, aerospace, electronics, agriculture and agro-based industries, telecommunications, electro-optics and optoelectronics;
- Aims to become a one-stop automotive centre and home to international automotive manufacturers, automotive part manufacturers, automotive service centres, warehouses and show rooms;
- Undertaking development of 93 lots of industrial plots with infrastructure, utilities and facilities; and
- Planned to develop 84 units of double-storey corporate showrooms/factories, 30 units of double-storey semi-detached corporate showrooms/factories in Sendayan TechValley and 32 lots of industrial plots in Sendayan Auto City.

5. BUSINESS OVERVIEW (Cont'd)

Other Developments in Bandar Sri Sendayan

Leisure

- To develop clubhouse and other recreation and sport facilities to create a balance, active and healthy lifestyle for local residents;
- Planning to develop a lake and cultural village with lakeside restaurants in Sendayan Icon Park, to promote tourism in the local areas;
- Undertaking development of 26-acre Sendayan Green Park for the local residents as well as visitors. The park will comprise various types of gardens of different themes for the appreciation of nature, facilitate fitness and exercise, and provision of peace and solitude. Other facilities at the park would also include a football field, amphitheatre area, reflexology path, gazebos, skating area and tai chi lawn; and
- Areas zoned for leisure developments include 1 Sendayan Clubhouse and Sendayan Icon Park.



Sendayan Green Park

Institutional

- To focus on development of own private education institutions to provide primary, secondary and post-secondary education in 1 Sendayan Clubhouse; and
- Construction of Sekolah Menengah Kebangsaan Bandar Sri Sendayan is currently being undertaken.

Government

- The largest government development in the area is the new training base for the Royal Malaysian Air Force, which occupies a land area of 750 acres with residential properties for air force officials, administrative buildings and facilities, air force academia and training centre, golf course and other leisure properties;
- The State Syariah Court Complex is expected to be occupied in the third quarter of 2013; and
- To develop 55 acres of the State administrative centre.

Agriculture

- Approximately 1,300 acres of sub-divided plots for various agriculture activities.

Other Infrastructure, Public Amenities and Services

- Police Station and police beat houses;
- Fire Department;
- Petrol Station;
- Surau/Mosque;
- Supermarket and shopping centres;
- Kindergarten and schools;
- Medical centre/ Health clinic;
- Multi-purpose hall;
- Pedestrian-friendly walkways and pavements;
- Landscaping;
- Fibre-optic backbone to cater for high speed broadband; and
- Access roads linked to highways and surrounding areas.

5. BUSINESS OVERVIEW (Cont'd)

5.3.3 Strategic advantages of Bandar Sri Sendayan

Located in Seremban, Negeri Sembilan, Bandar Sri Sendayan has the following advantages:

- Close proximity to various townships and industrial areas in Negeri Sembilan to benefit from spill-over effects
- Well planned infrastructure and public facilities to enhance lifestyle of local residents
- Connected to various transportation networks
- One of the National and State Government's main focus development areas to spur economic growth
- Home to the new academia and training centre of the Royal Malaysian Air Force

Close Proximity to Various Townships and Industrial Areas

Bandar Sri Sendayan is located close to various townships and industrial areas in Negeri Sembilan, which include, among others:

- Seremban 2
- S2 Heights
- Bandar Enstek
- Bandar Ainsdale
- Oakland Commercial Centre and Industrial Park
- Tuanku Jaafar Industrial Park
- Senawang Industrial Park
- Nilai Industrial Estate.

The strategic location of Bandar Sri Sendayan amongst other townships and developments will enable it to benefit from the spill over effects while together they create a critical mass to further encourage communities to grow and to attract visitors to stimulate the local economy of the state.

Bandar Sri Sendayan will benefit from the socio-economic activities and transportation links in the neighbouring townships and industrial areas. In addition, the variety of businesses and industries in the vicinity would also create industry linkages to spur the economic growth, which would attract businesses and home buyers to invest in Bandar Sri Sendayan.

Seremban 2 and S2 Heights

Seremban 2 is a township comprising residential communities, several schools, a 15-acre city lake park, a sports complex, a modern shopping centre and commercial business parks. It is also home to the state government and local authorities. S2 Heights is an extension of Seremban 2 which comprises mainly residential properties as well as a 6.6 acre linear park for social, community and recreational activities.

5. BUSINESS OVERVIEW (Cont'd)

Bandar Enstek

Bandar Enstek is an integrated development with residential areas, industrial hub, commercial hub and institutional zones. The industrial hub of Bandar Enstek is developed to cater to the high-technology and non-polluting industries such as biotechnology, green technology and information and communication technology industries. Some of the investors in Bandar Enstek include a globally known soft drink bottler, halal institute and development corporation, biotech centre and data centre. Various other international companies as well as private and government agencies are also expected to begin operations in the industrial hub.

Bandar Enstek also consists of an education hub which comprises among others, a polytechnic, a fully residential girls school, an education leadership and management training institute, an English learning centre, an international school and a private college. Bandar Enstek will also be a medical city with several private hospitals, medical research labs and pharmaceutical factories currently under development.

Oakland Commercial Centre and Industrial Park

Oakland Commercial Centre and Industrial Park comprise commercial and industrial areas. Various businesses as well as international companies from United States and Japan set-up their tobacco processing facility and cultured drink manufacturing facility in these areas. Public amenities such as a hospital and hypermarket as well as highways are located close to the Oakland Commercial Centre and Industrial Park.

Bandar Ainsdale

Bandar Ainsdale is an affordable housing area for the 1Malaysia Housing Programme. The township will incorporate residential and commercial developments as well as a proposed train station to serve as its public transportation terminal.

Industrial Areas

Some of the nearby industrial areas include Tuanku Jaafar Industrial Park, Senawang Industrial Park and Nilai Industrial Estate. These industrial areas are home to various international companies and conglomerates from South Korea, United Kingdom, United States, Switzerland, Netherlands, India and Japan. These companies are mainly involved in the manufacturing of electronic and electrical products and components, manufacturing of machinery, processing of food products, manufacturing of polyester products as well as manufacturing of adhesive, abrasive, laminates, dental, medical and car care products.

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5. BUSINESS OVERVIEW (Cont'd)

Well Planned Infrastructure and Public Facilities



The development of Bandar Sri Sendayan is well planned with various infrastructure and public facilities to enhance the lifestyle of local residents.

Within Bandar Sri Sendayan township, there will be schools and kindergarten, police station and beat houses for police taskforce patrol services, fire department, petrol station, mosque and surau, supermarket and shopping centres, medical centre and health clinic, multi-purpose hall, a 26-acre green park as well as clubhouse with various sporting and recreation facilities as well as pedestrian-friendly walkways and pavements, landscaping, fibre-optic backbone to cater for high speed broadband as well as access roads linked to highways and surrounding areas.

The well planned infrastructure and public facilities are eco-friendly and in line with the State Government's aim to create quality living environment, safe, healthy and comfortable homes as well as provision of urbanised and modern services to our communities. At the same time, the well planned infrastructure and public facilities are also suitable for various businesses to set-up their operations in the new township with ease of transportation as well as fibre-optic broadband internet facilities.

5. BUSINESS OVERVIEW (Cont'd)

Connected to various transportation networks

Bandar Sri Sendayan is strategically located close to various existing and proposed transportation networks including land, sea, air and rail.

Bandar Sri Sendayan is located within 30-minute drive to Kuala Lumpur International Airport (KLIA), Low Cost Carrier Terminal (LCCT) and MASKargo's Advanced Cargo Centre (ACC), an air cargo terminal. The surrounding highways include the Seremban-Port Dickson Expressway and North-South Expressway. Bandar Sri Sendayan is also easily accessible from Port Klang and Nilai Inland Port via the highways.

Bandar Sri Sendayan is also within close proximity to various planned and new development of transportation networks including the centralised transportation hub in Seremban, Negeri Sembilan, which aims to provide convenience for residential travelling to and from Klang Valley, the new Seremban Interchange on the North-South Expressway, the West Coast Expressway, the KLIA/Putrajaya Senawang Expressway, the Seremban-Gemas Electrified Double Track project under development as well as the KTM station in Bandar Ainsdale.

With connection to various modes of transportation networks, Bandar Sri Sendayan is easily accessible from the surrounding areas and its proximity to the Kuala Lumpur International Airport and Low Cost Carrier Terminal makes it an ideal location for various local and international businesses as well as residents who work in the surrounding areas.

A National and State Government's Focus Development Area

Seremban is part of the Kuala Lumpur Conurbation, the National Growth Conurbation, which is a level 1 priority development under the National Physical Plan. The planning strategies for the Kuala Lumpur Conurbation include enhancement of inter-urban and intra-city movement and promotion of development within the regions.

The planning strategies have been reflected in the rapid development in Bandar Sri Sendayan and its surroundings such as new townships including Bandar Enstek, S2 Heights which include various residential, commercial, industrial, leisure, institutional and government developments. In addition, this is reflected in the infrastructure projects that are linked to surrounding areas of Klang Valley and Kuala Lumpur including the development of new highways, new transportation hub in Seremban as well as the Seremban-Gemas Electrified Double Track project and railway station in Bandar Ainsdale. The rapid developments in these areas would spur the local economic activities in the state through increase in employment opportunities, industry linkages and spill over effects from the various surrounding areas.



5. BUSINESS OVERVIEW (Cont'd)

Seremban is also one of the development focus area in Negeri Sembilan. Negeri Sembilan is currently planning several projects to develop the State into a leading biotechnology centre, high-technology service centre for aircraft technology maintenance through the establishment of an Aerospace Park, and a logistics and air freight hub in the Nilai-KLIA corridor. In addition, the state is also seeking inter-state collaboration to create Cyberjaya-Salak Tinggi-Nilai as a cyber corridor for knowledge industries focussed on information technology and research and development (R&D). All the development initiatives undertaken by the State Government to promote the local economic activities would attract a large population of workforce. This would benefit the surrounding areas in Seremban, including Bandar Sri Sendayan with increased demand for residential properties from home buyers as well as commercial and industrial properties from business investors. Institutional and leisure properties would also be required to satisfy educational and recreational needs of the local communities.

Home to the New Academia and Training Centre of Royal Malaysian Air Force

Bandar Sri Sendayan will be the home to the new academia and training centre of the Royal Malaysia Air Force, which among others, will incorporate the relocation of the existing base in Sungai Besi, Kuala Lumpur.

The new site in Bandar Sri Sendayan is expected to be completed with residential properties for air force officials, administrative buildings and facilities, air force academia and training centre, golf course and other leisure properties.

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5. BUSINESS OVERVIEW (Cont'd)

5.4 KEY ACHIEVEMENTS, MILESTONES AND AWARDS

5.4.1 Key achievements and milestones

Our key achievements and milestones since inception are as follows:

Year	Key achievements and milestones
1997	<ul style="list-style-type: none"> Matrix commenced operations as a property development company. Commenced development of our maiden property development project, Taman Bahau, a mixed residential and commercial development, through joint-venture with landowner, Beg Development Sdn Bhd.
1998	<ul style="list-style-type: none"> Masuda Corporation acquired 21 acres of land in Kuala Pilah, Negeri Sembilan to develop Taman Putra, a mixed residential and commercial property.
1999	<ul style="list-style-type: none"> Masuda Corporation embarked on a joint-venture arrangement with MBI to develop Taman Andalas (Phase 1 and 2) on a land area of approximately 39 acres. Phase 1 of Taman Andalas launched with 90% of units sold within 6 months. Commenced development of Taman Putra. Completed development of Taman Bahau with all units sold. Acquired 100% stake in 1 Sendayan Club, a property development company, and 50% stake in Kris Benua, a plantation company.
2000	<ul style="list-style-type: none"> Acquired 70% stake of Insani Utama, a property development that has entered into a joint-venture arrangement with Yayasan Negeri Sembilan to develop Taman Gadong Jaya, a mixed residential and commercial development in Seremban. Completed development of Taman Putra and Phase 1 of Taman Andalas. Commenced and completed Taman Sri Telawi, a residential development in Seremban and Taman Pedas Indah, a mixed residential and commercial development in Pedas undertaken as a result of a joint-venture arrangement with between Matrix and landowner, Omega Touch Sdn Bhd. Commenced development of Phase 1 of Taman Intan Perdana 1, 2 and 3 in Port Dickson, a mixed residential and commercial development. Commenced development of Phase 2 of Taman Andalas in Mantin, which was the result of a joint-venture between Masuda Corporation and MBI for the development of low cost flats. Commenced development of Intan Court in Port Dickson, a residential development of low cost flats.
2001	<ul style="list-style-type: none"> Commenced development of Phase 1 and 2 of Taman Gadong Jaya, and Taman Sri Anggerik in Rantau, a residential development. Completed the entire development of Phase 1 of Taman Intan Perdana 1, 2 and 3, and Phase 2 of Taman Andalas.
2002	<ul style="list-style-type: none"> Commenced development of Phase 3 of Taman Gadong Jaya, Taman Intan Perdana V(a) and (b) and Taman Bukit Perdana in Port Dickson, primarily residential developments. Commenced development of Taman Sendayan Indah in Seremban, which was the result of a joint-venture between Insani Utama and MBI for a mixed residential and commercial development.

5. BUSINESS OVERVIEW (Cont'd)

Year	Key achievements and milestones
	<ul style="list-style-type: none"> Completed development of Taman Sri Anggerik and Intan Court. Riverine Projects entered into joint-venture agreement with Majlis Agama Islam Negeri Sembilan for the development of Kota Gadong Perdana. Matrix acquired 109 acres of land in Port Dickson to develop Taman Politeknik, a mixed residential and commercial development. Insani Utama became a wholly owned subsidiary. Acquired 100% stake in 1Sendayan Education, a dormant company to undertake property development and acquired a 100% stake in MCHB Natro', a property development company.
2003	<ul style="list-style-type: none"> Commenced and completed development of Phase 4 of Taman Gadong Jaya, the last phase of the Taman Gadong Jaya development. Commenced development of Arowana Impian in Seremban 2, Matahari Height in Bandar Senawang, and Taman Politeknik in Port Dickson, all were mixed residential and commercial developments. Completed development of Taman Intan Perdana V(a) and (b), Taman Bukit Perdana and Taman Sendayan Indah. Matrix acquired approximately 110 acres of land to develop Taman Desa PD.
2004	<ul style="list-style-type: none"> Acquired 100% stake of Seventech, a property development company to expand to Johor. Commenced development of Phase 1 of Taman Anggerik Tenggara, our first project in Johor, through joint-venture arrangement with South East Johore Development Authority. Kris Benua became a wholly owned subsidiary. Commenced development of Taman Bukit Perdana II in Port Dickson, a residential development and Taman Permai Impian, a mixed development, which was the result of a joint-venture arrangement with Yayasan Negeri Sembilan. Masuda Corporation acquired 55 acres of land in Seremban to develop Taman Pulau Impian, a residential development. Completed development of Arowana Impian, Matahari Height, Taman Politeknik and Taman Bukit Perdana II.
2005	<ul style="list-style-type: none"> Commenced development of Taman Desa PD 1, a mixed development and Taman Pulau Impian, our first gate and guarded residential development. Completed development of Taman Permai Impian. Matrix entered into a joint-venture with Koperasi Kemajuan Tanah Negeri Johor Berhad to develop our first flagship township development in Taman Seri Impian in Kluang, Johor. BSS Development entered into a joint-venture with MBI to develop our second flagship integrated development project in Bandar Seri Sendayan in Seremban. Matrix and MCHB Management accredited with ISO 9001:2000 status, by BM TRADA Certification Ltd.
2006	<ul style="list-style-type: none"> Launched the first two phases of the Taman Seri Impian township development with Taman Seri Impian 1 and Impiana Avenue 1. Commenced development of Matrix Point, a small commercial development, Taman Bukit Sendayan, a residential development, and Arowana Indah, a residential and commercial development.

5. BUSINESS OVERVIEW (Cont'd)

Year	Key achievements and milestones
2007	<ul style="list-style-type: none"> Completed development of Taman Desa PD 1, Taman Pulai Impian and Taman Anggerik Tenggara 1. Commenced development of Parcel 1 and 2 of Taman Seri Impian 2, Matahari Indah, a residential development, Matrix Court, a commercial development and Taman Sri Intan, a residential and commercial development through a joint-venture arrangement with the Housing and Local Government Unit of Negeri Sembilan.
2008	<ul style="list-style-type: none"> Completed development of Matrix Point and Arowana Indah. MCHB Natro' changed its business activity to landscape management. Completed development of Taman Seri Impian 1, Taman Bukit Sendayan, Matahari Indah and Taman Sri Intan. Launched first two phases of developments in Bandar Sri Sendayan, a residential area namely Nusari Bayu 1 and commercial plots at Sendayan Metropark. Completed and delivered 500 units of bungalows for Idaman Villa as part of the joint-venture agreement with the MBI. Entered into a joint-venture with Reka Property Venture Sdn Bhd to develop a mixed residential development namely Taman Pulai Perdana in Seremban.
2009	<ul style="list-style-type: none"> Commenced development of Taman Pulai Perdana in Seremban and Taman Anggerik Tenggara 2 in Bandar Tenggara. Commenced development of Impiana Garden of Taman Seri Impian 3. Commenced on the next phase of our flagship integrated township development in Bandar Sri Sendayan, Seremban namely Nusari Bayu 2A. Commenced residential development of Taman Desa PD II (Phase 1). Completed development of Impiana Avenue 1, Parcel 1 of Taman Seri Impian 2, Taman Pulai Perdana, Taman Anggerik Tenggara 2 and Matrix Court. Matrix, MCHB Management and Juwasan Maju upgraded from Quality Management System ISO 9001:2000 to ISO 9001:2008. accredited by BM TRADA Certification Ltd.
2010	<ul style="list-style-type: none"> Commenced development of Impiana Avenue 2 and two phases in Taman Seri Impian 3, Impiana Villa 1 and Impiana Casa 1 of Taman Seri Impian 4. Commenced development of seven different phases of Bandar Sri Sendayan comprising residential and commercial properties as well as industrial plots. Completed development of Parcel 2 of Taman Seri Impian 2 and Impiana Garden 1 of Taman Seri Impian 3 as well as Nusari Bayu 1 and Sendayan Metropark in Bandar Sri Sendayan.
2011	<ul style="list-style-type: none"> Completed development of two phases of Taman Seri Impian 3 and Impiana Avenue 2, Taman Desa PD II (Phase 1) as well as six phases in Bandar Sri Sendayan. Completed and delivered 320 units of single-storey bungalows in Taman Impiana Kopketa as part of our fulfilments of the joint-venture agreement with the KKTNJB. Acquired the remaining 25% stake in BSS Development and the company became a 100% subsidiary of our Group, with one preference share held by MBI.

5. BUSINESS OVERVIEW (Cont'd)

Year	Key achievements and milestones
2012	<ul style="list-style-type: none"> Disposed a piece of land measuring 750 acres to 1MDB for the purpose of setting up a new academia and training centre for the Royal Malaysian Air Force and the relocation of the Sungai Besi base to Bandar Sri Sendayan. Continued to begin development on five new phases in Bandar Sri Sendayan, which comprised residential and commercial properties as well as industrial plots. Signed a sales and purchase agreement with Hino Motors Manufacturing (Malaysia) Sdn Bhd for the sale of an industrial plot at Sendayan TechValley 2. Began the development of Taman Desa PD 3, a residential property project in Port Dickson. Signed a sales and purchase agreement with Akashi-Kikai Industry (M) Sdn Bhd for the sale of 6 lots of industrial plots at Sendayan TechValley 1. Signed a sales and purchase agreement with Messier-Bugatti-Dowty Malaysia Sdn Bhd for the sale of an industrial plot at Sendayan TechValley 2. Signed a sales and purchase agreement with Keen Point (M) Sdn Bhd for the sale of 3 lots of industrial plots at Sendayan TechValley 2. Signed a sales and purchase agreements with Meditop Corporation (M) Sdn Bhd for the sales of 3 industrial plots at Sendayan TechValley 2. Signed a sales and purchase agreement with TMC Metal (Malaysia) Sdn Bhd for the sale of an industrial plots at Sendayan TechValley 1 Launched seven new phases in Bandar Sri Sendayan, comprised residential properties and a clubhouse as well as Impiana Casa 2 in Taman Seri Impian 4. Completed development of Phase 1 of Nusari Bayu 3 in Bandar Sri Sendayan and Impiana Villa 1 in Taman Seri Impian.
2013	<ul style="list-style-type: none"> Completed Phase 2 of Nusari Bayu 3 in Bandar Sri Sendayan. Signed a sales and purchase agreement with MBMR Properties Sdn Bhd for the sale of 4 lots of industrial plots at Sendayan TechValley 2. Signed a sales and purchase agreement with Resort & Leisure Homes Sdn Bhd for the purchase of a piece of vacant land, which is to be used for a residential condominium building.

5.4.2 Awards

As at the LPD, our Group has not received any material awards and recognitions.

5.5 PRINCIPAL BUSINESS ACTIVITIES

5.5.1 Business model

Our principal business is in the sales of land and property development. Our sales of land include large tract of undeveloped land. Our property development currently includes residential, commercial and industrial properties. As at the LPD, we are also undertaking development of our own leisure property.

5. BUSINESS OVERVIEW (Cont'd)

For the FYE 31 December 2012, our total revenue amounted to RM456.1 million. In the same year, our revenue from sales of land and our property development represented 7.3% and 92.7% of our total Group revenue, respectively.

5.5.2 Revenue and gross profit segmentations by business activities

The breakdown of our Group's revenue by business activities for FYE 31 December 2009, 2010, 2011 and 2012 are as follows:

	Revenue for FYE 31 December 2009		Revenue for FYE 31 December 2010		Revenue for FYE 31 December 2011		Revenue for FYE 31 December 2012	
	RM '000	%	RM '000	%	RM '000	%	RM '000	%
Sales of Land	400	0.2	276	0.1	316,530	50.7	33,024	7.3
- Undeveloped Land	400	0.2	276	0.1	294,030	47.1	33,024	7.3
- Agriculture Land	-	-	-	-	22,500	3.6	-	-
Property Development	203,646	99.8	195,357	99.9	307,720	49.3	423,045	92.7
- Residential Properties	187,405	91.8	176,743	90.4	254,719	40.8	328,060	71.9
. Terrace houses	183,577	89.9	171,534	87.7	206,508	33.1	289,179	63.4
. Bungalows	-	-	-	-	27,220	4.3	35,482	7.8
. Semi-detached houses	3,828	1.9	5,209	2.7	20,991	3.4	3,399	0.7
- Commercial Properties	16,241	8.0	18,614	9.5	31,612	5.1	15,155	3.3
- Industrial Properties	-	-	-	-	21,389	3.4	79,830	17.5
TOTAL	204,046	100.0	195,633	100.0	624,250	100.0	456,069	100.0

For the FYE 31 December 2009, revenue from property development amounted to RM203.6 million, representing 99.8% of our total revenue. The bulk of the revenue were from sale of residential properties, which accounted for 91.8% of our total revenue while commercial properties contributed 8.0% to our total revenue for the FYE 31 December 2009. Sales of land accounted for 0.2% or approximately RM400,000 of our total revenue for the FYE 31 December 2009.

For the FYE 31 December 2010, the largest revenue contributor was residential properties which accounted for 90.4% of our total revenue, while commercial properties accounted for 9.5% of our total revenue. Sales of land represented the remainder 0.1% of our total revenue for the FYE 31 December 2010.

For FYE 31 December 2011, sales of land accounted for 50.7% of our total revenue, amounting to RM316.5 million. This was mainly contributed by the sale of the 750-acre plot of undeveloped land to 1MDB for the purpose of setting up a new academia and training base of the Royal Malaysian Air Force and to relocate the operations in Sungai Besi to Bandar Sri Sendayan in Negeri Sembilan.

For FYE 31 December 2011, property development accounted for 49.3% of our total revenue, amounting to RM307.7 million. Of this, residential properties accounted for 40.8% of our revenue, which amounted to RM254.7 million.

5. BUSINESS OVERVIEW (Cont'd)

For FYE 31 December 2011, our revenue from residential properties was mainly contributed by the sales of terrace houses, which contributed 33.1% of our total Group revenue. This was followed by bungalows and semi-detached houses which contributed 4.3% and 3.4% to our Group revenue, respectively.

For FYE 31 December 2011, the development of commercial and industrial properties accounted for 5.1% and 3.4% of our total Group revenue. These were contributed by sales of single-storey and double-storey shop offices as well as commercial and industrial plots.

For FYE 31 December 2012, property development accounted for 92.7% of our total revenue, amounting to RM423.0 million. Of this, residential properties accounted for 71.9% of our revenue, which amounted to RM328.1 million for the financial year ended 31 December 2012.

For FYE 31 December 2012, our revenue from residential properties was mainly contributed by the sales of terrace houses, which contributed 63.4% of our total Group revenue. This was followed by bungalows and semi-detached houses which contributed 7.8% and 0.7% to our Group revenue, respectively.

For FYE 31 December 2012, the development of commercial and industrial properties accounted for 3.3% and 17.5% of our total Group revenue. These were contributed by sales of double-storey and three-storey shop offices as well as industrial plots.

For FYE 31 December 2012, sales of land accounted for 7.3% of our total revenue, amounting to RM33.0 million.

The breakdown of our Group's GP by business activities for FYE 31 December 2009 is as follows:

	FYE 31 December 2009		
	GP Contribution		GP Margin
	RM '000	%	%
Sales of Land	(5)	#	(1.3)
- Undeveloped Land	(5)	#	(1.3)
Property Development	46,378	100.0	22.8
- Residential Properties	42,499	91.7	22.7
<i>Terrace houses</i>	41,665	89.9	22.7
<i>Semi-detached houses</i>	834	1.8	21.8
- Commercial Properties	3,879	8.3	23.9
Others*	(15)	#	n.a.
OVERALL	46,358	100.0	22.7

Notes:

Insignificant

* Additional costs for completed projects

For the FYE 31 December 2009, property development accounted for 100.0% of our total Group's GP and recorded 22.8% GP margin.

5. BUSINESS OVERVIEW (Cont'd)

The breakdown of our Group's GP by business activities for the FYE 31 December 2010 is as follows:

	FYE 31 December 2010		
	GP Contribution		GP Margin
	RM '000	%	%
Sales of Land	(1)	#	(0.4)
- Undeveloped Land	(1)	#	(0.4)
Property Development	56,717	100.0	29.0
- Residential Properties	49,834	87.9	28.2
. Terrace houses	47,339	83.5	27.6
. Semi-detached houses	2,495	4.4	47.9
- Commercial Properties	6,883	12.1	37.0
OVERALL	56,716	100.0	29.0

Note:

Insignificant

For the FYE 31 December 2010, property development accounted for 100.0% of our total Group GP and recorded 29.0% GP margin.

The breakdown of our Group's GP by business activities for FYE 31 December 2011 is as follows:

	FYE 31 December 2011		
	GP Contribution		GP Margin
	RM '000	%	%
Sales of Land	29,092	19.6	9.2
- Undeveloped Land	28,018	18.9	9.5
- Agriculture Land	1,074	0.7	4.8
Property Development	118,796	80.0	38.6
- Residential Properties	95,649	64.4	37.6
. Terrace houses	74,334	50.1	36.0
. Bungalows	11,067	7.4	40.7
. Semi-detached houses	10,248	6.9	48.8
- Commercial Properties	13,795	9.3	43.6
- Industrial Properties	9,352	6.3	43.7
Others*	534	0.4	n.a.
OVERALL	148,422	100.0	23.8

Notes:

n.a. not applicable

* Reversal of cost from completed project

5. BUSINESS OVERVIEW (Cont'd)

For FYE 31 December 2011, sales of land accounted for 50.7% of our total Group revenue while its contribution to the total Group GP was 19.6% with a GP margin from sales of land at 9.2%. The GP margin for sales of land was low as the undeveloped land was sold on an "as is" basis by our Group.

Property development accounted for 80.0% of our total Group GP despite its lower revenue contribution of 49.3% to our total Group revenue. Property development recorded 38.6% GP margin which was higher compared to the sales of land for FYE 31 December 2011.

The breakdown of our Group's GP by business activities for FYE 31 December 2012 is as follows:

	FYE 31 December 2012		
	GP Contribution		GP Margin
	RM '000	%	%
Sales of Land	7,645	4.0	23.1
- Undeveloped Land	7,645	4.0	23.1
Property Development	185,083	96.0	43.8
- Residential Properties	128,733	66.8	39.2
. Terrace houses	113,527	58.9	39.3
. Bungalows	13,202	6.9	37.2
. Semi-detached houses	2,004	1.0	59.0
- Commercial Properties	5,545	2.9	36.6
- Industrial Properties	50,805	26.3	63.6
OVERALL	192,728	100.0	42.3

For FYE 31 December 2012, property development accounted for 96.0% of our total Group GP. Property development recorded 43.8% GP margin which was higher compared to the sales of land for FYE 31 December 2012.

For FYE 31 December 2012, sales of land accounted for 4.0% of our total Group's GP with a GP margin of 23.1%. The GP margin for sales of land was lower compared to property development as the undeveloped land was sold on an "as is" basis by our Group.

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5. BUSINESS OVERVIEW (Cont'd)

5.5.3 Location of principal place of business

We currently operate from the following premises:

Name	Address	Purpose
Matrix Concepts Group	Wisma Matrix No. 57, Jalan Tun Dr. Ismail 70200 Seremban Negeri Sembilan	Head office and operations centre
Matrix	No. 69, Impiana Avenue Jalan Seri Impian ½ Taman Seri Impian 86000 Kluang Johor	Branch in Kluang to facilitate the Group's activities
BSS Development	No. 773A, Jalan Nusari Aman 3/1 Medan Nusari 71900 Bandar Sri Sendayan Negeri Sembilan	Site office in Bandar Sri Sendayan to facilitate the Group's activities
	PT1055, Jalan Metro Sendayan 1 71900 Bandar Sri Sendayan Negeri Sembilan	Sales gallery in Bandar Sri Sendayan

5.5.4 Products and services

Our principal business is in the sales of land and property development. Our sales of land include large tracts of undeveloped land.

Our property development currently includes residential, commercial and industrial properties. As at the LPD, we are also undertaking development of our own leisure property. Our property development operations are supported by our in-house capabilities in project management and procurement of building materials.

Sales of land

Part of our business activities is involved in the sales of land including large tracts of undeveloped land, which we do not undertake any work and there is no existing infrastructure.

For the FYE 31 December 2012, the sales of land accounted for 7.3% of our total Group revenue and 4.0% of our total Group gross profit.

Property development

Our principal activities also include property development. For the FYE 31 December 2012, our property development business accounted for 92.7% of our total Group revenue and 96.0% of our total Group gross profit.

We are engaged in developing the following types of properties:

- Residential properties including bungalows, semi-detached houses, terrace houses, low-cost flats and townhouses and sub-divided plots;
- Commercial properties which are mainly shop offices and sub-divided plots; and
- Industrial properties which are mainly sub-divided plots for industrial use.

5. BUSINESS OVERVIEW (Cont'd)

Our property developed involving sales of sub-divided plots refer to land that has been cleared with earthworks undertaken and some basic infrastructure.

In September 2012, we commenced the development of a clubhouse in Bandar Sri Sendayan, our first foray into the development of leisure properties. We have also planned to commence the development of institutional properties within our Bandar Sri Sendayan project in the future.

Since the commencement of our property development business in 1997, we have established our track record as a reputable property developer in Negeri Sembilan and Johor. This is demonstrated by the fact that as at the LPD, we have successfully launched and completed 20,079 residential and commercial properties in Negeri Sembilan and Johor since the commencement of our business.

As at the LPD, we have various on-going property development projects in the following areas with a combined total estimated GDV of approximately RM1.4 billion:

- Port Dickson, Negeri Sembilan;
- Taman Seri Impian, Kluang, Johor; and
- Bandar Sri Sendayan, Seremban, Negeri Sembilan.

5.5.5 Principal markets

Malaysia is our principal market having accounted for 100.0% of our total units sold for the FYE 31 December 2009, 2010, 2011 and 2012.

For the FYE 31 December 2009, 2010, 2011 and 2012, our markets segmented by revenue were as follows:

	FYE 31 December 2009		FYE 31 December 2010		FYE 31 December 2011		FYE 31 December 2012	
	Revenue (RM'000)	Proportion of Total Group Revenue (%)	Revenue (RM'000)	Proportion of Total Group Revenue (%)	Revenue (RM'000)	Proportion of Total Group Revenue (%)	Revenue (RM'000)	Proportion of Total Group Revenue (%)
Negeri Sembilan*	121,091	59.3	133,022	68.0	535,350	85.8	375,101	82.2
- Seremban	120,554	59.1	101,871	52.1	500,108	80.1	372,775	81.7
- Port Dickson	537	0.2	31,151	15.9	35,242	5.7	2,326	0.5
Johor*	82,955	40.7	62,611	32.0	88,900	14.2	80,968	17.8
- Kluang	40,765	20.0	62,272	31.8	88,900	14.2	80,968	17.8
- Bandar Tenggara	42,190	20.7	339	0.2	-	-	-	-
Total	204,046	100.0	195,633	100.0	624,250	100.0	456,069	100.0

Note:

* Categorisation of principal markets is based on location of properties and land sold.

For the FYE 31 December 2009, revenue was derived from sales of our properties and land located in Negeri Sembilan and Johor. Negeri Sembilan represented 59.3% of our total revenue while Johor represented 40.7% of our total revenue.

For the FYE 31 December 2010, revenue was derived from sales of our properties and land located in Negeri Sembilan and Johor. Negeri Sembilan represented 68.0% of our total Group revenue while Johor represented 32.0% of our total revenue.

5. BUSINESS OVERVIEW (Cont'd)

The majority of our properties and land sold for FYE 31 December 2011 were located in Negeri Sembilan, including residential, commercial and industrial properties as well as undeveloped land. Within Negeri Sembilan itself, 80.1% of our total Group revenue was contributed by Seremban followed by Port Dickson at 5.7%.

For FYE 31 December 2011, our next largest market was Kluang, Johor which represented 14.2% of our total Group revenue. In Kluang, all units sold were either residential or commercial properties.

The majority of our properties and land sold for FYE 31 December 2012 were located in Negeri Sembilan, including residential, commercial and industrial properties as well as undeveloped land. Within Negeri Sembilan itself, 81.7% of our total Group revenue was contributed by Seremban followed by Port Dickson at 0.5%.

For FYE 31 December 2012, our next largest market was Kluang, Johor which represented 17.8% of our total Group revenue. In Kluang, all units sold were residential properties.

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5. BUSINESS OVERVIEW (Cont'd)

5.5.6 Summary of our Group's development projects

The table below summarises the details of our Group's completed property development projects, properties under development and properties held for future developments, as at the LPD.

(i) Completed property developments

Project name / Location	Developer	Type of development	Total		GDV RM million	Commencement Month/year	Completion Month/year
			site area Acres	units launched			
Taman Bahau PT 1205-1218, PT 1423-1596, PT 1598-1784, PT 1789-1876 and PT 1878-2009, Mukim Jelai, Jempol, Negeri Sembilan	Matrix	Single-storey terrace houses	49.6	559	32.6	June 1997	December 1998 and March 1999
		Double-storey terrace houses		22	1.7	June 1997	March 1999
		One-and-a-half storey shop offices		14	0.6	June 1997	November 1998
Taman Sri Telawi – Phase 2 PT 596-614, Mukim Ampangan, Seremban, Negeri Sembilan	Matrix	Residential lots	0.9	19	1.7	February 2000	June 2000
Taman Pedas Indah PT 2083-2106, PT 2108-2216 and PT 2218-2523, Mukim Pedas, Rembau, Negeri Sembilan	Matrix	Single-storey terrace houses	32.8	289	18.4	April 2000	November 2000
		Double-storey terrace houses		139	4.5	April 2000	November 2000
		Single-storey shop offices		11	1.0	April 2000	November 2000

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location	Developer	Type of development	Total site area	Total units launched	Total units sold	GDV RM million	Commencement Month/year	Completion Month/year
			Acres					
Taman Sri Anggerik PT 8337-8532 and PT 8538-8540 Mukim Rantau, Seremban, Negeri Sembilan	Matrix	Single-storey terrace houses Double-storey terrace houses	16.6	184	184	13.4	November 2001	June 2002
Matahari Height PT 1206-1209, PT 1365-1366, PT 4087-4128, PT 4130-4205, PT 4210-4230, PT 4233-4316, PT 4317-4364 and PT 4367-4405 Mukim Senawang, Bandar Senawang, Negeri Sembilan	Matrix	Single-storey terrace houses Double-storey terrace houses Double-storey shop offices	28.4	230	230	20.5	May 2003	February 2004
Taman Politeknik PT 5556-5669, PT 5671-5740, PT 5742-5759, PT 5761-5871, PT 5874, PT 6038, PT 6040-6060, PT 6062-6251, PT 6256-6495, PT 6497-7031, PT 7033-7069, PT 7071, PT 7110 and PT 7112-7192 Mukim Pasir Panjang, Port Dickson, Negeri Sembilan	Matrix	Commercial land Single-storey terrace houses Single-storey shop offices	108.7	1,603	1,603	121.7	July 2003	September 2004
Taman Desa PD 1 PT 2284-2346, PT 2350-2425, PT 2427-2444, PT 2446-2952 and PT 2954-3029, Mukim Linggi, Port Dickson, Negeri Sembilan	Matrix	Single-storey terrace houses Single-storey shop offices	61.3	729	729	52.7	July 2005	November 2006

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location	Developer	Type of development	Total site area Acres	Total units launched	Total units sold	GDV RM million	Commencement Month/year	Completion Month/year
Taman Seri Impian 1 PTD 69880-70366, Mukim Kluang Kluang, Johor	Matrix	Single-storey terrace houses	51.1	487	487	38.8	May 2006	April 2008
Impiana Avenue 1 PTD 69811-69843, Mukim Kluang Kluang, Johor	Matrix	Double-storey shop offices	2.8	33	33	7.1	May 2006	April 2009
Taman Seri Impian 2 – Parcel 1 PTD 70367-70458, PTD 70506-70595, PTD 72891-73487, PTD 73715-73840 and PTD 73843-73844, Mukim Kluang, Kluang, Johor	Matrix	Single-storey terrace houses Double-storey terrace houses	80.2	857	857	83.4	May 2007	April 2009
Taman Pulau Perdana PT 10192-10201, PT 10203-10287, PT 10299-10344 and PT 10346-10435, Mukim Seremban Seremban, Negeri Sembilan	Matrix	Double-storey terrace houses Double-storey semi-detached houses Double-storey shop offices Low cost single-storey terrace houses	22.5	155	155	26.4	March 2008	October 2009
				22	22	5.5	March 2008	October 2009
				32	32	8.7	March 2008	October 2009
				22	22	1.0	March 2008	October 2009

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location	Developer	Type of development	Total		GDV RM million	Commencement Month/year	Completion Month/year
			site area Acres	units launched			
Taman Seri Impian 2 – Parcel 2 PTD 70459-70505, PTD 70596- 70615, PTD 70616-70667, PTD 73488-73714, Mukim Kluang, Kluang, Johor	Matrix	Single-storey terrace houses	38.4	247	28.3	October 2007	February 2010
Taman Seri Impian 3 (Impiana Garden 1) PTD 71740-71760, PTD 71780- 71804, PTD 71825-71948 and PTD 72070-7214, Mukim Kluang Kluang, Johor	Matrix	Double-storey terrace houses	26.9	242	17.0	October 2007	February 2010
Taman Desa PD II – Phase 1 PT 3122-3171 and PT 3204-3636 Mukim Linggi, Port Dickson, Negeri Sembilan	Matrix	Single-storey terrace houses	41.7	483	46.2	March 2009	June 2011
Taman Seri Impian 3 (Impiana Garden 2) PTD 72142-72302, Mukim Kluang Kluang, Johor	Matrix	Single-storey terrace houses	17.9	161	21.6	August 2010	July 2011
Impiana Avenue 2 PTD 69844-69879, Mukim Kluang Kluang, Johor	Matrix	Double-storey shop offices	3.3	36	10.9	January 2010	October 2011

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location	Developer	Type of development	Total site area	Total units launched	Total units sold	GDV RM million	Commencement Month/year	Completion Month/year
			Acres					
Taman Seri Impian 3 (Impiana Garden 2 – Modena) PTD 71761-71779, PTD 71805-71824, PTD 71949-72069 and PTD 72303-72336, Mukim Kluang Kluang, Johor	Matrix	Single-storey terrace houses	21.6	194	194	31.8	May 2010	November 2011
Impiana Villa 1 PT 71578-71686 and PT 71688-71739, Mukim Kluang, Kluang, Johor	Matrix	Single-storey bungalows	26.1	96	95	33.1	March 2010	November 2012
Taman Andalas – Phase 1 PT 22906-23117, PT 23119-23224 and PT 23226-23288 Mukim Setul, Mantin, Negeri Sembilan	Masuda Corporation	Double-storey bungalows Single-storey terrace houses	31.7	369	369	25.1	May 1999	February 2000
		Single-storey semi-detached houses		4	4	0.6	May 1999	February 2000
		Single-storey shop offices		8	8	0.7	May 1999	February 2000
Taman Putra PT 1683-1689, PT 1691-1719, PT 1724-1797, PT 1799-1835 and PT 1574-1682, Mukim Juasseh Kuala Pilah, Negeri Sembilan	Masuda Corporation	Single-storey terrace houses Low cost double-storey terrace houses	21.3	150	150	8.3	November 1999	June 2000
		Single-storey shop offices		14	9	1.2	November 1999	June 2000

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location	Developer	Type of development	Total	Total	GDV RM million	Commencement Month/year	Completion Month/year
			site area Acres	units launched			
Taman Andalas – Phase 2 A/G/1-A/G/16, A/1/1-A/1/16, A/2/1-A/2/16, A/3/1-A/3/16 and A/4/1-A/4/16, Mukim Setul Mantin, Negeri Sembilan	Masuda Corporation	Low-cost flats	7.3	80	80	2.9	November 2000 April 2001
Taman Intan Perdana 3 – Phase 1 PT 4787-5246, Mukim Sri Rusa Port Dickson, Negeri Sembilan	Masuda Corporation	Single-storey terrace houses	38.4	460	460	32.6	September 2000 October 2001
Arowana Impian PT 18331-18340, PT 18342- 18652 and PT 18654-18722 Mukim Rasah, Seremban, Negeri Sembilan	Masuda Corporation	Single-storey terrace houses Double-storey terrace houses	32.5	258	258	23.9	January 2003 October 2004
Taman Pulau Impian PT 8306-8972, Mukim Seremban Seremban, Negeri Sembilan	Masuda Corporation	Single-storey shop offices Double-storey terrace houses Double-storey semi-detached houses	55.0	563	563	75.1	January 2003 October 2004 February 2005 August 2006

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location	Developer	Type of development	Total site area Acres	Total units launched	Total units sold	GDV RM million	Commencement Month/year	Completion Month/year
Arowana Indah PT 23477-23859, Mukim Rasah Seremban, Negeri Sembilan	Masuda Corporation	Single-storey terrace houses Double-storey terrace houses	27.4	188	188	19.4	November 2006	November 2007
		Low cost single-storey terrace houses		39	39	1.8	November 2006	November 2007
Matahari Indah PT 29368-29774, Mukim Senawang, Bandar Senawang, Negeri Sembilan	Masuda Corporation	Single-storey terrace houses Double-storey terrace houses	30.2	277	277	28.5	January 2007	February 2008
				130	130	19.9	January 2007	February 2008
Taman Bukit Sendayan PT 29562-29724, PT 29726-29763, PT 29767-29799 and PT 29801-30236, Mukim Labu, Seremban, Negeri Sembilan	Masuda Corporation	Single-storey terrace houses	55.3	670	670	50.8	May 2006	May 2008
Taman Intan Perdana 1 – Phase 1 PT 5093-5100, PT 5102-5283 and PT 5285-5358, Mukim Sri Rusa, Port Dickson, Negeri Sembilan	1 Sendayan Club	Single-storey terrace houses Single-storey shop offices	22.7	256	256	15.8	May 2000	December 2000
				8	8	1.0	May 2000	December 2000

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location	Developer	Type of development	Total site area Acres	Total units launched	Total units sold	GDV RM million	Commencement Month/year	Completion Month/year
Taman Intan Perdana 2 – Phase 1 PT 4202-4351, PT 4353-4465 and PT 4476-4744, Mukim Sri Rusa Port Dickson, Negeri Sembilan	1 Sendayan Club	Single-storey terrace houses	44.1	532	532	34.9	September 2000	August 2001
Intan Court FSG/01-FSG/02, FG/03-FG/20, F01/01-F01/20, F02/01-F02/20, F03/01-F03/20 and F04/01-F04/20, Mukim Sri Rusa, Port Dickson, Negeri Sembilan	1 Sendayan Club	Low cost flats	6.0	100	100	3.3	April 2000	July 2002
Taman Intan Perdana V(b) PT 4467-4474 and PT 5731-5807 Mukim Sri Rusa, Port Dickson, Negeri Sembilan	1 Sendayan Club	Single-storey terrace houses	7.0	77	77	5.6	April 2002	May 2003
Taman Intan Perdana V(a) PT 5808-5865, Mukim Sri Rusa Port Dickson, Negeri Sembilan	1 Sendayan Club	Single-storey shop offices		8	8	0.7	April 2002	May 2003
Taman Bukit Perdana PT 5440-5686, Mukim Sri Rusa Port Dickson, Negeri Sembilan	1 Sendayan Club	Single-storey terrace houses	6.0	58	58	3.9	September 2002	May 2003
Taman Bukit Perdana II PT 5938-5967, Mukim Sri Rusa Port Dickson, Negeri Sembilan	1 Sendayan Club	Single-storey terrace houses	22.3	247	247	17.9	May 2002	May 2003
			2.6	30	30	2.4	July 2004	December 2004

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location	Developer	Type of development	Total site area Acres	Total units launched	Total units sold	GDV RM million	Commencement		Completion	
							Month/year	Month/year	Month/year	Month/year
Taman Sri Intan PT 9867-10144, PT 10146-10491 and PT 10492-10561, Mukim Port Dickson, Port Dickson, Negeri Sembilan	1 Sendayan Club	Single-storey terrace houses Single-storey shop offices Low cost flats	63.8	618	618	58.5	October 2007	October 2007	December 2008	December 2008
Taman Gadong Jaya – Phase 1 PT 19934-20037, PT 20039- 20341 and PT 20343-20427, A/G/1-A/G/19, 21, 23 and 25, A/1/1-A/1/17, 19, 21, 23 and 25, B/G/1-B/G/11, B/1/1-B/1/11, C/G/1-C/G/14, C/1/1-C/1/14, D/G/1-D/G/6 and 8, D/1/1-D/1/6 and 8, E/G/1-E/G/8, E/1/1-E/1/8, F/G/1-F/G/11 and 13, Mukim Labu, Seremban, Negeri Sembilan	Insani Utama	Single-storey terrace houses Low cost townhouse	51.0	492	492	34.3	February 2001	February 2001	June 2002	January 2003
Taman Gadong Jaya – Phase 2 PT 19291-19303, PT 19307- 19461, PT 19463-19692 and PT 19694-19933, Mukim Labu, Seremban, Negeri Sembilan	Insani Utama	Single-storey terrace houses Single-storey shop offices	51.0	619	619	45.0	November 2001	November 2001	January 2003	January 2003
Taman Gadong Jaya – Phase 3 PT 22643-22682, PT 22684- 22738, PT 22740-22753 and PT 22756-22812, Mukim Labu, Seremban, Negeri Sembilan	Insani Utama	Single-storey terrace houses	13.0	166	166	12.4	July 2002	July 2002	January 2003	January 2003

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location	Developer	Type of development	Total site area Acres	Total units launched	Total units sold	GDV RM million	Commencement		Completion	
							Month/year	Month/year	Month/year	Month/year
Taman Gadong Jaya – Phase 4 PT 23511-23564 and PT 23566-23699, Mukim Labu, Seremban, Negeri Sembilan	Insani Utama	Single-storey terrace houses Low cost double-storey terrace houses	15.0	159	159	11.9	February 2003	February 2003	September 2003	September 2003
Taman Sendayan Indah PT 22813-23365, Mukim Labu Seremban, Negeri Sembilan	Insani Utama	Single-storey terrace houses	46.2	544	544	37.3	October 2002	October 2002	September 2003	September 2003
Taman Permai Impian PT 7269-7274, PT 7276-7280, PT 7282-7376, PT 7379-7409, PT 7412-7512, PT 7516-7599 and PT 7602-7621, Mukim Pekan Bukit Kepayang, Seremban, Negeri Sembilan	Superb Approach	Single-storey terrace houses	29.4	83	83	23.8	July 2004	July 2004	June 2005	June 2005
Matrix Point PT 7994-8000 Mukim Seremban, Seremban, Negeri Sembilan	Superb Approach	Double-storey terrace houses	0.5	7	7	10.8	July 2004	July 2004	June 2005	June 2005
Matrix Point PT 7994-8000 Mukim Seremban, Seremban, Negeri Sembilan	Superb Approach	Single-storey shop offices	0.5	6	6	0.6	July 2004	July 2004	June 2005	June 2005
Matrix Point PT 7994-8000 Mukim Seremban, Seremban, Negeri Sembilan	Superb Approach	Three-storey shop offices	0.5	7	7	4.8	January 2006	January 2006	October 2007	October 2007
Matrix Court PT 8305-8324 Mukim Seremban Seremban, Negeri Sembilan	Superb Approach	Three-storey shop offices	1.6	19	19	13.9	March 2007	March 2007	January 2009	January 2009

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location	Developer	Type of development	Total site area Acres	Total units launched	Total units sold	GDV RM million	Commencement		Completion	
							Month/year	Month/year	Month/year	Month/year
Taman Anggerik Tenggara 1 PT 3497-3611 and PT 3748-5007 Mukim Hulu Sungai Johor, Kota Tinggi, Johor	Seventech	Single-storey terrace houses	154.3	1,188	1,188	85.4	December 2004	December 2004	February 2006	February 2006
		Double-storey terrace houses		72	72	7.1	December 2004	December 2004	February 2006	February 2006
		Single-storey shop offices		115	115	14.5	December 2004	December 2004	February 2006	February 2006
Taman Anggerik Tenggara 2 PT 5991-6412, Mukim Hulu Sungai Johor, Kota Tinggi, Johor	Seventech	Single-storey terrace houses	30.1	359	359	32.7	April 2008	April 2008	October 2009	October 2009
		Single-storey shop offices		63	63	9.8	April 2008	April 2008	October 2009	October 2009
Nusari Bayu 1 PT 3709-4867, Bandar Sri Sendayan, Seremban, Negeri Sembilan	BSS Development	Single-storey terrace houses	105.4	1,159	1,159	113.2	February 2008	February 2008	January 2010	January 2010
Nusari Bayu 2A PT 2556-2732, PT 2757-2806 and PT 2808-2939, Bandar Sri Sendayan, Seremban, Negeri Sembilan	BSS Development	Single-storey terrace houses	32.6	359	359	42.4	October 2009	October 2009	January 2011	January 2011
Atiya PT 3691-3708, Bandar Sri Sendayan, Seremban, Negeri Sembilan	BSS Development	Single-storey semi-detached houses	1.4	18	18	5.2	May 2010	May 2010	January 2011	January 2011

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location	Developer	Type of development	Total		GDV RM million	Commencement Month/year	Completion Month/year
			site area Acres	units launched			
Idaman Bayu PT 518-696, Bandar Sri Sendayan, Seremban, Negeri Sembilan	BSS Development	Single-storey terrace houses Double-storey terrace houses	17.7	81	13.2	January 2010	August 2011
Nusari Aman 1A PT 2940-3175 Bandar Sri Sendayan, Seremban, Negeri Sembilan	BSS Development	Single-storey terrace houses	15.5	236	34.2	April 2010	October 2011
Nusari Aman 2A PT 2283-2543 and PT 4896-4941 Bandar Sri Sendayan, Seremban, Negeri Sembilan	BSS Development	Single-storey terrace houses Double-storey terrace houses	27.5	150	25.1	September 2010	December 2011
		Single-storey semi-detached houses		6	2.0	September 2010	December 2011
		Double-storey semi-detached houses		14	7.3	September 2010	December 2011
		Single-storey shop offices		46	10.3	September 2010	December 2011
		Single-storey stall		1	1.0	September 2010	December 2011
Cosmoxia PT 2544-2555 and PT 2733-2756 Bandar Sri Sendayan, Seremban, Negeri Sembilan	BSS Development	Single-storey semi-detached houses	2.7	36	11.7	May 2010	December 2011

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location	Developer	Type of development	Total site area Acres	Total units launched	Total units sold	GDV RM million	Commencement Month/year	Completion Month/year
Sendayan Metropark Lot 1051-1052 and 1055-1070 Bandar Sri Sendayan, Seremban, Negeri Sembilan	BSS Development	Commercial lots	35.4	18	16	47.1	June 2008	December 2010
Nusari Bayu 3 – Phase 1 PT 1113-1184 and PT 1186-1374 Bandar Sri Sendayan, Seremban, Negeri Sembilan	BSS Development	Single-storey terrace houses Double-storey terrace houses	22.4	111	111	20.8	November 2010	August 2012
Nusari Bayu 3 – Phase 2 PT 1375-1593 and PT 4868-4892 Bandar Sri Sendayan, Seremban, Negeri Sembilan	BSS Development	Single-storey terrace houses Double-storey terrace houses Double-storey shop offices	20.9	69	69	15.1	July 2011	February 2013
				150	150	46.6	July 2011	February 2013
				25	25	12.0	July 2011	February 2013

5. BUSINESS OVERVIEW (Cont'd)

(ii) On-going projects

Project name / Location / Land owner	Developer	Type of development	Total site area Acres	Total units for sale	Total units sold	Estimated GDV RM million	Commencement Month/year	Expected completion Month/year
Taman Seri Impian 4 (Impiana Casa 1) PT 79558-79634, PT 79636-79834, PT 79848-79876, PT 79892-79918, PT 79945-79971, PT 80004-80029, PT 80038-80057, PT 80060-80079, PT 80082-80101 and PT 80104-80123, Mukim Kluang, Kluang, Johor / KKTNJB	Matrix	Single-storey terrace houses Double-storey terrace houses	42.3	329	329	47.6	December 2010	June 2013
Impiana Casa 2 PT 79421-79557, PT 79835-79847, PT 79877-79890, PT 79919-79944, PT 79972-80001, PT 80126-80150 and PT 80156-80198, Bandar Sri Sendayan Seremban, Negeri Sembilan / KKTNJB	Matrix	Double-storey terrace houses Single-storey terrace houses	32.5	137	126	38.8	March 2012	February 2014
Taman Desa PD 3 PT 3098-3121 and PT 3172-3203 Port Dickson, Negeri Sembilan / Matrix	Matrix	Single-storey terrace houses	4.3	56	56	5.5	February 2012	June 2013
Nusari Aman 1B PT 3176-3690, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Single-storey terrace houses Double-storey terrace houses	38.2	341	341	60.0	April 2011	April 2013
				174	174	43.1	April 2011	April 2013

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location / Land owner	Developer	Type of development	Total site area Acres	Total units for sale	Total units sold	Estimated GDV RM million	Commencement Month/year	Expected completion Month/year
Nusari Aman 2 PT 1797-1809, PT 1818-1984 and PT 1991-2282 Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Single-storey terrace houses	35.4	122	122	25.8	October 2011	November 2013
Nusari Aman 2D and Nusari Aman 3A (collectively, "Nusari Aman") PT 6872-6904, PT 6906-7000, PT 7004-7058, PT 7060-7143 and PT 8372-8389, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Single-storey terrace houses	33.7	37	37	9.0	January 2012	December 2013
Sendayan Metropark Shop 1A PT 980-1017, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Double-storey shop offices	2.5	29	29	13.9	October 2011	June 2013
Idaman Bayu 2 PT 871-883, PT 906-927 and PT 948-968, Bandar Sri Sendayan Seremban, Negeri Sembilan / MBI	BSS Development	Double-storey terrace houses	4.8	56	56	23.6	October 2012	September 2014
		Three-storey shop offices		9	8	6.0	October 2011	June 2013
		Single-detached houses		18	18	7.8	January 2012	December 2013

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location / Land owner	Developer	Type of development	Total site area Acres	Total units for sale	Total units sold	Estimated GDV RM million	Commencement Month/year	Expected completion Month/year
Sendayan TechValley 1 PT 6127, PT 6130-6132, PT 6135-6138, PT 6286-6293, PT 6295-6302, PT 6307, PT 6310-6313, PT 6315-6321, PT 6326-6332, PT 6336-6337, PT 10279-10280, PT 11633-11635 and PT 11690, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Industrial lots	221.0	51	40	173.3	September 2010	December 2013
Sendayan TechValley 2 PT 5565, PT 6377-6383, PT 6385-6386, PT 6389-6402, PT 6406-6410, PT 6428-6433, PT 6435, PT 11636, PT12627-12630 and PT 12637, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Industrial lots	302.9	42	17	315.6	September 2011	December 2013
Nusari Bayu 2B PT 1687-1703, 1720-1782 and 8362-8371, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Double-storey terrace houses	8.1	80	80	24.4	May 2012	April 2014
Hijayu 1B PT 7967-8195, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Single-storey semi-detached houses	21.5	75	74	19.5	May 2012	April 2014
		Double-storey terrace houses	154	154	154	57.8	August 2012	July 2014

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location / Land owner	Developer	Type of development	Total site area Acres	Total units for sale	Total units sold	Estimated GDV RM million	Commencement Month/year	Expected completion Month/year
Hijayu 3D PT 9708-10241, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Double-storey terrace houses	43.5	534	291	192.5	July 2012	June 2014
1 Sendayan Clubhouse PT 12653, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Clubhouse	6.3	1	-	50.0	September 2012	March 2014
Sub Centre @ Nusari Bayu PT 4894-4895 and PT 12662-12663, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Commercial lots	20.0	4	1	30.0	^	^
Sub Centre @ Nusari Hijayu PT 12664-12665, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Commercial lots	8.1	2	-	12.0	^	^
(iii) Future Projects					Total projected units			
Project name / Location / Land owner	Developer	Type of development	Total site area Acres	Total projected units	Estimated GDV RM million	Expected commencement Month/year	Expected completion Month/year	
Kota Gadong Perdana PT 24225-27856, Mukim Labu, Seremban, Negeri Sembilan / MAINS	Riverine Projects	Single-storey terrace houses Double-storey terrace houses	294.6	1,632 2,000	326.4 600.0	January 2016 January 2016	December 2018 December 2018	

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location / Land owner	Developer	Type of development	Total site area Acres	Total projected units	Estimated GDV RM million	Expected commencement Month/year	Expected completion Month/year
Hijayu 1A PT 7301-7966, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Double-storey terrace houses	67.3	666	246.4	June 2013	May 2015
Sendayan Merchant Square 1 PT 8196-8320, PT 8328-8329, PT 8339, PT 10690-10716 and PT 12659-12660, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Double-storey shop offices Commercial lots	29.4	154 3	202.2 10.0	March 2014 March 2014	February 2016 February 2016
Hijayu 3A PT 8391-8940 and PT 8941-8979 Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Single-storey terrace houses Double-storey terrace houses	52.1	150 439	37.5 162.4	June 2014 June 2014	May 2016 May 2016
Hijayu 3B PT 8980-9313, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Double-storey terrace houses	32.5	334	140.3	January 2014	December 2015
Hijayu 3C PT 9314-9707, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Double-storey terrace houses	38.4	394	153.7	September 2013	August 2015

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location / Land owner	Developer	Type of development	Total site area Acres	Total projected units	Estimated GDV RM million	Expected commencement Month/year	Expected completion Month/year
Hijayu (Resort Homes) PT 11082-11589, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Double-storey semi-detached houses	85.1	200	160.0	June 2014	May 2017
Hijayu (Resort Villa) PT 10882-10884, PT 10887-10890 and PT 10986-11081, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Double-storey terrace houses	49.5	308	154.0	June 2014	May 2017
Hijayu (Residence) PT 10875-10876, PT 10878-10881 and PT 10919-10985, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Double-storey bungalows	56.0	67	120.6	September 2014	August 2017
Sendayan Merchant Square 2 PT 10717-10865, PT 10871 and PT 12656-12658, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Double-storey shop offices	49.9	149	223.5	March 2015	February 2017
1 Sendayan Clubhouse⁽¹⁾ PT 12652 and PT 12655, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Commercial Lot Institute	19.0	1	2.7	September 2013	August 2015
				1	50.0	September 2013	August 2015

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location / Land owner	Developer	Type of development	Total site area Acres	Total projected units	Estimated GDV RM million	Expected commencement Month/year	Expected completion Month/year
Idaman Yu 1 PT6450-6730, 6733-6751, 6753-6854 and 12667, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Double-storey terrace houses Single-storey terrace houses	44.5	235	112.8	September 2014	October 2016
		Double-storey shop offices		17	13.6	September 2014	October 2016
		Commercial lots		1	1.5	September 2014	October 2016
Idaman Yu 2 PT 5607, Bandar Sri Sendayan, Seremban, Negeri Sembilan / BSS Development	BSS Development	Double-storey terrace houses	101.7	878	491.7	January 2015	December 2017
		Double-storey shop offices		21	21.0	January 2015	December 2017
		Commercial lot		1	3.0	January 2015	December 2017
Sendayan Metropark Shop 1B PT 1018-1049, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Double-storey shop offices	2.5	28	42.0	January 2015	December 2017
		Three-storey shop offices		4	7.2	January 2015	December 2017
Sendayan Metropark Shop 2 PT 7148-7194 and 7196-7298, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Double-storey shop offices	15.0	150	240.0	January 2016	December 2018

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location / Land owner	Developer	Type of development	Total site area Acres	Total projected units	Estimated GDV RM million	Expected commencement Month/year	Expected completion Month/year
Sub Centre @ Sendayan TechValley 1A PT 6140-6163, 6165-6173, 6175-6186, 6189-6214, 6216-6253, 6255, 6257-6284, 6356, 10271-10278 and 12671, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Double-storey shop offices Commercial lots Double-storey semi-detached factories	46.4	32 1 30	38.4 1.7 30.0	January 2016 January 2016 January 2016	December 2018 December 2018 December 2018
Sendayan Auto City PT 11639-11680, Bandar Sri Sendayan, Seremban, Negeri Sembilan / MBI	BSS Development	Industrial lots Commercial lots	115.2	32 10	182.0 70.0	January 2014 January 2014	December 2016 December 2016
Impiana Villa 2 PT 72337-72464, Mukim Kluang, Kluang, Johor / KKTNJB	Matrix	Double-storey bungalows Double-storey semi-detached houses	23.7	54 74	48.6 37.0	January 2014 January 2014	December 2016 December 2016
Impiana Bayu 1 Part of PTD 74725, Mukim Kluang, Kluang, Johor / KKTNJB	Matrix	Double-storey terrace houses Single-storey terrace houses	Part of 167.0	215 304	60.2 54.7	September 2013 September 2013	August 2015 August 2015

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location / Land owner	Developer	Type of development	Total site area Acres	Total projected units	Estimated GDV RM million	Expected commencement Month/year	Expected completion Month/year
Impiana Bayu 2 Part of PTD 74725, Mukim Kluang, Kluang, Johor / KKTNJB	Matrix	Double-storey terrace houses	Part of 167.0	215	68.8	June 2014	May 2016
		Single-storey terrace houses		304	60.8	June 2014	May 2016
		Double-storey shop offices		94	N/A	*-	*-
		Double-storey terrace houses		209	N/A	*-	*-
		Commercial lots		1	N/A	*-	*-
		Stall		1	N/A	*-	*-
Impiana Villa 3 PT 76703-76868, Mukim Kluang, Kluang, Johor / KKTNJB	Matrix	Double-storey semi-detached houses	21.4	166	79.7	January 2015	December 2017
Impiana Avenue 3 PT 71518-71577, Mukim Kluang, Kluang, Johor / KKTNJB	Matrix	Double-storey shop offices	2.3	60	19.2	January 2014	December 2015
Impiana Avenue 4 PT 74631-74666, and 74671-74709, Mukim Kluang, Kluang, Johor / KKTNJB	Matrix	Double-storey shop offices	2.8	75	26.3	January 2015	December 2016

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location / Land owner	Developer	Type of development	Total site area Acres	Total projected units	Estimated GDV RM million	Expected commencement Month/year	Expected completion Month/year
Impiana Avenue 5 PT 73847-73897, Mukim Kluang, Kluang, Johor / KKTNJB	Matrix	Double-storey shop offices	2.4	51	21.4	June 2015	May 2017
Impiana Avenue 6 PT 78940-78975, 78977-78983 and 76869-76898, Mukim Kluang, Kluang, Johor / KKTNJB	Matrix	Double-storey shop offices	2.7	73	29.2	January 2016	December 2017
Impiana Avenue 7 PT 83022-83532, Mukim Kluang, Kluang, Johor / KKTNJB	Matrix	Double-storey shop offices	39.6	416	222.2	July 2016	June 2019
		Three-storey shop offices		92	82.8	July 2016	June 2019
		Commercial lots		1	N/A	*-	*-
		Petrol land		2	N/A	*-	*-
Taman Seri Impian 2 PT 74358-74368, 74385-74395 and 71260-71517, Mukim Kluang, Kluang, Johor / KKTNJB	Matrix	Double-storey terrace houses	11.8	280	N/A	*-	*-
Impiana Casa 2 (Stage 2) PT 78976 and PT 79258-79418, Mukim Kluang, Kluang, Johor / KKTNJB	Matrix	Stall	19.8	1	N/A	*-	*-
		Double-storey terrace houses		161	N/A	*-	*-

5. BUSINESS OVERVIEW (Cont'd)

Project name / Location / Land owner	Developer	Type of development	Total site area Acres	Total projected units	Estimated GDV RM million	Expected commencement Month/year	Expected completion Month/year
Third 9 Residence PT 608-824, Bandar Seremban, Seremban, Negeri Sembilan / MBI	Matrix	Double-storey terrace houses	41.8	148	81.4	July 2013	June 2015
		Double-storey semi-detached houses		38	32.3	July 2013	June 2015
		Double-storey Bungalows		31	31.0	July 2013	June 2015
Lobak Commercial Centre Phase 1 PT 8698-8709, Bandar Seremban, Seremban, Negeri Sembilan / Matrix	Matrix	Double-storey shop offices	0.7	12	16.1	July 2013	June 2015
Lobak Commercial Centre Phase 2 PT 8711-8724 and PT 8726-8727, Bandar Seremban, Seremban, Negeri Sembilan / Matrix	Matrix	Double-storey shop offices Commercial lots	2.1	14	23.2	July 2014	June 2016
				2	6.1	July 2014	June 2016

Notes:

* The estimated commencement and completion dates for these projects have yet to be determined by our management.

^ These properties are ready for sale on an as is basis.

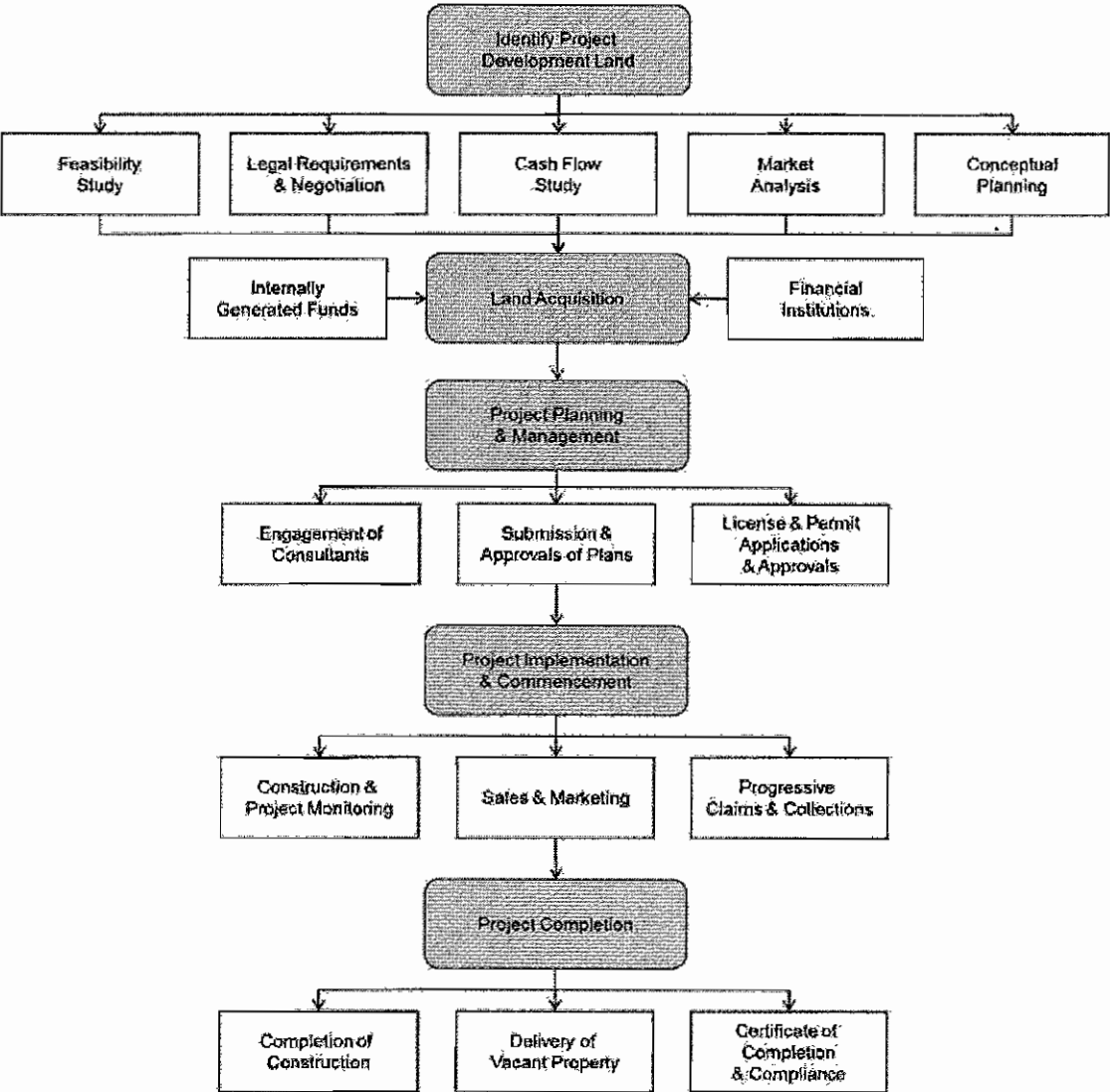
(1) In addition to the commercial lot, we also intend to develop a clubhouse and an education institute on the said 28.1 acres of land allocated for the 1 Sendayan Clubhouse. We intend to manage the said clubhouse and education institute through our wholly-owned subsidiaries, namely 1 Sendayan Club and 1 Sendayan Education respectively.

(2) We intend to develop Sendayan Icon Park which is planned as a development of a cluster of commercial units together with a trade and exhibition centre which we intend to retain and manage. Please refer to Section 5.7.2.2 for further details on Sendayan Icon Park.

5. BUSINESS OVERVIEW (Cont'd)

5.6 PROCESS FLOW

The process flow for our property development projects is depicted in the diagram below:



The process flow of a new property development project begins with the identification and acquisition of the project development land through public and private sources as well as through government departments. The purchase and acquisition of the selected land and property is through direct negotiation.

A feasibility study of the intended development project is undertaken at this stage of the assessment of the proposed project to evaluate the suitability of the location of the development, market demand and building material costs and pricing.

The feasibility study also include title and zone searches, market surveys of neighbouring rental and property costs and values, as well as developing a conceptual plan for the project.

5. BUSINESS OVERVIEW (Cont'd)

The company's representative solicitors will review and undertake all legal requirements for the purchase of the proposed land.

A financial and cash flow study of the proposed project is also carried out prior to the purchase of the land.

A market analysis is undertaken of prospective investors and buyers to review take-up rate, population density and target income group as well as conceptual planning to forecast and achieve maximum returns for the use of the project land.

Subsequently, the proposed development land is purchased using funds from shareholders and investors, and other internally generated funds. Funds from financial institutions are granted upon the acceptance of the feasibility study and negotiation of the land price with the landowners.

The engagement of consultants is carried out at this stage of the process. Engineering consultants are identified and engaged for civil, mechanical and structural work involved. Architects and surveyors and a town planner are also identified and recruited. The project consultants begin preparation of the building, structural and infrastructure plans for council submission.

Submission of plans for approval and applications for permits and licences to the relevant authorities are put in progress before commencement of the building and construction of the development project.

Upon the receipt of the construction drawings and project schedule, the management begins the sourcing and negotiation of prices of building materials and machinery.

The implementation or commencement of the project is based on the approval of the building and layout plans and designs by the government departments, a construction schedule is planned and undertaken and the accounts and finance department prepare a detailed project budget and project schedule including detailed materials, subcontracting and procurement schedule.

Contractors are invited to submit tenders for the project. Successful contractors are appointed subject to successful evaluation and approval of their tender documents by the appointed consultants.

Upon obtaining the plans and drawings approvals, the advertising permit and developer's licence are submitted for approval. This is followed by the public launch of the development project to the general public through mass media advertising.

Both building and construction of the development project and the marketing and sale of the properties are initiated simultaneously.

During progress of construction of the project, constant monitoring of the project cost, progress and quality is undertaken. Progressive billings are issued to buyers and customers in stages according to the progress claim schedule as the construction of the development property is in progress.

Progressive payments are made to the suppliers, sub-contractors and consultants involved in the development project. Work progress reports are then issued to the management on a regular basis.

5. BUSINESS OVERVIEW (Cont'd)

Upon the completion of the building and construction of the development project, the architect issues project completion certificates and the procurement department evaluates the products and materials procured for the construction of the development for final costing and accountability.

The marketing department informs purchasers to receive vacant possession of the property. Other bills related to property titles and amenities and all outstanding payments are finalised and paid before the release of the property to the purchaser and the issuance of the CCC.

5.7 DETAILS OF OUR PROPERTY DEVELOPMENT PROJECTS

5.7.1 Completed and on-going property development projects

(i) Taman Bahau

The Taman Bahau development was a mixed property development comprising single-storey terrace houses, double-storey terrace houses and one-and-a-half-storey shop offices in a total site area of 49.6 acres in Bahau, Negeri Sembilan. This project was undertaken through a joint-venture with Beg Development Sdn Bhd.

The Taman Bahau development which had a total net sales value of RM34.9 million, was completed in two phases in 1998 and 1999 respectively. The following are details of the various types of properties in the Taman Bahau development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Single-storey terrace houses	559	559	1,300 to 2,000	32.6
- Double-storey terrace houses	22	22	1,300 to 2,000	1.7
Commercial property				
- One-and-a-half-storey shop offices	14	14	1,400 to 2,100	0.6

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5. BUSINESS OVERVIEW (Cont'd)

(ii) Taman Andalas

Phase 1 and Phase 2 of Taman Andalas in Mantin, Negeri Sembilan were predominantly residential property development projects undertaken through a joint-venture with the MBI in a combined total site area of 39.0 acres.

Phase 1 of Taman Andalas involved the development of single-storey terrace houses, single-storey semi-detached houses and single-storey shop offices while Phase 2 of Taman Andalas involved the development of low cost flats.

The projects had a combined total net sales value of RM29.3 million. The following are details of the various types of properties in Phase 1 and Phase 2 of the Taman Andalas development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Single-storey terrace houses	369	369	1,200 to 5,655	25.1
- Single-storey semi-detached houses	4	4	3,375	0.6
- Low cost flats	80	80	650	2.9
Commercial property				
- Single-storey shop offices	8	8	1,540 to 1,772	0.7

(iii) Taman Putra

Taman Putra was a mixed property development comprising single-storey terrace houses, low cost double-storey terrace houses and single-storey shop offices in Kuala Pilah, Negeri Sembilan. This development was on a total site area of 21.3 acres. The following are details of the various types of properties in the Taman Putra development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Single-storey terrace houses	150	150	1,200 to 3,154	8.3
- Low cost double-storey terrace houses	92	92	801 to 2,594	3.1
Commercial property				
- Single-storey shop offices	14	9	1,300 to 1,420	0.8

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5. BUSINESS OVERVIEW (Cont'd)**(iv) Taman Sri Telawi**

Taman Sri Telawi is located in Seremban, Negeri Sembilan. The project involved the development of 19 lots of residential plots on a total site area of 0.9 acres. The development of Taman Sri Telawi had a total net sales value of RM1.7 million. The following are details of the residential plots of Taman Sri Telawi:

Type of development	Lots developed	Lots sold	Gross Area per lot (square feet)	Net Sales Value (RM million)
Residential plots	19	19	1,400 to 3,358	1.7

(v) Taman Pedas Indah

Taman Pedas Indah was a mixed property development, which comprised single-storey terrace houses, double-storey terrace houses and single-storey shop offices in Pedas, Negeri Sembilan on a total site area of 32.8 acres. The Taman Pedas Indah project was undertaken through a joint-venture arrangement with Omega Touch Sdn Bhd. The project had a total net sales value of RM23.9 million. The following are details of the various types of properties in the Taman Pedas Indah development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Single-storey terrace houses	289	289	1,200 to 4,493	18.4
- Double-storey terrace houses	139	139	770 to 2,113	4.5
Commercial property				
- Single-storey shop offices	11	11	1,540	1.0

(vi) Intan Court

Intan Court was a residential property development consisting of 100 units of low cost flats in Port Dickson, Negeri Sembilan on a total site area of 6.0 acres. The project had a total net sales value of RM3.3 million.

The following are details of the various types of properties in the Intan Court development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Low cost flats	100	100	620	3.3

5. BUSINESS OVERVIEW (Cont'd)**(vii) Taman Intan Perdana**

Taman Intan Perdana was a mixed residential and commercial development located in Port Dickson, Negeri Sembilan. Our Group developed Phase 1 of Taman Intan Perdana 1, 2 and 3 as well as Taman Intan Perdana V(a) and V(b).

Phase 1 of Taman Intan Perdana 1 involved the development of single-storey terrace houses and single-storey shop offices while Phase 1 of Taman Intan Perdana 2 and 3 were residential developments comprising single-storey terrace houses. As for Taman Intan Perdana V(a) and V(b), the projects involved the development of single-storey terrace houses and single-storey shop offices.

The projects had a combined total net sales value of RM94.5 million on a total site area of 118.2 acres. The following are details of the various types of properties in Phase 1 of Taman Intan Perdana 1, 2 and 3 as well as Taman Intan Perdana V(a) and V(b) developments:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Single-storey terrace houses	1,383	1,383	1,200 to 4,421	92.8
Commercial property				
- Single-storey shop offices	16	16	1,400 to 1,969	1.7

(viii) Taman Sri Anggerik

Taman Sri Anggerik was a residential property development comprising single and double-storey terrace houses in Rantau, Negeri Sembilan on a total site area of 16.6 acres. The project had a total net sales value of RM15.0 million. The following are details of the various types of properties of the Taman Sri Anggerik development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Single-storey terrace houses	184	184	1,200 to 3,975	13.4
- Double-storey terrace houses	15	15	1,400 to 3,203	1.6

(ix) Taman Gadong Jaya

Taman Gadong Jaya, a mixed development in Seremban, Negeri Sembilan was undertaken in four phases on a combined total site area of 130.0 acres. The development had residential properties including single-storey terrace houses, low cost double-storey terrace houses and low cost townhouses as well as a small proportion of commercial properties, which were single-storey shop offices. Taman Gadong Jaya projects were undertaken through a joint-venture with Yayasan Negeri Sembilan.

5. BUSINESS OVERVIEW (Cont'd)

The following are details of the various types of properties in Phase 1, 2, 3 and 4 of the Taman Gadong Jaya development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Single-storey terrace houses	1,436	1,436	1,200 to 6,211	103.5
- Low cost double-storey terrace houses	29	16	770 to 1,754	0.4
- Low cost townhouses	146	146	777	4.7
Commercial property				
- Single-storey shop offices	19	19	1,650 to 3,498	1.8

(x) Taman Bukit Perdana

Taman Bukit Perdana and Taman Bukit Perdana II were both residential developments comprising single-storey terrace houses in Port Dickson, Negeri Sembilan on a combined total site area of 24.9 acres. The projects had a combined total net sales value of RM20.2 million. The following are details of the various types of properties in Taman Bukit Perdana and Taman Bukit Perdana II developments:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Single-storey terrace houses	277	277	1,200 to 4,521	20.2

(xi) Taman Sendayan Indah

Taman Sendayan Indah was predominantly a residential property development project comprising largely single-storey terrace houses with a small proportion of single-storey shop offices in Seremban. The project was undertaken through a joint-venture with the MBI. Taman Sendayan Indah had a total net sales value of RM37.9 million on a total site area of 46.2 acres. The following are details of the various types of properties in Taman Sendayan Indah development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Single-storey terrace houses	544	544	1,200 to 4,833	37.3
Commercial property				
- Single-storey shop offices	9	9	1,400 to 1,851	0.6

5. BUSINESS OVERVIEW (Cont'd)

(xii) Arowana Impian

Arowana Impian was predominantly a residential property development project comprising single-storey and double-storey terrace houses with a small proportion of single-storey shop offices in Seremban, Negeri Sembilan. The total site area of the development was 32.5 acres. The project had a total net sales value of RM40.3 million. The following are details of the various types of properties in the Arowana Impian development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Single-storey terrace houses	258	258	1,300 to 4,370	23.9
- Double-storey terrace houses	119	119	1,300 to 3,477	14.6
Commercial property				
- Single-storey shop offices	13	13	1,400 to 1,797	1.8

(xiii) Matahari Height

Matahari Height was a mixed property development comprising single-storey terrace houses, double-storey terrace houses and double-storey shop offices. In addition, we also sold one lot of commercial plot in Matahari Height. The total site area of the development was 28.4 acres.

Matahari Height which is located in Bandar Senawang, Negeri Sembilan had a total net sales value of RM38.6 million including the sales of commercial plot. The following are details of the various types of properties in Matahari Height development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Single-storey terrace houses	230	230	1,280 to 5,845	20.5
- Double-storey terrace houses	42	42	1,300 to 2,486	5.3
Commercial property				
- Double-storey shop offices	43	43	1,540 to 2,809	10.3
- Commercial plot	1	1	43,560	2.5

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5. BUSINESS OVERVIEW (Cont'd)

(xiv) Taman Politeknik

Taman Politeknik was a mixed residential and commercial property development in Port Dickson, Negeri Sembilan. The development comprised largely single-storey terrace houses with a small proportion of single-storey shop offices on a total site area of 108.7 acres. The total net sales value of the development was RM123.2 million. The following are details of the various types of properties in Taman Politeknik development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Single-storey terrace houses	1,603	1,603	1,300 to 6,911	121.7
Commercial property				
- Single-storey shop offices	19	19	1,400 to 3,240	1.5

(xv) Taman Permai Impian

Taman Permai Impian was a mixed residential and commercial development comprising largely single-storey and double-storey terrace houses with a small proportion of single-storey shop offices. The project was undertaken through a joint-venture arrangement with Yayasan Negeri Sembilan. Taman Permai Impian is located in Seremban, Negeri Sembilan. It is 4km away from the Seremban – Labu exit of North South Highway and 2 to 3km away from the town centre and various amenities such as hypermarket and hospital.

The total site area of the project is 29.4 acres with a total net sales value of RM35.2 million. The following are details of the various types of properties in Taman Permai Impian development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Single-storey terrace houses	83	83	1,300 to 4,467	23.8
- Double-storey terrace houses	252	252	1,282 to 4,994	10.8
Commercial property				
- Single-storey shop offices	6	6	1,200 to 2,992	0.6

(xvi) Taman Anggerik Tenggara

Our Group developed Taman Anggerik Tenggara 1 and 2 which was our first project in Bandar Tenggara, Johor. The project is the result of our joint-venture with the South East Johore Development Authority. Taman Anggerik Tenggara 1 and 2 were mixed property development projects comprising single-storey and double-storey terrace houses as well as single-storey shop offices. Taman Anggerik Tenggara is close to various public amenities including school and hospital as well as industrial areas.

5. BUSINESS OVERVIEW (Cont'd)

The combined total site area of the Taman Anggerik Tenggara 1 and 2 is 184.4 acres with a combined total net sales value of RM149.5 million. The following are details of the various types of properties of Taman Anggerik Tenggara 1 and 2 developments:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Single-storey terrace houses	1,547	1,547	1,200 to 5,030	118.1
- Double-storey terrace houses	72	72	1,540 to 4,478	7.1
Commercial property				
- Single-storey shop offices	178	178	1,540 to 2,264	24.3

(xvii) Taman Pulai Impian

Taman Pulai Impian was our first property development project with gated and guarded community concept in Seremban, Negeri Sembilan. The residential development comprised double-storey terrace houses and double-storey semi-detached houses on a total site area of 55.0 acres. Taman Pulai Impian is surrounded by schools, clinics, shopping complexes and other amenities. The total net sales value of the development was RM94.9 million. The following are details of the various types of properties in Taman Pulai Impian development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Double-storey terrace houses	563	563	1,540 to 5,813	75.1
- Double-storey semi-detached houses	104	104	3,375 to 7,126	19.8

(xviii) Taman Desa PD

Our Group has completed the development of Taman Desa PD 1 and Taman Desa PD II – Phase 1 while Taman Desa PD 3 is one of our on-going projects. Taman Desa PD 1 and Phase 1 of Taman Desa PD II were mixed residential and commercial developments comprising single-storey terrace houses and single-storey shop offices in Port Dickson, Negeri Sembilan. The on-going Taman Desa PD 3 is a residential development comprising single-storey terrace houses.

Taman Desa PD is located close to basic amenities such as schools, educational institutions and hospitals. The combined total site area of Taman Desa PD 1 and Phase 1 of Taman Desa PD II is 103.0 acres with a combined total net sales value of RM100.0 million.

5. BUSINESS OVERVIEW (Cont'd)

Taman Desa PD 3 has a total site area of 4.3 acres with a net sales value of RM5.5 million. The following are details of the various types of properties in Taman Desa PD 1, Phase 1 of Taman Desa PD II and Taman Desa PD 3 development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Completed				
Residential property				
- Single-storey terrace houses	1,212	1,212	1,300 to 6,911	98.9
Commercial property				
- Single-storey shop offices	11	11	1,400 to 3,240	1.1
On-going				
Residential property				
- Single-storey terrace houses	56	56	1,100 to 2,615	5.5

(xix) Matrix Point

Matrix Point was a commercial property development project comprising three-storey shop offices in Seremban, Negeri Sembilan. The development is located in close proximity to a school and market. The total site area of Matrix Point is 0.5 acres with a total net sales value of RM4.8 million. The following are details of the various types of properties of Matrix Point development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Commercial property				
- Three-storey shop offices	7	7	2,179 to 2,194	4.8

(xx) Taman Bukit Sendayan

Taman Bukit Sendayan was a residential property project comprising single-storey terrace houses located in Seremban, Negeri Sembilan. The project had a total net sales value of RM50.8 million. The total site area of Taman Bukit Sendayan was 55.3 acres. The following are details of the various types of properties of Taman Bukit Sendayan development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Single-storey terrace houses	670	670	1,300 to 4,607	50.8

5. BUSINESS OVERVIEW (Cont'd)**(xxi) Arowana Indah**

Arowana Indah was a mixed property development project comprising single-storey and double-storey terrace houses as well as low cost single-storey terrace houses. Arowana Indah is located in Seremban 2, Seremban, Negeri Sembilan and within the vicinity of state government administration centre, state police department, fire department, shopping complexes and other public facilities. The total site area of Arowana Indah was 27.4 acres with a total net sales value of RM44.5 million. The following are details of the various types of properties of Arowana Indah development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Single-storey terrace houses	188	188	1,360 to 5,166	19.4
- Double-storey terrace houses	156	156	1,400 to 3,595	23.3
- Low cost single-storey terrace houses	39	39	1,100 to 2,249	1.8

(xxii) Matahari Indah

Matahari Indah was a residential property project comprising single-storey and double-storey terrace houses in Bandar Senawang, Negeri Sembilan. The project had a total net sales value of RM48.4 million on a total site area of 30.2 acres. The following are details of the various types of properties of Matahari Indah development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Single-storey terrace houses	277	277	1,400 to 4,736	28.5
- Double-storey terrace houses	130	130	1,400 to 2,702	19.9

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5. BUSINESS OVERVIEW (Cont'd)

(xxiii) Matrix Court

Matrix Court was a commercial property project comprising three-storey shop offices in Seremban, Negeri Sembilan. The project had a total net sales value of RM13.9 million. The total site area of Matrix Court was 1.6 acres. The following are details of the various types of properties of Matrix Court development:



Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Commercial property				
- Three-storey shop offices	19	19	1,841 to 5,371	13.9

(xxiv) Taman Sri Intan

Taman Sri Intan was a mixed residential and commercial development comprising predominantly single-storey terrace houses, with some low cost flats and a small proportion of single-storey shop offices. Taman Sri Intan is located in Port Dickson, Negeri Sembilan. The project had a total net sales value of RM62.4 million on a total site area of 63.8 acres. The following are details of the various types of properties of Taman Sri Intan development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Single-storey terrace houses	618	618	1,400 to 4,457	58.5
- Low cost flats	70	70	650	2.9
Commercial property				
- Single-storey shop offices	6	6	1,400 to 1,518	1.0

(xxv) Taman Pulai Perdana

Taman Pulai Perdana was our second gated and guarded community project. The project was a mixed property development project comprising double-storey terrace houses, double-storey semi-detached houses, low cost single storey terrace houses and double-storey shop offices. The development was undertaken through a joint-venture with Reka Property Venture Sdn Bhd. Taman Pulai Perdana is located in Seremban, Negeri Sembilan. The project had a total net sales value of RM41.6 million on a total site area of 22.5 acres.

5. BUSINESS OVERVIEW (Cont'd)

The following are details of the various types of properties of Taman Pulai Perdana development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Residential property				
- Double-storey terrace houses	155	155	1,540 to 4,983	26.4
- Double-storey semi-detached houses	22	22	3,778 to 6,189	5.5
- Low cost single-storey terrace houses	22	22	1,100 to 2,088	1.0
Commercial property				
- Double-storey shop offices	32	32	1,650 to 3,379	8.7

(xxvi) Taman Seri Impian

Taman Seri Impian, which covers an area of approximately 900 acres, was the first of our Group's two flagship projects. The project involved the development of residential and commercial properties to establish Taman Seri Impian as a new township. The project was the result of a joint-venture with KKTNJB. Taman Seri Impian is located in Kluang, Johor where it is within close proximity to various public amenities such as hospitals, schools, bus and taxi terminals, healthcare centre, library, fire department, post office and police station as well as a recreation park and markets. Taman Seri Impian is easily accessible via the Jalan Kluang- Bandar Tenggara road with proposed connections to interchange/exit points to the Kluang – Pasir Gudang Expressway.

The development of Taman Seri Impian was undertaken in various phases. As at LPD, our Group has completed the development of 2,498 units of residential properties and 69 units of commercial properties through the developments of Taman Seri Impian 1, Impiana Avenue 1, Parcel 1 and Parcel 2 of Taman Seri Impian 2, Taman Seri Impian 3 (Impiana Garden 1), Taman Seri Impian 3 (Impian Garden 2 – Modena), Taman Seri Impian 3 (Impiana Garden 2), Impiana Avenue 2 and Impiana Villa 1. The residential properties in these phases are single-storey and double-storey terrace houses and bungalows while the commercial properties are double-storey shop offices.

We are also undertaking the development of various on-going phases of Taman Seri Impian, including Taman Seri Impian 4 (Impiana Casa 1 and 2). When completed, these phases will comprise 753 units of residential properties. Taman Seri Impian 4 (Impiana Casa 1 and 2) comprises single-storey and double-storey terrace houses.

In addition, more developments of residential and commercial properties in Taman Seri Impian have been planned for future developments. *Please refer to Section 5.7.3 of the Prospectus for further details on our future plan.* The combined total site area of our completed projects at Taman Seri Impian was approximately 268.3 acres with a combined net sales value of RM338.7 million. For the on-going projects, the combined total site area is 32.5 acres with a GDV of RM147.6 million.

5. BUSINESS OVERVIEW (Cont'd)

The following are details of the various types of completed and on-going properties of Taman Seri Impian development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Completed				
Residential property				
- Single-storey terrace houses	2,188	2,188	1,400 to 7,855	232.2
- Double-storey terrace houses	149	149	1,650 to 5,187	24.8
- Single-storey bungalows	96	95	3,820 to 8,619	32.7
- Double-storey bungalows	65	64	3,835 to 7,350	31.1
Commercial property				
- Double-storey shop offices	69	69	1,400 to 3,588	18.0
On-going				
Residential property				
- Single-storey terrace houses	480	457	1,400 to 3,853	71.3
- Double-storey terrace houses	273	262	1,625 to 6,394	67.8

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5. BUSINESS OVERVIEW (Cont'd)



Type of Development	Completed		On-going
	Number of Units		
	Residential	Commercial	Residential
I Taman Seri Impian 1 & 2 (Parcel 1 & 2)	1,740	-	-
II Taman Seri Impian 3 (Impian Garden 2 – Modena)	194	-	-
III Taman Seri Impian 3 (Impiana Garden 1 & 2)	403	-	-
IV Impiana Avenue 1 & 2	-	69	-
V Impiana Villa 1	161	-	-
VI Taman Seri Impian 4 (Impiana Casa 1 and 2)	-	-	753
TOTAL	2,498	69	753

5. BUSINESS OVERVIEW (Cont'd)



Impiana Avenue 1 and 2 – Double-Storey Shop offices



Impiana Garden - Modena



Taman Seri Impian – Playground



Impiana Casa – Single-Storey and Double-Storey Terrace Houses

5. BUSINESS OVERVIEW (Cont'd)



Impiana Casa – Single-Storey and Double-Storey Terrace Houses (Artist Impression)



Impiana Villa 1 – Double-Storey Bungalows



Impiana Villa 1 – Playground



Impiana Villa – Single-Storey and Double-Storey Bungalows

5. BUSINESS OVERVIEW (Cont'd)

(xxvii) Bandar Sri Sendayan

Bandar Sri Sendayan is our Group's second flagship project. The project involves the development of a new integrated township, which is undertaken through a joint-venture with the MBI.

Bandar Sri Sendayan is located on a 5,233-acre plot of land in Seremban, Negeri Sembilan. As an integrated township, Bandar Sri Sendayan comprises a mixed development of residential, commercial, industrial, leisure and institutional properties as well as government and agriculture properties and undeveloped land.

As part of the township community planning, various public amenities have been planned and established in Bandar Sri Sendayan including, among others, police station and beat houses for police taskforce patrol services, fire department, petrol station, surau/mosque, supermarket and shopping centres, kindergarten and schools, medical centre/health clinic, multi-purpose hall, pedestrian-friendly walkways and pavements, landscaping, fibre-optic backbone to cater for high speed broadband, access roads linked to highways and surrounding areas.

Bandar Sri Sendayan would also include a 26-acre green park with amphitheatre, view deck, gazebos, fitness centres, football field, reflexology path, skating area, yoga and tai chi lawns as well as other facilities. The park is currently being developed.

In addition, various other government buildings are currently being built or have been planned for development. The state Islamic Syariah Court Complex is expected to be occupied in the third quarter of 2013.

Bandar Sri Sendayan is located close to the Seremban toll as well as various townships and industrial areas such as Seremban 2, S2 Heights, Bandar Enstek, Oakland Commercial Centre and Industrial Park, Bandar Ainsdale, Tuanku Jaafar Industrial Park, Senawang Industrial Park and Nilai Industrial Estate, hence residents in Bandar Sri Sendayan can also easily access the various facilities in these areas such as golf resort, lake park, schools, petrol station, hospital, clinic, shopping complex, hypermarket, fire station, police station, train station as well as seek employment opportunities in these areas. Nevertheless, it is also within close proximity to Kuala Lumpur International Airport (KLIA), the low cost carrier terminal (LCCT) and the KL city whilst being accessible from various metropolitan areas in Klang Valley. In addition, Bandar Sri Sendayan's close proximity to various transportation networks including rail, road, sea and air also ensures ease of transportation of goods from and to various local and international locations.

As at LPD, our Group has completed the development of 2,727 units of residential properties in Bandar Sri Sendayan through various projects namely Nusari Bayu 1, Nusari Bayu 2A, Atiya@Nusari Aman, Idaman Bayu, Nusari Aman 1A, Nusari Aman 2A, Cosmoxia@Nusari Aman 2A and Nusari Bayu 3 – Phase 1 and 2. The types of residential properties developed in these residential areas include single and double-storey terrace houses, single-storey and double-storey semi-detached houses.

5. BUSINESS OVERVIEW (Cont'd)

As at LPD, our Group has also completed the development of 90 units of commercial properties, namely single-storey and double-storey shop offices, commercial plots and a single-storey stall through the development of Nusari Aman 2A, Nusari Bayu 3 – Phase 2 and Sendayan Metropark respectively.

Our Group is also undertaking various on-going projects in Bandar Sri Sendayan which encompass the development of residential, commercial and industrial properties.

Our on-going residential development projects include Nusari Aman 1B, Nusari Aman 2, Nusari Aman, Nusari Bayu 2B, Hijayu 1B, Hijayu 3D and Idaman Bayu 2. The residential properties being developed in these projects include single-storey and double-storey terrace houses as well as single-storey semi-detached houses.

Our other on-going commercial development projects are mainly double and three-storey shop offices in Metropark Shop 1A as well as commercial lots at Sub Centre at Nusari Bayu and Nusari Hijayu. We are also undertaking the development of Sendayan TechValley 1 and 2, which consist of industrial plots with some basic infrastructure. Sendayan TechValley is to be developed into a techno-entrepreneur park and eco-friendly township for various businesses including knowledge-based and institutions, information and communications technology, biotechnology, research and development, manufacturing and processing as well as industries related to medical and scientific, aerospace, electronics, agriculture and agro based as well as telecommunications, electro-optics and optoelectronics businesses. As at LPD, Sendayan TechValley had attracted various automotive and aviation operators to set-up operations in the area.

Our Group has recently commenced the development of Sendayan clubhouse as part of our plans to develop Bandar Sri Sendayan into an integrated township with its own leisure facilities to the community of Bandar Sri Sendayan. This project will be our first foray into development of leisure properties since we commenced our property development operations. The development of the clubhouse include various sports and recreational facilities, retail and dining outlets, fitness centre as well as a therapeutic treatment facility. Some of the sports and recreational facilities include, among others Olympic size swimming pool, bowling alley, futsal court, badminton and indoor tennis courts, table tennis centre and games room. It will also offer different types of dining outlets including an indoor cafeteria, outdoor dining outlets as well as restaurants and a banquet hall. We intend to manage the clubhouse which will be operated by our subsidiary, 1 Sendayan Club. We commenced development of our clubhouse in September 2012 and is scheduled to be completed by March 2014. We intend to utilise RM10.0 million from the IPO proceeds for the development of our clubhouse in Bandar Sri Sendayan.

Various other projects have also been planned for future developments, which include a mixed development of residential, commercial, industrial, leisure and institutional properties. Please refer to Section 5.7.3 of the Prospectus for further details on our future plans.

The combined site area of our completed development in Bandar Sri Sendayan was approximately 281.5 acres with a combined GDV of RM497.0 million. For the on-going projects, the combined site area is 746.0 acres with an estimated combined GDV of RM1,248.5 million.

5. BUSINESS OVERVIEW (Cont'd)

The following are details of the various types of completed and on-going properties of Bandar Sri Sendayan development:

Type of development	Units developed	Units sold	Gross Area per unit (square feet)	Net Sales Value (RM million)
Completed				
Residential property				
- Single-storey terrace houses	2,165	2,165	1,400 to 5,532	264.0
- Double-storey terrace houses	488	488	1,400 to 5,112	136.5
- Single-storey semi-detached houses	60	60	2,960 to 5,200	18.9
- Double-storey semi-detached houses	14	14	3,260 to 5,155	7.3
Commercial property				
- Single-storey shop offices	46	46	1,650 to 4,574	10.3
- Double-storey shop offices	25	25	1,650 to 4,510	12.0
- Commercial plots	18	16	1.5 to 5.0 acres	44.8
- Single-storey stall	1	-	2,664	-
On-going				
Residential property				
- Single-storey terrace houses	575	574	1,400 to 5,823	114.0
- Double-storey terrace houses	1,578	1,335	1,400 to 7,427	429.1
- Single-storey semi-detached houses	28	28	3,821 to 6,028	12.5
Commercial property				
- Double-storey shop offices	29	29	1,920 to 2,658	13.9
- Three-storey shop offices	9	8	1,920 to 3,810	5.3
- Commercial plots	6	1	65,340 to 435,600	2.8
Industrial property				
- Industrial plots	93	57	43,560 to 973,827	255.1
Leisure property				
- Clubhouse	1	n/a	264,336	n/a



Idaman Bayu – Single-Storey and Double-Storey Terrace Houses

5. BUSINESS OVERVIEW (Cont'd)



Idaman Bayu – Double-Storey Terrace Houses



Nusari Aman 2A – Single-Storey Terrace Houses and Double-Storey Semi-detached Houses



Nusari Aman 2A – Double-Storey Terrace Houses

5. BUSINESS OVERVIEW (Cont'd)



Nusari Aman 2A - Medan Nusari Community Shops



Nusari Bayu 2A (Cosmoxia) – Living Room and Dining Hall in Show House

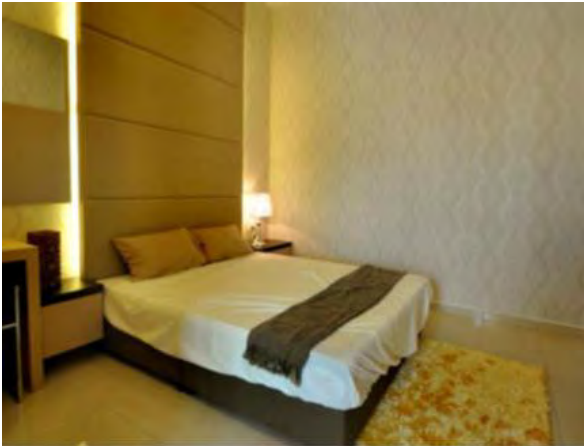
5. BUSINESS OVERVIEW (Cont'd)



Nusari Aman 2 – Single-Storey and Double-Storey Terrace Houses



Artist Impression of Nusari Aman 1B – Double-Storey and Single-Storey Terrace Houses



Nusari Bayu 3 – Bedroom and Living Room in Show House

5. BUSINESS OVERVIEW (Cont'd)



Nusari Bayu 3 – Single-Storey and Double-Storey Terrace Houses



Artist Impression of Metropark



Artist Impression of Nusari Aman 2D – Double-Storey Terrace Houses