

MATRIX CONCEPTS HOLDINGS BERHAD
(Incorporated in Malaysia-Co. No. 414615-U)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER CURRENT YEAR QUARTER 31 March 2017 RM'000	CUMULATIVE QUARTER CURRENT YEAR TO DATE 31 March 2017 RM'000
Revenue	161,346	780,423
Cost of Sales	(66,574)	(366,420)
Gross Profit	94,772	414,003
Other Income	980	3,324
Selling and Marketing Expenses	(4,437)	(19,113)
Administrative and general expenses	(32,108)	(129,835)
Operating Profit	59,207	268,379
Finance Costs	(4,107)	(7,095)
Profit Before Taxation	55,100	261,284
Income Tax Expenses	(16,116)	(73,461)
Profit After Taxation	38,984	187,823
Other Comprehensive Income		
- Foreign Currency Translation Differences	1,534	1,534
Total Comprehensive Income For The Period/Year	40,518	189,357
Profit After Taxation attributable to :		
Equity Holders of the Company	38,984	187,823
Non-controlling Interest	-	-
	38,984	187,823
Total Comprehensive Income attributable to :		
Equity Holders of the Company	40,518	189,357
Non-controlling Interest	-	-
	40,518	189,357
Earnings Per Share Attributable To Equity Holders Of The Company		
- Basic (sen)	6.8	33.0
- Diluted (sen)	6.0	28.9

Note:

- The Company changed its financial year end from 31st December to 31st March. The last set of audited financial statements were for 15 months ended 31st March 2016. As such there is no comparative figures for the current quarter three months ended 31st March 2017 and year to date for the year ended 31st March 2017. The unaudited condensed consolidated statement of comprehensive income for the corresponding 4th quarter for the financial period ended 31st December 2015 however is attached for reference.*
- The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial period ended ("FPE") 31st March 2016 and the accompanying explanatory notes attached to this interim financial statements.*

MATRIX CONCEPTS HOLDINGS BERHAD*(Incorporated in Malaysia-Co. No. 414615-U)***QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2015**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME



	INDIVIDUAL QUARTER CURRENT YEAR QUARTER 31 December 2015 RM'000	CUMULATIVE QUARTER CURRENT YEAR TO DATE 31 December 2015 RM'000
Revenue	141,534	700,948
Cost of Sales	(63,623)	(304,627)
Gross Profit	77,911	396,321
Other Income	1,268	4,246
Selling and Marketing Expenses	(2,577)	(18,442)
Administrative and general expenses	(26,249)	(92,676)
Operating Profit	50,353	289,449
Finance Costs	(824)	(2,978)
Profit Before Taxation	49,529	286,471
Income Tax Expenses	(12,690)	(73,248)
Profit For The Period	36,839	213,223
Profit attributable to :		
Equity Holders of the Company	36,839	213,223
Non-controlling Interest	-	-
	36,839	213,223
Earnings Per Share Attributable To Equity Holders Of The Company		
- Basic (sen)	6.7	42.6
- Diluted (sen)	5.8	36.5

MATRIX CONCEPTS HOLDINGS BERHAD
(Incorporated in Malaysia-Co. No. 414615-U)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(UNAUDITED) As at 31 March 2017 RM'000	(AUDITED) As at 31 March 2016 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	239,072	218,113
Investment properties	1,092	1,000
Inventories	383,216	459,907
Deferred tax assets	11,753	6,387
Goodwill arising on consolidation	*	*
	635,133	685,407
Current assets		
Inventories	537,775	358,008
Trade and other receivables	219,439	180,259
Deposits, cash and bank balance	117,266	77,860
	874,480	616,127
TOTAL ASSETS	1,509,613	1,301,534
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	577,122	563,957
Share premium	43,405	31,944
Share option	12,574	4,657
Translation reserves	1,378	(156)
Retained profits	391,078	284,792
	1,025,557	885,194
Non-controlling interest	*	*
TOTAL EQUITY	1,025,557	885,194
Non-current liabilities		
Borrowings	187,803	107,669
Other payables	23,870	28,492
	211,673	136,161
Current liabilities		
Trade and other payables	149,308	144,923
Borrowings	85,895	96,750
Dividend payable	20,096	21,148
Current tax liabilities	17,084	17,358
	272,383	280,179
TOTAL LIABILITIES	484,056	416,340
TOTAL EQUITY AND LIABILITIES	1,509,613	1,301,534
Net Assets Per Share (RM) (Note 2)	1.79	1.57

Notes:

* Represents RM1.00.

1. The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial period ended ("FPE") 31 March 2016 and the accompanying explanatory notes attached to this interim financial statements.

2. Based on the issued and paid-up share of 574,164,751 (2016: 563,957,418) ordinary share in Matrix ("shares")

MATRIX CONCEPTS HOLDINGS BERHAD

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital RM'000	Share Premium RM'000	Share Option RM'000	Translation Reserves RM'000	Retained Profits RM'000	Non-Controlling Interest RM'000	Total RM'000
<u>12 months ended 31 December 2015 (Unaudited)</u>							
As at 1 January 2015	457,084	1,218	6,269	-	199,186	*	663,757
Issuance of new ordinary shares pursuant to							
- Bokus issue	77,325	(10,835)	-	-	(66,490)	-	-
- Exercise of ESOS	7,123	10,267	(3,140)	-	-	-	14,250
- Exercise of Warrants	9,000	12,600	-	-	-	-	21,600
Profit after taxation/Total comprehensive income for the year	-	-	-	-	213,223	-	213,223
Dividend	-	-	-	-	(88,235)	-	(88,235)
Options granted under ESOS	-	-	3,069	-	-	-	3,069
ESOS lapsed/forfeited	-	-	(489)	-	489	-	-
As at 31 December 2015	550,532	13,250	5,709	-	258,173	*	827,664

12 months ended 31 March 2017 (Unaudited)

As at 1 April 2016	563,957	31,944	4,657	(156)	284,792	*	885,194
Issuance of new ordinary shares pursuant to							
- Exercise of ESOS	7,864	4,040	(2,129)	-	-	-	9,775
- Exercise of Warrants	5,301	7,421	-	-	-	-	12,722
Profit after taxation for the year	-	-	-	-	187,823	-	187,823
Other comprehensive income for the year							
- Foreign currency translation differences	-	-	-	1,534	-	-	1,534
Total comprehensive income for the year	-	-	-	1,534	187,823	-	189,357
Dividend	-	-	-	-	(82,112)	-	(82,112)
Options granted under ESOS	-	-	10,621	-	-	-	10,621
ESOS lapsed/forfeited	-	-	(575)	-	575	-	-
As at 31 March 2017	577,122	43,405	12,574	1,378	391,078	*	1,025,557

Notes:

* Represents RML00.

1. The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the FPE 31 March 2016

MATRIX CONCEPTS HOLDINGS BERHAD*(Incorporated in Malaysia-Co. No. 414615-U)***QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	(Unaudited) FOR THE 12 MONTHS PERIOD ENDED 31 March 2017 RM'000	(Audited) FOR THE 15 MONTHS PERIOD ENDED 31 March 2016 RM'000
Cash Flow From Operating Activities		
Profit before income tax	261,284	355,737
Adjustments for :-		
ESOS Expenses	10,621	3,194
Depreciation	8,883	9,864
Interest Income	(2,014)	(10,381)
Interest expenses	7,095	5,184
Loss/(Gain) on disposal of property, plant and equipment	28	(173)
Operating profit before working capital changes	285,897	363,425
Increase in inventories	(103,076)	(192,246)
Increase in receivables	(39,181)	(44,082)
Decrease in payables	(5,491)	(97,561)
Cash generated from operations	138,149	29,536
Interest received	2,014	3,629
Interest paid	(1,841)	(5,184)
Tax paid	(79,100)	(97,279)
Net cash provided by/(used in) operating activities	59,222	(69,298)
Cash Flow From Investing Activities		
Placement of pledged deposits with licensed bank	(2,878)	(218)
Purchase of property, plant and equipment	(28,903)	(40,243)
Proceed from disposal of property, plant and equipment	560	3,043
Net cash used in investing activities	(31,221)	(37,418)
Cash Flow From Financing Activities		
Proceed from issuance of share	22,498	66,931
Dividend paid	(83,166)	(105,375)
Proceed from term loan	65,000	142,867
Repayment of term loan	(8,670)	(10,790)
Hire purchase instalments paid	(164)	(100)
Net cash (used in)/generated from financing activities	(4,502)	93,533
Net changes in cash and cash equivalents	23,499	(13,183)
Effect of exchange rate fluctuations on cash held	1,535	(156)
Cash and cash equivalents at beginning of year	39,611	52,950
Cash & cash equivalents at end of year	64,645	39,611
Cash and cash equivalents comprise of :-		
Fixed deposit, cash and bank balance	117,266	77,860
Less : Fixed Deposit Pledged	(8,569)	(5,691)
	108,697	72,169
Bank overdrafts	(44,052)	(32,558)
	64,645	39,611

Note:

- The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial period ended ("FPE") 31 March 2016 and the accompanying explanatory notes attached to this interim financial statements.

MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)
(INCORPORATED IN MALAYSIA)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL YEAR ENDED
(“FYE”) 31 MARCH 2017

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

A1. Accounting Policies and Basis of Preparation

The interim financial report is unaudited and is prepared in accordance with MFRS134 “Interim Financial Reporting” and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”).

The interim financial statements should be read in conjunction with the Audited Financial Statements of Matrix Concepts Holdings Berhad (“**Company**”) and its subsidiaries (“**Group**”) for the 15-month FPE 31 March 2016 and the explanatory notes attached therein. These explanatory notes attached to these interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial period ended 31 March 2016.

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the financial period ended 31 March 2016.

During the interim financial statement, the Group has adopted the following new accounting standards and interpretations (including the consequential amendments, if any) :-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 101: Presentation of Financial Statements -Disclosure Initiative

Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of depreciation and Amortisation

Amendments to MFRS 116 and MFRS 141: Agriculture – Bearer Plants

Annual Improvements to MFRSs 2012 – 2014 Cycle

Amendments to MFRS 10 and MFRS 128 (2011): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Amendments to MFRS 127 (2011): Equity Method in Separate Financial Statements

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Group’s financial statements.

The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Effective Date

MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)

1 January 2018

MFRS 16 Leases

1 January 2019

Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses

1 January 2017

Amendments to MFRS 107: Disclosure Initiative

1 January 2017

The above mentioned accounting standards and interpretations (including the consequential amendments) are not expected to have any significant financial impact on the Group’s financial statements upon their initial application.

MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)
(INCORPORATED IN MALAYSIA)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL YEAR ENDED
(“FYE”) 31 MARCH 2017

A2. Seasonal or Cyclical Factors

The results for the current financial quarter ended 31 March 2017 under review and the financial period-to-date were not materially affected by seasonal or cyclical factors.

A3. Items of unusual nature and amount

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group that were unusual because of their nature, size or incidence during the current financial quarter ended 31 March 2017 under review and the financial period-to-date.

A4. Material Changes in Estimates

There were no changes in the estimates of amounts reported in prior financial years that had a material effect on the current financial quarter ended 31 March 2017 under review and the financial period-to-date.

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

Save as disclosed below, there were no issuance, cancellations, repurchase, resale and repayments of debts and equity securities during the financial quarter ended 31 March 2017 under review:

- (i) 2,017,050 new ordinary shares in the Company (“**Matrix Concepts Shares**”) pursuant to the exercise of employee share options (“**ESOS Options**”).

Pursuant to the above, the issued and paid-up share capital of the Company had increased from RM572,147,701 comprising of 572,147,701 Matrix Concepts Shares to RM577,121,532 comprising of 574,164,751 Matrix Concepts Shares for the current financial quarter ended 31 March 2017 under review.

A6. Dividends Paid

During the financial quarter ended 31 March 2017 under review, the Company had paid its second interim single tier dividend of 3.25 sen per Matrix Concepts Share for the financial year ending 31 March 2017, which was paid on 12 January 2017 to all holders of ordinary shares whose names appeared in the Record of Depositors at the close of business on 28 December 2016.

Please refer to Note B10 on dividends declared.

MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)
(INCORPORATED IN MALAYSIA)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL YEAR ENDED
(“FYE”) 31 MARCH 2017

A7. Segmental Information

The segment revenue and segment results for business segments for the current financial period to date are as follows:

	Property development	Construction	Education	Hospitality	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
Sale of properties	753,161	-	-	-	-	753,161
Construction / Inter-segment sales	-	349,758	-	-	(349,758)	-
School fees received	-	-	13,503	-	-	13,503
Clubhouse operator	-	-	-	13,759	-	13,759
Total	753,161	349,758	13,503	13,759	(349,758)	780,423
Other income						
Rental income	272	-	-	-	-	272
Others	2,417	24	288	323	-	3,052
Total	2,689	24	288	323	-	3,324
Results						
Segment results	276,570	37,557	(16,158)	(2,624)	(26,966)	268,379
Finance costs						(7,095)
Profit before tax						261,284
Taxation						(73,461)
Net profit for the period						187,823

As the revenue of the Matrix Concepts Group is solely derived from its operating activities in Malaysia, geographical segmentation is not prepared.

A8. Valuation of property, plant and equipment

There were no valuations carried out on property, plant and equipment of the Group during the financial quarter ended 31 March 2017 under review.

A9. Commitments

The commitments of the Company as at the end of the financial quarter ended 31 March 2017 under review and the financial period-to-date are as follows:

	Current quarter ended 31.03.2017 RM'000	Cumulative period-to-date 31.03.2017 RM'000
Contracted but not provided for:		
- Land held for property development	-	22,257
Total	-	22,257

MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)
(INCORPORATED IN MALAYSIA)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL YEAR ENDED
(“FYE”) 31 MARCH 2017

A10. Material subsequent event

There were no material events subsequent to the end of the financial quarter ended 31 March 2017 under review up to the date of this report which is likely to substantially affect the results of the operations of the Group.

A11. Significant event during the period

There were no significant events outside the ordinary course of business during the financial quarter ended 31 March 2017 that have not been reflected in this interim financial statements.

A12. Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial quarter ended 31 March 2017 under review.

A13. Contingent Liabilities and Contingent Assets

The Group does not have any material contingent liabilities and contingent assets to be disclosed as at 31 March 2017.

A14. Significant Related Party Disclosures

Save as disclosed below, there was no other significant related party transactions during the financial quarter ended 31 March 2017 under review and the financial period-to-date:

	Current quarter ended 31.03.2017 RM'000	Cumulative period-to-date 31.03.2017 RM'000
Purchase of building materials from related parties	8,945	48,271
Rental payments made to related parties	18	96
Consultancy fees paid to related parties	139	556
Sales of development properties to related parties	4,054	26,723

MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)
(INCORPORATED IN MALAYSIA)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL YEAR ENDED
(“FYE”) 31 MARCH 2017

B. ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS

B1. Review of Performance

	Current quarter ended 31.03.2017 RM'000	Current quarter ended 31.03.2016 RM'000
Revenue	161,346	211,277
Gross profit	94,772	111,383
Profit before tax	55,100	70,836
Profit after tax	38,984	47,969

There are no comparative figures for the current fourth quarter ended 31 March 2017, due to the change in 2015 of the financial year end from 31 December to 31 March. For reference purposes, the Board provides hereunder the comparison for the three-month period from 1 January 2017 to 31 March 2017 against 1 January 2016 to 31 March 2016.

For the quarter ended 31 March 2017, the Group recorded revenue of RM161.3 million, a decrease of RM50.0 million or 23.6% from RM211.3 million in the previous year. The Group also recorded profit before tax of RM55.1 million, a decrease of RM15.7 million or 22.2% from RM70.8 million in the previous year.

The reduced financial performance for the quarter ended 31 March 2017 compared to the previous year was mainly due to lower revenue recognition from the Group’s property development segment, attributed mainly to lower revenue from both commercial and industrial properties as a significant portion of the progress billings would only be recognized after the end of the quarter under review. At the same time, revenue from the Group’s residential properties continued to register sustained growth. The Group’s new property sales for the quarter rose to RM193.1 million, an increase of RM24.4 million or 14.5% compared to RM168.7 million in the previous year.

During the quarter under review, the Group’s investment properties of Matrix Global Schools and d’Tempat Country Club reported aggregate revenue of RM6.5 million, 10.3% lower than RM7.3 million achieved in last year’s same quarter, due to slower than expected growth in student intake for Matrix Global Schools.

As at 31 March 2017, the Group’s unbilled sales stood at RM859.5 million, compared to RM621.4 million a year ago and RM903.5 million as at the preceding quarter’s end.

B2. Comparison with preceding quarter’s results

	Current quarter ended 31.03.2017 RM'000	Preceding quarter ended 31.12.2016 RM'000
Revenue	161,346	198,000
Gross profit	94,772	119,303
Profit before tax	55,100	72,928
Profit after tax	38,984	50,448

The Group achieved revenue of RM161.3 million for the quarter ended 31 March 2017, compared to RM198.0 million for the preceding quarter ended 31 December 2016. The decrease in revenue was mainly attributed to higher revenue recognised from increased sales of industrial properties in the preceding quarter.

Correspondingly, the Group recorded profit before tax of RM55.1 million for the quarter ended 31 March 2017, compared to RM72.9 million in the preceding quarter.

MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)
(INCORPORATED IN MALAYSIA)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL YEAR ENDED
(“FYE”) 31 MARCH 2017

B3. Prospects

The Group remains focused on its township developments of Bandar Sri Sendayan in Seremban, Negeri Sembilan and Bandar Seri Impian in Kluang, Johor. The Group is also engaged in other development projects in the vicinity of Seremban, Negeri Sembilan.

Notwithstanding the current challenges in the Malaysia property market, the Board remains positive in the outlook of the property demand in the above-mentioned markets, backed by our strong track record. The Board has taken appropriate strategies to address the challenges, namely by launching more affordably-priced properties, as well as continual enhancement of the township’s facilities to appeal to potential buyers.

During the quarter ended 31 March 2017, the Group continued to build earnings sustainability by launching more development projects with a total GDV of RM60.6 million, namely Hijayu 3 (Phase 4) and Suriaman Biz (Phase 2) in Bandar Sri Sendayan. The Group’s property sales during the quarter have remained upbeat with average take-up rate of above 80% across its ongoing development projects.

Total new launches for the twelve months to date stood at RM1.11 billion in GDV, inclusive of estimated GDV of RM101.8 million from the Group’s M.Carnegie boutique apartment project in Melbourne, Australia. The Group has pipeline launches worth RM1.36 billion planned for the current financial year ending 31 March 2018 (FY2018). The Group is confident that its profitability will be sustained via these upcoming launches, and further enhanced by sales of the ongoing development projects.

The operations of Matrix Global Schools and d’Tempat Country Club have attracted increasing patronage, as reflected in its revenue uptrend in the financial year ended 31 March 2017 (FY2017). These facilities, together with the partially-commenced 34-acre X Park, amply position Bandar Sri Sendayan as a community-focused township that aims to provide wholesome lifestyles for all.

B4. Profit guarantee or profit forecast

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

B5. Taxation

	Current quarter ended 31.03.2017 RM’000	Cumulative period-to-date 31.03.2017 RM’000
Current tax expenses	17,603	78,551
Deferred tax income	(1,487)	(5,090)
	16,116	73,461

The Group’s effective tax rate of 29.2% for the financial quarter ended 31 March 2017 under review was higher than the statutory corporate tax rate of 24.0% as certain subsidiaries incurred losses during the financial year-to-date and non-deductible expenses for tax purposes.

MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)
(INCORPORATED IN MALAYSIA)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL YEAR ENDED
(“FYE”) 31 MARCH 2017

B6. Status of corporate proposals

- (i) **Proposed acquisition of vacant agriculture lands held under separate titles, located within Mukim Labu, Daerah Seremban, Negeri Sembilan Darul Khusus by BSS Development (“Proposed Labu Agricultural Lands Acquisition”)**

The Company had on 12 March 2015 announced that BSS Development had between 18 June 2014 and 12 March 2015, entered into separate Sale and Purchase Agreements with individual land owners to acquire 15 parcels of vacant agriculture land located within Mukim Labu, Daerah Seremban, Negeri Sembilan Darul Khusus for an aggregate cash consideration of RM27,546,296.75. Please refer to the Company’s announcement dated 12 March 2015 for further details on the individual owners and the said lands being the subject matter of the Proposed Labu Agricultural Lands Acquisition.

Barring any unforeseen circumstances, the estimated time frame for the completion for the Proposed Labu Agricultural Lands Acquisition is 3 months calculated from the date of the receipt of the consent to transfer from the state authority favouring BSS Development.

- (ii) **Joint venture between Matrix Concepts, Nissin Ex. Co Ltd and Nihon House Corporation for the manufacturing of prefabricated building materials**

The Company had on 13 April 2017 announced that it had entered into a Joint Venture Agreement cum Shareholders Agreement and Subscription Agreement with Nissin Ex. Co, Ltd and Nihon House Corporation to jointly venture into the manufacturing of prefabricated building materials using the technology of Industrialised Building Systems to be undertaken by the joint venture company, Matrix IBS Sdn Bhd. Please refer to the Company’s announcement dated 13 April 2017 for further information on Nissin Ex. Co, Ltd. and Nihon House Corporation.

The adoption of this new technology is expected to bode well for the future earnings of the Company as the integration of this new construction methodologies with Matrix Concepts’s in house construction arm using IBS technologies will shorten the construction duration of the properties by up to 30% with better worksite efficiency.

- (iii) **Memorandum of understanding between Matrix Concepts and Changhua Christian Hospital, Republic of China (Taiwan)**

The Company had on 1 March 2017 announced that it had entered into a Memorandum of Understanding (“MOU”) with Changhua Christian Hospital, Republic of China (“Taiwan”) for the proposed establishment of a medical and specialist healthcare service provider in Bandar Sri Sendayan, Negeri Sembilan to be known as Matrix Global Specialist Centre. Please refer to the Company’s announcement dated 1 May 2017 for further information on Changhua Christian Hospital.

As at the date of this announcement, the relevant reviews and feasibility studies for the construction and development of Matrix Global Specialist Centre is being conducted. Upon establishment, Matrix Global Specialist Centre shall be the first hospital to be built in Bandar Sri Sendayan, to cater for the current population of more than 30,000 residents with a future target of more than 120,000 by 2022.

- (iv) **Proposed bonus issue of up to 163,941,084 new Matrix Concepts Shares (“Bonus Shares”) on the basis of 1 Bonus Share for every 4 existing Matrix Concepts Shares held on an entitlement date to be determined later (“Proposed Bonus Issue”)**

On 16 May 2017, on behalf of the Company, Maybank Investment Bank Berhad announced that the Company proposes to undertake a bonus issue of up to 163,941,084 new Matrix Concepts Shares (“Bonus Shares”) on the basis of one (1) Bonus Share for every four (4) existing Matrix Concepts Shares held on the entitlement date to be determined later.

MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)
(INCORPORATED IN MALAYSIA)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL YEAR ENDED
(“FYE”) 31 MARCH 2017

B7. Status of utilisation of proceeds raised from the exercise of ESOS Options

As mentioned in Note A5 above, the Company had raised an aggregate of approximately RM4.18 million via the subscription of the following during the financial quarter ended 31 March 2017:

- (i) 2,017,050 new Matrix Concepts Shares pursuant to the exercise of the ESOS Options, whereby 476,255 ESOS Options were exercised at a subscription price of RM1.83 per new Matrix Concepts Share, 1,235,170 ESOS Options were exercised at a subscription price of RM2.08 per new Matrix Concepts Share and 305,625 ESOS Options were exercised at a subscription price of RM2.40 per new Matrix Concepts Share.

The Company has since fully utilised the proceeds raised as working capital for the Group.

B8. Group borrowings and debt securities

The Group’s borrowings as at 31 March 2017 are as follows:

	Unaudited as at 31.03.2017 RM’000
Short term borrowings	
<u>Secured:</u>	
Hire purchase creditors	336
Term loans	41,507
Bank overdrafts	44,052
	<u>85,895</u>
 Long term borrowings	
<u>Secured:</u>	
Hire purchase creditors	1,146
Term loans	186,657
	<u>187,803</u>
 Total Borrowings	 <u><u>273,698</u></u>

The Group’s borrowings are denominated in 2 currencies, namely Malaysian Ringgit and Australian Dollar, the breakdown of which are as follows:

	RM’000
Malaysian Ringgit	254,629
Australian Dollar	19,069
 Total Borrowings	 <u><u>273,698</u></u>

B9. Changes in Material Litigation

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

MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)
(INCORPORATED IN MALAYSIA)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL YEAR ENDED
(“FYE”) 31 MARCH 2017

B10. Dividends

The Board of Directors of the Company has on 16 May 2017, declared a fourth interim single tier dividend of 3.75 sen per Matrix Concepts Share held for the financial year ended 31 March 2017, to be paid on 20 June 2017 to all holders of ordinary shares whose names appeared in the Record of Depositors at the close of business on 6 June 2017.

On 12 April 2017, a third interim single tier dividend of 3.50 sen per Matrix Concepts Share for the financial year ended 31 March 2017 was paid to all holders of ordinary shares whose names appeared in the Record of Depositors at the close of business on 31 March 2017.

B11. Realised and unrealised profits/losses disclosure

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

	Unaudited as at 31.03.2017 RM'000
Total retained profits of the Group	
- Realised	438,179
- Unrealised	1,498
	<u>439,677</u>
Less: Consolidation adjustments	(48,599)
Total Group retained profits as per Statement of Financial Position	<u><u>391,078</u></u>

B12. Earnings Per Share

(i) Basic earnings per share

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

	Current Quarter Ended 31.03.2017	Cumulative Period-To-Date 31.03.2017
Profit attributable to equity holders of the Company (RM'000)	38,984	187,823
Weighted average number of ordinary shares ('000)	572,359	568,799
Basic earnings per share (sen)	6.8	33.0

MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)
(INCORPORATED IN MALAYSIA)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL YEAR ENDED
(“FYE”) 31 MARCH 2017

(ii) Diluted earnings per share

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

	Current Quarter Ended	Cumulative Period-To-Date
	31.03.2017	31.03.2017
Profit attributable to equity holders of the Company (RM'000)	38,984	187,823
Weighted average number of ordinary shares for the quarter ended 31 March 2017 ('000)	572,359	568,799
Effect of potential exercise of Warrants	51,937	51,937
Effect of potential exercise of ESOS	29,663	29,663
Weighted enlarged average number of ordinary shares ('000)	653,959	650,399
Diluted earnings per share(sen)	6.0	28.9

B13. Notes to the Statement of Comprehensive Income

	Current Quarter Ended	Cumulative Period-To-Date
	31.03.2017	31.03.2017
	RM'000	RM'000
Included in the profit for the period are:		
- Interest income	(447)	(2,014)
- Other income including investment income	(446)	(1,038)
- Interest expenses	4,107	7,095
- Depreciation of property, plant and equipment	2,555	8,883
- Receivables written off	-	-
- Inventories written off	-	-
- Gain/(loss) on disposal of quoted or unquoted investments or properties	-	-
- Impairment of assets	-	-
- Realised gain/(loss) on foreign exchange	-	-
- Realised gain/(loss) on derivatives	-	-
- Rental income on properties	(87)	(272)

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

B14. Auditors' report

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

MATRIX CONCEPTS HOLDINGS BERHAD (Company No: 414615-U)
(INCORPORATED IN MALAYSIA)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL YEAR ENDED
(“FYE”) 31 MARCH 2017

B15. Authority For Issue

The interim financial statements were reviewed by the Audit Committee of the Company and duly authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 16 May 2017.

By order of the Board of Directors

Dato’ Lee Tian Hock
Group Managing Director

Date: 16 May 2017