MATRIX®

CONTOURING GROWTH EMPOWERING PERFORMANCE

INTEGRATED ANNUAL REPORT 2023

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Matrix Concepts Holdings Berhad has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance practices.

Cover Rationale

Contouring Growth • Empowering Performance

The cover design depicts “land contours” being the primary natural capital of Matrix. Matrix continues to ‘contour’ its business and operational growth to drive empowered performance that delivers inspired results for its stakeholders. Integrating ESG perspectives into its business model, Matrix continues to develop a clear direction amidst the changing business and physical environment, effectively adapting to emerging challenges while leveraging opportunities. Thus, Matrix remains steadfast and future focused to drive robust performance across the short, medium, and long-term perspectives.

INSIDE THIS REPORT

ABOUT THIS REPORT

INTRODUCTION

Matrix Concept Holdings Berhad ("Matrix" or "the Group" or "the Company") is pleased to bring you its Integrated Annual Report for the financial year ended 31 March 2023 ("IAR2023").

IAR2023 continues to provide an integrated value creation narrative – bringing together both financial and non-financial matters that are material to the business model and presenting this information in a unified reporting approach. IAR2023 emphasises linkages between environmental, social and governance ("ESG") aspects of operations to financial and business performance, and vice versa.

The report has been prepared in accordance to the principles based framework of Integrated Reporting[1] comprising the following:

6 Capitals

- Financial
- Manufactured
- Intellectual
- Human
- Social
- Natural

7 Guiding Principles

1. Strategic focus and future orientation
2. Connectivity of information
3. Conciseness
4. Reliability and completeness
5. Consistency and comparability
6. Materiality
7. Stakeholder relationships

8 Content Elements

1. Organisational overview and external environment
2. Governance
3. Business model
4. Risks and opportunities
5. Strategy and resource allocation
6. Performance
7. Outlook
8. Basis of preparation and presentation

[1] *Since August 2022, the Value Reporting Foundation ("VRF") has merged with the International Financial Reporting Standards ("IFRS") Board with the Integrated Reporting Framework now becoming a pivotal part of the effort to link sustainability disclosures with financial statements as prescribed by the emerging IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Disclosure).*

ABOUT THIS REPORT

DISTINCTION BETWEEN INTEGRATED REPORTING AND CONVENTIONAL CORPORATE AND SUSTAINABILITY REPORTING

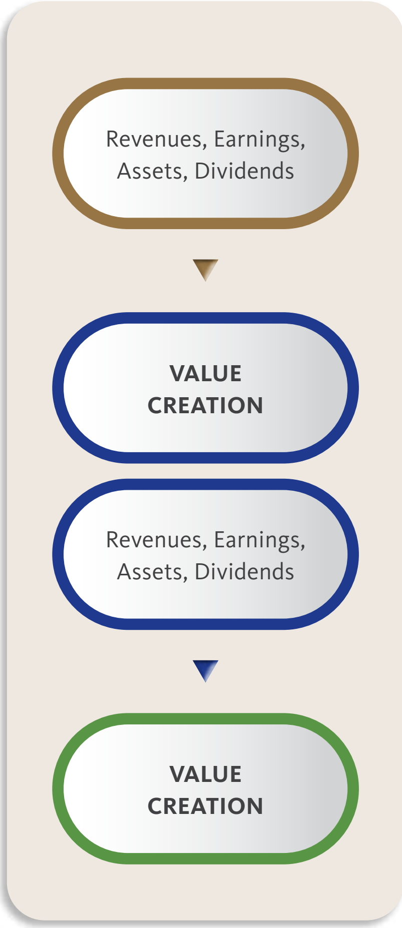
The following matrix provides a visual explanation of how integrated reporting differs from present reporting requirements and its value in bridging the present disclosure and information gaps.

Reporting on all sustainability matters that reflect significant positive or negative impacts on people, the environment, and the economy	For those interested in understanding the enterprise's positive and negative contributions to sustainable development
Reporting on those sustainability matters that create or erode enterprise value	For those interested in understanding the drivers of enterprise value
Already represented as monetary amounts recognised in the financial statements	For those interested in financial performance

Integrated Reporting as explained in the Introduction subsection, aims to link financial and non-financial information in providing a clearer and connected corporate narrative of what are the organisation's most material topics in terms of creating value. Value from an integrated reporting perspective is defined from a multi-capitals perspective of financial, manufactured, social, human, intellectual and natural capitals.

Conventional Value Creation Perspective	**Integrated Reporting Value Creation Perspective**
Typically, Financial Capitals only: Revenues, Earnings, Cashflow, Assets, etc.	Financial values + Non-financial values (Stakeholder and Environmental values, intellectual capitals and more).

ABOUT THIS REPORT

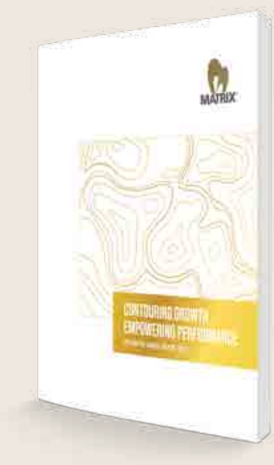


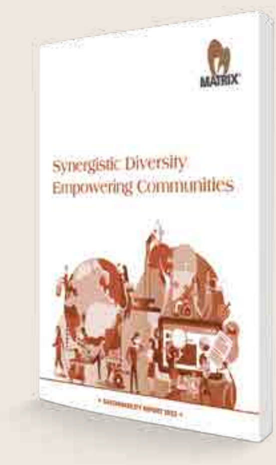
The IAR2023 does not replace existing financial and sustainability based reporting. Rather, it serves to complement these existing reports towards completing the corporate reporting suite.

Abbreviation used for Matrix Group in this Report are as follows:

- Mawar Medical Centre ("Mawar")
- d'Tempat Country Club ("d'Tempat Club")
- Matrix Global Schools ("MGS")
- d'Sora Boutique Business Hotel ("d'Sora Hotel")

OUR REPORTING SUITE





INTEGRATED ANNUAL REPORT 2023 ("IAR2023") or "this Report"

Provides a comprehensive yet concise narrative of Matrix's strategies, highlights and achievements in the creation of financial and non-financial values for financial year ended 31 March 2023 ("FY2023").

This includes providing readers with an understanding of how the Group creates value (beyond financial performance), its consumption of capitals and its plans and priorities to sustain value creation over short, medium and long-term perspectives.

IAR2023 also provides detailed information on business, operational and financial performance, including the Group's audited financial statements for FY2023.

SUSTAINABILITY REPORT 2023 ("SR2023")

SR2023 is published as a standalone sustainability report that provides a comprehensive review of Matrix's environmental, social and governance ("ESG") performance.

Disclosures are aligned to best practice global reporting frameworks as well as the requirements of the local regulator, Bursa Malaysia.

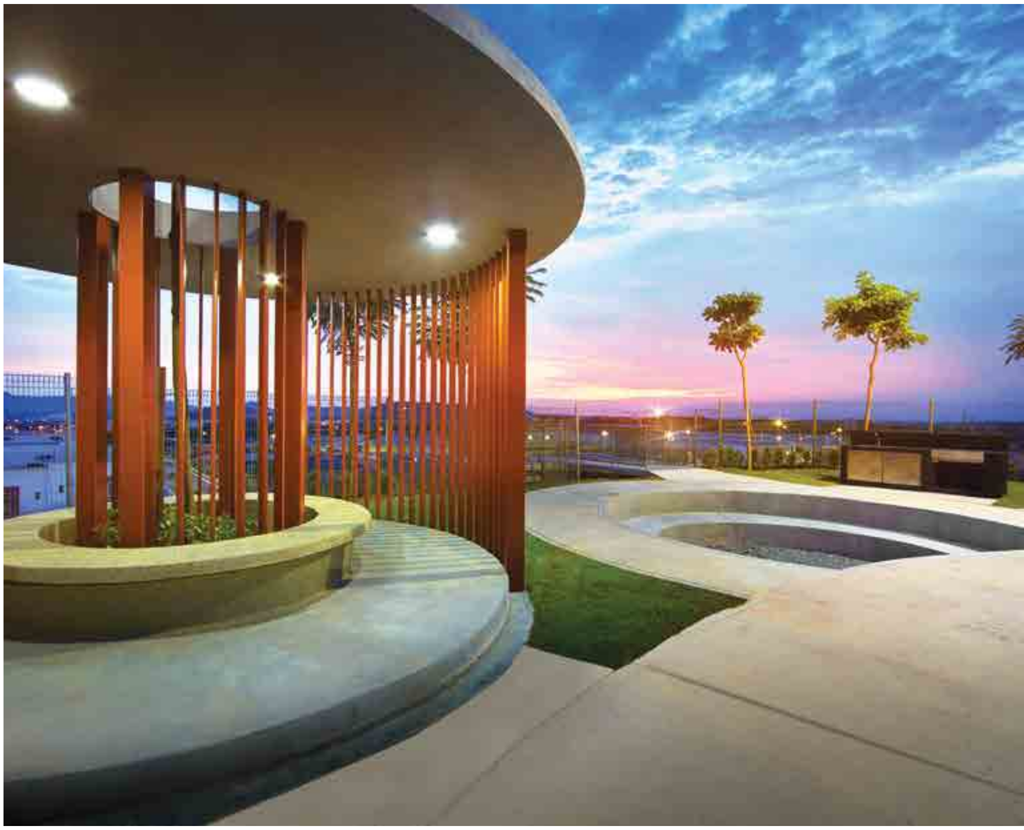
Key aspects of reporting covered include governance of ESG matters, the management approach to material topics and the results achieved as well as lessons learnt and plans to drive further improvements in ESG performance going forward.

ABOUT THIS REPORT

CORPORATE GOVERNANCE REPORT 2023 ("CG2023")

CG2023 demonstrates how Matrix has complied with the prescribed practices of the Malaysia Code of Corporate Governance 2021 ("MCCG 2021").

This includes the Group's upholding of transparency, accountability and corporate governance and ethics, the existence of internal frameworks and controls for the management and mitigation of risks, audit processes and checks and balance systems implemented for separation of powers, processes and shareholder involvement in the election and re-election of directors as well as how the Group ensures that the rights of minority shareholders are preserved.



REPORT SCOPE AND BOUNDARY

Matrix's IAR2023 covers the period of 1 April 2022 to 31 March 2023. Disclosures, where possible, are presented over 3-5 year time frames to represent industry / performance trends. The last report published was in 27 July 2022 for the period of 1 April 2021 to 31 March 2022.

Boundary is set to all operating entities under Matrix based on the method of equitation control, that is all entities in which Matrix has a majority equity shareholding and hence, is directly responsible for business strategies and operations of said entity.

The full list of companies included in this Report are provided in the Group Corporate Structure section.

Exclusions include operations in Indonesia where Matrix is minority joint-venture partner. Due to data limitations, operations from Australia have been largely omitted but will be included in future integrated reporting as data collection improves.

ABOUT THIS REPORT

REFERENCED / ACCORDANCED FRAMEWORKS

Beyond the principles based framework of Integrated Reporting, IAR2023 has been developed in accordance or in reference to the following domestic / international reporting frameworks (applied partially or in full):

Companies Act 2016 (“Act”)	**Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad**	**Malaysian Code on Corporate Governance 2021 (“MCCG 2021”)**
Bursa Malaysia Sustainability Reporting Guide – Third Edition	**Malaysian Financial Reporting Standards (“MFRS”)**	**Sustainability Accounting Standards Board (“SASB”)**
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures	**Global Reporting Initiative (“GRI”) 2021**	**Taskforce on Climate-Related Financial Disclosures (“TCFD”)**

RELATED INFORMATION

This Report is supplemented with additional online disclosures for our stakeholders. These include consolidated and separate financial statements, policies and structures of governance, organisational policies and other pertinent information.

The Group’s latest corporate announcements and our corporate policies are available for viewing on our website: https://www.mchb.com.my/investor-relations/.

Sustainability related information is given via: https://www.mchb.com.my/sustainability/.

The Group’s corporate governance policies including Board Charter and Terms of Reference, Code-of-Conduct and Whistleblowing Policy can be viewed at: https://www.mchb.com.my/investor-relations/corporate-governance/.

CAUTIONARY / DISCLAIMER STATEMENT

IAR2023 provides forward looking information such as Group business prospects, strategic priorities, performance aspirations based on set KPIs and targets, risks and opportunities and future business and operational plans.

Such conclusions, decisions or assumptions have been determined based on the best knowledge and ability of Management, given the strategic information available at the time of the development of IAR2023. Such information has been considered taking into account the external operating environment as well as present PESTLE (*Political Economic, Social, Technological, Legal and Environmental*) factors.

ABOUT THIS REPORT

However, given the dynamic nature of both the local and global operating environment and that many trends and developments are beyond the control or influence of any single company, country or even economic bloc, forward-looking information provided in IAR2023 may be rendered less accurate or irrelevant due to the aforementioned changes.

Hence, forward-looking statements are not conclusive and do not serve as guarantees of future operational or financial results or any other kind of outcome. Actual plans and results may differ from those expressed in this Report.

Readers are advised to exercise their own due diligence when making any investment decisions pertaining to Matrix or Matrix's IAR2023. Matrix is not liable or responsible for any outcome or impact arising from decisions made by readers after having based their conclusions on information presented in IAR2023.

DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board of Directors of Matrix acknowledges its responsibility in ensuring the integrity of this Report and has applied its collective mind to present a balanced and comprehensive Integrated Report based on good governance practices and guided by IIRC's <IR> Framework.

The Board also provides assurance that the financial statements audited by Crowe Malaysia PLT were prepared according to the relevant standards and frameworks, including the MFRS, IFRS and the Companies Act 2016.

DISTRIBUTION & AVAILABILITY

A digital version of this Report and past reports are available for download at: https://www.mchb.com.my/investor-relations/downloads/ as well as the website of Bursa Malaysia Securities Berhad.

ONLINE VERSION AND FEEDBACK

Feedback on this Report may be channelled to:
Ms. Carmen Loo
Tel: +606-764 2688
Email: carmen@mchb.com.my

ABOUT THIS REPORT

HOW TO READ THIS REPORT

While readers are at liberty in their approach to reading IAR2023, the following flow or sequence is recommended in enabling readers achieve optimum comprehension and clarity of presented information.

ABOUT MATRIX

Basic information on the Group, its subsidiaries and nature of operations, Vision and Mission, corporate structure and location of operations.

VALUES AND VALUE CREATION FROM THE MATRIX PERSPECTIVE

How Matrix defines values within a dynamic operating environment.

BUSINESS MODEL

Explanation of Matrix's business activities, its business strategies and how the Group differentiates itself from competitors.

MATTERS MATERIAL TO VALUE CREATION

A review of FY2023's PESTLE trends and developments that have influenced the business model and value creation from a multi-capital context.

LINKING ISSUES / RISKS WITH FINANCIAL PERFORMANCE

Matrix's continued efforts to establish linkages between ESG matters with business and financial performance in line with the spirit of integrated thinking.

BUSINESS VALUE CHAIN AND KEY PROCESSES

Demonstrates how the business model works, taking readers through the key stages within the property development process from landbanking up to post completion.

FORWARD FOCUS – OUR STRATEGIC PRIORITIES

Information related to future orientation and intended plans and focus areas going forward to sustain value creation.

MULTI-CAPITALS VALUE CREATION PERSPECTIVE

Matrix's consumption of the six capitals of Integrated Reporting and values created across the six capital perspectives.

VALUE CREATION MODEL

A visual representation of the matrix business model, including capitals consumed, key business processes and the values created over FY2023.

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

Messages from the leadership of Matrix including a detailed business and operational performance review of revenue, earnings and financials.

ROBUSTNESS AND MASTERY

OVERVIEW

VISION AND MISSION

OUR VISION

The creation of a benchmark – nurturing environment and enriching lives by being a caring and community developer. Providing premier and quality education for our future generation and diversify into sustainable property investment.

OUR MISSION

Strive to consistently exceed our customers' expectations through delivering par excellence products and professional services for unparalleled customer experience.

Continuously develop our highly valued human capital based on meritocracy to ensure continuous growth for both the business and stakeholders.

Creation and enhancing shareholders' value and fulfillment of our corporate social responsibilities.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Haji Mohamad Haslah Bin Mohamad Amin
Chairman
(Non-Independent Non-Executive Director)

Dato' Seri Lee Tian Hock
Group Executive Deputy Chairman
(Non-Independent Executive Director)

Ho Kong Soon
Group Managing Director
(Non-Independent Executive Director)

Dato' Logendran A/L K Narayanasamy
(Non-Independent Non-Executive Director)

Mazhairul Bin Jamaludin
(Senior Independent Non-Executive Director)

Dato' Hon Choon Kim
(Independent Non-Executive Director)

Dato' Hajah Kalsom Binti Khalid
(Independent Non-Executive Director)

Chua See Hua
(Independent Non-Executive Director)

Loo See Mun
(Independent Non-Executive Director)

AUDIT COMMITTEE

Mazhairul Bin Jamaludin (Chairman)
Dato' Hon Choon Kim
Dato' Hajah Kalsom Binti Khalid
Chua See Hua
Loo See Mun

REMUNERATION COMMITTEE

Dato' Hon Choon Kim (Chairman)
Dato' Hajah Kalsom Binti Khalid
Mazhairul Bin Jamaludin

NOMINATION COMMITTEE

Dato' Hajah Kalsom Binti Khalid (Chairperson)
Dato' Hon Choon Kim
Chua See Hua
Loo See Mun

RISK MANAGEMENT COMMITTEE

Chua See Hua (Chairperson)
Ho Kong Soon
Dato' Logendran A/L K Narayanasamy
Dato' Hajah Kalsom Binti Khalid
Mazhairul Bin Jamaludin
Loo See Mun

SUSTAINABILITY COMMITTEE

Dato' Haji Mohamad Haslah Bin Mohamad Amin (Chairman)
Dato' Seri Lee Tian Hock
Ho Kong Soon
Dato' Logendran A/L K Narayanasamy
Mazhairul Bin Jamaludin

COMPANY SECRETARY

Carmen Loo Kah Boon
(MAICSA 0784630)
(SSM Practicing Certificate No. 201908001700)

REGISTERED OFFICE

Wisma Matrix
No. 57, Jalan Tun Dr. Ismail,
70200 Seremban,
Negeri Sembilan.
Tel : +606-7642 688
Fax : +606-7646 288
Website : www.mchb.com.my
Email : matrixcorp@mchb.com.my

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Main Market
Property Sector

STOCK NAME AND CODE

MATRIX (5236)

AUDITORS

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF1018
52, Jalan Kota Laksamana 2/15,
Taman Kota Laksamana, Seksyen 2,
75200 Melaka.
Tel : +606-2825 995
Fax : +606-2836 449

REGISTRAR

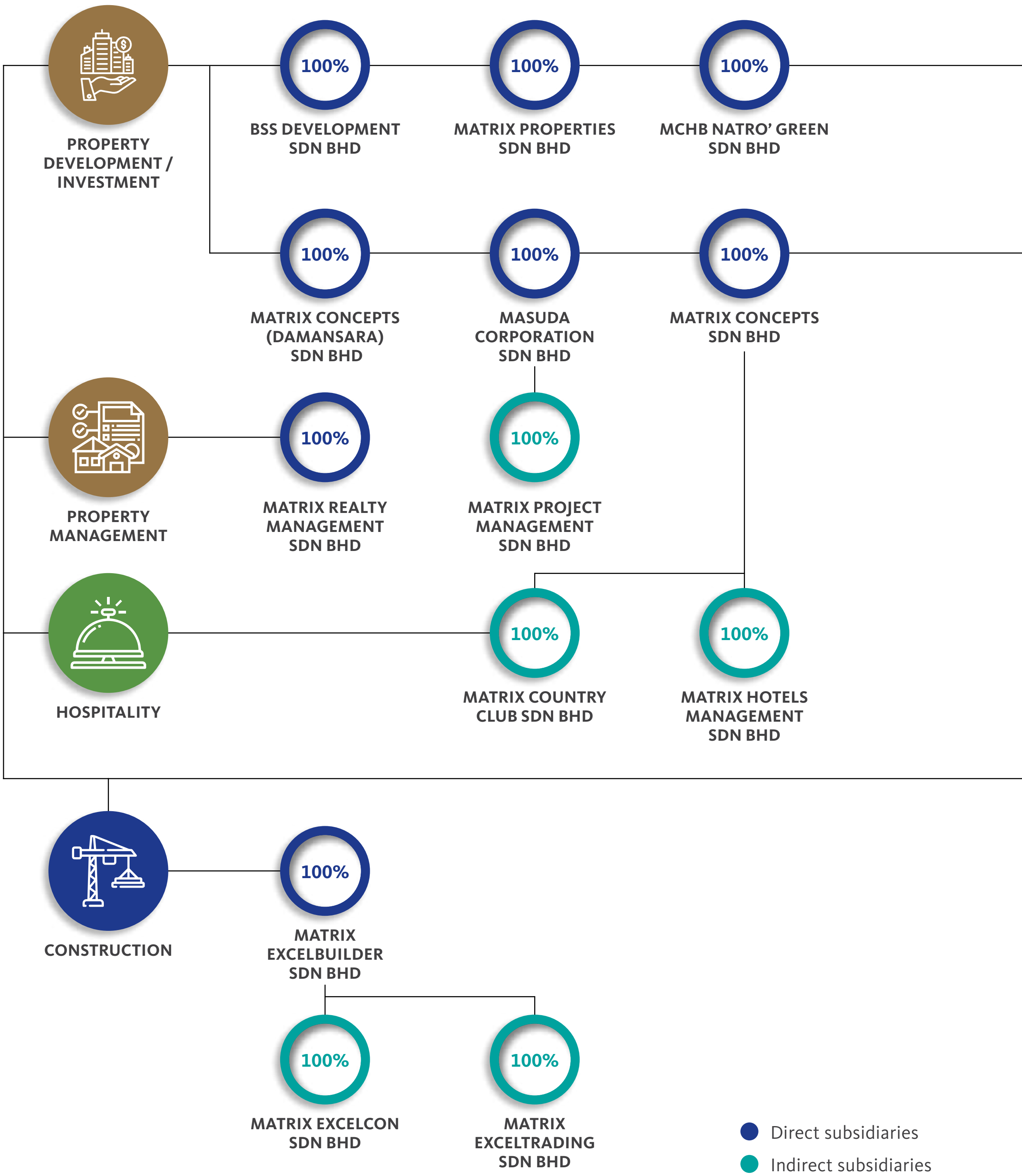
Bina Management (M) Sdn Bhd
Lot 10, The Highway Centre,
Jalan 51/205,
46050 Petaling Jaya,
Selangor.
Tel : +603-7784 3922
Fax : +603-7784 1988
Email : binawin@binamg168.com

BANKERS

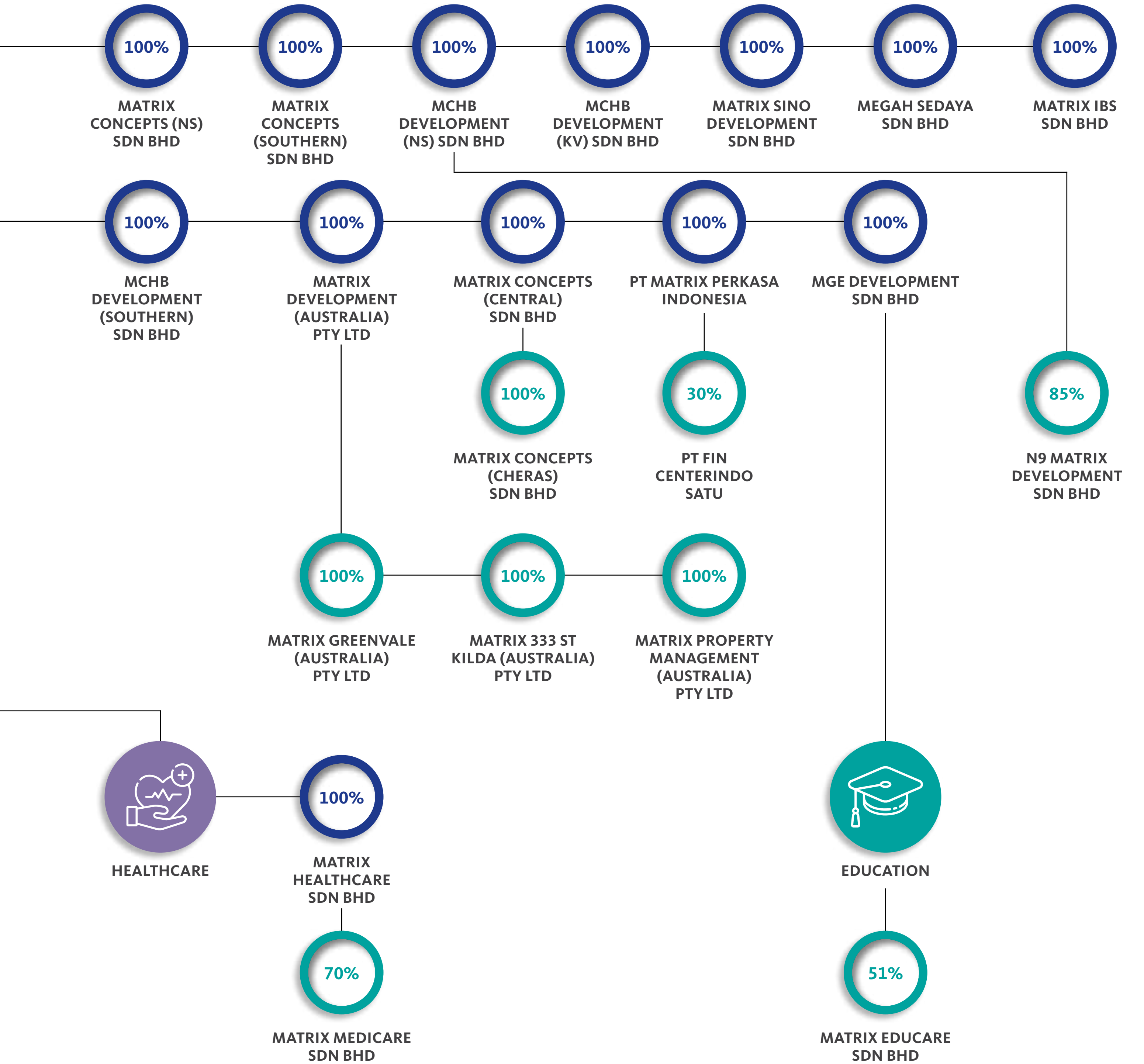
AmBank Islamic Berhad
AmBank Berhad
Public Bank Berhad
Maybank Islamic Berhad
Hong Leong Bank Berhad

CORPORATE STRUCTURE

MATRIX®



CORPORATE STRUCTURE



KEY CORPORATE MILESTONES

1996

Incorporation of Matrix Concepts Holdings Berhad.

MATRIX®

1997

Maiden project at Taman Bahau in Negeri Sembilan comprising 595 units of mixed residential and commercial development.

1999

Joint venture with Menteri Besar Incorporated of Negeri Sembilan to develop Taman Andalas on 39 acres of land.

2005

The first Joint-Venture flagship development at Bandar Seri Impian, Kluang, Johor followed by Bandar Sri Sendayan as the second flagship project.

2013

Matrix Concepts Holdings Berhad listed on the Main Market of Bursa Malaysia Securities Berhad on 28 May 2013.

2014

Completion of listing of Bonus Issue of 152,167,146 new ordinary shares of RM1.00 each in the Company, on the basis of one (1) bonus share for every two (2) existing shares in the Company.

2015

Completion of listing of 77,325,585 new ordinary shares of RM1.00 each in the Company on the basis of one (1) bonus share for every six (6) existing shares and 77,325,585 warrants in the Company on the basis of one (1) warrant for every six (6) existing shares on Main Market of Bursa Malaysia Securities Berhad.

2016

Launched its first oversea project, M.Carnegie Boutique Apartment in Melbourne, Australia.

2017

Maiden issuance of Sukuk Wakalah under the Sukuk Wakalah Programme, comprising RM50.0 million in nominal value of Islamic Commercial Papers and RM100.0 million in nominal value of Islamic Medium Term Notes.

Completion of listing of 147,778,258 new ordinary shares in the Company on the basis of one (1) bonus share for every four (4) existing shares in the Company and 12,872,798 additional Warrants arising from the adjustments made in relation to the Bonus Issue.

KEY CORPORATE MILESTONES

2017

Education Joint Collaboration Agreement entered into between Matrix Global Education Sdn Bhd (now known as MGE Development Sdn Bhd) and Hengshui Yizhong Education Group Sdn Bhd for advancement of education for students from China.

2018

Memorandum of Understanding entered into between the Company and PT Bangun Kosambi Sukses and PT Nikko Sekuritas Indonesia for the joint development of an Islamic Financial District in Pantai Indah Kapuk 2, Jakarta.

Joint Venture Agreement entered into between the Company and PT Bangun Kosambi Sukses and PT Nikko Sekuritas Indonesia to jointly venture into the construction and development of an Islamic Financial District in Indonesia.

Subsequent issuance of Islamic Medium Term Notes of RM100.0 million in nominal value under the Sukuk Wakalah Programme.

2019

Management Agreement entered into between Matrix Medicare Sdn Bhd ("MMSB") and Pusat Hemodialisis Mawar ("PHM") wherein MMSB was appointed as the exclusive service provider in respect of the management of Mawar Medical Centre (Mawar).

2019

Completion of listing of a total of 70.0 million placement shares which were placed out in four (4) tranches in relation to the Private Placement.

Joint Venture cum Shareholders Agreement entered into between MGE Development Sdn Bhd and Bonanza Educare Sdn Bhd with a mutual objective to provide efficient operations and management of Matrix Global Schools based on an agreed business plan.

Joint Venture Agreement entered into between Matrix Concepts (Southern) Sdn Bhd and Koperasi Kemajuan Tanah Negeri Johor Berhad ("KKTNJB") with a mutual objective and purpose of carrying out mixed development projects on part of the land owned by KKTNJB.

2022

Signing of Memorandum of Understanding between NS Corporation and MCHB Development (NS) Sdn Bhd on 28 April 2022 to record both parties' intentions to collaborate and carry out development on certain part of the lands in MVV 2.0.

Signing of Sale and Purchase Agreement and Joint Venture Agreement between NS Corporation and MCHB Development (NS) Sdn Bhd on 24 August 2022 on the purchase of MVV Land, Negeri Sembilan.

Completion of Bonus Issue of 417,115,361 new ordinary shares on the basis of 1 bonus share for every 2 existing ordinary shares held in the Company.

GROUP CORPORATE PROFILE

ABOUT MATRIX

Matrix's principal business operations is Property Development and its related services. Together with other businesses comprising Construction, Education, Hospitality and Healthcare, which cumulatively are regarded as Matrix's five pillars of strength. This enables Matrix to derive operational synergies across its business model and value chain to enhance the value proposition of its townships and stand-alone property developments.

Reflecting its tagline of "*Nurturing Environments, Enriching Lives*", Matrix aspires to deliver sustainable, community living environments that meets property buyers' aspirations while providing them with value and the opportunity to enjoy and aspire to better lifestyle experiences. In essence, beyond providing quality build and design, Matrix looks to deliver a complete lifestyle eco-system of work, play, dine, shop, learn and more. Matrix has expanded its footprint into Indonesia and Australia.

OUR BUSINESS FOOTPRINT AND PRESENCE

PROPERTY DEVELOPMENT

- In Malaysia, we are within the top 10 property developers (The Edge Top 10 Property Developers Award 2022).
- We have won multiple awards for our property development by being a sustainable developer.
- From land acquisition, planning to construction and delivery, we provide the best quality homes and experience to the purchasers.
- We provide a conducive living environment and vibrant communities to our home buyers.

CONSTRUCTION

- Our construction arm, Matrix Excelcon Sdn Bhd serves as a key enabler to our developments, and brings vast experience in undertaking infrastructure, residential and commercial projects.
- Backed by the dedicated management team, all of our developments are delivered in timely manner with utmost efficiency and competitive pricing which will exceed our customers' expectations of quality and services.

GROUP CORPORATE PROFILE

EDUCATION

- Matrix Global Schools comprise of Matrix Private School, Matrix International School and Matrix International Preschool located in one campus, focus with one vision and one mission.
- We are a leading international and private education provider in Negeri Sembilan in creating new frontiers where we live up to our tagline "*Nulli Secunda*" which is "second to none" in terms of our quality of education.
- Our philosophy is to challenge our students to be intellectually curious, responsive and persistent; to be committed to and expressive of their ideas.

HOSPITALITY

- d'Tempat Country Club, designed to be a top-notch club in Negeri Sembilan, caters to the ever increasing needs of residents and guest for leisure, sporting and excellent dining facilities. The Club also offers a perfect venue for all corporate functions, meetings, weddings and conferences.
- d'Sora Boutique Business Hotel, a 3-Star contemporary business hotel, offers a complete range of facilities that meet business needs and travellers' comforts.

HEALTHCARE

- Through its 30-year management agreement with Pusat Hemodialisis Mawar ("PHM"), Matrix has now penetrated into the healthcare sector. Matrix Medicare Sdn Bhd, the Group's subsidiary company, manages PHM's non-clinical operations of Mawar Medical Center such as finance, administration and human resources.
- The partnership with PHM is a first step in realising the Group's long-held ambitions towards establishing a fullfledged medical centre, while tapping on the potential synergistic benefits of integrating its property development and healthcare businesses.

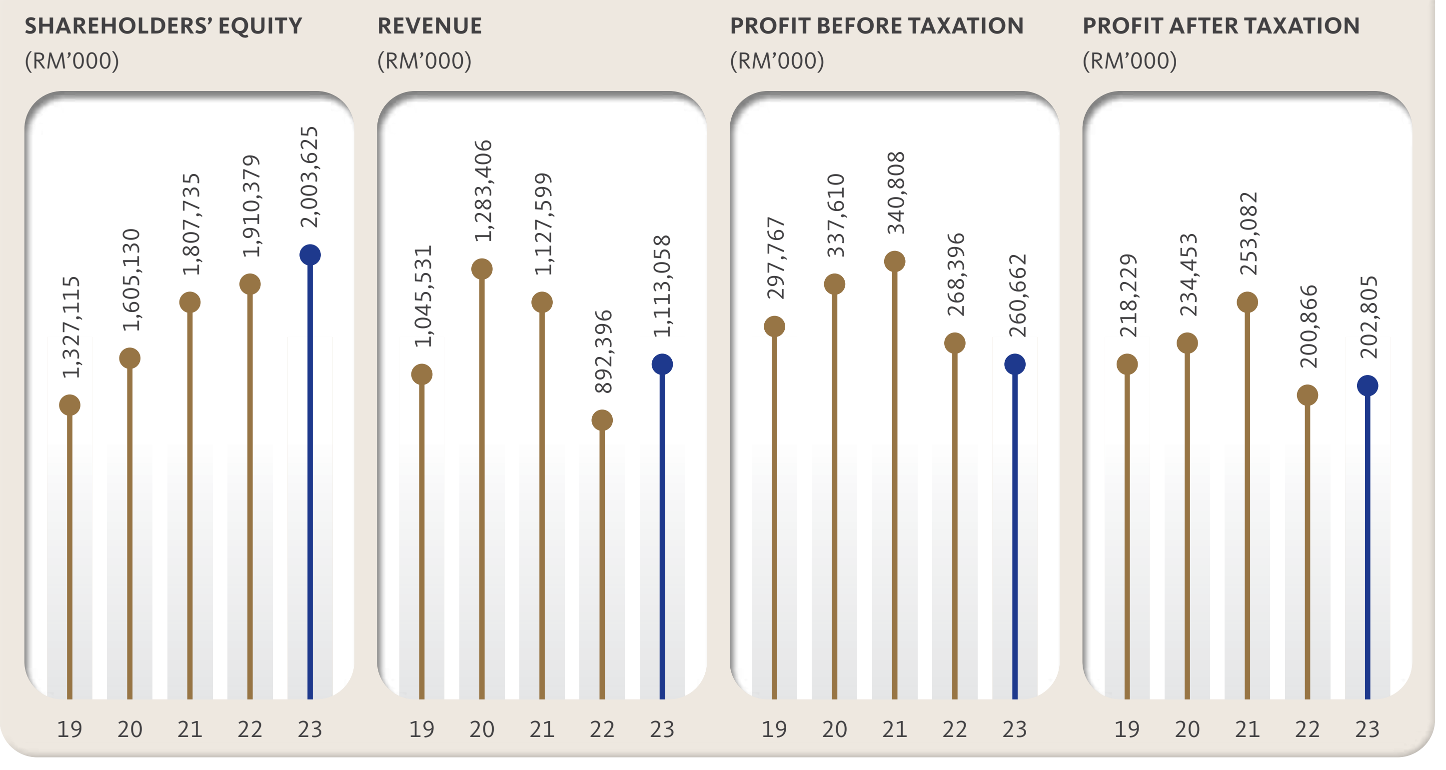
STRATEGY AND PRUDENCE

PERFORMANCE

FIVE-YEAR GROUP FINANCIAL HIGHLIGHTS

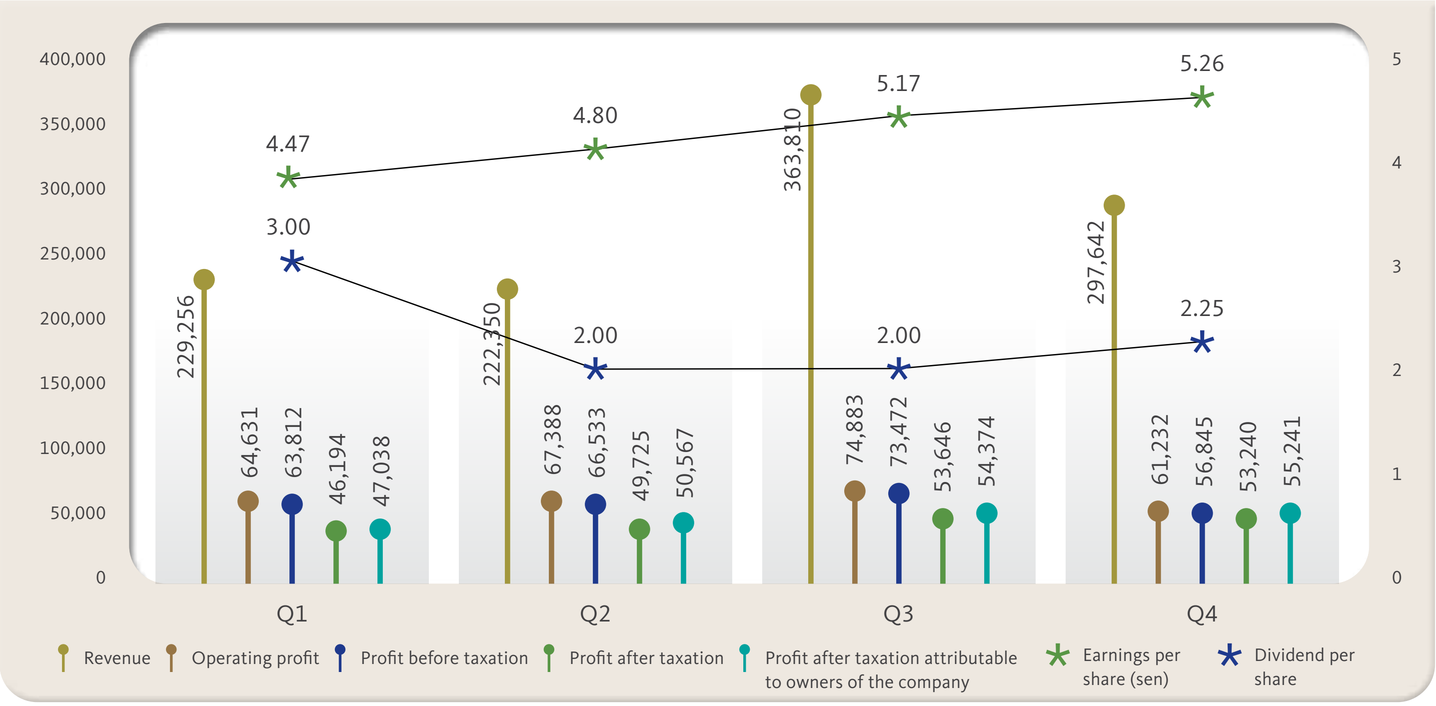
IN RM'000	12 MONTHS AUDITED 2023	12 MONTHS AUDITED 2022	12 MONTHS AUDITED 2021	12 MONTHS AUDITED 2020	12 MONTHS AUDITED 2019
Revenue	**1,113,058**	892,396	1,127,599	1,283,406	1,045,531
Cost of sales	**(624,272)**	(401,967)	(562,354)	(715,314)	(523,314)
Operating expenses	**(250,244)**	(241,159)	(242,879)	(238,256)	(237,037)
Operating profit	**238,542**	249,270	322,366	329,836	285,180
Other income	**26,550**	27,169	39,520	10,045	15,883
Finance cost	**(6,246)**	(11,452)	(26,244)	(2,145)	(3,296)
Share of net results of joint venture	**1,816**	3,409	5,166	(126)	–
Profit before taxation	**260,662**	268,396	340,808	337,610	297,767
Taxation	**(57,857)**	(67,530)	(87,726)	(103,157)	(79,538)
Profit after taxation	**202,805**	200,866	253,082	234,453	218,229
Profit attributable to owners of the company	**207,220**	205,198	262,223	237,386	218,389
Shareholders' equity	**2,003,625**	1,910,379	1,807,735	1,605,130	1,327,115
Earnings per share (sen)*	**19.7**	19.5	21.0	19.4	18.7
Return on equity	**10.3%**	10.7%	14.5%	14.8%	16.5%

* *For comparative purpose, the earnings per share had been adjusted to reflect the bonus issue of 1 for every 2 existing ordinary shares which was completed on 21 September 2022.*



GROUP QUARTERLY PERFORMANCE

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023



In RM'000	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year Ended 31.03.2023
Revenue	229,256	222,350	363,810	297,642	1,113,058
Cost of sales	(119,985)	(108,798)	(213,063)	(182,426)	(624,272)
Selling & marketing expenses	(19,368)	(20,837)	(38,267)	(7,240)	(85,712)
Administrative expenses	(27,937)	(28,156)	(40,648)	(64,749)	(161,490)
Other income	2,665	2,829	3,051	18,005	26,550
Operating profit (include other income)	64,631	67,388	74,883	61,232	268,134
Finance cost	(1,325)	(1,248)	(1,904)	(1,769)	(6,246)
Impairment losses on financial assets	-	-	-	(3,042)	(3,042)
Share of net results of associate	506	393	493	424	1,816
Profit before taxation	63,812	66,533	73,472	56,845	260,662
Taxation	(17,618)	(16,808)	(19,826)	(3,605)	(57,857)
Profit after taxation	46,194	49,725	53,646	53,240	202,805
Profit after taxation attributable to owners of the company	47,038	50,567	54,374	55,241	207,220
Earnings per share (sen)*	4.47	4.80	5.17	5.26	19.70
Dividend per share (sen)	3.00#	2.00	2.00	2.25	9.25

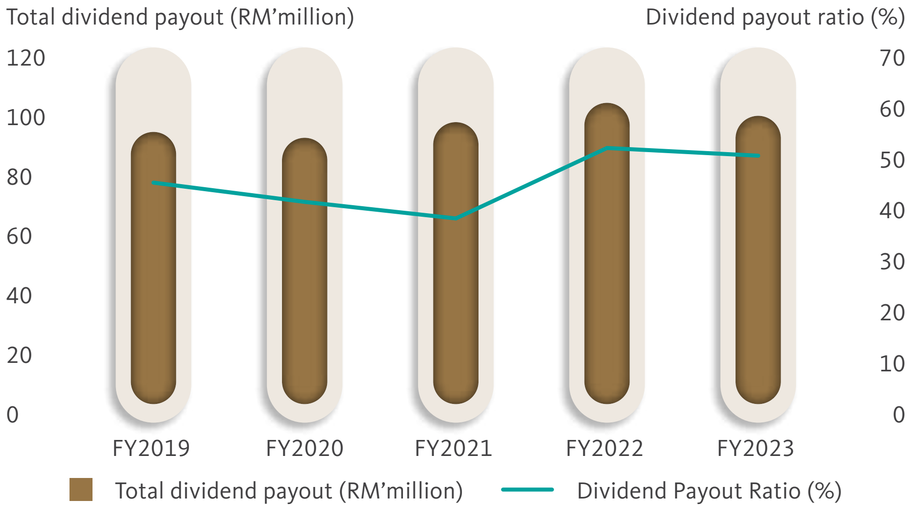
* *Bonus issue adjustment accounted for.*

\# *The first interim dividend of 3 sen per ordinary shares is calculated based on the share capital prior to the bonus issue.*

DIVIDEND HIGHLIGHTS

DIVIDEND PAYMENT PER ORDINARY SHARE FOR THE LAST 4 QUARTERS

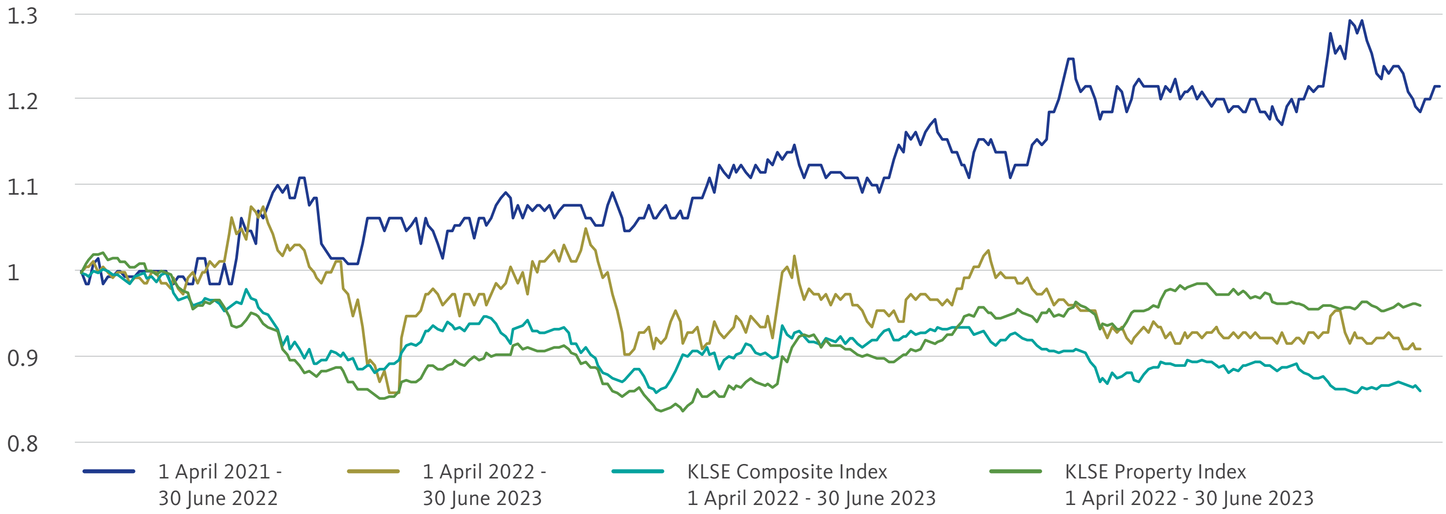
SUMMARY OF DIVIDEND PAYOUT FOR FY2019 TO FY2023



Financial Year	Financial Period	Date of Payment	Type of Dividend	Net Dividend (sen)	Dividend Paid (RM'million)	Total Dividend Payout (RM'million)	Dividend Payout Ratio (%)
2023	4Q23	06-Jul-23	Interim Dividend	2.25	28.2	103.2	50.9%
	3Q23	06-Apr-23	Interim Dividend	2.00	25.0		
	2Q23	12-Jan-23	Interim Dividend	2.00	25.0		
	1Q23	06-Oct-22	Interim Dividend	3.00	25.0		
2022	4Q22	07-Jul-22	Interim Dividend	3.75	31.3	104.3	52.0%
	3Q22	07-Apr-22	Interim Dividend	3.75	31.3		
	2Q22	06-Jan-22	Interim Dividend	3.00	25.0		
	1Q22	07-Oct-21	Interim Dividend	2.00	16.7		
2021	4Q21	08-Jul-21	Interim Dividend	4.00	33.4	100.1	39.6%
	3Q21	08-Apr-21	Interim Dividend	3.00	25.0		
	2Q21	08-Jan-21	Interim Dividend	3.00	25.0		
	1Q21	08-Oct-20	Interim Dividend	2.00	16.7		
2020	4Q20	07-Aug-20	Interim Dividend	2.50	20.9	95.3	40.6%
	3Q20	15-Apr-20	Interim Dividend	3.00	25.0		
	2Q20	08-Jan-20	Interim Dividend	3.00	24.7		
	1Q20	09-Oct-19	Interim Dividend	3.00	24.7		
2019	4Q19	10-Jul-19	Special Dividend	0.25	1.9	97.1	44.5%
			Interim Dividend	3.00	23.6		
	3Q19	10-Apr-19	Interim Dividend	3.00	22.6		
	2Q19	09-Jan-19	Interim Dividend	3.25	24.5		
	1Q19	10-Oct-18	Interim Dividend	3.25	24.5		

SHARE PRICE PERFORMANCE

MATRIX SHARE PRICE INDEX 1 APRIL 2022 - 30 JUNE 2023



SUMMARY OF BENCHMARK INDEX MOVEMENT

	Matrix Share 1 April 2021 - 30 June 2022 (RM)	Matrix Share 1 April 2022 - 30 June 2023 (RM)	Variance (%)	KLSE Composite Index 1 April 2022 - 30 June 2023	KLSE Property Index 1 April 2022 - 30 June 2023
Opening	1.29	1.55	20.2%	1,602.41	717.44
Closing	1.57	1.41	-10.2%	1,376.68	689.76
Movement	0.28	-0.14		-225.73	-27.68
Average	1.44	1.49	3.5%	1,465.46	664.36
Lowest	1.27	1.33	4.7%	1,373.36	599.78
Highest	1.67	1.67	0.0%	1,607.29	734.44
Range	1.27 - 1.67	1.33 - 1.67		1,373.36 - 1,607.29	599.78 - 734.44
Median	1.43	1.49		1,458.67	665.37

	Matrix Share 1 April 2021 - 30 June 2022 (units)	Matrix Share 1 April 2022 - 30 June 2023 (units)	Variance (%)	KLSE Composite Index 1 April 2022 - 30 June 2023 (units)	KLSE Property Index 1 April 2022 - 30 June 2023 (units)
Average volume	855,132	886,213	3.6%	171,571,019	130,302,982
Volume median	621,150	582,450	-6.2%	152,863,500	119,548,200

Notes

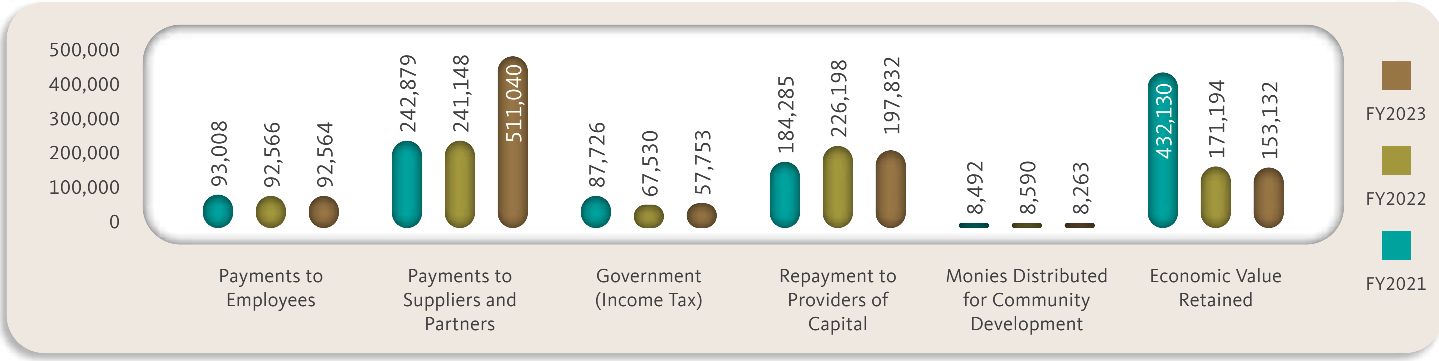
Opening	*Value on 1 April*
Closing	*Value on 30 June*
Movement	*Difference of value between opening and closing*
Average	*Average value for the whole period (Total/no. of days)*
Range	*The gap between lowest and highest value*
Median	*Middle value for the preriod*

STATEMENT OF VALUE ADDED DISTRIBUTION AND SIMPLIFIED FINANCIAL STATEMENT

Beyond direct financial values such as revenues and earnings, Matrix continues to focus on the creation of indirect financial values as per the following:

VALUE DISTRIBUTION STATEMENT

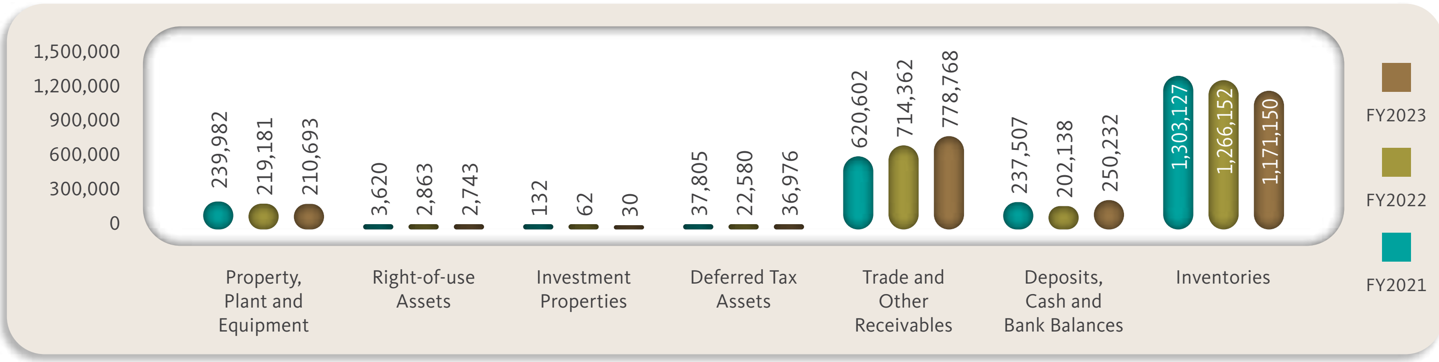
(RM'000)



Further explanation on the Group's financial performance for FY2023 is provided for in the Management Discussion & Analysis.

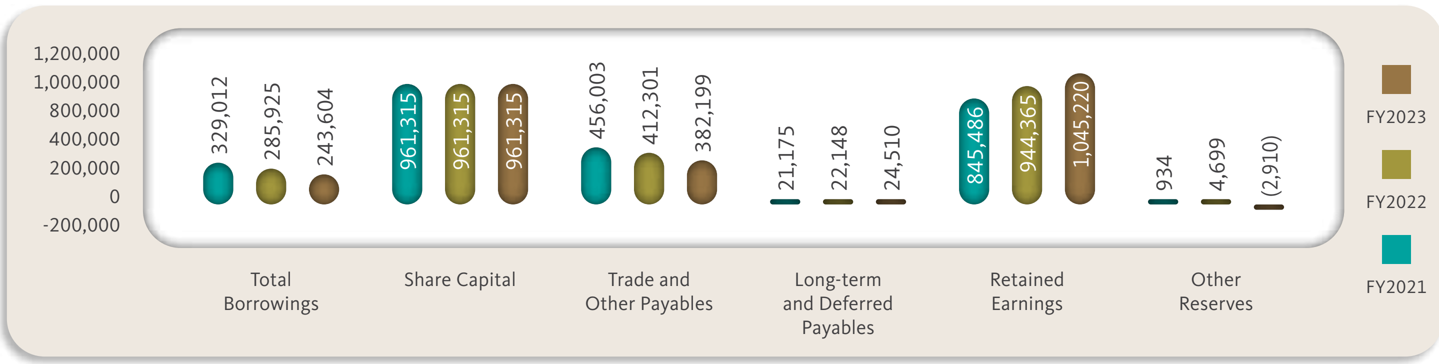
SIMPLIFIED STATEMENT OF ASSETS

(RM'000)



SIMPLIFIED STATEMENT OF LIABILITIES AND SHAREHOLDERS' EQUITY

(RM'000)



ACCOLADES

FOR FINANCIAL YEAR ENDED 31 MARCH 2023

THE JOURNEY OF AN AWARD-WINNING DEVELOPER

THE STARPROPERTY MALAYSIA AWARDS - ALL-STARS AWARD (TOP 10 LISTED COMPANY)
Matrix Concepts Holdings Berhad

THE STARPROPERTY MALAYSIA AWARDS
THE LUXURY AWARD – BEST LUXURY PROPERTY DEVELOPMENT (LANDED)
Resort Villa (Excellence)

MALAYSIA PROPERTY AWARD™
PROPERTY CEO 2022
Ho Kong Soon

PROPERTYGURU ASIA AWARDS MALAYSIA WITH IPROPERTY
TOWNSHIP DEVELOPMENT OF THE YEAR
Bandar Sri Sendayan

BEST DEVELOPER (SOUTHERN MALAYSIA)
Matrix Concepts Holdings Berhad

BEST MEGA TOWNSHIP DEVELOPMENT
Bandar Sri Sendayan

THE EDGE BILLION RINGGIT CLUB
HIGHEST RETURN ON EQUITY OVER 3 YEARS
Matrix Concepts Holdings Berhad

THE EDGE TOP 10 PROPERTY DEVELOPERS AWARDS 2022
Matrix Concepts Holdings Berhad

THE EDGE PROPERTY EXCELLENCE AWARDS OUTSTANDING PROPERTY CEO AWARD 2022
Ho Kong Soon

MALAYSIA DEVELOPER AWARDS
NUMBER 1 IN TOP 10 FOR MARKET CAPITALISATION OF RM1 BILLION AND ABOVE
Matrix Concepts Holdings Berhad

THE STARPROPERTY MALAYSIA AWARDS
EXCELLENCE THE NEIGHBOURHOOD AWARD
(BEST COMPREHENSIVE TOWNSHIP - ABOVE 2,000 ACRES)
Bandar Sri Sendayan

THE STARPROPERTY MALAYSIA AWARDS
HONOURS THE FAMILY-FRIENDLY AWARD - BEST FAMILY - CENTRIC DEVELOPMENT (LANDED) - BEYOND GREATER KL
Bayu Sutera

RECOGNITION FOR ESG

1

KSI STRATEGIC INSTITUTE FOR ASIA PACIFIC
- Malaysia Outstanding ESG Impact Corporate Excellence Award

2

PROPERTYGURU ASIA AWARDS MALAYSIA WITH IPROPERTY SPECIAL RECOGNITION AWARD
- Special Recognition in CSR

3

PROPERTYGURU ASIA AWARDS MALAYSIA WITH IPROPERTY SPECIAL RECOGNITION AWARD
- Special Recognition in ESG

4

ACES AWARD
- Sustainability Rising Star Award

FORESIGHT AND ENTHUSIASM

KEY MESSAGES

KEY MESSAGES

CHAIRMAN'S STATEMENT

TO OUR ESTEEMED SHAREHOLDERS,

On behalf of the Board of Directors of Matrix Concepts Holdings Berhad ("Matrix" or "The Group"), I am pleased to present the annual report and audited financial statements for the financial year ended 31 March 2023 ("FY2023").

DATO' HAJI MOHAMAD HASLAH BIN MOHAMAD AMIN
Non-Independent Non-Executive Chairman

ECONOMIC RECOVERY GAINING MOMENTUM

FY2023 presented itself as a year of transition. At the global front was the prevailing safety concerns of COVID-19, China's move to end its stringent pandemic lockdown, the ongoing Russia-Ukraine conflict and increased material pricing, all of which merged to provide a global backdrop of economic uncertainty.

Within Malaysia, following a tumultuous two years of living under the blanket of COVID-19, the nation is emerging, transitioning to an endemic phase and this has essentially changed the way we now conduct business. The nation's political stability has strengthened following the general elections in 2022 and this has triggered expectancy of improved governance and policies, leading to economic growth.

The opening up of economic sectors had brought a positive impact on the property and construction industry, among others. On the onset of FY2023, the number of property transactions rose by 17.2% year-on-year to register 188,002 transactions. This was valued at RM42.0 billion, representing a 16.3% increase year-on-year. By the year end of 2022, the total number of transactions recorded was 389,107, representing a 29.5% growth year-on-year. This amounted to a total value of RM179.10 billion, a 23.6% rise year-on-year.

The continued recovery seen in the property industry is however not free from challenges. The ongoing increase in costs of raw materials used in construction such as steel and cement continue to impede industry growth. This is further compounded by the disruption to domestic and international supply chains, impacting adversely the supply and demand of various material, thus driving up prices significantly.

CHAIRMAN'S STATEMENT

Irama Biz - the lifestyle and retail hub of Irama Sendayan

The higher foreign labour costs, brought on by a freeze in intake due to pandemic containment measures, was still felt despite the lifting of restrictions in July 2022.

In efforts to stem the depreciation of the ringgit and to curb inflation, Bank Negara Malaysia had revised the overnight policy rate ("OPR") four times, each by 0.25 basis points within the Group's financial year FY2023. As at 31 March 2023, the OPR stood at 2.75%, compared to 1.75% OPR within the Group's financial year 2022. Consequently, banks and financial institutions revised their Base Lending Rate ("BLR") upwards, leading to higher loan interest rates and borrowing costs.

The property market is visibly recovering, given the implementation of various government stimulus such as the Malaysia Home Ownership Initiative (i-MILIKI) in providing stamp duty exemption for first-time home-buyers as well as the 100% stamp duty exemption for the memorandum of transfer for houses priced at RM500,000 and below. The residential overhang situation showed significant improvement in 2022, registering a decrease in overhang value of 19.2% over 2021.

This is reflective of Malaysia's strengthening economy which recorded an encouraging performance with 8.7% gross domestic product ("GDP") for 2022, far exceeding the 3.1% economic growth achieved in 2021.

ACCELERATING OUR GROWTH

Despite the challenges faced in FY2023, Matrix continued to harness its established and capable resources to navigate the

Our positive performance in FY2023 speaks volumes of our resilience in managing the challenges faced in the property sector.

CHAIRMAN'S STATEMENT

economic hurdles in pursuit of excellence. This is reflected in the Group's total revenue of RM1.1 billion in FY2023, representing a 24.7% increase over revenue in FY2022 of RM892.4 million. Our positive performance in FY2023 speaks volumes of our resilience in managing the challenges faced in the property sector and underpins the market confidence in us as reflected in our healthy valuations, being at par with book value.

In the financial period under review, Matrix continued to refine and implement business strategies towards strengthening its financial and operational performance. Such strategies include focusing on cost and operational efficiencies, strategic timing of product launches, continued digitalisation of business processes and a strategic focus on our selected property segments.

Prudent management of costs and cashflow was essential in preventing cost overruns and ensuring timely completion of projects. A strong working relationship with our supply chain proved instrumental in managing costs and progress of our projects. Higher construction material prices were mitigated by the Group's in-house construction arm, offering cost savings and efficiency.

Digital marketing campaigns was utilised heavily in the pandemic years and we continued this momentum, reaching out to potential buyers across targeted demographics to optimise our brand presence and product offerings. This shift in our marketing strategies towards digital platforms is also part of a larger drive to further enhance efficiency and to optimise operational expenditure.

Matrix stands firm on our business doctrine to meet the needs of the potential buyer and local community. We continue to offer home ownership packages featuring right-priced, luxuriously-spacious homes and affordable financing, all encapsulated within a well-developed, vibrant township.


Bayu Sutera entrance statement

PROPERTY DEVELOPMENT

This doctrine has contributed to the Group's revenue gaining momentum despite continued challenges posed by labour supply shortage. Meanwhile, revenue contribution from commercial and industrial property segments reduced by 53.3% to RM57.4 million in FY2023 as the Group focuses on strong demand for landed residential properties.

FY2023 saw 15 new launches at Sendayan Developments worth RM1.2 billion in gross development value ("GDV"). The take-up rate for the Group's properties across all projects stood at 84.0% for FY2023, demonstrating strong demand for our affordable-premium homes.

This response is largely attributable to the increasing interest from property upgraders and first-time homebuyers from the Klang Valley. In addition, the growing inclination for Klang Valley residents to relocate outside of the city centre is made easier by remote and flexible working arrangements.

CHAIRMAN'S STATEMENT

The Group has in place a clear growth roadmap for the future to ensure its long-term role as a premier property developer and responsible community builder for the nation. This roadmap includes acquiring adequate landbank to ensure the sustainability and growth for the next 20 years. To further reinforce this long-term growth strategy, the Group has entered into a Sale & Purchase Agreement to acquire 1,382 acres in Negeri Sembilan with the completion expected in year 2024. As at 31 March 2023, the Group's total landbank stands at 2,203.7 acres.

INTERNATIONAL PROJECTS

The Group has broadened its horizons internationally and projected its established name further. The launch of the Group's third and latest Australian project, M333 St. Kilda in Melbourne, is a further testimony of its acceptance as a reputable property developer and construction company. The Group's earlier projects, M. Carnegie and M. Greenvale, launched in 2016 and 2019 respectively, has proven itself the successful trail blazer in the Group establishing its development footprint in Melbourne.

In Indonesia, Menara Syariah, a RM1 billion joint venture participation, has reached its 90% construction mark as of to date. Our presence in this grown market is attracted by its huge population, growing middle income group, rising purchasing power and commercially attractive property sector. The twin-tower, 29-storey Menara Syariah building is the company's first Indonesian joint-venture ("JV") project with local partners. Launched in 2019, it represents the first phase of our participation in developing the Islamic Financial District in PIK 2, which aims to attract leading international and domestic corporations to create a vibrant international commercial hub.

EDUCATION

On the education front, Matrix Global Schools ("MGS") is experiencing a positive upturn, with total student enrollment of 659 students in FY2023 over 611 in FY2022, representing an increase of 7.9%. This is in part supported by the nation's transition to the endemicity phase and growing assurance of public health and safety but more so, of the growing recognition of its high standards as an accredited teaching institution in Malaysia.

MGS steadfastly maintains its established credentials of being the Top 5 teaching institutions in the country in the category of Private International Schools and Private Schools. This is reinforced by its academic prowess with outstanding IGCSE results of 99% passes, of which 47% of its students achieved A*-A and a further 87% achieving A*-C.

The school believes in providing a holistic education beyond just academics and has incorporated various other aspects including a sporting curriculum and the performing arts. MGS has also re-established its English support centre to cater to the growing demand from the China and Korean market for a reputable teaching institution.

HEALTHCARE

Since the Group's acquisition of the management of operations of Mawar Medical Centre ("Mawar") in FY2020, it is now recognised as a healthcare centre of choice by the local community and its surrounding area. This is evident in the increased patient load with 56,089 patients in FY2023, representing an increase of 54.2% (FY2022: 36,378) year-on-year. Such is its demand that its current bed capacity of 48 beds has been increased to 57 beds in FY2023.

Nurturing young talents at Matrix Global Schools

CHAIRMAN'S STATEMENT

A surgical procedure in progress at Mawar

We will be expanding into other therapeutic fields to strengthen its capacity as a holistic medical center to meet the needs of the local community. In serving a humanitarian cause, Mawar has provided much needed dialysis and welfare subsidies to 116 deserving patients in FY2023.

TALENTED WORKFORCE

At the core of our operations lie our most valuable asset, our workforce, numbering 912 staff across the Group and Mawar. To meet their development needs and assist them reach their fullest potential, we have invested into various training programmes, totalling RM0.31 million in FY2023. Such capacity building programmes serve an intrinsic benefit – it strengthens succession planning and hence, minimises disruption to business operations in the event of staff movement.

Matrix remains one of the top dividend yielding companies listed on Bursa Malaysia Securities Berhad.

COMMITMENT TO SHAREHOLDER REWARD

The Group's healthy financial position and sound cashflow management is attributable to its strong focus on operational sustainability and financial prudence, all designed to bring about value creation for our stakeholders.

This financial approach has been instrumental in keeping the Group's 9-year tradition of issuing dividends on a quarterly basis, the first company in Malaysia to adopt such a policy. This is accompanied by quarterly analyst briefings to reinforce the Group's governance and transparency of disclosure.

The Group's total dividend payout for FY2023 was RM103.2 million, compared to RM104.3 million in FY2022. This represents a 50.9% payout of profit after tax, making Matrix one of the top dividend yielding companies listed on Bursa Malaysia Securities Berhad. This further aligns with our commitment to deliver sustainable returns to shareholders with consistent dividends.

ACCOLADES

I am pleased to share that the Group's commitment to firmly drive an ESG mindset throughout its operations has resulted in consistent award recognition from various esteemed bodies.

The ACES Awards Council and MORS Group has awarded Matrix the Sustainability Rising Star Award in recognition of the mindful corporate action and encompassing sustainable perspectives.

CHAIRMAN'S STATEMENT

In recognition of the Group's strong contribution to property development, Matrix was presented five prominent awards at The Star Property Awards 2022:

1. Neighbourhood Award
2. Family-Friendly Award
3. Cornerstone Award
4. Placemaker Award
5. Star Property All-Star Award

The Malaysia Development Award was bestowed upon Matrix for Market Capitalisation of RM1 billion and above, in recognition of developers' accomplishments with holistic and credible benchmarking.

Matrix also was awarded the coveted Top Property Developers Awards 2022 by The Edge. In addition to this, we also won The Edge Billion Ringgit Club (Below RM3 billion Market Capitalisation). This marks the sixth consecutive year Matrix has won this esteemed award.

In what is acknowledged as the pinnacle of property awards, the Outstanding Property CEO Award 2022 went to Mr. Ho Kong Soon, Group Managing Director at Matrix. This was presented at The Edge Malaysia Property Excellence Awards for his leadership and commitment to providing quality products and services.

FY2023 was an Award-winning year. Such awards are a testament to the strong commitment and passion of all our staff at Matrix in support of homeowners and the local community.

SUPPORTING OUR COMMUNITY

Matrix aligns itself with its philosophy of giving back to the community it operates and lives in. Over the years, this corporate social responsibility ("CSR") spirit has

Matrix - Proud winner of Malaysia Developer Award 2022

worked to embed itself as our way of life here at Matrix and is reflected in the initiatives organised by our philanthropic arm, the Matrix Concepts Foundation.

Managed by volunteers comprising of our employees with a passion for serving the local community, they organised CSR activities covering focus areas of education, community, sports and social, amounting to RM8.3 million in FY2023.

It is truly heart-warming to see smiles on the faces of the marginalised community, the elderly or the very young, upon receiving the much-needed assistance to lighten the burden they face.

STRENGTHENING CORPORATE GOVERNANCE

In FY2023, the Board has collectively placed greater focus on driving Matrix's corporate governance. This is a reflection of its firm belief of the importance of both the financial and non-financial compliance as a value driver for the long-term wellbeing of the company.

The Group's alignment with the global best practice framework of Integrated Reporting ("IR") follows its commitment to pursue enhanced integrated reporting disclosures. Into our fourth year of this reporting format, the IR provides more details of the Group's business model, strengths, strategies, risks and opportunities as well as value creation for stakeholders.

CHAIRMAN'S STATEMENT

> **We have taken steps to further align with Bursa's new Sustainability Reporting Guide (3rd Edition), in addition to strengthening of Policies and Frameworks.**

Aligning with the Malaysian Code on Corporate Governance ("MCCG") 2021, we have reaffirmed our Board Refreshment Policy, limiting our Independent Directors to a maximum term of 9 years on the Board. In keeping with the Board's commitment to gender diversity and inclusivity, I am proud to affirm our 33.3% female representation on the Board, just ahead of MCCG's Practice 5.9 requirement of 30%.

This, and other existing measures, serve to embody the Group's strong view of governance. We are not content with merely complying with existing regulations but aim to continue strengthening this further and more importantly, to incorporate this into our DNA of operations at Matrix.

Blood donation drive at Mawar

ADDRESSING CLIMATE CHANGE AS A PRIORITY

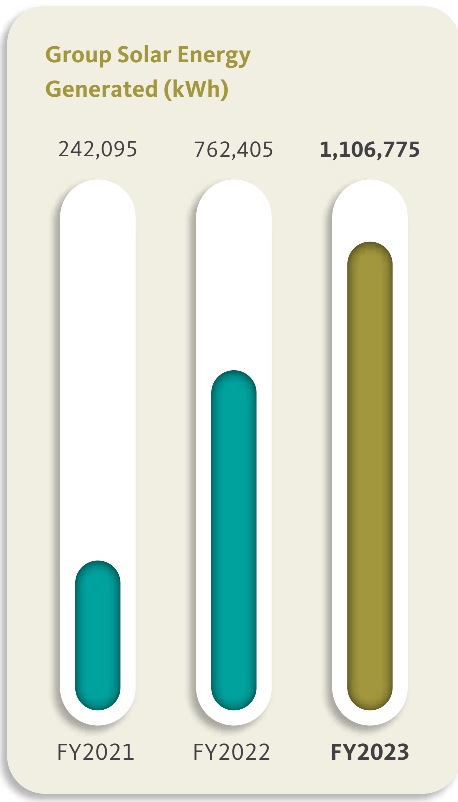
Globally, we are uncertain how exactly climate change will alter the planet but one thing for sure is that its complex environmental impact will directly affect business, society and ecosystems. With this in mind, governments will seek to mitigate its effects with far-reaching regulations and Malaysia will be no different.

Companies will be faced with a steep price to pay for emissions, both monetary and social. Rather than opt to sit on the side-lines and be eventually subjected to regulatory impositions and restrictions, Matrix has already accepted this eventuality and is exploring strategies to reduce risk and find a competitive advantage in this warming, carbon-constrained environment.

One of our highlights is our increased pivot to using solar energy. In FY2023, Matrix generated more than 1.1 million kWh of clean energy from solar. This is a 45.2% increase year-on-year. In doing so, the Group has avoided 609.8 tonnes CO_2e of emissions.

CHAIRMAN'S STATEMENT

Aerial view of d'Tempat Club solar panels



Matrix reaffirms its commitment to climate change, as driven by the Board, as its highest governing authority and strives to push toward being carbon neutral by 2050. This is further endorsed at Management level, with a firm understanding on its responsibility to address ESG related risks and nurture continued value creation for its stakeholders.

The Group further reaffirms its commitment toward progressive adoption of TCFD recommendation for Climate Change to enable more effective disclosure of climate-related risks and opportunities.

This overall decrease can also be attributed to the Group's strengthened adoption of good environmental practices across the length and breadth of our organisation. In this endeavour, we are pleased to inform of our commencement of Scope 3 carbon emission reporting for employee commute.

Another avenue of our commitment to work towards net zero carbon emission is the Group's focus on renewable energy. Additional solar power panels were installed at d'Tempat Club. This is further to solar panels installed earlier at Mawar and MGS. We are pleased to note that power generated via this initiative was fully utilised.

The Group's effort to entrench environmental conservation is gaining traction, as seen in our overall increased recycling figures at project sites as well as at the office.

We are hopeful this mindset of environmental protection can be adopted in employee's homes and our local community for the good of our planet.

CHAIRMAN'S STATEMENT

LOOKING AHEAD

Matrix is set to continue to refine its strategies in response to the improving but highly challenging and volatile operating environment. As mentioned previously, the market remains impacted by rising material prices, geopolitical conflict and a labour supply crunch. Cumulatively, these led to inflationary pressures and rising construction and operational costs.

However, with unbilled sales of RM1.44 billion and RM1.73 billion GDV in new projects to be launched in the financial year ahead, we are confident of remaining competitive within the property segment we are operating in.

According to the National Property Information Centre ("NAPIC"), the overall activity of the real estate market would continue to be positive due to the higher volume record, which increased 34.1% to 357,000 units from January to November 2022, from 266,000 units during the same period in 2021. Similar sentiments are echoed by the Malaysian Institute of Estate Agents (MIEA), stating that the Malaysian property market is expected to improve in 2023 as long as the fundamentals and government's support through incentives are in check.

The National Budget 2023 presents itself a neutral budget for property and housing and not much different for real estate and property development compared with the previous year's budget. However, it focuses on economic initiatives that are expected to provide a multiplier effect to increase the people's incomes and this could lead to higher capacity for home ownership for potential buyers. Additionally, the 2% reduction in the personal income tax rate for the majority of taxpayers will increase the cash flow in hand, easing the financial burden on individuals and allowing them to make long-term plans such as property purchases.

The prevailing policies, continuous government support and the proper implementation of strategies and initiatives outlined under the 12th Malaysia Plan is expected to augment continued growth in the property sector.

This would ultimately lead to increased shareholder reward via higher dividend payout, taking into account our strong cashflow, healthy growth prospects and sustained revenue base and profitability.

The Group will maintain its forward-looking strategy to capitalise and build upon the revitalising economy. We will not lose sight of our focus on driving operational efficiency and maintaining prudent financial management, nor our community developer philosophy of reaching out to the marginalised community via our CSR initiatives. Above all, we remain absolutely focused on our efforts to capitalise on opportunities in support of nation building.

Our learnings from the past two years managing the pandemic has fortified us with a deeper understanding of our capability and capacity to withstand challenges in the business environment. Having a resolute will to adapt with business agility, our level of preparedness will be instrumental in accelerating forward along with the strengthening economy.

Resort Villa at Bandar Sri Sendayan

CHAIRMAN'S STATEMENT

APPRECIATION AND ACKNOWLEDGEMENTS

On behalf of the Board, I take this opportunity to express our appreciation to our capable Senior Management and dedicated employees. Their perseverance and heartfelt contributions over the financial year was instrumental in bringing about another year of growth and success for the Group.

Likewise, we wish to extend our gratitude to our supportive shareholders, loyal customers, trusted bankers, government ministries and regulatory agencies and as well as our stalwart suppliers and business partners for their strong support in our growth over FY2023.

To my respected Board members, I extend my heartfelt appreciation for your hands-on approach, commendable resilience and invaluable support in working alongside to register yet another milestone financial year for the Group.

I look on with immense pride on the journey we have taken over the last 12 months and look forward to the continued support of all our stakeholders as we journey together towards greater heights and the creation of more value for all.

The future is challenging but it remains bright, with promising prospects and potential for the Group and our stakeholders.

DATO' HAJI MOHAMAD HASLAH BIN MOHAMAD AMIN
Non-Independent Non-Executive Chairman

30 June 2023

MANAGEMENT DISCUSSION & ANALYSIS

REVIEW OF THE OPERATING ENVIRONMENT

Financial year ended 31 March 2023 ("FY2023") was a year of recovery for the global and domestic economies as the disruptive effects of the COVID-19 pandemic had begun to recede significantly worldwide. Restrictions on economic sectors and social activities were progressively removed and subsequently, regular business activities could resume to full or near full operational capacities, thus providing a much-needed lift to local economies.

On the back of consistent recovery, in FY2022, global economic growth was restored to a positive trajectory, while the Malaysian economy expanded strongly by 8.7% in 2022 driven by the recovery in private and public sector spending.

While the global and domestic economy had clearly improved, conditions were still challenging. The protracted Russia-Ukraine war had a major disruptive effect on the global economy, namely in the disruption of energy markets, raw materials and global supply chains. Crude oil and gas prices peaked at new record highs, which had a pass-through inflationary effect on the cost of many commodities, building, products and services.

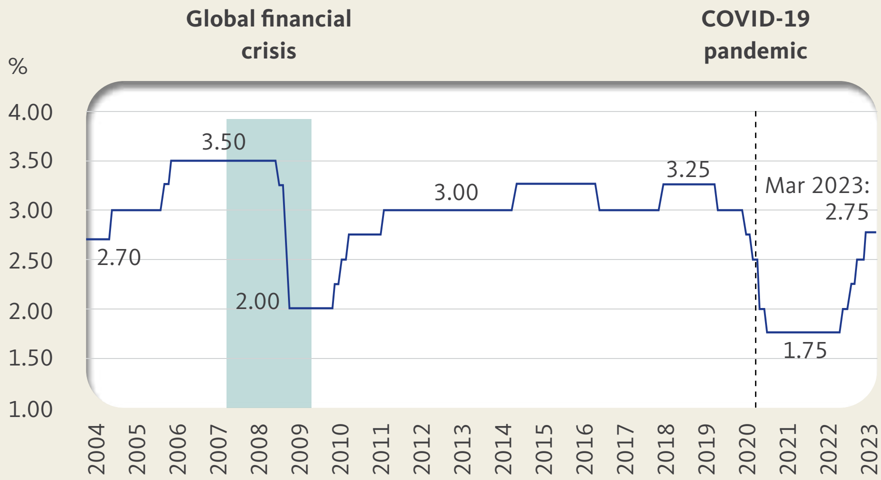
Together, with disrupted supply chains, steel bars, cement and other building materials saw significant cost increases in FY2023. The increased material costs has contributed to higher construction costs for property developers while these costs increments were unavoidable, Matrix, in response, initiated various cost containment and efficiency strategies towards protecting earnings margins and ensuring cost competitiveness amidst a recovering property market.

Beyond rising material costs, labour scarcity and cost were also perennial challenges faced by the property sector in 2022 and going into 2023.

The pool of skilled construction labour had decreased significantly during the height of the COVID-19 pandemic period of 2020-2022. The imposition of an intake freeze on new foreign worker recruitment (which was only lifted in the latter half of 2022) had also exacerbated the situation. The lack of skilled workers resulted in higher hiring costs as well as affected the progress of works and quality control management at construction sites.

MANAGEMENT DISCUSSION & ANALYSIS

Overnight Policy Rate (OPR)



Source: Bank Negara Malaysia ("BNM")

The year 2022 saw more than 389,000 property transactions worth RM179.07 billion recorded

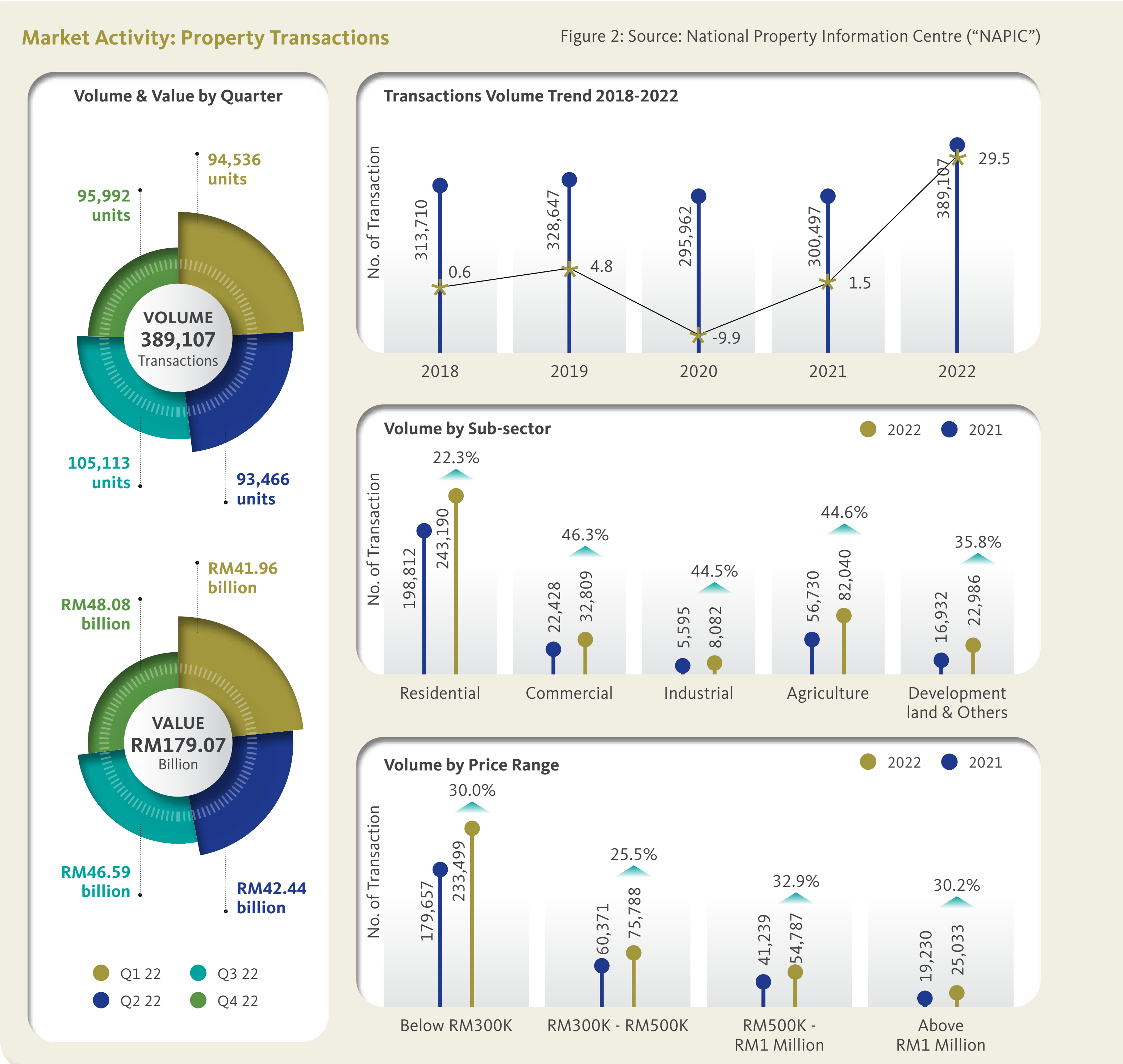
Another notable development in FY2023 was Bank Negara Malaysia's revisions on the Overnight Policy Rate ("OPR"). The OPR was revised upwards four times, for a total of 1.00 basis points. In FY2023, the OPR was revised upwards four times, each by 0.25 basis points. As at 31 March 2023, the OPR stood at 2.75% (FY2022: 1.75%).

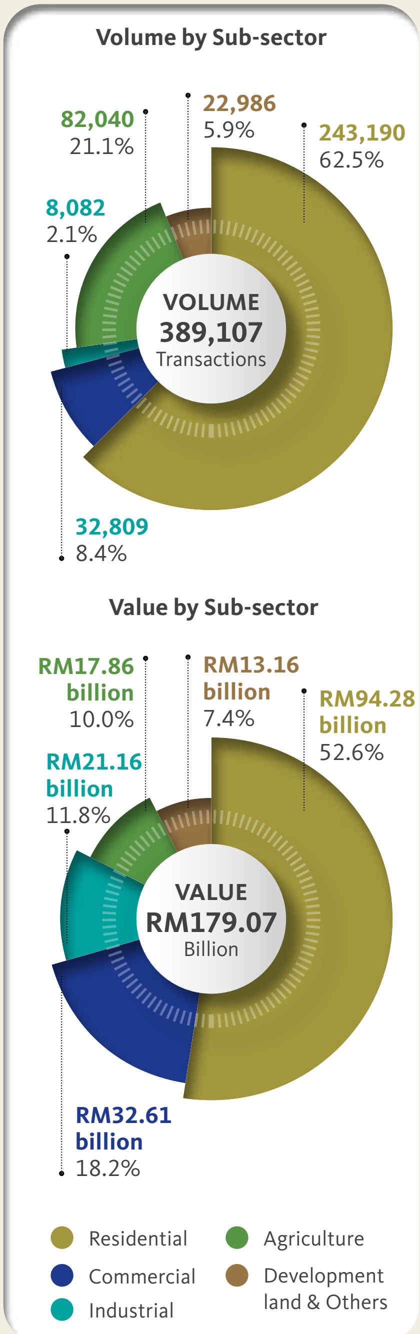
This led to banks increasing their respective base lending rates ("BLR"), resulting in higher loan interest rates and consequently, higher repayments and lending costs.

Despite the challenging operating backdrop, the property sector continued to post encouraging growth. The year 2022 saw more than 389,000 property transactions worth RM179.07 billion recorded – an increase of 29.5% and 23.6% in volume and value respectively. Incoming year-on-year supply of properties stood at 54,118 units, 23.4% higher (2021: 43,860 units launched). Sales performance was moderate at 36.0% of launched units. However, Matrix's properties have continued to see robust sales for FY2023.

An encouraging sign was the significant decrease in overhang units with inventory reducing by 24.7% and 19.2% in volume and value respectively year-on-year. Total number of overhang units reduced to 27,746 units (2021: 36,863 units) with corresponding cumulative value of RM18.41 billion (2021: RM22.79 billion).

MANAGEMENT DISCUSSION & ANALYSIS






Bayu Sutera Central Park

MATRIX IN FY2023

Throughout FY2023, Matrix continued to pursue its business and operational strategies. The Group's focus was in managing rising operational and financing costs. Management continued to focus on driving robust sales by actively launching properties to bolster revenues while at the same time, focusing on timely delivery of all properties under construction and ensuring high finished quality.

Branding and marketing activities were ramped up to differentiate and strategically position Matrix amidst a fast recovering, but highly competitive property sector. Pricing points were carefully established and the overall property launch mix remained well aligned to market sensibilities. To address the market demands for quality housing, Matrix has consistently launched products at different price points, providing market-driven offerings within an affordable premium price range. In FY2023, 65% of Matrix's products were priced RM600,000 and below – targeted at the middle-income, mass market segment, especially first-time homebuyers and upgraders.

Given rising inflationary pressures, Matrix continued to actively focus on addressing the challenges faced by customers, such as securing financing or even upfront payments and costs. These include further refining existing product packages, and collaborating with end-financiers to address initial fees, deposits, moving costs as well as monthly repayments.

Apart from its domestic operations, Matrix also focussed on developing its portfolio of overseas developments, which continued to see positive market traction, both in Melbourne, Australia and Jakarta, Indonesia. Similarly, Matrix also continues to develop its non-property related businesses namely its healthcare, hospitality and education operations. The Group's venture overseas and the establishment of its other business units are expected to supplement its revenue growth moving forward.

In each of these segments, strategies were implemented towards ramping up customer traction, rationalising operational costs and where relevant, increasing occupancy, enrollment and membership rates. The primary focus; beyond affordability, given

MANAGEMENT DISCUSSION & ANALYSIS

that these businesses are operating in price sensitive market segments, was to create and retain market appeal. Please refer to the respective subsegments in this Management Discussion and Analysis for specific performance information on these sectors.

Cumulatively, Matrix's comprehensive and integrated approach in addressing all aspects of its business model had enabled the Group to continue registering robust performance in the creation of both financial and non-financial values for stakeholders.

GROUP FISCAL REVIEW

Indicator	FY2023 (RM'000)	FY2022 (RM'000)	Difference (%)
Group revenue	**1,113,058**	892,396	24.7
Cost of sales	**(624,272)**	(401,967)	55.3
Gross profit	**488,786**	490,429	(0.3)
Other income	**26,550**	27,169	(2.3)
Selling and marketing expenses	**(85,712)**	(69,911)	22.6
Administrative and general expenses	**(161,490)**	(171,237)	(5.7)
Operating profit (include other income)	**268,134**	276,450	(3.0)
Finance cost	**(6,246)**	(11,452)	(45.5)
Impairment losses on financial assets	**(3,042)**	(11)	27,554.5
Share of net results of associate	**1,816**	3,409	(46.7)
Group profit before tax	**260,662**	268,396	(2.9)
Income tax expense	**(57,857)**	(67,530)	(14.3)
Group profit after tax	**202,805**	200,866	1.0
Total assets	**2,638,418**	2,619,373	0.7
Total liabilities	**650,563**	720,499	(9.7)
Total equity	**1,987,855**	1,898,874	4.7
Borrowings	**243,604**	285,925	(14.8)
Cash and cash equivalents	**200,128**	150,288	33.2

Indicator	FY2023	FY2022	Difference (%)
Earnings per share (sen)*	**19.7**	19.5	1.0
Net assets per share (RM)*	**1.59**	1.52	4.6

* *Bonus issue adjustment accounted for.*

REVENUE

In FY2023, Matrix posted a stronger topline performance – recording revenues of RM1.11 billion, 24.7% higher, year-on-year as the absence of COVID-19 related lockdowns facilitated unhindered and optimum operational levels. Revenue was boosted by improved pace of works achieved on most construction sites during the financial year as issues pertaining to foreign worker and building material shortages were managed appropriately and addressed throughout the financial year.

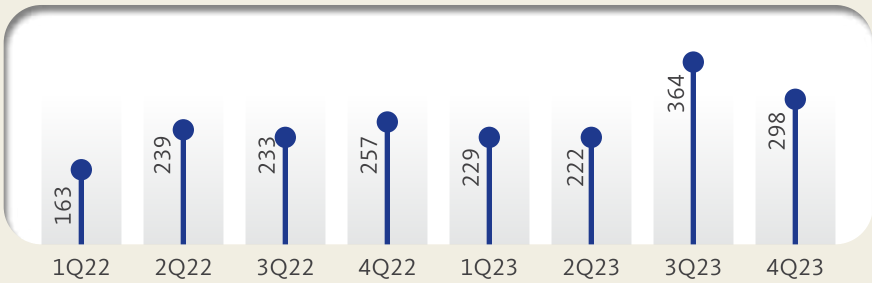
From a quarterly perspective, revenue performance showed improvements year-on-year. Sales remained robust throughout FY2023 – underpinned by a strong demand for landed homes in Matrix's townships of Bandar Sri Sendayan ("BSS") and Bandar Seri Impian ("BSI").

Revenue contributions from Matrix's Australia project M. Greenvale and the standalone, boutique development of Chambers, located in the city centre of Kuala Lumpur had also led to higher turnover. Revenue contributions from Matrix's Australia projects is only recognised upon full completion of the project in accordance with Australian accounting practices.

The Group's Property Division contributed to the bulk of Group revenues, accounting for RM1.10 billion or 96.4% of total revenue. Revenue from the Group's Property Division was mainly driven by contributions from the Group's , Negeri Sembilan Developments. Cumulatively, Negeri Sembilan developments, spearheaded by the Group's flagship Sendayan Developments, contributed RM838.0 million or 75.3% of revenue for FY2023.

MANAGEMENT DISCUSSION & ANALYSIS

Quarterly Revenue (RM'mil)



Overall, most property segments and business divisions posted higher revenue in FY2023. Matrix's Klang Valley developments were the second highest contributor to property revenues, recording RM88.0 million, followed by revenues from Australia operations and the Group's Johor developments.

FY2023 Financial Highlights

Revenue
RM1,113.1 mil
YoY 24.7%

Profit Before Tax
RM260.7 mil
YoY 2.9%

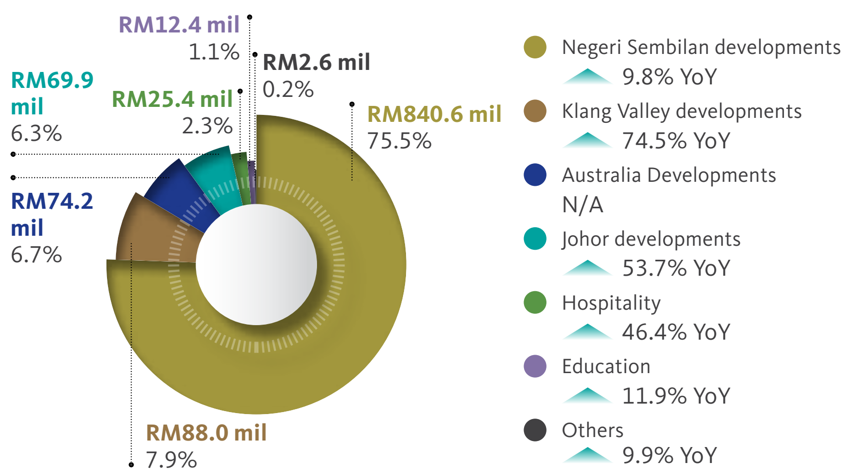
Net Profit Attributable to Equity Holders
RM207.2 mil
YoY 1.0%

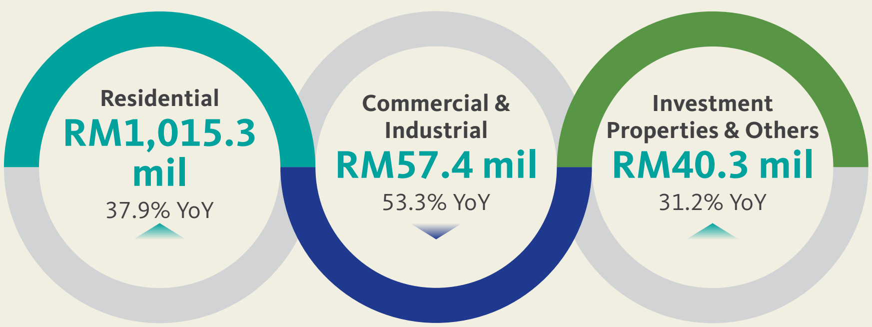
FY23 Dividend Per Share
9.25 sen

Total Dividend Payout
RM103.2 mil
50.9% of FY23 PAT

Net Gearing Ratio
Net Cash

Revenue by Segments (RM)





MANAGEMENT DISCUSSION & ANALYSIS

REVENUE BREAKDOWN BY SEGMENTS

Segment	FY2023 (RM'000)	FY2022 (RM'000)	Difference (%)
Bandar Sri Sendayan	**171,350**	178,487	(4.0)
Bayu Sutera	**238,393**	30,878	672.0
Ara Sendayan	**28,647**	126,807	(77.4)
Tiara Sendayan	**212,219**	134,025	58.3
Irama Sendayan	**16,591**	-	N/A
Laman Sendayan	**138,594**	175,432	(21.0)
Sendayan Tech Valley	**32,215**	101,849	(68.4)
TOTAL REVENUE FROM SENDAYAN DEVELOPMENTS	**838,009**	747,478	12.1
Bandar Seri Impian	**69,924**	45,501	53.7
Chambers Kuala Lumpur	**87,964**	50,416	74.5
M. Greenvale	**74,209**	-	N/A
Other Developments	**2,615**	18,255	(85.7)
TOTAL PROPERTY DEVELOPMENT REVENUE	**1,072,721**	861,650	24.5
Education	**12,347**	11,038	11.9
Hospitality	**25,369**	17,323	46.4
Others	**2,621**	2,385	9.9
TOTAL GROUP REVENUE	**1,113,058**	892,396	24.7

PROPERTY SALES

Property sales in FY2023 stood at RM1.20 billion. Sales were driven by strong demand from all property segments, notably for affordable premium homes located at Matrix's Sendayan Developments and BSI townships.

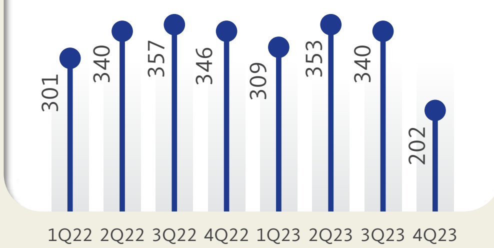
The Group's flagship Sendayan Developments in particular, has been enjoying the spill over demand from homebuyers outpriced from the Klang Valley property market. Average take-up rate across all property projects of the Groups was at a commendable 84.0% as at 31 March 2023.

Bayu Sutera - Elonia

MANAGEMENT DISCUSSION & ANALYSIS

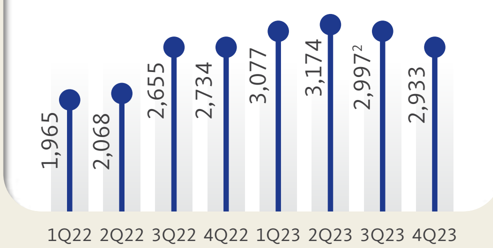
FY23 Performance Snapshot

Total Value of Properties Sold
FY23: RM1,204 mil[1]
FY22: RM1,344 mil



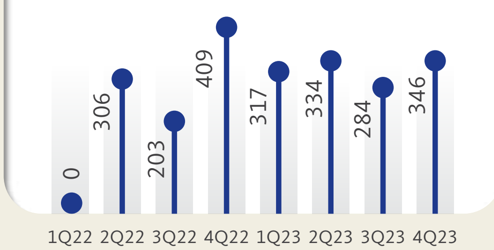
[1] *Does not include RM72.0 million sales of M. Greenvale (Australia)*

Ongoing GDV (under construction)
RM2,933 mil as at 31.3.23
(RM2,734 mil as at 31.3.22)

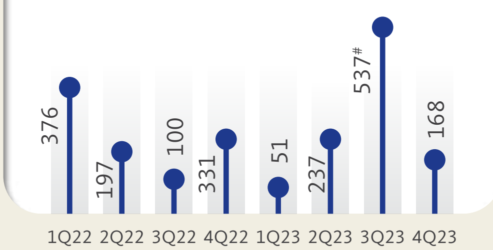


[2] *Property status adjustment for Impiana Damai 2A & Nusari Bayu 2*

Projects Launched
FY23: RM1,281 mil
FY22: RM918 mil



Projects Completed
FY23: RM993 mil
FY22: RM1,004 mil



GDV value adjustment for M. Greenvale (Australia), Property status adjustment for Impiana Damai 2A & Nusari Bayu 2

Unbilled Sales
RM1.44 bil as at 31.3.23
(RM1.30 bil as at 31.3.22)

Average Take-up (units) (excl. STV)
84.0%
As at 31.3.23

EARNINGS

On the back of stronger revenue recognition and continued cost rationalisation strategies, Matrix posted improved earnings in FY2023, year-on-year. Group profit before tax ("PBT") stood at RM260.7 million, 2.9% lower, year-on-year, while profit after tax ("PAT") was RM202.8 million, 1.0% higher, year-on-year.

Earnings performance began to pick up from the first quarter of FY2023 and improved gradually each quarter, before culminating with a solid profit performance to end the financial year. Net profit margins remain at a healthy 18.2%, which is among the highest in the industry, albeit lower than the previous financial year's net margin of 22.5%.

MANAGEMENT DISCUSSION & ANALYSIS

DIVIDENDS

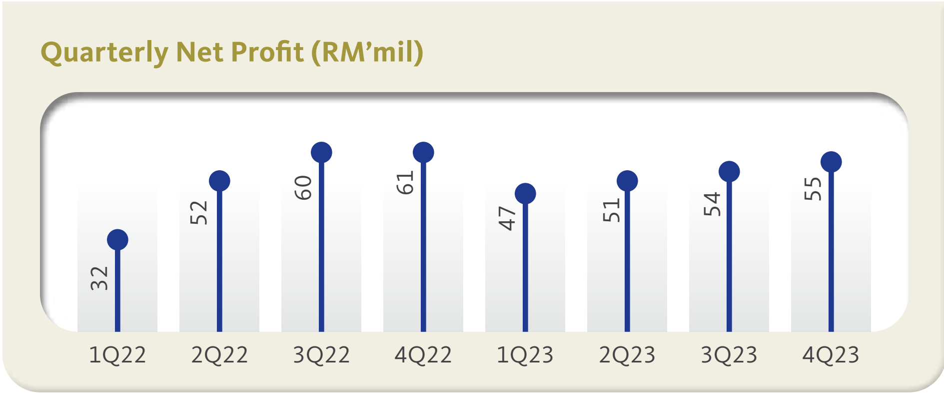
Consistent with its dividend commitment of returning at least 50% of PAT to shareholders, annually, Matrix in FY2023 shall pay out total dividends of 9.25 sen, after adjustment, amounting to total payout of RM103.2 million. The payout is equivalent to 50.9% of the Group's FY2023 PAT, providing shareholders with a 5.7% 12-month trailing dividend yield in respect of the financial year. Matrix continues to be among the most consistent and lucrative dividend paying companies listed on Bursa Malaysia's Main Board.

ASSETS AND LIABILITIES

In FY2023, Group assets stood at RM2.64 billion, 0.7% higher year-on-year. Matrix's asset position remains healthy, far exceeding liabilities and is able to effectively discharge all financial commitments and meet its working capital requirements going forward.

Off note, Matrix, on 24 August 2022, announced the proposed acquisition of 1,382 acres of landbank located within the Malaysia Vision Valley ("MVV") corridor. The consideration for the said land was RM460 million and happens to be the biggest property land deal in Malaysia over the past five years in terms of acreage.

The purchase is expected to enhance the sustainability of the Group's property development activities beyond 2030, in addition to providing significant growth avenues for Matrix with its first product launch, anticipated in FY2026.



Location of MVV land as outlined under the proposed acquisition

Non-Current Assets	FY2023 (RM'000)	FY2022 (RM'000)	Difference (%)
Property, plant and equipment	**210,693**	219,181	(3.9)
Right-of-use assets	**2,743**	2,863	(4.2)
Investment properties	**30**	62	(51.6)
Investment in joint venture company	**143,174**	140,402	(2.0)
Inventories	**773,536**	802,960	(3.7)
Other receivables, deposits and prepayments	**36,331**	38,734	(6.2)
Deferred tax assets	**36,976**	22,580	63.8
Goodwill arising on consolidation	*	*	-
Total Non-Current Assets	**1,203,483**	1,226,782	(1.9)

* *Represents RM1.00*

MANAGEMENT DISCUSSION & ANALYSIS

Current Assets	FY2023 (RM'000)	FY2022 (RM'000)	Difference (%)
Inventories	**397,614**	463,192	(14.2)
Trade and other receivables	**778,768**	714,362	9.0
Deposits, cash and bank balance	**250,232**	202,138	23.8
Current tax assets	**8,321**	12,899	(35.5)
Total current assets	**1,434,935**	1,392,591	3.0
TOTAL ASSETS	**2,638,418**	2,619,373	0.7

Non-current liabilities have decreased by 24.8%, attributed to a significant reduction in borrowings. Despite the overall reduction in non-current liabilities, there was an increase of 10.7% in other payables, deposits, accruals and provisions. The Group's current liabilities, which are liabilities within a 12-month period have decreased on the back of reduced borrowings as well as trade and other payables.

Non-Current liabilities	FY2023 (RM'000)	FY2022 (RM'000)	Difference (%)
Borrowings	**77,623**	114,587	(32.3)
Lease liabilities	**2,182**	2,201	(0.9)
Deferred tax liabilities	**250**	125	100.0
Other payables, deposits, accruals and provision	**24,510**	22,148	10.7
Total non-current liabilities	**104,565**	139,061	(24.8)

Current liabilities	FY2023 (RM'000)	FY2022 (RM'000)	Difference (%)
Trade and other payables	**357,172**	381,017	(6.3)
Borrowings	**145,112**	168,274	(13.8)
Lease liabilities	**784**	863	(9.2)
Dividend payable	**25,027**	31,284	(20.0)
Bank overdrafts	**17,903**	-	N/A
Total current liabilities	**545,998**	581,438	(6.1)
TOTAL LIABILITIES	**650,563**	720,499	(9.7)

CASH FLOW, CASH AND BANK BALANCES

Matrix's cash position has improved in FY2023 with cash and cash equivalents at end of the year standing at RM200.1 million, a 33.2% year-on-year improvement. As at 31 March 2023, the Group is currently in a net cash position. The Group's cash position will continue to be supported by strong revenue recognition from property development activities as well as unbilled sales.

Financial Indicators	FY2023 (RM'000)	FY2022 (RM'000)	Difference (%)
Net cash from operating activities	**211,327**	107,870	95.9
Net cash from/(for) investing activities	**19,347**	(3,381)	(672.2)
Net cash for financing activities	**(170,967)**	(139,792)	22.3
Net changes in cash and cash equivalents	**59,707**	(35,303)	(269.1)
Effect of exchange rate fluctuations on cash held	**(9,867)**	24	(41,212.5)
Cash and cash equivalents at beginning of the year	**150,288**	185,567	(19.0)
Cash and cash equivalents at the end of the year	**200,128**	150,288	33.2

CORPORATE EXERCISES

On 26 August 2022, shareholders had approved Matrix's Bonus Issue of up to 417,116,178 new ordinary shares in Matrix ("MCHB Shares") ("Bonus Shares") on the basis of 1 Bonus Share for every 2 existing MCHB Shares held. The Bonus Issue was completed on 22 Sept 2022 with the issuance of 417,115,361 new ordinary shares.

The Bonus Issue was intended to reward shareholders for their continued support while enabling greater market liquidity moving forward.

MANAGEMENT DISCUSSION & ANALYSIS

PROJECT HIGHLIGHTS

Matrix launched a total of 2,207 units in FY2023 with a cumulative value of RM1.27 billion (FY2022: RM917 million). Unbilled sales as at end FY2023 stood at RM1.44 billion (FY2022: RM1.30 billion), providing firm revenue and earnings visibility for Matrix going forward.

New Property Sales
RM1.2 bil

Average Take-up Rate (units)
84.0%

Unbilled Sales
RM1.4 bil

Total Landbank
2,203.7 acres

Total GDV
RM15.8 bil

	Projects Launched	Ongoing Projects	Projects Completed
FY23	RM1,273.0 mil	RM3,164.8 mil	RM992.2 mil
NS Dev	RM1,179.4 mil	RM2,985.8 mil	RM438.4 mil
Johor Dev	RM93.6 mil	RM176.2 mil	RM155.2 mil
Others	-	RM2.8 mil	RM398.6 mil

Bayu Sutera

MANAGEMENT DISCUSSION & ANALYSIS

GDV of ongoing projects reached RM3.16 billion (FY2022: RM2.83 billion) an increase of 11.7% compared to the previous year, highlighting the growing size of the Group's property development operations. A total of 1,794 units were completed during the financial year with a GDV of RM992.2 million (FY2022: RM1.0 billion).

Project launches in FY2023:

Project	Type	Units Launched	Est GDV (RM' mil)
Bayu Sutera 3 (Precinct 1B)	DST	190	122.1
Bayu Sutera 4 (Precinct 1A)	DST	193	113.7
Bayu Sutera 5 (Precinct 4A1)	DST	227	151.7
Bayu Sutera 6 (Precinct 4A2)	DST	70	49.6
Hijayu (Residence) Phase 2 (Parcel 1) (Resort Residence 2A)	DST	126	98.7
Hijayu (Residence) Phase 2 Parcel 2 (Resort Residence 2B)	DST	84	68.1
Impiana Bayu 3B1 (Phase 1)	DST	195	93.6
Irama Sendayan 1	SST	36	9.0
	DST	156	82.8
Irama Sendayan 2A	SST	138	34.9
	DST	75	31.0
Laman Sendayan Biz	DST	60	64.0
Nusari Aman 3	DST	219	118.8
STV Biz	SDF	32	33.0
	Comm Lots	1	2.5
Tiara Sendayan 12 (Precinct 14A)	DST	80	32.5
Tiara Sendayan 13 (Precinct 14B)	DST	71	30.2
Tiara Sendayan 14 (Precinct 15A&B)	DST	235	128.2
Tiara Sendayan 15 (Precinct 14 Balance)	DST	19	8.7

RESIDENTIAL AND COMMERCIAL PROPERTIES

SENDAYAN DEVELOPMENTS (Negeri Sembilan)

Matrix's award-winning Sendayan Developments in Negeri Sembilan comprise of Bandar Sri Sendayan, Ara Sendayan, Tiara Sendayan, Eka Heights, Laman Sendayan and Irama Sendayan.

In FY2023, sales at Sendayan stood at RM1.08 billion (FY2022: RM1.20 billion). Average take-up rate recorded was 91.3% (FY2022: 88.0%) with unbilled sales standing at RM1.36 billion (FY2022: RM1.10 billion). As at 31 March 2023, estimated GDV for ongoing projects stood at RM2.37 billion (FY2022: RM1.65 billion).

Sendayan Developments saw 15 new launches in FY2023, with GDV totalling RM1.18 billion (FY2022: 9 launches with a GDV of RM917.8 million) as the Group ramped up launches considering solid demand at its flagship development.

Resort Villa

MANAGEMENT DISCUSSION & ANALYSIS

THE SENDAYAN TECHVALLEY ("STV") (Negeri Sembilan)

The STV is the industrial component within Sendayan Developments, offering approximately 748.0 acres of net saleable, prime, freehold industrial land with a total GDV of RM1.0 billion. In FY2023, STV achieved RM33.0 million in new sales value with only one remaining land parcel remained unsold while unbilled sales was at RM48.3 million (FY2022: RM49.25 million).

CHAMBERS RESIDENCE (Kuala Lumpur)

Strategically located at the heart of the nation's capital Kuala Lumpur, the 509-unit, freehold Chambers Residence with 4 commercial lots has appealed to discerning buyers within the Klang Valley. As of 31 March 2023, 96.9% units have been sold with a sales value of RM298.8 million, while unbilled sales, as at end FY2023, stands at RM2.67 million (FY2022: RM79.1 million).

BANDAR SERI IMPIAN ("BSI") (Johor)

Located in Kluang, Johor, BSI covers an area of 1,209.5 acres which was acquired through a joint venture agreement between Matrix and Koperasi Kemajuan Tanah Negeri Johor Berhad. A comprehensive masterplan guides its development, enhancing value creation and lifestyle components of this township.

In FY2023, BSI saw one project with a total GDV of RM93.6 million. Sales achieved stood at RM46.1 million (FY2022: 57.5 million). Take-up rates from the ongoing projects stood at 27.0% (FY2022: 59.8%). As at end FY2023, unbilled sales stood at RM29.2 million (FY2022: RM63.2 million).

MANAGEMENT DISCUSSION & ANALYSIS

M333 ST. KILDA (Australia)

M333 St. Kilda was launched in FY2023. The project is an eight-storey mixed development situated on a 0.6-acre land in Melbourne. It is Matrix's largest development in Australia to date in terms of GDV.

Thus far, the AUD76.9 million (RM237.9 million) GDV project has been 25.6% sold as at 31 March 2023. The project is strategically located – just 8km from the city's central business district ("CBD") and benefits from excellent access to public transportation, road connectivity and is in close proximity to tourist attractions and various lifestyle attractions and amenities.

MENARA SYARIAH (Indonesia)

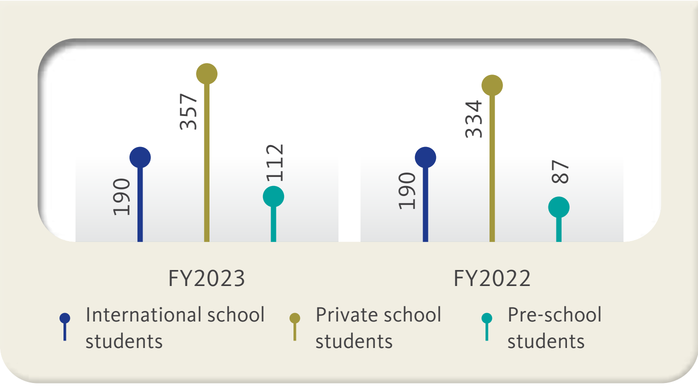
Located in the up-and-coming Islamic Finance District of Jakarta, with a GDV of RM1.0 billion, Menara Syariah represents Matrix's venture into Jakarta, Indonesia via a joint venture partnership with an Indonesian conglomerate. Construction work on the project has picked up pace, post the removal of pandemic related restrictions in Indonesia. As at 31 March 2023, 92.7% of construction works has been completed with the project targeted for completion in FY2024.

Menara Syariah will comprise a commercial and retail building with twin 29-storey office towers – featuring one million square feet of gross floor area including 23 floors of Grade A office space. It will also feature a retail strip, a landscaped observation deck, an infinity pool and multiple prayer halls.

PROJECT UPDATES – OTHER BUSINESS UNITS

MATRIX GLOBAL SCHOOLS ("MGS") (Negeri Sembilan)

As at 31 March 2023, MGS's student population stood at 659 students, comprising 190 international school students, 357 private school students and 112 pre-school students:



Teaching has reverted to full, physical learning from an online and hybrid approach in FY2023. MGS continues to a beacon of education excellence – bringing international level curriculums to the Sendayan, Seremban and surrounding communities.

It continues to set the bar for school level education in the area and in FY2023, has maintained its track record for educational achievement. MGS' revenue for FY2023 had improved by 11.6% year-on-year to RM12.9 million (FY2022: RM11.6 million).

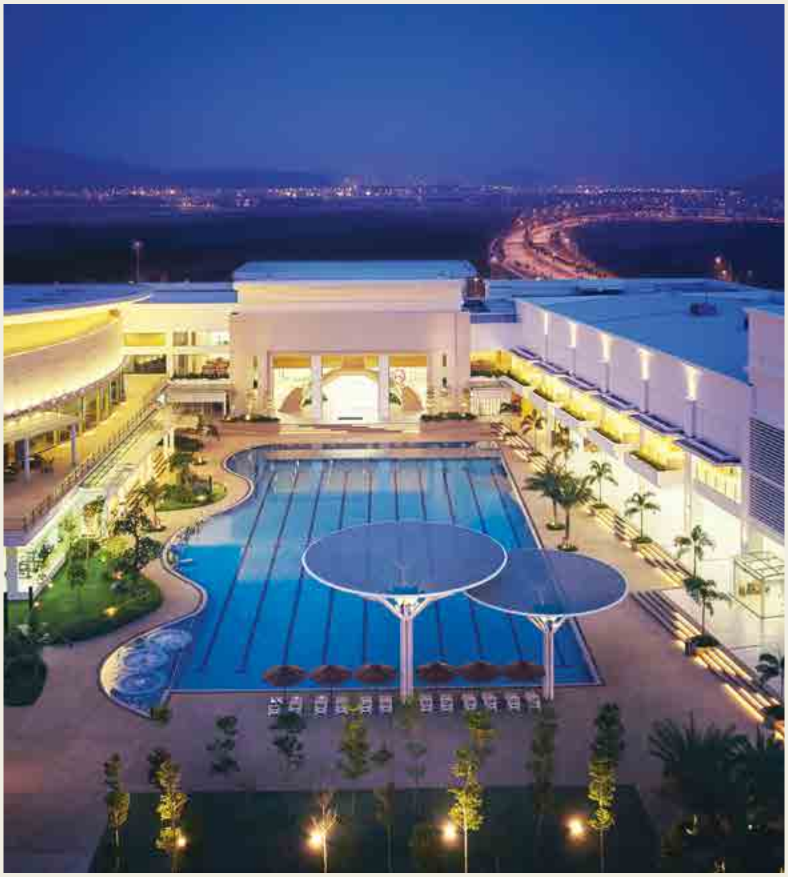
MANAGEMENT DISCUSSION & ANALYSIS

D'TEMPAT COUNTRY CLUB ("d' Tempat Club") (Negeri Sembilan)

Located in the heart of Bandar Sri Sendayan, d'Tempat Club has established itself a premier business, lifestyle and entertainment venue in Seremban. It represents a central point for a host of recreational options, offering banquet spaces and dining establishments to meet every need and creating a special place where the community can unwind in a friendly and serene atmosphere.

d'Tempat Club continues to be well favoured as lifestyle, recreation and entertainment hub for the local community. In FY2023, d'Tempat Club continues to be a focal point for corporate and social events, including weddings, festive celebrations and more. In essence, the clubhouse continues to be an integral part of the communities' social activities.

In FY2023, revenues grew by 43.5% year-on-year to stand at RM23.2 million (FY2022: RM16.2 million). PAT stood at RM8.2 million, 78.7% higher than FY2022's RM4.6 million).



D'SORA BOUTIQUE BUSINESS HOTEL ("d'Sora Hotel") (Negeri Sembilan)

In FY2023, d'Sora Hotel registered a higher occupancy rate of 58.4% (FY2022: 40.7%). With the revival in international travel and tourism as well as domestic tourism, d'Sora Hotel has been able to increase room occupancy as well as generate increased revenues from the MICE segment and food and beverage offerings.

The increase was in line with the return of pent-up travelling needs, which was similarly experienced nationwide, as all domestic travelling restriction were lifted in the second quarter of 2022.

With the return of travellers, d'Sora Hotel posted revenue of RM2.5 million and loss after tax ("LAT") of RM0.22 million in FY2023 compared to RM1.5 million and LAT RM0.33 million respectively in the previous year.

Riding on d'Sora Hotel's compelling value proposition of affordable, yet premium hotel services and facilities, value-for-money packages and its strategic location, Management is optimistic of improved performance in the financial year ahead.

MANAGEMENT DISCUSSION & ANALYSIS

CONSTRUCTION

Matrix's construction division comprises the operations of Matrix Excelcon Sdn Bhd, which is the Group's in-house construction arm. Matrix Excelcon undertakes all construction works and manages all construction with the exception of high-rise projects. It undertakes only construction projects related to the Matrix Group.

As the various COVID-19 related restrictions imposed on the construction sector were removed, Matrix Excelcon achieved a higher progress of works on almost all construction sites. Works however, continued to be affected by manpower shortages, which was an industry wide problem faced by almost all construction players.

Despite the limitations of workers at its construction sites, Matrix Excelcon still managed to record higher revenue of RM320.8 million, an increase of 7.6% compared to the previous year's RM298.0 million. Given Matrix Excelcon only undertakes internal projects, revenues from Matrix Excelcon are eliminated through inter-company transactions.

In FY2023, Matrix Excelcon has continued to focus on addressing its environmental footprint.

Given that construction operations are typically resource intensive and produce a significant environmental footprint, Matrix Excelcon, in FY2023 has been undertaking measures to reduce and recycle wastes, to drive improvement in resource and cost efficiency through re-engineering its work processes and enhancing procurement strategies. The company also has continued to focus on its occupational health and safety ("OHS") performance as any OHS incident would cause delays on site and impact work productivity and have negative social impacts.

HEALTHCARE

Matrix Medicare Sdn Bhd is the Group's healthcare division and in FY2020, entered into a 30-year management agreement with Pusat Hemodialisis Mawar ("PHM") for the provision of management services for its medical and haemodialysis centre. PHM is the owner of Mawar Medical Centre ("Mawar"). Matrix Medicare manages all non-clinical aspects of Mawar's operations, including finance, administration and resources.

Magnetic Resonance Imaging (MRI) machine 1.5 Tesla Large bore 70 cm

The agreement had paved the way for the resumption of Mawar's operations, which prior to Matrix's involvement was deregistered by the Ministry of Health due to financial and other issues.

In FY2023, Mawar has continued to have a positive impact on local communities, serving as the preferred choice for healthcare. The hospital offers multi-disciplinary medical care that continues to meet the healthcare needs of multiple demographics segments.

In FY2023, Mawar treated 56,089 number of patients, a 54.2% increase year-on-year (FY2022: 36,378 patients).

In meeting growing demand, the hospital successfully increased the number of beds available to 57 in FY2023 (FY2022: 48 beds) as part of its ongoing restructuring exercise to ensure a comprehensive healthcare delivery to the surrounding community. This is expected to provide a healthy growth revenue for the hospital going forward as it plans to further enhance its offerings in FY2023 with the increase in medical discipline, inpatient beds availability and other medical services.

Mawar has secured most of the panelships from small insurance companies as well as larger insurers such as Zurich, Prudential Assurance and Great Eastern Assurance. The empanelment process continues towards adding the remaining few names to the panel.

MANAGEMENT DISCUSSION & ANALYSIS

OUTLOOK AND PROSPECTS

Global and Domestic Outlook

According to the International Monetary Fund ("IMF"), global economic growth is expected to remain positive, though declining to 2.8% in 2023 and improving to 3.0% in 2024. As central banks take measures to curb inflationary pressures through interest rate hikes, global headline inflation is set to fall from 8.7% in 2022 to 7.0% in 2023.

However, underlying price pressures, tight labour markets in several major economies and intensified trade war may continue to pose headwinds to global economic growth. Increasingly, the spectre of banking sector vulnerabilities may have a domino effect, thought it appears the worst has been curtailed. Downside risks remain apparent with the probability of a hard landing having increased for 2024.

Consistent with the global economic trends, Malaysia's economy is expected to also moderate, but remain positive with economic expansion estimated at between 4.0%-5.0% in 2023.

Growth will remain driven by domestic demand, a recovery in tourism and employment rates. Present fiscal and pump-priming measures implemented by the Malaysian government and Bank Negara Malaysia should ensure a continued conducive environment that encourages strong export performance, increased foreign and domestic investments and improved consumer confidence that would support retail expenditure and consumption.


The Chambers, Kuala Lumpur

Recent announcements on revival of major infrastructure projects such as the high-speed rail ("HSR"), MRT3 and others will also have a strong pump priming effect on the local economy, with the multiplier effect cascading across local industries and supply chains.

Property Industry Outlook

The property sector is expected to remain positive in 2023, buoyed by strong demand for mid-ranged homes from the expanding middle-income, mass-market segment. The industry has benefitted from government recovery plans, industry initiatives and incentives along with recovery in consumer confidence.

Property developers who have established a strong brand name and a proven track record for quality properties and compelling value propositions at appropriate price points are expected to continue to see market take-up of their products. Properties priced RM550,000 and below will continue to form the large bulk of properties coming into the market.

However, beyond pricing, properties will need to be situated in strategic locations; locations that offer excellent accessibility, connectivity and amenities in matured suburban areas. These include properties that offer the right combination of space, facilities and modern designs and lifestyle concepts that appeal to the urban buyer.

Outlook For Matrix

In FY2024, Matrix plans to further refine its product launch mix to market demand. In Malaysia, the Group plans to launch RM1.73 billion of new properties into the market, with the bulk being mid-ranged homes. Most of these launches will centre around the Group's flagship Sendayan Developments and BSI, with some launches of stand-alone, projects located in the Greater Klang Valley.

MANAGEMENT DISCUSSION & ANALYSIS

Following up on the success of The Chambers, its first high-rise development in Klang Valley, the Group plans to launch Levia Residences, a 35-storey condominium strategically located in Cheras, Kuala Lumpur with a GDV of RM532.6 million.

In Australia, Matrix will continue to ramp up sales of its M333 St. Kilda project, while exploring other locations and opportunities; in and around Melbourne as well as at other cities. St. Kilda is Matrix's third Australian project after the highly successful M. Carnegie and M. Greenvale. Matrix is developing a recognisable brand name in the Melbourne property sector, which is expected to continue translating into strong take-up rates for its products.

Internationally, following on from the success of the Group's fully-sold and recently completed second residential development in Australia – M. Greenvale in Melbourne, the Group is currently focused on the development of M333 St. Kilda, which was launched in May 2022 with an estimated GDV of AUD76.9 million. The eight-storey mixed development is the Group's largest development in Australia to date and is located within walking distance of iconic landmarks.

Working with joint venture partners or on its own, Matrix shall continue to explore potentials in other cities.

In Indonesia, Matrix continues to closely follow the progress of the Menara Syariah project, which is targeted to be completed in FY2024. The project will also cement the Group's name in the archipelago, particularly in the city of Jakarta. This can pave the way for future opportunities.

Amidst a robust property market, increasing demand for properties and an appropriately attuned launch portfolio, coupled with RM1.44 billion in unbilled sales, Matrix is cautiously optimistic of maintaining healthy performance in FY2024.

M333 St. Kilda, Australia

Matrix also intends to drive the growth of its healthcare division. Plans include offering more community medical services by expanding its medical offerings and increasing the capacity of the hospital.

In FY2024, Mawar shall proceed with the next phase of its restructuring programme; embarked since the involvement of the Group in 2019, with the expansion of its inpatient capacity to 78 beds from the current 57 beds, as well as the recruitment of an additional 4 resident consultants.

Mawar also aims to become a community-driven health screening centre and "excellence" centre for Cardiology, Nephrology, Trauma, Urology & Colorectal medical care. Other plans include tapping the recovering medical tourism niche sector going forward, especially inbound patients from Indonesia, Singapore and China.

In tandem with market sentiments, d'Tempat Club and d'Sora Hotel will continue with their respective business plans to increase revenues. This include customer retention strategies, plans to increase occupancy rates, targeting the MICE subsegment and others.

The future continues to be rivet with uncertainties, including global economic uncertainties, political instability and spectre of further OPR hikes by the BNM. However, market conditions are expected to remain steady and to maintain an upward trend. Against this backdrop, Matrix remains cautiously optimistic that barring any black swan event or unforeseen circumstances, the Group is expected to maintain a comparable performance in FY2024.

HO KONG SOON
GROUP MANAGING DIRECTOR
30 June 2023

PRECISION AND EXECUTION

OUR LEADERSHIP

BOARD COMMITTEES

	Chairman	SC	Sustainability Committee	RMC	Risk Management Committee	AC	Audit Committee	RC	Remuneration Committee	NC	Nomination Committee

BOARD OF DIRECTORS' PROFILES

SC

70

DATO' HAJI MOHAMAD HASLAH BIN MOHAMAD AMIN

NON-INDEPENDENT NON-EXECUTIVE CHAIRMAN

DATE OF APPOINTMENT

2 April 2012

TENURE OF DIRECTORSHIP

- 11 years 2 months

ACADEMIC / PROFESSIONAL QUALIFICATION(S)

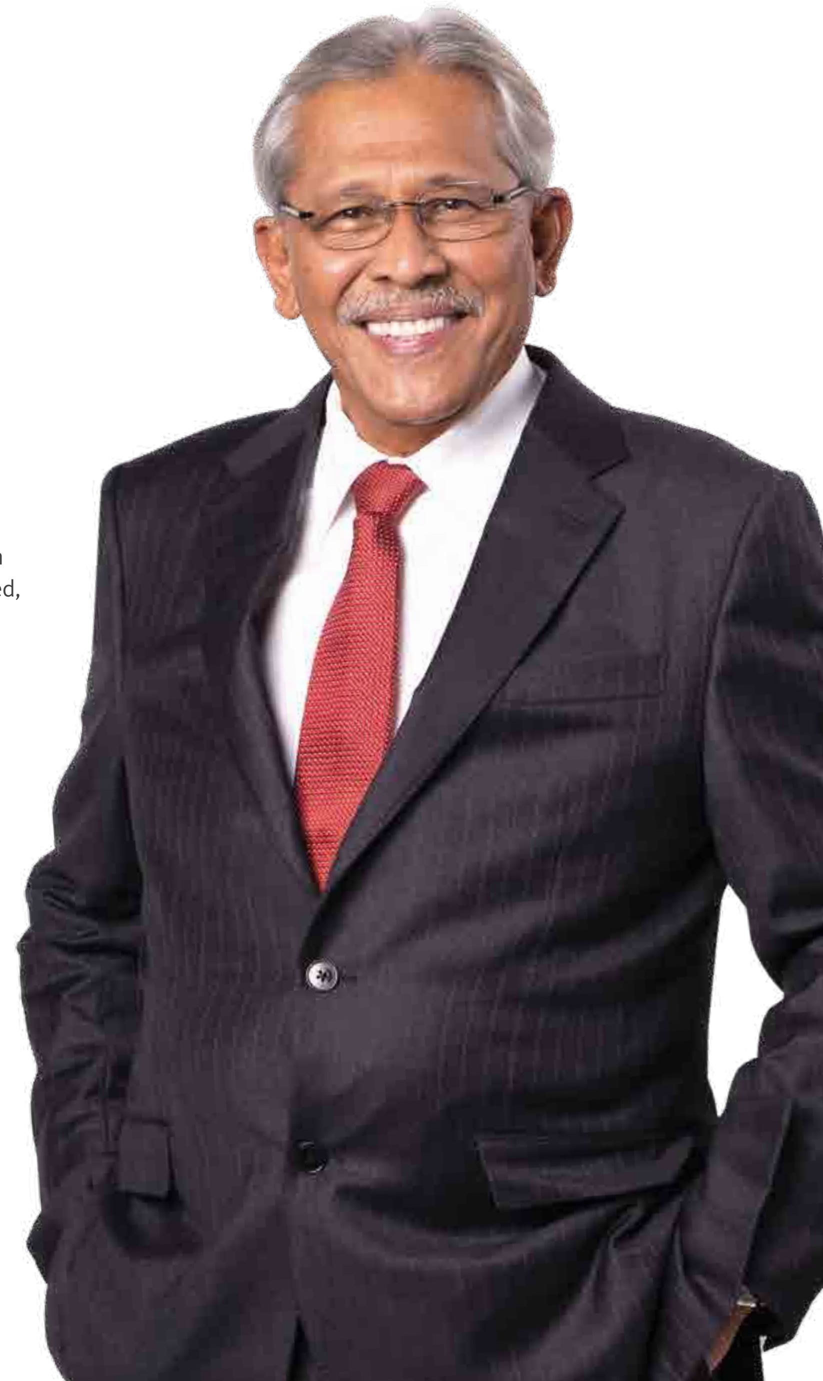
- Diploma in Banking from the Institute of Bankers, London, United Kingdom

PRESENT DIRECTORSHIP(S)

- **Listed entity:**
  Nil
- **Other public company:**
  Nil

EXPERIENCES

Dato' Haji Mohamad Haslah started his career in 1974 with the Malayan Banking Berhad group. In 1995, he joined Peregrine Fixed Income Limited, Hong Kong as Executive Director. In 1999, he was appointed as Country Director in Fleet Boston NA, Singapore. He subsequently joined Pacific Plywood Holdings Limited, Hong Kong, as Financial Advisor from 2000 to 2001.



OUR LEADERSHIP

BOARD OF DIRECTORS' PROFILES

DATO' SERI LEE TIAN HOCK

(KEY SENIOR MANAGEMENT)
FOUNDER, GROUP EXECUTIVE DEPUTY CHAIRMAN

65

SC

DATE OF APPOINTMENT

- 4 March 1997

TENURE OF DIRECTORSHIP

- 26 years 3 months

ACADEMIC / PROFESSIONAL QUALIFICATION(S)

- Degree in Housing, Building and Planning from Universiti Sains Malaysia

PRESENT DIRECTORSHIP(S)

- **Listed entity:**
  Nil
- **Other public company:**
  - Negri Sembilan Chinese Maternity Association
  - Pusat Hemodialisis Mawar

EXPERIENCES

Dato' Seri Lee Tian Hock has more than 36 years of experience in the property development industry where he had held various executive positions throughout his career. In 1992, he was the General Manager with N.S. Industrial Development Corporation Sdn Bhd and was seconded to NS Township Development Sdn Bhd where he was involved in the general management of the development of the Bandar Baru Nilai Township (now known as Putra Nilai) which covers an area of approximately 6,000 acres and with GDV of approximately RM5.5 billion.

In 1995, Dato' Seri Lee Tian Hock was appointed as the Managing Director of Semangat Tinggi Sdn Bhd which he assisted the development of luxurious bungalows with a total estimated GDV of RM55 million wherein 80% of bungalow units were sold during launch.

He later sold his equity interest in Semangat Tinggi Sdn Bhd and founded the Matrix Concepts Group in 1996 and was appointed as the Group Managing Director on 2 April 2012. He oversaw the maiden development of the medium cost mixed housing scheme known as Taman Bahau in Bahau, Negeri Sembilan. Taman Bahau was launched by the then Menteri Besar of Negeri Sembilan on 7 August 1997 with a GDV of approximately RM35 million. Since then, he has successfully led the Group to become a reputable developer in Negeri Sembilan and Johor including two (2) major townships which are flagship developments of the Group among many other mixed residential and commercial development. Dato' Seri Lee was redesignated as the Group Executive Deputy Chairman on 1 September 2018.

Currently, Dato' Seri Lee is also the President of Negri Sembilan Chinese Maternity Association and Chairman of Pusat Hemodialisis Mawar, Seremban.

BOARD OF DIRECTORS' PROFILES

SC RMC

56

HO KONG SOON

(KEY SENIOR MANAGEMENT)
GROUP MANAGING DIRECTOR

DATE OF APPOINTMENT

- 30 December 2002

TENURE OF DIRECTORSHIP

- 20 years 6 months

ACADEMIC / PROFESSIONAL QUALIFICATION(S)

- Bachelor of Engineering Degree from University of Malaya

PRESENT DIRECTORSHIP(S)

- **Listed entity:**
  Nil
- **Other public company:**
  Nil

EXPERIENCES

Mr. Ho Kong Soon started his career in 1992 as a Project Engineer in NS Industrial Development Sdn Bhd and was involved in the development of the Allson Klana Resort Hotel, Kasturi Klana Park Condominium and the Taman Semarak housing scheme, all in Negeri Sembilan. In 1994, he was promoted to Project Manager in the same company and was put in charge of project feasibility study and the initial planning of the 6,000-acre Nilai New Township in Negeri Sembilan. In 1995, he joined Potential Region Sdn Bhd as Project Manager and was involved in the development of a 220-acre orchard homestead resort in Port Dickson, Negeri Sembilan and residential houses in Sri Senawang, Negeri Sembilan.

Mr. Ho left Potential Region Sdn Bhd and was appointed as Director and General Manager of Matrix Concepts Group in 1997 and oversaw the implementation of the projects undertaken by the Matrix Group. He was later promoted to Group Deputy Managing Director in 2012 and redesignated as the Group Managing Director on 1 September 2018.

BOARD OF DIRECTORS' PROFILES

DATO' LOGENDRAN A/L K NARAYANASAMY

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

61

RMC SC

DATE OF APPOINTMENT

- 15 November 2016

TENURE OF DIRECTORSHIP

- 6 years 7 months

ACADEMIC / PROFESSIONAL QUALIFICATION(S)

- Diploma in Architectural

PRESENT DIRECTORSHIP(S)

- **Listed entity:**
  Nil
- **Other public company:**
  - Negri Sembilan Chinese Maternity Association
  - Pusat Hemodialisis Mawar

EXPERIENCES

Dato' Logendran is an architect by profession and has been providing architectural design works, services of which also include lightings consultancy and provision of related accessories, ranges from individual projects to dwellings, mixed developments since 1987. Throughout his career, Dato' Logendran has designed and built impressive portfolio of completed projects in Negeri Sembilan and his clients including Matrix Group, reputable governmental ministries, established companies of diverging nature of businesses.

Currently, he is the Executive Director of Negri Sembilan Chinese Maternity Association and Vice Chairman of Pusat Hemodialisis Mawar, Seremban.

BOARD OF DIRECTORS' PROFILES

AC RC RMC SC

53

MAZHAIRUL BIN JAMALUDIN

SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

DATE OF APPOINTMENT

- 20 August 2021

TENURE OF DIRECTORSHIP

- 1 Year 10 months

ACADEMIC / PROFESSIONAL QUALIFICATION(S)

- Bachelor Degree in Accounting & Finance from Lancaster University, United Kingdom

PRESENT DIRECTORSHIP(S)

- **Listed entity:**
  Nil
- **Other public company:**
  Nil

EXPERIENCES

Mazhairul Jamaludin was appointed to the Board on 20 August 2021. He is currently the Chairman of the Audit Committee. He is also member of the Risk Management Committee, Remuneration Committee and Sustainability Committees. He received a Bachelor degree in Accounting & Finance from Lancaster University, United Kingdom, and is a Fellow Member of the Association of Chartered Certified Accountants (ACCA) UK, Chartered Accountant Malaysia as well as ASEAN Chartered Professional Accountant. He is also currently an Independent Non-Executive Director of Generali Life Insurance Berhad (formerly known as AXA AFFIN Life Insurance Berhad). He was also a previous member of the Professional Accounts in Business (PAIB) Committee of the Malaysian Institute of Accountants and was an Independent Director of Cradle Fund Sdn Bhd.

He has diverse knowledge on media, telco, insurance, education and property development industry while having deep experience in audit assurance and advisory services. He is currently the Director of Finance of edotco Towers Pakistan Pvt Ltd (a subsidiary of EDOTCO Group). Prior to this, he was a Financial Consultant to a public listed company based in Kuala Lumpur until July 2022.

He was previously the Director, Corporate Relations in Astro from 2019 to 2022 and the Financial Controller / Senior Vice President, Commercial Services Multichannel TV, Astro from 2006 to 2010.

In between the two period in Astro, he was the Senior Director, Investment/ Outsourcing of Ekuinas from 2010 to 2019. He heads Ekuinas' Outsourced Programme and the Senior Director in charge of Ekuinas' education portfolio. In 2006, he had a stint at Celcom as the Vice President of Financial Accounting and Management Reporting and has also served at Arthur Andersen and Ernst & Young from 1995 to 2005 where he provided audit assurance and advisory services to various public and non-public listed companies.

BOARD OF DIRECTORS' PROFILES

DATO' HAJAH KALSOM BINTI KHALID

INDEPENDENT NON-EXECUTIVE DIRECTOR

67

NC AC RC RMC

DATE OF APPOINTMENT

- 15 March 2016

TENURE OF DIRECTORSHIP

- 7 years 3 months

ACADEMIC / PROFESSIONAL QUALIFICATION(S)

- Bachelor of Arts in Geography from University of Malaya

PRESENT DIRECTORSHIP(S)

- **Listed entity:**
  Nil
- **Other public company:**
  Nil

EXPERIENCES

Dato' Hajah Kalsom has more than 36 years of experience in education industry. Her last appointment was the Director of the Negeri Sembilan, State Education Department, a position which she held from year 2012 until November 2015.

BOARD OF DIRECTORS' PROFILES

RC AC NC

74

DATO' HON CHOON KIM
INDEPENDENT NON-EXECUTIVE DIRECTOR

DATE OF APPOINTMENT
- 19 June 2015

TENURE OF DIRECTORSHIP
- 8 years

ACADEMIC / PROFESSIONAL QUALIFICATION(S)
- Bachelor of Social Sciences (Econ) from Universiti Sains Malaysia

PRESENT DIRECTORSHIP(S)
- **Listed entity:**
  Nil
- **Other public company:**
  Nil

EXPERIENCES
Dato' Hon Choon Kim started his career in the government's statistical department in 1977. Later in 1986, he was elected as State Assemblyman and was appointed as a State Executive Councilor of Negeri Sembilan. He was then elected to be a Member of the Parliament in 1995 and was appointed as the Deputy Minister of Education from 1999 until 2008.

BOARD OF DIRECTORS' PROFILES

CHUA SEE HUA

INDEPENDENT NON-EXECUTIVE DIRECTOR

69

RMC AC NC

DATE OF APPOINTMENT

- 18 November 2020

TENURE OF DIRECTORSHIP

- 2 years 7 months

ACADEMIC / PROFESSIONAL QUALIFICATION(S)

- Bachelor of Law (LLB) from East London University
- Master's Degree in Law from University of Cambridge (Specialising in Companies & Securities Law and International Law)

PRESENT DIRECTORSHIP(S)

- **Listed entity:**
  Petron Malaysia Refining & Marketing Berhad
- **Other public company:**
  Nil

EXPERIENCES

Ms. Chua See Hua began her career as a solicitor with Messrs Skrine, Kuala Lumpur in year 1985. She then subsequently joined Ernst & Young, Hong Kong as a general counsel and Simmons & Simmons, an international law firm in Hong Kong from year 1989 to 1997. Ms Chua became the partner of Messrs Raslan Loong, Kuala Lumpur from year 1997 to 2010.

In year 2010, Ms. Chua founded Messrs Chua Associates, a boutique law firm in Kuala Lumpur specialising in corporate, commercial, banking, property and capital market work. On 1 March 2021, she joined Christopher & Lee Ong, a law firm affiliated with the Rajah & Tann Network as a partner.

Ms. Chua is a member of the Insolvency Practice Committee of the Malaysian Institute of Certified Public Accountants (MICPA) and a member of the Disciplinary Committee of MICPA.

BOARD OF DIRECTORS' PROFILES

AC RMC NC

49

LOO SEE MUN

INDEPENDENT NON-EXECUTIVE DIRECTOR

DATE OF APPOINTMENT

- 1 September 2021

TENURE OF DIRECTORSHIP

- 1 Year 10 months

ACADEMIC / PROFESSIONAL QUALIFICATION(S)

- Association of Chartered Certified Accountants (ACCA)

PRESENT DIRECTORSHIP(S)

- **Listed entity:**
  Nil
- **Other public company:**
  Nil

EXPERIENCES

Ms. Loo obtained her qualifications from the Association of Chartered Certified Accountants (ACCA) in 2002, she is a member of the Malaysian Institute of Accountants (MIA), Associate Member of Chartered Tax Institute of Malaysia (CTIM) and a Professional Member of the Institute of Internal Auditors Malaysia (IIA).

She commenced her professional training in a medium-sized audit and tax firm from 1998 until 2003. During her tenure there she has extensively been involved in various industries including construction, hospitality, trading and manufacturing. She was also involved in tax due diligent review, corporate tax planning, group tax review, tax audit investigation and cross border transactions.

In 2003, she left to gain commercial experience as an internal auditor in a public listed general insurance company. As a senior, she has been trained in internal audit and risk methodologies which enabled her to identify risks and establish proper internal control system, understanding risk management and corporate governance.

In 2004, Ms. Loo co-founded Kloo Point Consulting Group, a consultancy firm and has since been heading the practice of taxation services in Malaysia until today. She is a licensed tax agent under Section 153, Income Tax, Act 1967. Ms. Loo is also a director of a medium-sized audit firm. She has been involved in the auditing profession for over 20 years.

Note:
Save and except for what was disclosed in this Annual Report, all the Directors of Matrix:-
a) have no family relationship with any Director and/or major shareholder of Matrix;
b) have no conflict of interest with Matrix; and
c) have no public sanction or penalty, other than traffic offences, imposed by any relevant regulatory bodies during the financial year.

MANAGEMENT TEAM

PROPERTY DEVELOPMENT

JOSHUA LIEW CHEE MENG
General Manager, Central Region

PAK HENG CHEONG
Senior General Manager, Project Planning

TAN SZE CHEE
Chief Development Officer

LIM KOK YEE
Chief Marketing Officer

BRYAN LEE THIAN LONG
General Manager, Group Sales and Marketing

MANAGEMENT TEAM

HARRY LEE CHIN YEOW
Assistant Project Manager

TN. HJ. MUSTAZA BIN MUSA
General Manager, Land Matters

DAMON LAU CHEE WEN
General Manager, Southern Region

HOW GIOK WAH
Group Sales Advisor

LEE JON WEE
Managing Director, Matrix Development (Australia) Pty Ltd

OUR LEADERSHIP

MANAGEMENT TEAM

CORPORATE SUPPORT

CAMY TEE KAM MEE
General Manager, Group Finance

LEE BING HONG
General Manager, Group Human Resource & Administration

LOUIS TAN SAY KUAN
Chief Financial Officer

CARMEN LOO KAH BOON
General Manager, Group Corporate Secretarial, Governance and Sustainability

ROSALIND JOSEPHINE LIM POH CHOO
General Manager, Group Legal

MANAGEMENT TEAM

NG LAI THENG
General Manager,
Group Digital
Transformation

NIK LI BIN R. DERAMAN
Senior Manager,
Internal Audit

HEALTHCARE

DATO' DR. VIJAYA SINGHAM A/L PETHARUNAM PILLAI
Medical Director (PIC),
Mawar Medical Centre

DR. ONG CHIEW PING
Chief Executive Officer,
Mawar Medical Centre

MANAGEMENT TEAM

CONSTRUCTION

YVONEE TSEN PEI FONG
General Manager, Group Contract & Procurement

ERIC LONG CHAY SEENG
Chief Project Director

EDMUND YONG WEI VOON
General Manager, Construction

MANAGEMENT TEAM

EDUCATION

LOH GHEE JUAN
Campus Principal

DATO' LIM SI BOON
Director, Matrix Educare Sdn Bhd

EDWIN TAN BEOW AIK
Director, Matrix Educare Sdn Bhd – School Development

DIVERSE AND SPECIALISED

VALUE CREATION STRATEGIC REVIEW

VALUES AND VALUE CREATION FROM THE MATRIX PERSPECTIVE

The integrated perspective to value creation is fast becoming the new normal for corporates globally.

The integrated approach comprising focus on both creating and sustaining financial and non-financial values is increasingly becoming the basis for the business purpose of organisations, as companies seek to find continued relevance and competitiveness amidst a post-pandemic environment.

It is clear to businesses that business as usual and that the philosophy of profit first and profit above all else, will not support the long-term resilience of businesses in a considerably changed operating environment, where the voice of stakeholders, environmental concerns and good corporate governance are fast becoming the licenses for companies to remain in operations.

Legacy value creation perspective:
Driven by short-term, perhaps immediate financial and business goals revolving around revenues, earnings, shareholder dividends and expansion of presence and capacity only.

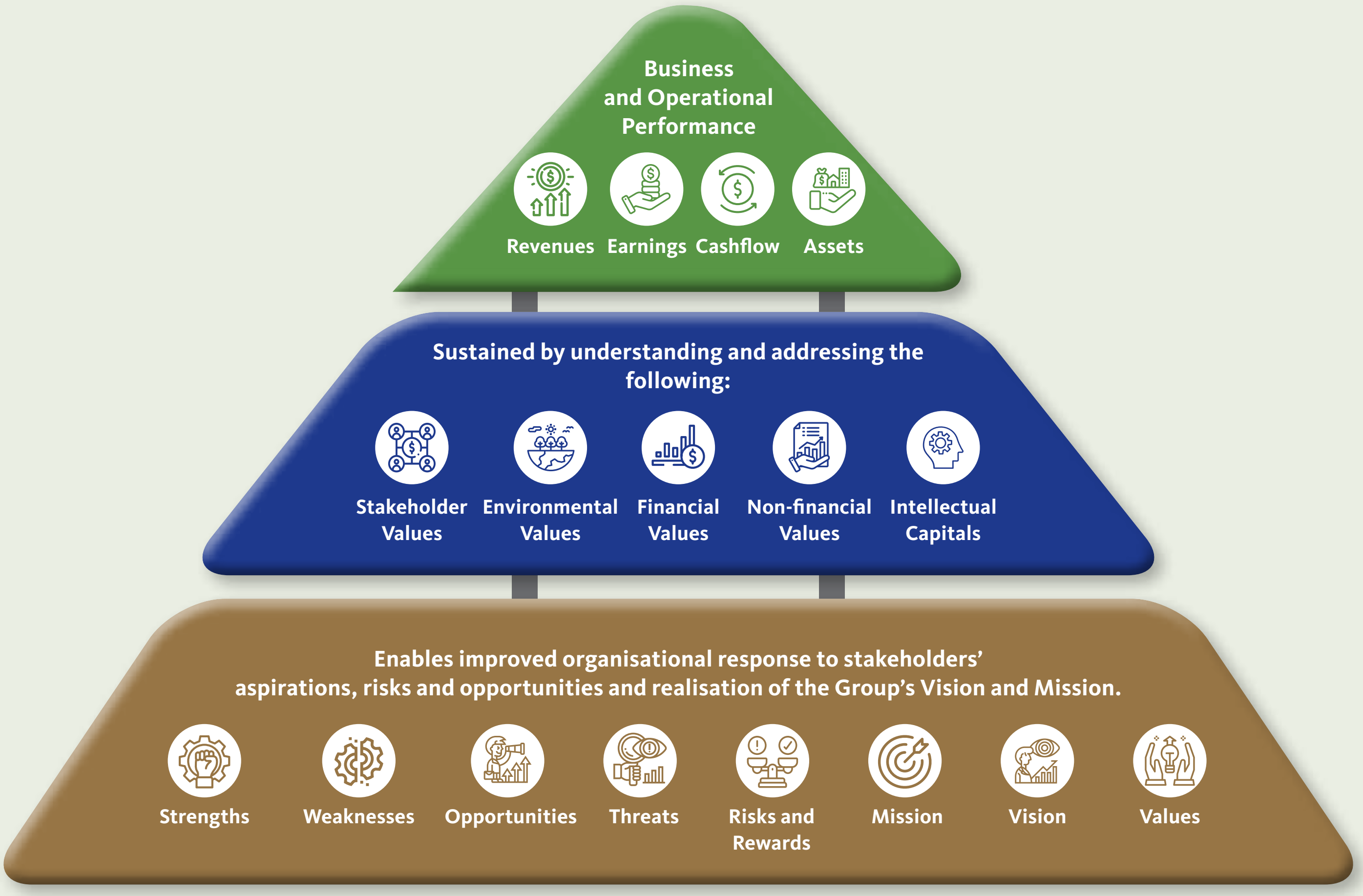
Little to no visibility to ESG beyond mandatory regulatory compliance. The same for society's interest (beyond product quality and customer satisfaction).

The new (and increasingly embraced) value creation perspective:
Both financial and non-financial performance are measured across a triple bottom line of ESG considerations together with considerations of impacts on stakeholders.

The single minded focus on revenues, earning and quantifiable business and operational KPIs is increasingly being expanded to include other considerations, beyond the typical financial perspective.

Today, matters material to ESG, society, regulators and investors, external trends and developments aggregate together towards redefining value creation from a larger perspective.

VALUES AND VALUE CREATION FROM THE MATRIX PERSPECTIVE



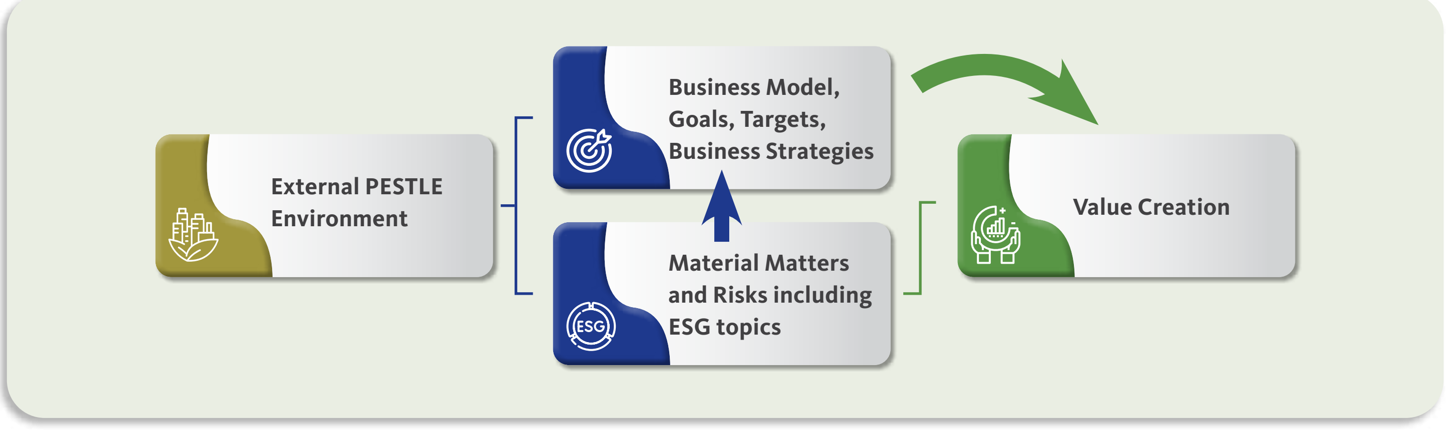
The Board and Senior Management are increasingly placing greater focus on how the potential and actual impact of ESG matters on Matrix's business model as well as the direct and indirect impacts on financial and, business performance and stakeholders.

The reasoning is simple. The creation of financial values do not exist in a vacuum – distinct and separate from ESG and other considerations. Value creation is a shared, collective journey that comprises both financial values for the Group and its investors, but also non-financial values including environmental, social and governance ("ESG") values that are of importance to our customers, regulators, the community at large and other stakeholders.

Hence, Matrix continues to subscribe to an integrated or expanded perspective of value creation as the organisation grows in cognisance in terms of how stakeholders and ESG contribute to value creation, providing both risks and opportunities for the Group going forward.

GOVERNANCE OF THE BUSINESS MODEL AND VALUE CREATION

"Tangible and intangible positive outcomes that are generated through our Business Model for the benefit of the business, customers and society."



While Matrix's approach to governance is driven by its corporate governance structures, policies, defined standard operating procedures, internal processes and controls, the business model is driven by the Group's corporate purpose or philosophy enshrined in the Vision and Mission.

The Vision and Mission are driven by the Group's founder, Dato' Seri Lee Tian Hock, which is to create organisational value by serving society – meeting existing and future needs such as the provision of affordable homes and quality living and lifestyles for Malaysians.

This corporate aspiration is at the heart of the Business Model and serves as the governing principle or guiding light for Matrix.

The Board and Management continue to be aligned to this principle of socioeconomic development – creating and unlocking value by transforming urban landscapes through property development. In doing so, unleashing a torrent of positive multiplier effects for stakeholders and also supporting robust financial value creation.

Specific information on the Group's governance structures are provided in the Corporate Governance Overview Statement of this Report.

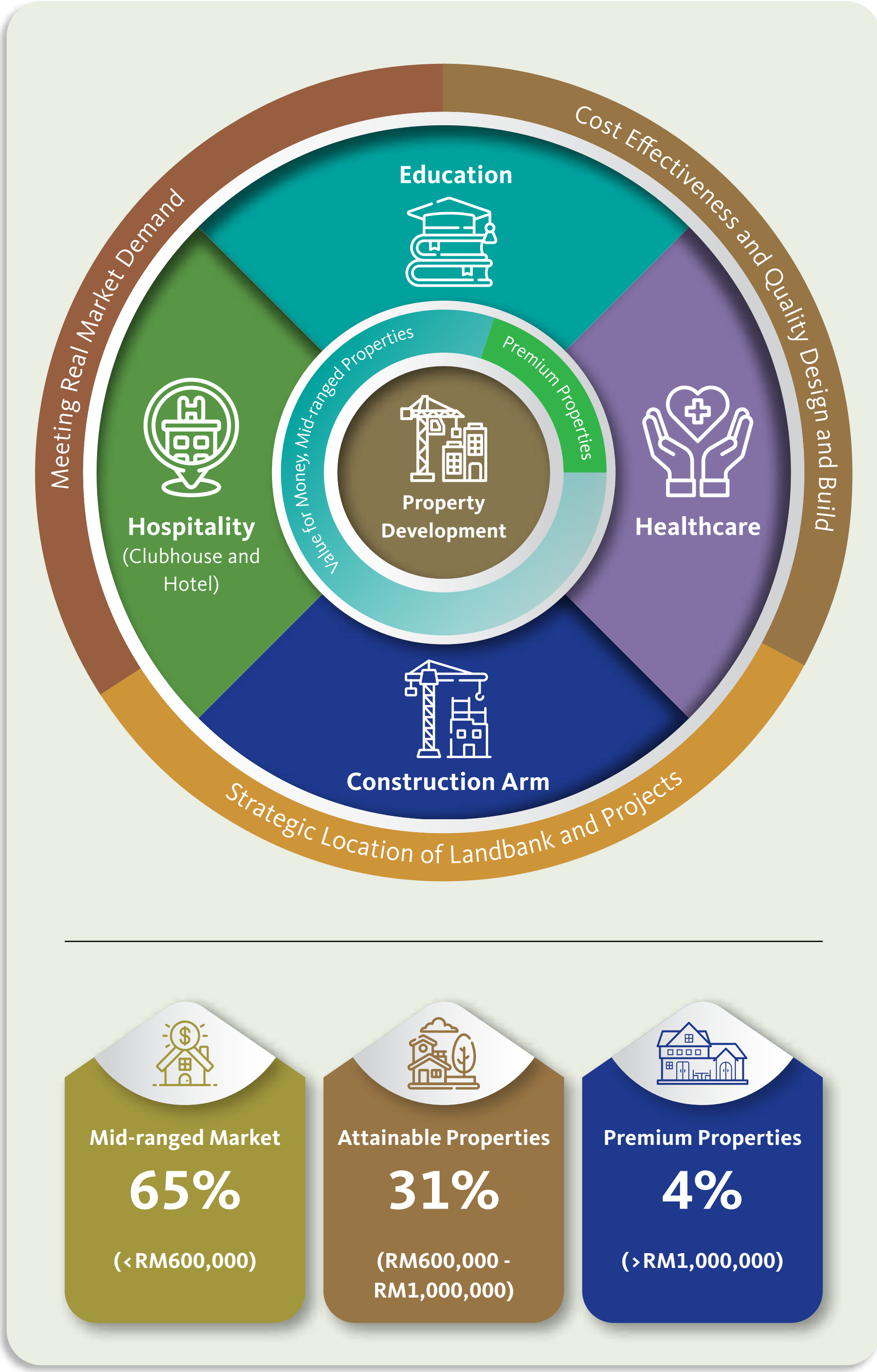
OUR BUSINESS MODEL

Essentially, Matrix's Business Model is primarily driven by its property development and related activities which account for the bulk of the Group's revenue and earnings.

Matrix primarily designs, builds and sells properties of which 65% account for properties priced RM600,000 and below. This is regarded as properties targeted at the mass, middle-income market segment of Malaysians.

The Group also provides an element of differentiation in its product mix with higher priced properties also being supplied towards meeting the preferences of more niched and even affluent demographic segments.

The Group has also ventured to Australia – progressively expanding its presence through an increasing number of successful projects, located in the city of Melbourne and the surrounding vicinity.



OUR BUSINESS MODEL

The aforementioned segmental approach to property development is neither new nor exclusive; being also applied by a wide range of property developers. Hence, in executing its Business Model, Matrix has looked into creating and retaining a level of differentiation in its overall approach and business / operational strategies.

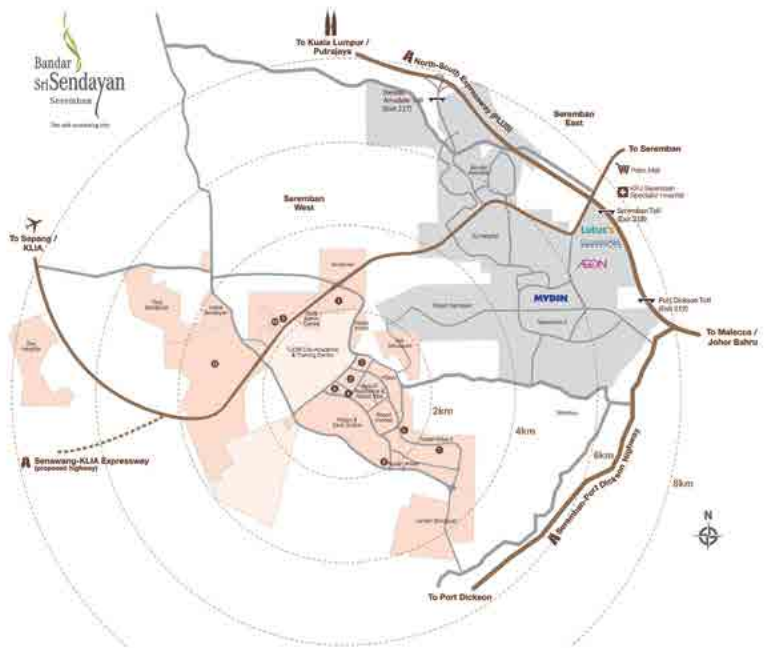
DIFFERENTIATION OF MATRIX'S VALUE PROPOSITION

Leveraging The Strength of Bandar Sri Sendayan

One of the key differentiators for Matrix is the strategic positioning of its mega self-contained, 6,000 over acres Bandar Sri Sendayan ("BSS") township. BSS, located at the sprawling and fast developing locale of Sendayan is just 70km away from the Kuala Lumpur city centre and 37.5km away from the Kuala Lumpur International Airport ("KLIA").

This highly strategic positioning, not forgetting being in close proximity to highways, amenities and facilities makes BSS an ideal suburban location in the Southern part of the Greater Klang Valley for Malaysians looking for a home that affords more space, lifestyle amenities and other benefits at a more competitive price point, compared to properties closer to the city centre.

BSS, which continues to be developed in progressive phases, has enabled Matrix to grow from strength to strength and to establish the Group's brand in the hearts and minds of consumers over the past years. Through development by phases, the Group has been able to develop BSS progressively, selling out each phase and recouping funds through revenues to launch new phases. This, over time, has enabled the Group to build its strength, which has then enabled expansion from BSS into boutique, stand-alone projects in the Klang Valley and also to embark on its second township, Bandar Seri Impian, in Johor and also to venture abroad into Australia.



FAST TURNAROUND BY LEVERAGING INTERNAL CONSTRUCTION CAPABILITIES AND EXPERTISE

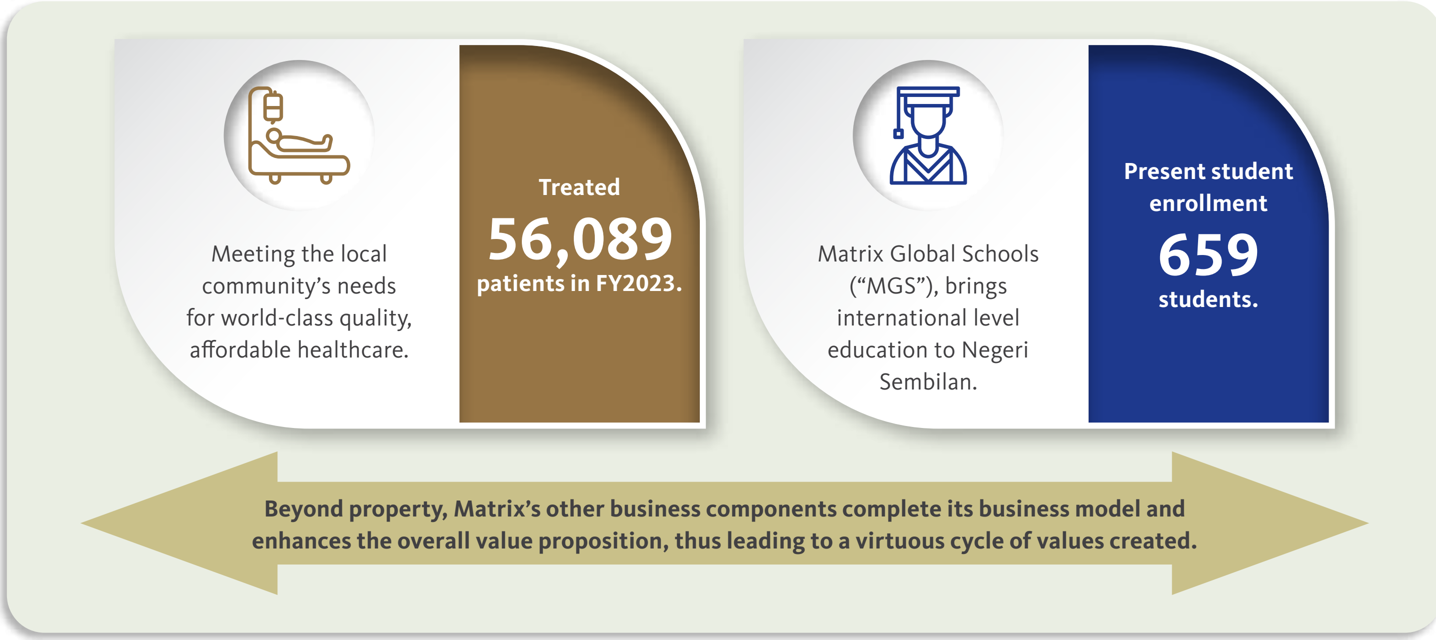
Matrix Excelcon Sdn Bhd is Matrix's in-house construction arm – undertaking all construction related work for the Group. The presence of an internal construction arm supports cost and operational efficiencies, improved project management and better quality control, all of which support faster project completion and at higher quality standards.

COMPLETING THE LIFESTYLE PROPOSITION – THE THRIVING TOWNSHIP APPROACH

While property development is the primary revenue generating activity, Matrix has invested and progressively developed ancillary operations that enhance and augment the property development value proposition.

The management and operations of lifestyle components such as retail, education and healthcare complete the township, thus serving to accentuate the attractiveness and appeal of Matrix's property development. In essence, beyond providing homes, the focus is on providing lifestyle opportunities, meeting desired aspirations of property buyers and providing the possibility of better, quality living across the lifecycle journey of buyers.

OUR BUSINESS MODEL



Ultimately, the model is geared towards the development of self-contained, self-sustaining townships where all crucial components that support the needs of the community are met. Beyond quality housing of varying types and price points, Matrix's townships aspire to provide the commercial, educational and entertainment aspects as well as healthcare.

DYNAMIC EVOLUTION IN TANDEM WITH THE OPERATING ENVIRONMENT

Matrix's business model, however, does not exist in a vacuum, but remains dynamic, agile and flexible, in tune to the many and varied changes that continue to occur in the external operating environment.

These trends and developments continue to have potential impacts, positive or negative on the business model and ultimately can / will impact / influence Value Creation.

Kindly refer to the following pages / sections for a comprehensive narrative on the identified matters that are material to enterprise Value Creation.

MATTERS MATERIAL TO VALUE CREATION

SUPPLY CHAIN DISRUPTIONS AND AVAILABILITY OF MATERIALS AND RISING COSTS

For the better part of FY2023, the world continued to face supply chain disruptions brought on by various developments. Among these were the protracted Russia-Ukraine conflict, strict, zero-COVID lockdowns imposed across China and continued trade wars and geopolitical tensions between the US and China.

As the COVID-19 pandemic receded into endemicity, countries worldwide looked to restart their economies. This led to a surge in demand for goods, services, commodities and building materials.

Cumulatively, this too contributed to supply chain shocks and resulted in supply unable to maintain pace with fast recovering demand.

The cumulative effect of the aforementioned developments (as well as others) contributed to escalating costs for a wide range of building materials such as steel and cement.

Rising material costs contributed to increased operating costs in FY2023 which led to the challenge of either raising selling prices of properties or to reduce overall earnings margins.

BUILDING MATERIALS COST INDEX

UNIT PRICE INDEX FOR SELECTED BUILDING MATERIALS, MALAYSIA, MARCH 2023

The price index per unit of cement and steel recorded an increase of 1.1 per cent and 0.9 per cent in March 2023




	Cement	Bricks & Wall	Steel	Steel & Metal Sections
Mar 2022:	107.5	110.3	134.7	132.3
Feb 2023 :	117.1	117.9	132.8	132.6
Mar 2023:	118.4	119.1	133.9	133.9
YoY% :	▲ 10.2	▲ 8.0	▼ 0.6	▲ 1.2
MoM% :	▲ 1.1	▲ 1.0	▲ 0.9	▲ 0.9

AVERAGE PRICE OF SELECTED BUILDING MATERIALS, MALAYSIA, MARCH 2023

The average price of cement (Ordinary Portland) recorded an increase of 1.1 per cent in March 2023





	Mild Steel Round Bars RM / Metric Ton	Ordinary Portland Cement RM / 50kg bag	Aggregates RM / Metric Ton	Mycon 60 High Tensile Deformed Bars RM / Metric Ton	Sand RM / Metric Ton
Price	RM3,774.78	RM22.40	RM42.31	RM3,600.24	RM42.74
YoY% :	▼ 1.1	▲ 11.2	▲ 5.6	▼ 1.0	▲ 18.3
MoM%:	▲ 0.8	▲ 1.1	▼ 0.2	▲ 0.8	▲ 1.7

Note:-
1. *The average price of building materials refers to the average price of building materials that are available in the selected outlets*
2. *YoY (change year-on-year) and MoM (change month-on-month)*
3. *Sourced from Department of Statistics Malaysia*

MATTERS MATERIAL TO VALUE CREATION

Strategic Measures Taken

Matrix adopted a mixed strategy of reviewing sales prices while considering earnings margins of products. The strategy was effective with the Group sustaining strong sales across all project launches in FY2023 and also recording revenues and earnings growth for the financial year.

Kindly refer to the Five-Year Financial Highlights and Management Discussion and Analysis for more information on Group's financial performance.

SPEED TO MARKET AND PACE OF COMPLETION

It is imperative that properties launched are sold, built and handover within a stipulated period of time. This is to ensure that financial, manufactured and human capitals invested are efficiently utilised and recouped, which enables a speedy turnaround of resources towards reutilisation in new projects.

In FY2023, issues such as raw material supply, labour scarcity and regulatory approvals had led to delays in the turnaround pace of projects.

Strategic Measures Taken

Matrix placed greater emphasis on its allocation of resources, restrategising the deployment of existing capitals, while simultaneously expanding its sourcing activities towards increasing its resource base.

This dual approach enabled the Group to resolve most of its issues and to re-establish a high-level of productivity on operating sites. At the same time, product sales were ramped up across all property projects.

MATTERS MATERIAL TO VALUE CREATION

CLIMATE CHANGE IMPACTS

Matrix is cognisant of its potential and actual physical, transition and legal risks associated with climate change. While not all these risks have impacted the business model, some risks, such as unpredictable weather conditions i.e. sudden deluge of rain, flash floods and heatwaves have disrupted site productivity.

GOVERNANCE

Matrix's existing sustainability governance structure helmed by the Board Sustainability Committee ("BSC") continues to have strategic oversight on all material ESG matters, including climate change and related topics such as energy consumption, emissions as well water consumption, waste management and resource / materials consumption. The latter topics are in relation to Scope 3 emissions.

The governance of climate change involves the presentation of half-yearly reports to the BSC and thereafter, the full Board on Matrix's sustainability related highlights and progress achieved. The BSC reviews these reports, deliberates on the results achieved, specifically on the following: direct and indirect energy consumption, Scope 1, 2 and 3 emissions, as well as increased adoption of RE and existing attempts to "green" operations in particular, the property development and construction operations. Specifically, the Board reviews the progress made against set KPIs and Targets.

The Board, especially the BSC continues to update itself through training pertaining to climate change and related matters towards ensuring they are able to effectively discharge their governance duties.

The role of management entails developing tactical execution plans to the broad goals set by the Board and to then drive performance on a day-to-day basis towards achieving set KPIs and Targets. A key focus area is the transition towards "green" construction and green property development – progressively driving towards increased resource and energy efficiency, reduced wastage and improved productivity.

Management is also tasked with the development of effective risk mitigation measures – putting safeguards in place to reduce exposure to emerging and existing climate change risks; while also leveraging on opportunities. Ultimately, the role of the Board and Senior Management is to ensure continued progress towards realising Matrix's Zero Carbons 2050 goal.

Moving forward, Matrix may link the remuneration of Board or Senior Management, be it the basic remuneration or via a bonus mechanism to climate change related performance KPIs and Targets in the future.

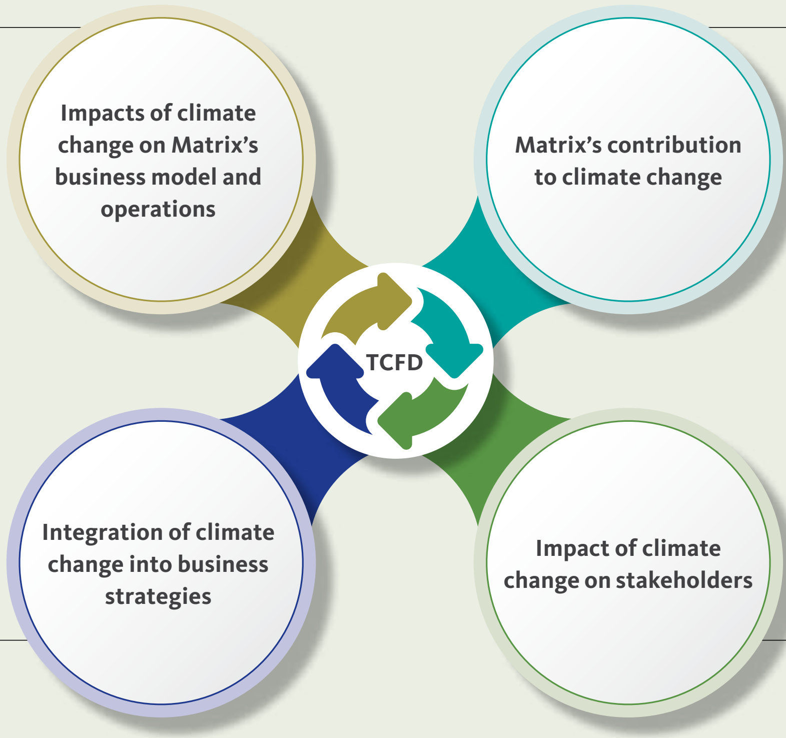
The launch of the EV station at d'Tempat Club

MATTERS MATERIAL TO VALUE CREATION

STRATEGY

Matrix's strategy with regard to climate change takes into account the following perspectives based on short, medium and long-term horizons.

- How do the physical, transitional and legal risks affect, impede or disrupt operations?
- What changes are necessary to sustain business growth and value creation?
- What opportunities are presented for new revenue generation opportunities or to improve efficiency and productivity?



- How does Matrix through consumption of resources, energy and waste production contribute to climate change?

- How should climate change be integrated into the mainstream of risk management and business strategies?

- How will climate change impact Matrix's stakeholders? How will these impacts erode stakeholder value creation?

MATTERS MATERIAL TO VALUE CREATION

The Group's strategy is centred on its Zero Carbon by 2050 long-term goal, based on the following broad based focus areas:

01 **Decarbonisation through improvements in production processes, energy and production efficiency, waste reduction and sourcing of products from green certified suppliers. The aim is to reduce as much as possible, carbon footprint at the source prior to actual business activities and adoption of methods that will enable a reduced carbon footprint.**

02 **Decarbonisation through increased renewable energy. Continued transition to alternative sources of energy, reduction in hydrocarbon use, transitioning to electricity derived from solar i.e. green power programme, etc.**

03 **Removal of residual carbon footprint through carbon credits of other means.**

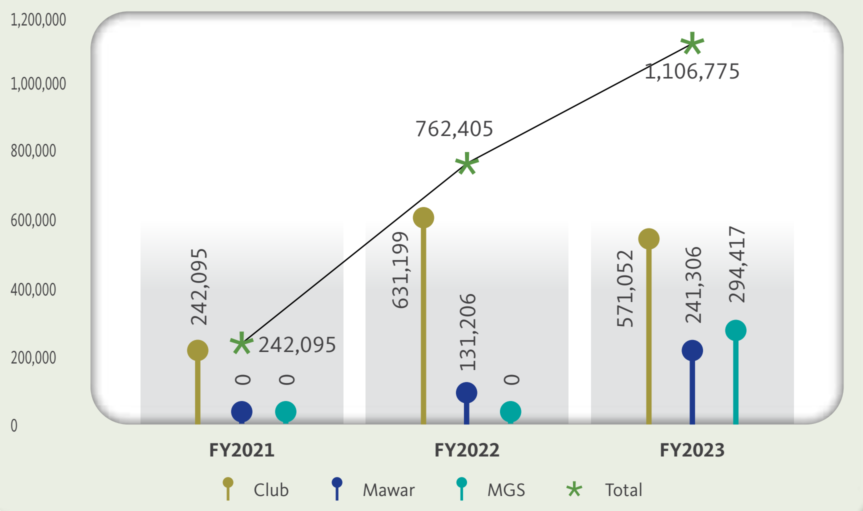
All divisions have been tasked to develop specific strategies and action plans in relation to climate change. This includes developing Standard Operating Procedures (SOPs) and action plans within their respective Risk Registers. Matrix is also looking to increase the percentage of "green" features within its developments.

TRANSITIONING TO RENEWABLE ENERGY (SOLAR)

Matrix has been using solar for the past years to power operations at the d'Tempat Club, Mawar and MGS. In FY2023, with the inclusion of solar energy generated by the panels installed at MGS, Matrix has generated in total more than 1.1 million kWh of clean energy. This is a 45.2% increase year-on-year.

A total of 609.8 tonnes CO$_2$e emissions were avoided.

Solar Energy Generated (kWh)



In encouraging increased use of solar energy, Matrix, going forward shall be bundling solar panel options for buyers of premium units. It is also looking into the allocation of solar panels for some of its higher-priced, high-rise projects.

MATTERS MATERIAL TO VALUE CREATION

PHYSICAL RISKS ASSOCIATED TO CLIMATE CHANGE

Heavy Rain and Flash Flooding

Matrix has identified its climate change risks based on business divisions and these are centred on physical, transitional and legal risks associated / brought on by climate change.

Physical risks include flash flooding caused by torrential rain and altered weather patterns that may disrupt construction operations, particularly progress of works at sites. This may delay completion and delay revenue recognition. Increased rainy weather is equated to reduced manhours and workdays and may also require additional safeguards to prevent increased risk of injuries due to slippery work conditions. An additional concern is water-ponding at construction sites which can increase the probability for vector borne diseases such as dengue, which would affect employees and workers on site.

Aside from construction, risk of flooding may necessitate rethinking of project planning as certain low-lying locations may be more prone to floods during rainy weather. This may require re-adjusting the landbank portfolio or even development plans. Modifications to property masterplans such as change in designs to prevent water-ponding on roofs and increased drainage requirements may entail additional costs.

Choice of materials may also see changes as more weather resistant alternatives for external paints, roof tiles and other components may lead to higher operating costs per property built. Such costs would either erode margins or be passed to property buyers, thus affecting the attractiveness of the property amidst a highly competitive property sector. However, the effects of the aforementioned are to an extent, negated as all property developers would be encountering similar challenges.

Drought and Rising Temperatures

In contrast, drought like conditions could affect construction operations which consume significant amounts of water. Alternatives may be required such as groundwater harvesting (when rainwater harvesting is not possible), especially in water stressed locations.

Scorching temperatures may lead to increased incidences of heatstroke which would affect the health of site workers and this would also hinder the progress of works. Similar to middle eastern countries, the number of actual productive hours could be reduced, thus impacting completion schedules of projects. The repercussions include delayed revenue recognition as well as potential Liquidated and Ascertained Damages ("LAD") charges for late delivery of properties.

Similar to flooding, landbank and development plans may need to change to ensure that townships and other property projects have sufficient water post completion and handover. Increased allocations for rainwater harvesting, bigger water tanks and more may lead to increased costs. In providing a larger heatsink, increased greenspaces may be required, which will eat into developmental space. As a result, sizes of homes may become smaller, or prices of homes will increase. The cultivation of more greenery and green space may see an increased landscaping and maintenance costs.

Mitigation Measures

Matrix has achieved full compliance with the Malaysian Urban Stormwater Manual requirements for drainage and irrigation towards preventing risks of flooding on all construction sites and property development projects

TRANSITIONAL AND LEGAL RISKS ASSOCIATED TO CLIMATE CHANGE

The transition to Zero Carbon by 2050 may likely entail significant capex over the long run. While Matrix has the financial capacity to undertake such CAPEX, the costs for solar panel acquisition and installation and other factors may increase over time. This is due to external factors such as disruptions to the supply chain dynamic that are beyond the control of the Group.

Funds allocated to decarbonisation may see an opportunity cost vis-à-vis the utilisation of such funds for landbank acquisition, development of more properties, investments into construction technologies, talent development and more.

Legal risks include loss of access to preferable financing due to lack of progress achieved on decarbonisation or reduced ratings by regulators and the financial community. The Group's ability to tap green financing, preferable interest rates and more may be affected.

MATTERS MATERIAL TO VALUE CREATION

OPERATIONAL SPECIFIC RISKS

PROPERTY DEVELOPMENT

OPPORTUNITIES

Greater acceptance by end-consumers of the need to adopt climate change mitigation measures, which enables new property offerings to be developed i.e. new designs, use of solar.

Consumers' acceptance to pay more for "green" or "eco-friendlier homes" provides new property development opportunities.

Increased access to financing and incentives from the government and other parties to venture into "green" building development.

Opportunities to expand into new but related businesses i.e. development of water treatment plants and more.

RISKS

Rising ambient temperatures and water scarcity may impact availability of suitable landbank.

Changes to building design may become necessary to withstand higher temperatures as well as harsher weather conditions.

Additional costs required for climate change modifications caused by changes in building designs and materials, new compliance requirements, contingencies for water and more.

Flood mitigation measures, especially in flood prone areas may become increasingly necessary, again leading to changes in design and overall costs.

CONSTRUCTION

OPPORTUNITIES

Greater willingness by management to explore green construction methods as well as circular economy concepts.

Proliferation of new technologies that reduce wastage and reduce resource consumption.

RISKS

Harsher weather conditions such as increased torrential storms and floods as well as hotter temperatures may lead to increased OHS risks as well as lead to delays of works on construction sites.

Increased ambient temperatures may affect worker productivity.

Water scarcity may lead to frequent water supply disruptions which would impede construction works.

Reduced access to financing/capital unless there is greater adoption of "green" construction methodologies.

HOSPITALITY AND HEALTHCARE OPERATIONS

OPPORTUNITIES

Opportunity to adopt renewable energy (RE) to power operations.

Opportunities to increase use of rainwater harvesting to reduce potable consumption from municipal sources.

RISKS

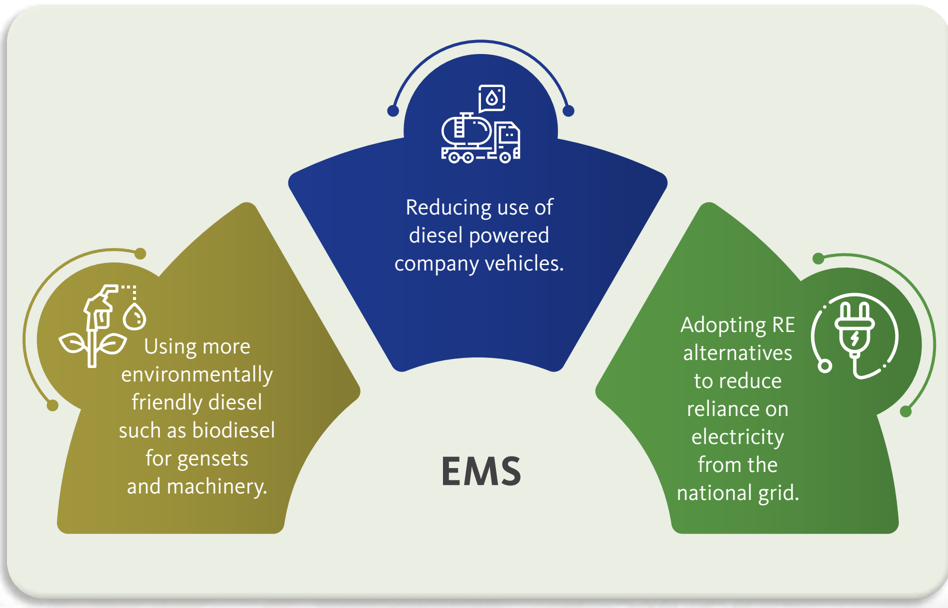
Rising temperatures will require increased electricity consumption for cooling purposes.

Water disruption issues due to direct or indirect climate change impacts could affect operations, leading to revenue loss.

MATTERS MATERIAL TO VALUE CREATION

METRICS AND TARGETS

Matrix's management approach to electricity consumption is guided by the Group's Environmental Management System ("EMS"). Based on its EMS, the following measures have been implemented Group-wide to better manage energy consumption and carbon emissions:



Matrix remains committed to managing its energy consumption, particularly the use of direct energy consumption within its construction process. Diesel is used by machinery and equipment as well as gensets. Petrol is used for company vehicles.

Indirect energy consumption, primarily electricity is sourced from the utility company, Tenaga Nasional Berhad ("TNB"). The Group also taps solar derived electricity which partially powers the operations of MGS, d'Tempat Club and d'Sora Hotel.

For FY2023, Matrix has made maiden disclosures on Scope 3 emissions. The Group continues to set its sights on becoming a zero carbon or carbon neutral operations by 2050.

Aerial view of MGS solar panels

MATTERS MATERIAL TO VALUE CREATION

LABOUR ISSUES

During the pandemic affected period ranging from March 2020 to June 2022, restrictions on foreign labour recruitment as well as the exodus of many skilled workers to their countries of origin had led to an acute drop in the labour supply pool.

While the Malaysian government had reinstated foreign worker recruitment in the second half of 2022, the effects of the policy reversal would not be felt till well into 2023.

Consequently, the lack of workers for recruitment had affected overall progress of works for many, if not most property developers. Due to labour scarcity, the cost of workers had also increased significantly, once again contributing to higher operating costs.

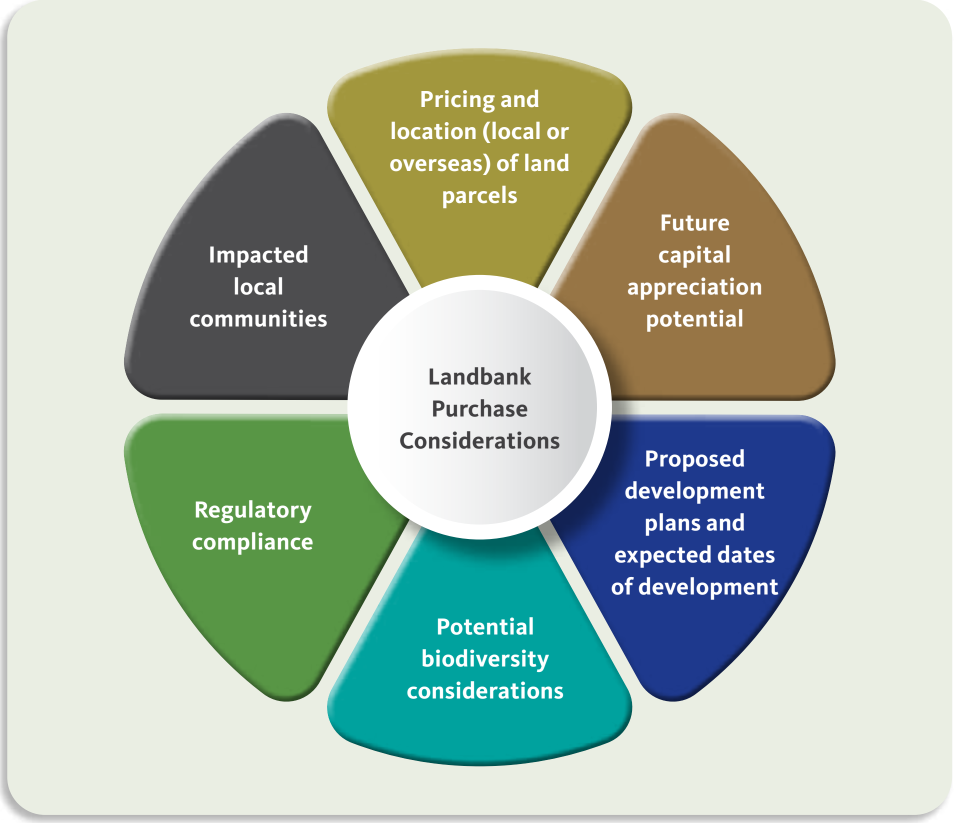
Strategic Measures Taken

Given the scarcity faced, in response, Matrix focussed on retaining as much as possible, its existing labour pool of workers. This included providing more competitive wages and other benefits. The Group also had looked to expedite its applications for new intakes of workers post the lifting of government restrictions in 2022.

LANDBANK REPLENISHMENT

The availability of land is a vital capital for property development. Hence continued replenishment of total landbank through acquisition of strategic parcels is often a prerequisite in sustaining the property development business model.

However, landbank replenishment must be undertaken with consideration for a wide range of factors as described below:



In FY2023, Matrix has embarked on the journey to expand its landbank and the most strategic acquisition is the impending acquisition of MVV Lands. With the completion of this proposed acquisition, it would bring the total Group landbank to 2,203.7 acres.

LOCAL VS OVERSEAS EXPANSION

Matrix continues to expand its business presence both locally and abroad. Requirements for both geographical locations – domestic and international operations differ with the former driven by the flagship BSS and other strategic standalone developments, while Australia is driven by the focus on the city of Melbourne.

Strategic Measures Taken

The Group utilises proprietary ratios, local market intelligence, previous sales performance and other specific data to determine specific business strategies for Matrix's domestic and local property markets.

LINKING ISSUES / RISKS WITH FINANCIAL PERFORMANCE

While Matrix has established a robust Risk Register, increasingly, the emphasis is on integrating ESG related risks and concerns into its strategic perspective. FY2023 sees the Group include climate change related risks towards developing a more inclusive and comprehensive risk perspective.

Similarly, FY2023 sees increased strategic efforts to embed increased integrated thinking on how the Group's top 10 material topics have an impact on the following:

1. Pace and quality of construction works and finished properties
2. Ability to launch and sell properties
3. Brand appeal and customer trust and confidence
4. Environmental and social compliance
5. Duration for regulatory approvals
6. Direct and indirect impacts to sales, revenues and earnings

Product Quality

- Product quality is intrinsically linked to customer satisfaction, brand image and perception and sales driven from referrals and repeat buyers.
- Poor product quality can also lead to increased costs due to necessity for defect rectifications.

Material to: 1, 3, 6

Anti-Corruption

- Ensuring zero corruption, especially within supply chains and in dealing with stakeholders is vital in safeguarding corporate integrity, achieving operational and cost efficiencies, promoting meritocracy and attracting and retaining talent.
- Anti-corruption is a prerequisite for organisational excellence, and the cultivation of a high performance company culture.

Material to: 1, 3, 4, 5, 6

Social and Environmental Regulatory Compliance

- It is important in ensuring that the Group operates in a manner that is adherent to legislation and thus avoiding punitive measures, including financial based penalties.
- Regulatory compliance is material in upholding Matrix's perception as a good corporate citizen.

Material to: 2, 3, 4, 5

Occupational Health and Safety

- Good Occupational Health and Safety performance is essential to avoiding incidents that can delay works on sites which will impact revenue recognition.
- Delays would also means inefficient operations and the pace of turnaround for projects and manufactured, human and financial capitals.

Material to: 1, 3, 4, 6

LINKING ISSUES / RISKS WITH FINANCIAL PERFORMANCE

Branding and Reputation

- Amidst a highly competitive property market, it is necessary to maintain top of mind status among customers. It is vital that customers retain trust and confidence in the Matrix's brand at all times.
- This necessitates constant focus on marketing and branding activities, customer engagements, brand profile building exercises and more.

Material to: 2, 3, 6

Corporate Governance and Integrity

- Good Corporate Governance and corporate integrity is essential in creating a conducive internal environment that encourages meritocracy, equal opportunity, which acts towards attracting and retaining talent.
- Good Corporate Governance provides the supports for the development of necessary internal controls and checks and balances to ensure a well run organisation. It provides structure, focus and ensures the required oversight, leadership and systems are in place for smooth and efficient operations. It also reduces risks exposures.

Material to: 2, 4, 6

Talent Development and Management

- Talent is at the heart of any successful organisation, providing the skills, knowledge to execute the business model.
- Competent talent enable good decision making, efficient and effective execution of tasks, cultivation and development of new ideas and strategies and supports succession planning.

Material to: 1, 2, 3, 4, 5, 6

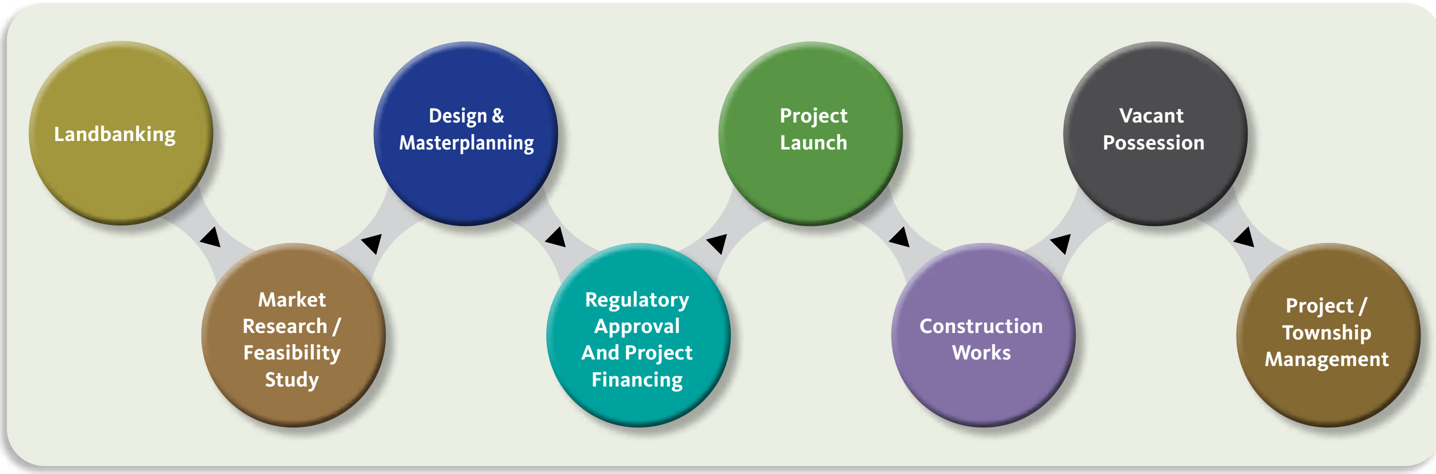
Indirect Economic Performance

- The continued creation and growth of indirect values ultimately contributes to direct financial and business performance.
- Creating values for stakeholders ultimately generates confidence and goodwill and attests to the robustness of the Matrix's business model.

Material to: 1, 2, 3, 6

BUSINESS VALUE CHAIN AND KEY PROCESSES

The business value chain is presented towards providing an understanding of how Matrix's business model is operated and how value is created. Matrix's value chain is as follows:



Landbanking

Pertaining to landbanking, from an ESG perspective, Matrix's focus is to ensure regulatory compliance, ensuring that all lands are not designated locations of high biodiversity or having High Conservation Value ("HCV"). Likewise, as much as possible, landbank should not be adjacent to locations with high biodiversity or having HCV.

On all projects, opportunities to increase greenscapes space are being considered, with the ultimate goal of increasing spaces marked for greenery beyond the regulatory compliance requirements.

Market Research / Feasibility Study

In developing / launching new projects, Matrix frequently conducts market research activities in various forms. The objective of such exercises is to ascertain market receptiveness towards the intended project and its concept. The contemporary market research activities focus on consumers' appetite based on price points and designs / concepts of properties, competitor analysis and other business oriented factors.

Progressively, market research also encompasses the market's readiness and desire for environmental considerations. This includes green landscapes, energy-saving features, importance of biodiversity and more.

Aerial view of Bandar Sri Sendayan

BUSINESS VALUE CHAIN AND KEY PROCESSES

DESIGN & MASTERPLANNING

Increasingly, ESG related considerations such as green building materials and sustainable designs are being considered, where applicable in the conception of development. While social concepts and elements such as placemaking, community amenities and facilities have always been a regular feature of Matrix's developments, the Group's design approaches are now considering environmental considerations. Among these include:

Regulatory Approval and Project Financing

Regulators and financiers are increasingly emphasising environmental (and social) considerations as part of the requirements for compliance. Beyond regulatory compliance, there is a greater encouragement or emphasis on projects that are green building certified or have green features.

As such, Matrix is also exploring opportunities to increase its adoption of green related measures towards going beyond compliance.

PRODUCT MARKETING

Matrix's product marketing mix has progressively transition to digital mediums, which reduces use of printed paper and other materials. This contributes to the larger objective of reducing environmental footprint.

Construction Works

The focus is on practicing more recycling and waste reduction methods on construction sites. In addition, providing a more safe and secure work environment for site workers and to maintain a zero OHS incident workplace is the strategic priority.

Health, Safety and Environment ("HSE") Performance (Matrix Excelcon)

	FY2021	FY2022	FY2023
Safe Man Hours without fatalities	5,446,800	3,412,800	2,651,040
Number of Fatalities	1	-	-
Lost Workday Cases	-	-	-
Restricted Workday Cases	-	-	-
Fire Cases	1	-	-
First Aid Case	3	2	-
Environmental Pollution	-	-	-
Property Damage	-	-	-
Near Miss	1	-	-
Dangerous Occurrence Case	-	-	-

Project / Township Management

The focus on good ESG practices leads to improved cost efficiencies. Hence, Matrix continues to explore how ESG can deliver enhancements in the management of projects and townships. For example, establishing recycling and compost areas within townships, organising community events and activities and exploring other methods. The use of LED lighting for street lighting and lighting at common areas is one example.

FORWARD FOCUS – OUR STRATEGIC PRIORITIES

FINANCIAL AND BUSINESS PRIORITIES

Matrix continues to pursue definitive strategic plans centred on business growth. Key factors underpinning its continued business growth include strong unbilled sales of RM1.4 billion, ample and strategically located landbank (with a GDV of RM15.80 billion) and supportive external operating conditions comprising continued strong demand for properties, especially mid-ranged properties, a recovering domestic economy and provision of government incentives for first-time homeowners.

		FY2024 GDV (RM' million)			
Projects	**No. of Units / Type**	**1Q**	**2Q**	**3Q**	**4Q**
Bayu Sutera 6 (Precinct 4A-3)	128 units / residential houses	85.5	-	-	-
Bayu Sutera 7 (Precinct 3B)	200 units / residential houses	-	-	118.5	-
Hijayu (Resort Villa) Phase 1,2,3	46 units / 2-storey bungalows	110.0	-	-	-
Eka Height Precinct 3A	275 units / 2-storey terrace houses	-	109.3	-	-
Eka Height Precinct 3B	155 units / 2-storey terrace houses	61.6	-	-	-
Eka Height Precinct 8	564 units / 2-storey terrace houses	-	-	-	271.5
Eka Height Precinct 10	26 units / 2-storey terrace houses & 211 units / single-storey terrace house	-	-	62.8	-
Irama Sendayan 2 – Precinct B	89 units / residential houses	-	45.0	-	-
Irama Sendayan 2 – Precinct C	283 units / residential houses	-	-	135.6	-
Irama Sendayan 2 – Precinct D	144 units / residential houses	-	-	-	73.7
Tiara Sendayan 19 (P16A)	206 units / 2-storey terrace houses	64.8	-	-	-
Tiara Sendayan 21 (P16B)	130 units / 2-storey terrace houses	66.2	-	-	-
Cheras Land	1 service apartment	-	-	532.0	-
	Total (RM' million)	**1,736.5**			

Leveraging on the many positives, Matrix will drive continued sales and business growth with over RM1.73 billion in new project launches to be brought to market in FY2024.

FORWARD FOCUS – OUR STRATEGIC PRIORITIES

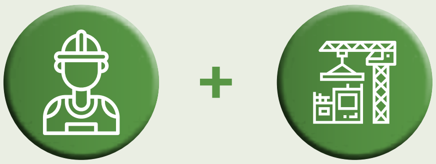
ADDRESSING LABOUR SCARCITY

While Matrix has taken swift and effective measures to address labour scarcity, the Group is also increasingly adopting less manually intensive construction methodologies such as aluminium formworks and other methods. These reduce dependence on manual labour, while offering greater efficiencies across the construction process.

Automation, machinery and digitalisation are also becoming more commonly used towards addressing labour issues and also in enhancing the Group's design and build capabilities.

Progressively, over the next 10 years, the goal is to reduce over reliance on manual labour, maintaining a smaller, but more professional, competent and skilled worker pool that is augmented and supported through automation and technology.

PRESENT



Higher dependence on manual labour at construction sites.

Potentially leads to higher occurrence of human error, wastages, increased costs due to greater requirements for centralised labour quarters and other manpower related costs.

DESIRED FUTURE STATE

To progressively minimise dependence on manual labour through automation, increased machinery use and digitalisation and technology.

Increase use of pre-fabrication and precast systems such as aluminium formworks and greater utilisation of Building Information Modelling (BIM) to produce building designs that enable reduced manpower requirements.

DOMESTIC AND INTERNATIONAL EXPANSION

Matrix continues to maintain a dual expansion strategy – focussing on both domestic and international growth. This would entail a strategic allocation of resources, notably financial and human capitals between both markets.

Both the domestic and international markets have their advantages. A strategic Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis provides the strengths, benefits of both markets as well as downsides.

Menara Syariah, Jakarta

FORWARD FOCUS – OUR STRATEGIC PRIORITIES

Domestic Market

DOMESTIC MARKET

OPPORTUNITIES

Stable and proven market, with ample property epicentres, stable and growing middle-income segment of buyers.

Good understanding of the local market and requirements. Established supply chains for procurement.

Supportive public policies towards homeownership for first time homeowners and other specific types of niche customer segments.

Proven brand name and track record within the market. Strong working relationships with financiers and other stakeholders across the ecosystem.

RISKS

Stiff competition, rising compliance, construction and materials costs, lack of skilled and leadership talent, especially building construction and property development talents, limited opportunities for more premium products, less stringent financial requirements for both builders and buyers. Continued erosion of incomes against rising living costs and inflationary pressures.

INTERNATIONAL MARKET

OPPORTUNITIES

Potentially higher earnings margins, ability to expand via a multi-country approach to tap multiple market segments, more growth opportunities, possibilities to explore new concepts and to acquire new technology, ideas and strategies, which can be replicated in Malaysia.

RISKS

Lack of local market knowledge necessitates JV partnerships, risks associated with JV partners, challenges in securing landbank, acquiring necessary talent to operate overseas operations, higher risks vs reward proposition, increased ESG compliance requirements.

Over the next 5-10 years, Malaysia will continue to be mainstay of the Group's property development activities and also for the other aspects of its Business Model. Township development, which Matrix has excelled at, as evidenced by Sendayan Developments is more feasible in Malaysia, rather than in overseas locations.

FORWARD FOCUS – OUR STRATEGIC PRIORITIES

The Group may consider growing its revenue contribution from the overseas projects wherever opportunities arise. Currently, Matrix has overseas projects in Jakarta, Indonesia and Melbourne, Australia.

MANAGING RISING COSTS

Costs escalations caused by external factors remain a perennial challenge for all property developers. The past financial year has seen how the rising costs of materials, labour, employees, land and more have tangible impacts on the business model, notably earnings and selling prices.

Similarly, cost effects are also experienced across the other business divisions – affecting clubhouse and student enrollments and operations as well as the cost of medical care.

Given that Matrix's focus is on mid-ranged properties and affordable medical, lifestyle and education, managing rising costs and inflationary pressures are vital to the business model.

While passing rising costs to customers is an alternative, frequent cost past through customers would impact their appetite for Matrix's products and services and the overall brand appeal.

The Group has responded by focussing on the following:

Reducing administration and finance costs

Inflation and a competitive job market will lead to increased costs, utilising technology and automation to reduce costs is a way forward to manage escalations.

Increasing investment incomes

Increasing recurring income sources reduces dependence on one-off incomes based on sales. The Group looks to grow income derived from rental and other passive streams going forward.

Increasing adoption of digitalisation and technology

While technology incurs upfront costs, it will yield medium-to-long term savings and efficiencies.

VALUE CREATION STRATEGIC REVIEW

FORWARD FOCUS – OUR STRATEGIC PRIORITIES

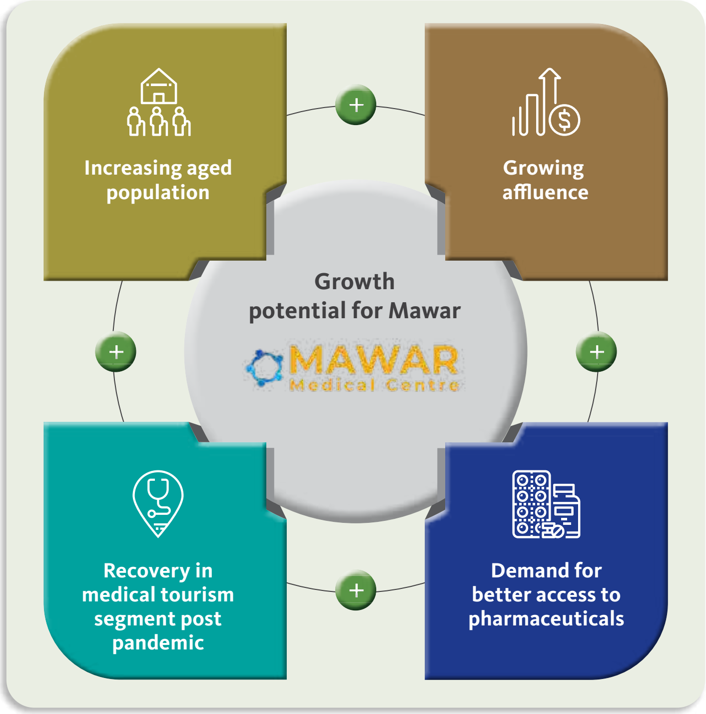
BUSINESS MODEL DIVERSIFICATION INTO MORE RECURRING INCOME STREAMS

Presently, only a small portion of revenues are generated from recurring income streams. One of the strategic priorities is to increase recurring income by expanding the group's property management and operations segment.

Specifically, the healthcare operations offer tremendous potential and continue to meet increasing demand for high quality and comparatively affordable healthcare, both locally and from abroad. Post pandemic, the medical tourism niche segment continues to see an encouraging revival.

Matrix will continue to focus on this segment – tapping the growing demand while expanding the footprint and presence of Mawar to more locations both locally and abroad.

An increasing ageing population in Malaysia, growing awareness and increased propensity to spend on healthcare, the proliferation of medical insurance and other factors, provide strong support for the healthcare sector.



MULTI-CAPITALS VALUE CREATION PERSPECTIVE

Business Value Chain and Key Processes
Significance of ESG on The Business Model and Value Creation
Values (Output and Outcomes Created)
Strategies to Sustain Value Creation
Risks & Opportunities
Management Discussion and Analysis
Sustainability Report

FINANCIAL VALUES GENERATED

FINANCIAL CAPITAL

Comprises equity, assets, operating revenue generated and retained profits deployed in our value creation activities.

FY2022

- Share Capital: RM961.3 million
- Assets: RM2.6 billion
- Liabilities: RM720.5 million
- Cash and cash equivalents: RM150.3 million
- Retained profits: RM944.4 million
- Total Borrowings: RM285.9 million

Related Risks & Material Matters:

Almost all material matters have a direct or indirect link to financial capitals and outcomes.

Further information is available here:

Values Created in FY2023:

- Revenue: RM1.1 billion
- PBT: RM260.7 million
- PAT: RM202.8 million
- Total new property sales: RM1.2 billion
- Unbilled sales: RM1.4 billion
- Assets: RM2.6 billion
- Liabilities: RM650.6 million
- Retained profits: RM1.0 billion
- RM103.2 million in dividends

MANUFACTURED CAPITAL

Our Manufactured capital refers to our physical assets such as machinery, inventory of homes, constructed buildings, hospitals and hotels.

- Matrix Global School ("MGS")
- d'Tempat Club
- d'Sora Hotel
- Mawar Medical Centre ("Mawar")

Related Risks & Material Matters:

- Direct Economic Performance
- Indirect Economic Performance
- Digitalisation and Innovation
- Branding and Reputation
- Raw Materials Consumption
- Water Consumption
- Energy Consumption
- Climate Change and Emissions
- Waste Management & Recycling
- Environmental, Social and Regulatory Compliance
- Occupational Health and Safety ("OHS")

Further information is available here:

Values Created in FY2023:

- 1,762 properties built
- Provision of mid-ranged priced homes
- High quality standards—average QLASSIC score of 74.2% for all properties built in FY2023
- The bigger unquantifiable effect is having set a new benchmark standard for property build quality and design.
- Total 659 student enrollment
- 58.4% hotel room occupancy rate

MULTI-CAPITALS VALUE CREATION PERSPECTIVE

INTELLECTUAL CAPITAL

Our Intellectual capital comprises our business model and supporting strategies, business processes and systems, the expertise and experience of management and staff and brand equity. It also includes our robust approach to ensuring corporate governance and integrity.

- Comprehensive township development model which includes the integration of non-residential components such as healthcare, commercial, education and entertainment.
- End-to-end value chain comprising the design, construction of residential and commercial property as well as ownership of the healthcare, educational and other components.
- Injection of new technologies and methodologies for enhanced cost and construction efficiency and improved productivity.

Related Risks & Material Matters:

- Diversity and Inclusivity
- Talent Development and Management
- Direct Economic Performance
- Indirect Economic Performance
- Digitalisation and Innovation

Further information is available here:

ESG

Values Created in FY2023:

- Growing brand appeal and market share
- Stronger stakeholder relationships

Kindly refer to SR2023 and the Management Discussion and Analysis for specific information.

HUMAN CAPITAL

Our Human capital are our employees, consisting of competent professionals with various skill sets to perform the critical functions of our diverse business operations.

FY2022

- 923 employees
- 104 internships provided
- 3,688 total training hours
- Average 8 training hours per employee
- RM155,199 training spend

Related Risks & Material Matters:

- Diversity and Inclusivity
- Talent Development and Management
- Direct Economic Performance
- Indirect Economic Performance
- Digitalisation and Innovation
- Gender Equality
- Human and Labour Rights

Further information is available here:

ESG

Values Created in FY2023:

- 912-strong workforce
- Pay ratios against industry benchmark levels
- Diversity in staff composition as reflected across gender, diversity and age groups
  - 97.2% permanent workforce
  - 56.5% women workforce composition
  - 290 new hires
  - 220 employee turnover

MULTI-CAPITALS VALUE CREATION PERSPECTIVE

NATURAL CAPITAL

With regards to Natural capitals, Matrix's focus is on improving resource and energy efficiency, reducing carbon emissions, managing water consumption, reducing waste produced through efficient resource consumption and recycling.

The Group's progress is measured based on KPIs and Targets set centred on the following: energy consumption, emissions, waste generations, waste recycled and also energy, emissions intensity and biodiversity preservation.

Related Risks & Material Matters:

- Climate Change and Emissions
- Energy Consumption
- Raw Materials Consumption
- Water Consumption
- Waste Management & Recycling
- Biodiversity
- Environmental Compliance
- Regulatory Compliance

Further information is available here:

Inputs:

- 222,656 litres diesel
- 8.0 million kWh of electricity, 0.8 million kWh from solar, 36,600.8 GJ
- 329,869 m^3 water consumption
- 3.3 million pieces of paper
- 13,326.50 tonnes of cement
- 2,972.69 tonnes of steel
- 1,590.31 tonnes of timber
- 87,030.37 tonnes of sand

Values Created in FY2023:

- 428.4 tonnes CO_2e Scope 1 emissions
- 4,372.7 tonnes CO_2e Scope 2 emissions
- 136,639.0 tonnes CO_2e Scope 3 emissions

SOCIAL CAPITAL

Social capital refers to the relationships and rapport established with stakeholders and how these impact / influence the business model and consequently, Matrix's business direction and operational strategies.

The Social Return On Investment ("SROI"), has been tremendous. Though Matrix has yet to quantifiably assess the SROI created, it is apparent that the values created for stakeholders has been immense.

From elevating lifestyles, transforming urban landscapes, ushering development, creating jobs and entrepreneurship opportunities, raising income levels, placemaking, promoting healthier lifestyles, fostering social harmony and unity and more. Matrix's social values abound and continue to grow with time.

Related Risks & Material Matters:

- Social Compliance
- Indirect Economic Performance
- Branding and Reputation
- Community Development

Further information is available here:

Values Created in FY2023:

- Fulfilling lifestyle aspirations
- Creating stable, prosperous, self-contained communities
- Improving accessibility to healthcare, educational opportunities
  - 56,089 (FY2022: 36,378) patients treated by Mawar in FY2023
  - MGS' IGSCE Report 2022 continues to improve as compared to the previous year's performance
- Increasing opportunities for local businesses
- Land and property appreciation

VALUE CREATION MODEL

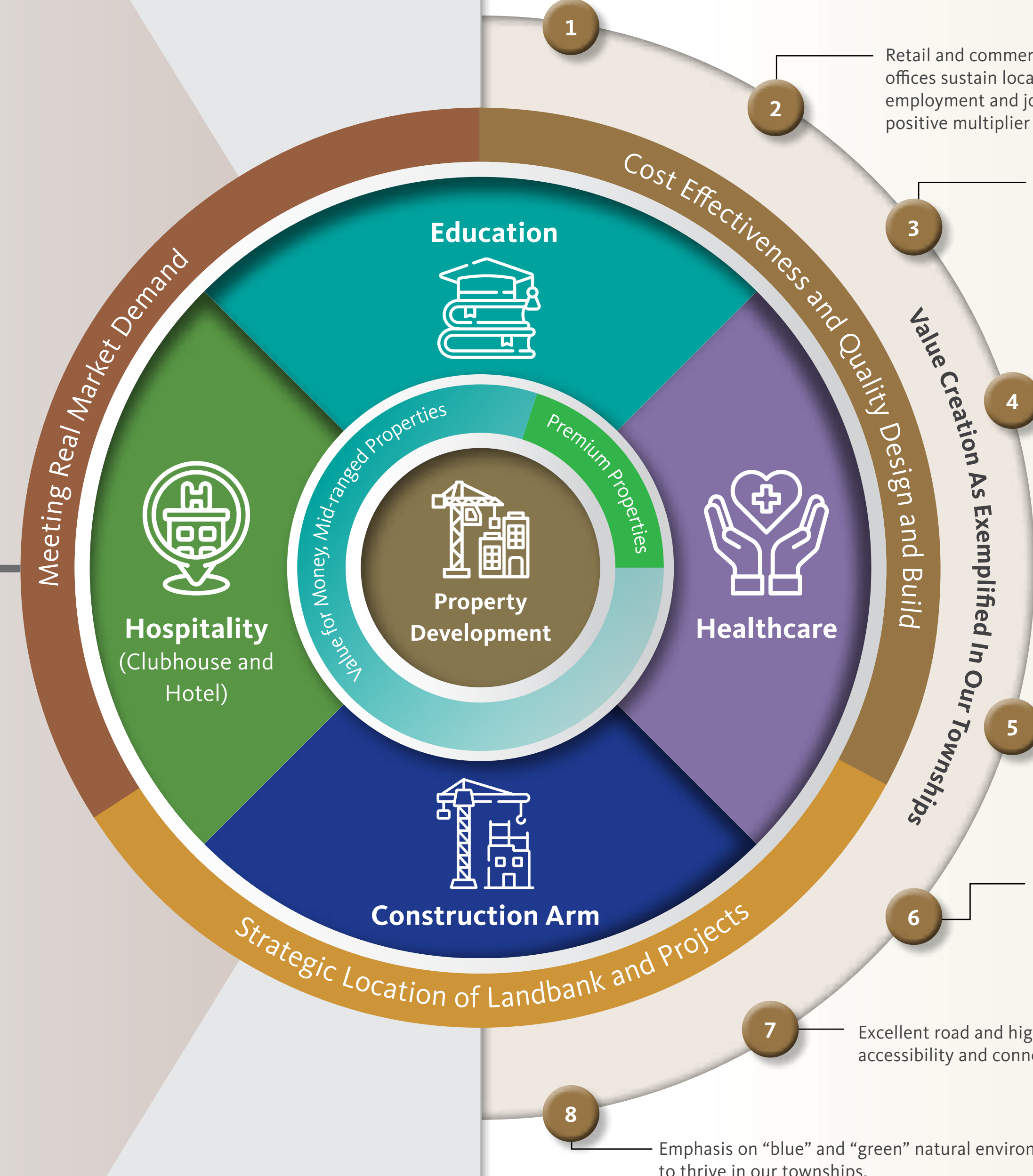
The Matrix Value Creation Model is a summation of the Group's value creation narrative. It provides a concise and integrated view of how Matrix's business model progresses from the consumption of resources across a multi-capitals perspective into ultimately, generating values for stakeholders, which is also reflected across a multi-capitals perspective.

VALUE CREATION MODEL

The Group's value creation model illustrates how it utilises a wide range of resources, beyond financials and how via its Business Model, these capitals are transformed to deliver tangible, positive benefits and outcomes to stakeholders. The outcomes extend beyond financial results, but also include a wide range of tangible and intangible values created, which have a cumulative or cascading effect across time. As Matrix executes its Business Model, it creates various financial and non-financial values for stakeholders.

CAPITAL RESOURCES	INPUTS		
Efficient utilisation of funds generated from operations / investments including retained profits, capital and operational expenditures, borrowings and shareholders' funds as well as Joint Venture investments.	Share Capital: **RM961.3 million** Assets: **RM2.6 billion** Liabilities: **RM720.5 million**	Cash and Cash Equivalents: **RM150.3 million** Retained Profits: **RM944.4 million** Total Borrowings: **RM285.9 million**	Finance Costs: **RM11.5 million** Selling and Marketing Costs: **RM69.9 million** Admin and General Costs: **RM171.2 million**
Our physical assets across all business divisions: Property Development, Construction (Matrix Excelcon), Hospitality, Education and Healthcare.	**31,645 sqft** Head Office	All plant, machinery and equipment under Matrix Group valued at **RM219.2 million**	
Sustainable consumption of land, water and energy in the operation of the Group's business divisions. Greater emphasis on recycling and other environmentally friendly practices in line with adoption of UN SDGs.	**222,656 litres** diesel **8.0 million kWh** of electricity **0.8 million kWh** solar based electricity	**329,869 m³** water consumption **3.3 million** pieces of paper **13,326.50 tonnes** of cement	**2,972.69 tonnes** of steel **1,590.31 tonnes** of timber **87,030.37 tonnes** of sand
The Group's repository of human capital, which includes our staff's skills, experience, ideas, morale, professional qualities as well as a conducive corporate culture that is centred on strong corporate governance, competence and sustainability.	**923** employees **104** internships provided	**3,688** total training hours Average **8** training hours per employee	The stakeholders across our value chain such as vendors, suppliers and customers.
Our business strategies, inherent industry experience and expertise, Management's skills and proprietary industry knowledge, techniques and intellectual property.	• **26** years of property development experience and knowledge	• Robust business strategies	• Growing brand awareness, appeal and credibility
Strengthening of existing relationships through a wide range of engagement activities towards continuously ensuring alignment of our value creation approach with the aspirations of stakeholders.	**RM8.6 million** contributed to CSR and community projects	Dialogues and engagement activities across FY2023 with shareholders, customers, suppliers, employees, government and regulators, industry affiliations and local communities.	

BUSINESS MODEL



1. Value for money homes, mostly mid-ranged properties provide quality living and meets the nation's needs for housing demand.
2. Retail and commercial components such as shops, malls and offices sustain local business activity which support local employment and job creation. This leads to a wide range of positive multiplier effects for the local community.
3. Leisure and entertainment components such as the d'Tempat Club meet the community needs for recreation.
4. d'Sora Hotel completes the value proposition, providing accommodation for leisure or business travellers.
5. Matrix Global Schools complete another segments of value proposition, providing quality education to the younger generations in Bandar Sri Sendayan and its vicinity.
6. Industrial developments at Sendayan TechValley provide further job creation and economic activity to sustain the township.
7. Excellent road and highway infrastructure provides unfettered accessibility and connectivity.
8. Emphasis on "blue" and "green" natural environments enable nature to thrive in our townships.

VALUE CREATION MODEL

EXTERNAL PESTLE FORCES

- **BUSINESS MODEL**
- **STAKEHOLDERS**
- **ESG**
- **BUSINESS PROCESSES (VALUE CHAIN)**
- **CAPITALS**

Emergence of Risks and Opportunities that necessitate effective response as Management considers business and operational strategies in relation to capitals allocation and dependencies, marketing and branding, cost and operational efficiency, talent requirements, technical expertise and digitalisation and technology.

RISKS

OPPORTUNITIES

OUTPUTS		OUTCOMES	
Revenue: **RM1.1 billion** PBT: **RM260.7 million**	PAT: **RM202.8 million** Total New Property Sales: **RM1.2 billion**	Assets: **RM2.6 billion** Liabilities: **RM650.6 million** Retained Profits: **RM1.0 billion**	**RM103.2 million** in dividends Deposits, Cash and Bank Balances: **RM250.2 million**
Completed and delivered **1,684** units Provision of mid-ranged priced homes. High quality standards—average QLASSIC score of **74.2%**.	**659** student enrollment, **7.9%** increase **58.4%** room occupancy rate All plant, machinery and equipment under Matrix Group valued at **RM210.7 million**	High customer satisfaction levels and direct contribution to nation-building and economic growth, job creation and acquisition of intellectual property and technology.	
428.4 TCO$_2$ Scope 1 emissions **4,372.7 TCO$_2$** Scope 2 emissions **136,639.0 TCO$_2$** Scope 3 emissions **131.7 tonnes** construction waste	**16.4 tonnes** food waste **6.5 tonnes** of waste recycled Considerable quantities of waste sent to landfills. High compliance with environmental regulatory standards for effluent, noise and air pollution monitoring.	Improved sustainability performance. *Refer to SR2023 for more information.*	
912-strong workforce Pay ratios against industry benchmark levels **220** employee turnover **33%** of Board of Directors comprises women	Diversity in staff composition as reflected across gender, diversity and age groups. **56.5%** women employee composition	Higher employee satisfaction and morale. Creation of various high-paying jobs for local talents, development of local talent pool for the construction, property development, education, healthcare and hospitality sectors.	
Received several industry awards and accolades.	Adoption of various industry best practice or globally recognised standards for quality excellence.	Growing brand appeal and market share. Stronger stakeholder relationships. Various property awards and accolades secured in FY2023.	

High compliance with social regulatory standards for human rights and labour, community rights and more.	Continued development of a close and effective relationship with the government and regulatory authorities.	Improved understanding of stakeholders' concerns and aspirations.	Improved ability to play an effective role as a good corporate citizen.	Stronger investor and customer confidence.

STRIVING TO THE UTMOST

OUR GOVERNANCE

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("the Board") of Matrix Concepts Holdings Berhad ("Matrix" or "the Group") remains committed to uphold and enhance corporate governance within the organisation.

The Board views the practice of good corporate governance as integral to business and operational sustainability and stakeholder value creation in the short, medium and long-term perspectives.

This Corporate Governance Overview Statement ("CG Overview Statement") provides an overview of how the Group has continued to refine and enhance its practice of corporate governance based on the following principles:

- Board leadership and effectiveness;
- Effective audit and risk management; and
- Integrity in corporate reporting and meaningful relationship with stakeholders.

Additional corporate governance information is provided in the Group's standalone Corporate Governance Report ("CG Report") which is available for download at: www.mchb.com.my. The CG report is also available on the website of Bursa Malaysia Securities Berhad ("Bursa Malaysia") as it is disclosed to the Exchange together with the Integrated Annual Report 2023.

The CG Report provides specific disclosure on how Matrix has applied the individual corporate governance practices outlined in the Malaysian Code on Corporate Governance ("MCCG") 2021.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

BOARD RESPONSIBILITIES

As the highest governance and decision-making body of the Group, Matrix's Board of Directors are responsible for providing leadership and broad strategic direction.

The Board is also responsible for setting the tone from top for the implementation and practice of good governance across the organisation and the development of an organisational culture where transparency, accountability, good ethics and principles remain the norm for the Group.

The Board is of the view that good corporate governance is essential towards the realisation of business strategies and objectives and in improving its performance based on a triple bottom line perspective of economic, environmental and social material topics. The creation of financial and non-financial values is inherently linked to the practice of good corporate governance across Matrix.

The Board is guided by the Company's Constitution and its Board Charter as well as the supporting Board Committees' Terms of Reference ("TOR") towards the effective discharge of its fiduciary duties. The Board Charter and TOR are regularly updated to ensure their relevance in tandem with changes in the internal company environment as well as the external operating environment.

The Statement of Directors' Responsibility is enclosed on page 128 of this Annual Report.

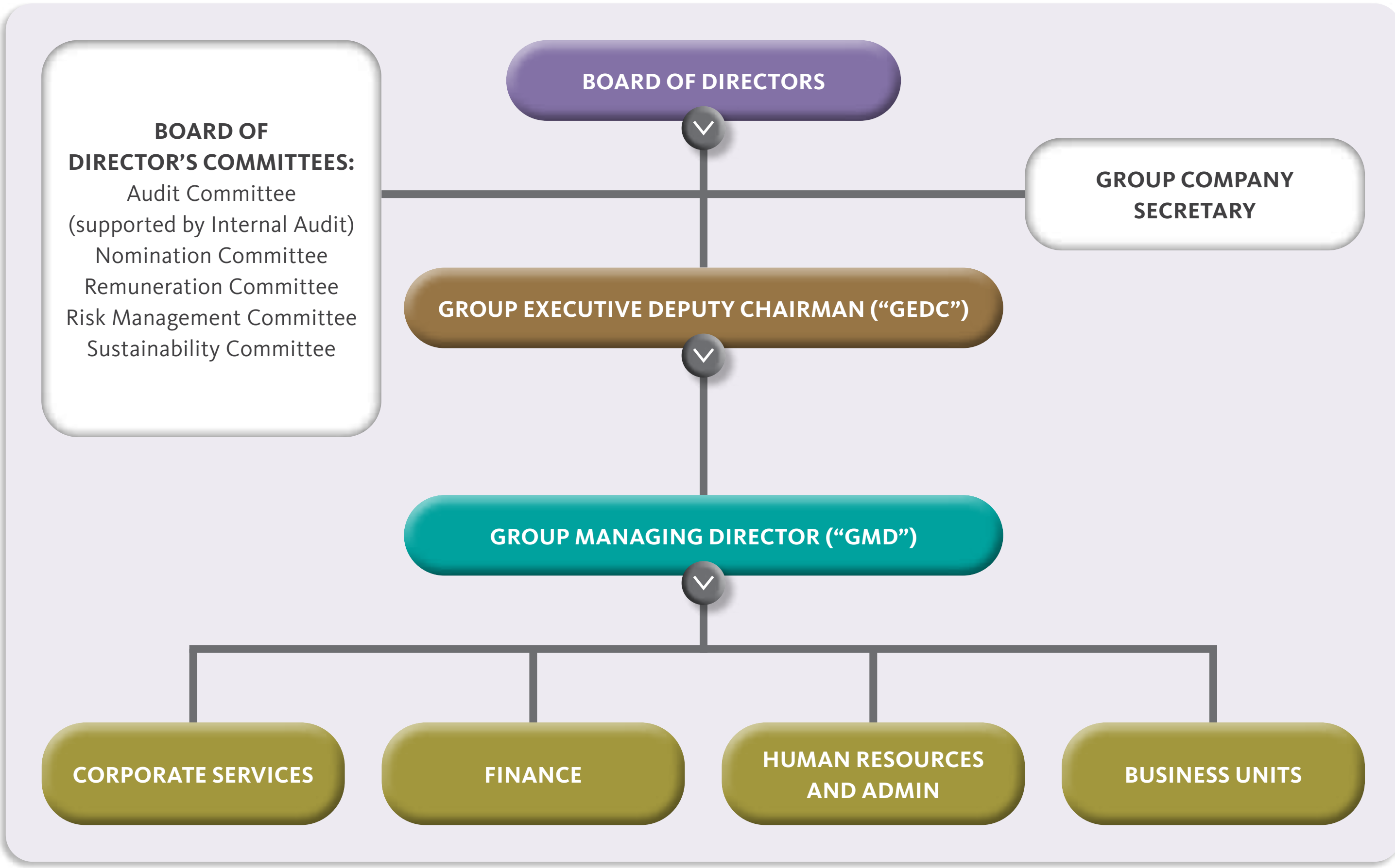
BOARD CHARTER

The Matrix Board Charter sets out the following:

- Board balance and composition
- Board's authority and schedule of matters reserved for the Board
- The establishment of Board Committees
- Processes and procedures for convening Board meetings
- Process for the assessment of the Board's performance
- Board's access to information and advice
- Declarations of conflict of interest
- Roles and responsibilities of the Chairman of the Board and that of independent and non-independent as well as executive and non-executive directors, which also includes limits of authority.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board is also supported by a comprehensive organisational framework that enables it to not just execute its duties, but to also ensure that the Group is able to operate effectively towards the realisation of set business goals and objectives.



FORMAL SCHEDULE OF MATTERS RESERVED FOR THE BOARD

There is a formal schedule of matters reserved for the Board. The Board at its discretion may choose to delegate certain roles and responsibilities to Senior Management or specially formed committees, or at its discretion, alter the matters reserved for its decision, subject to the limitations imposed by the Company's Constitution and the laws.

Following are the key matters reserved for the Board:

- Review and adopt a strategic plan, as developed by the Management, taking into account the sustainability of the Company's business, with attention given to the environmental, social and governance aspects of the business;
- Oversee the conduct of the Company's business, including monitoring the performance of the Management to determine whether the business is being properly managed;

CORPORATE GOVERNANCE OVERVIEW STATEMENT

- Identify principle business risks faced by the Group and ensuring the implementation of appropriate internal controls and mitigating measures to manage such risks;
- Develop and maintain an effective succession plan for all senior management positions;
- Review the leadership needs of the Company, both executive and non-executive, with a view to ensuring the Company's continued ability to compete effectively in the marketplace;
- Review the adequacy and integrity of the Company's management information and internal control system;
- Ensure that there is a sound framework of reporting internal controls and regulatory compliance; and
- Oversee the Group's adherence to high standards of conduct or ethics and corporate behaviour, including the Code of Ethics for directors.

In executing its duties, the Board is supported by the Senior Management team who provides the Board with all required information on a timely basis so that the Board is in the best position possible to make informed decisions in the best interests of the Group.

The Senior Management team comprises highly experienced, industry professionals with the necessary competencies and capabilities to undertake their respective roles within the Matrix organisation.

The Senior Management team is responsible for translating broad business and strategic goals set by the Board into operational targets and objectives; and to develop and implement plans towards achieving the set targets and objectives.

Further disclosure on the Board's roles and responsibilities is given in the Group's CG Report, which is available at: www.mchb.com.my.

SEPARATION OF THE ROLES OF CHAIRMAN AND THE GROUP MANAGING DIRECTOR

In ensuring independence of function and an effective system of check and balance, the role of Chairman, Group Executive Deputy Chairman ("GEDC") and Group Managing Director ("GMD") are held by three different individuals at all times. There is a clear division of responsibilities and authority between all three positions at all times.

Kindly refer to the CG Report at www.mchb.com.my for detailed explanation of the delineation of roles and responsibilities for the three positions.

BOARD ACCESS TO INFORMATION AND ADVICE

The Board has full access to all Group and Company's Information at all times. This includes information on financial, operational, corporate, regulatory, business development and audit matters, by way of Board reports, or upon specific requests by the Board, the respective Board Committees or by individual Board members.

Board members are provided with Board papers and other relevant information – five (5) to seven (7) days prior to meetings.

Board members may also seek external advice at the Company's expense should they feel this is necessary in facilitating the execution of their duties. Requests for independent professional advice are to be approved by the Chairman of the Board prior to any director or directors seeking such advice.

QUALIFIED AND COMPETENT COMPANY SECRETARY

The Board is supported by a professionally qualified and highly experienced Company Secretary. All directors may consult the Company Secretary on matters regarding their fiduciary duties, responsibilities and authority.

The role of the Company Secretary includes advising the Board and its members on related policies and procedures, matters pertaining to Company's Law and the Company's Constitution and other matters.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

BOARD ACTIVITIES AND TASKS IN FY2023

During the financial year, the Board has undertaken the following activities and tasks either directly or through the respective Board Committees or management committees.

The said Board Committees are the Audit Committee ("AC"), Nomination Committee ("NC"), Remuneration Committee ("RC"), Risk Management Committee ("RMC") and the Sustainability Committee ("SC").

STRATEGIC FOCUS	ACTIVITIES AND ACCOMPLISHMENTS
Financial and Operational	• Review of quarterly and year-end financial results as well as audit related matters • Review of financial and operational performance against budget, cash flow and proposed dividends • Review of recurrent related party transactions as recommended by the Audit Committee • Review of performance bonus and annual salary increment for FY2023 • Review of dividend payout proposals • Review of Group Financial Plan and operational budget FY2024
Strategic Plans and Investments	• Review and approval of landbank acquisitions • Review and approve business plan • Review and approval of all corporate proposals including strategic alliances, MOUs and business partnerships • Review of overall business strategy and the setting and adjustment of broad goals and overall strategic direction
Corporate Governance	• Ensuring good governance practices in line with the MCCG and Main Market Listing Requirements ("MMLR") of Bursa Malaysia. • Continuing to stay abreast of current developments in corporate governance practices • Ensuring continued progress and improvement across the Group in terms of creating a corporate governance oriented mindset and culture • Ensuring Board diversity, evaluation and effectiveness
Sustainability	• Matching business goals and objectives with relevant Economic, Environment and Social perspectives to ensure the Group's profitability and growth are consistent with sustainability principles and create positive impact and value for all stakeholders • Review of the mid-year and annual sustainability reports

CORPORATE GOVERNANCE OVERVIEW STATEMENT

BOARD COMMITTEES

The Board has established various Board Committees with each Committee guided by its respective TOR.

Minutes of Committee meetings are tabled at the Board level to keep Board members appraised of matters being discussed at the Committee level. The Chairman of each Board Committee reports to the Board during full Board meetings.

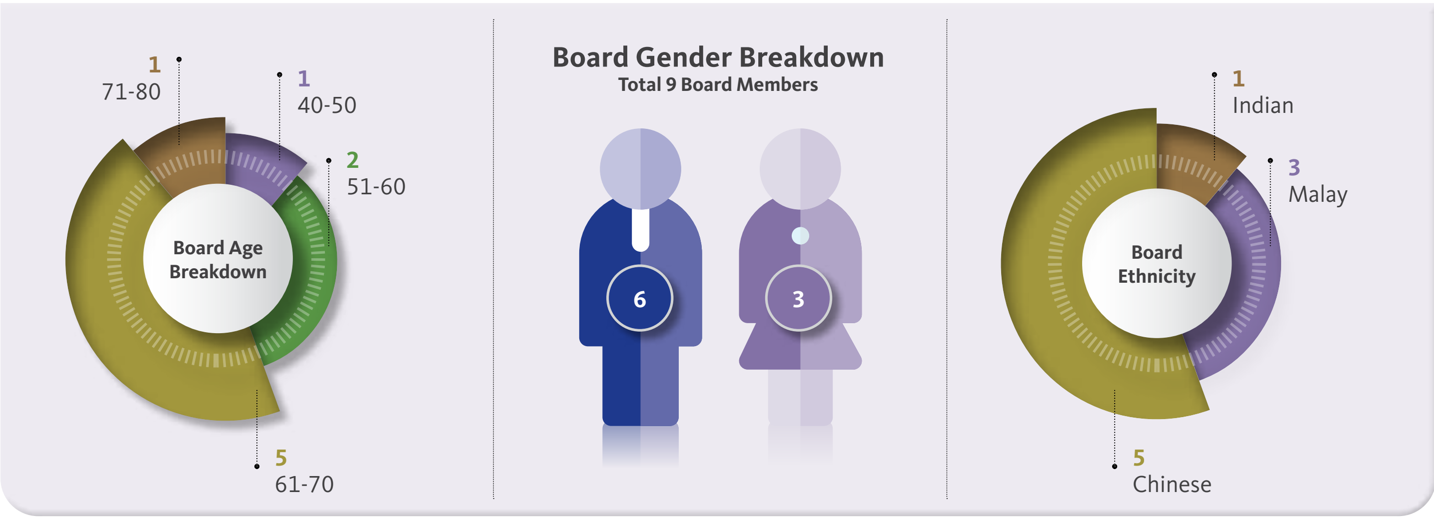
BOARD COMMITTEE	COMPOSITION	ROLES AND RESPONSIBILITIES
Audit Committee	• Mazhairul Bin Jamaludin (Chairman) • Dato' Hon Choon Kim • Dato' Hajah Kalsom Binti Khalid • Chua See Hua • Loo See Mun	• Reviews issues of accounting policy and presentation for external financial reporting. • Monitors the Group's internal audit function. • Ensures an objective and professional relationship is maintained always with external auditors.
Nomination Committee	• Dato' Hajah Kalsom Binti Khalid (Chairperson) • Dato' Hon Choon Kim • Chua See Hua • Loo See Mun	• Proposing new nominees to the Board and Board Committees. • Assessing on an annual basis, the contribution of each individual director and the overall effectiveness of the Board. • Fit and proper assessment on each new appointment and retiring director.
Remuneration Committee	• Dato' Hon Choon Kim (Chairman) • Dato' Hajah Kalsom Binti Khalid • Mazhairul Bin Jamaludin	• Evaluates, deliberates and recommends to the Board a remuneration policy for key management who are executive directors that is fairly guided by market norms and industrial practice. • Recommends the key executive directors' and senior management's remuneration and benefits based on their individual performances and that of the Group. • Reviews the annual remuneration packages, reward structure and fringe benefits applicable to the GEDC, GMD and senior management. • Reviews the overall performance of the Company and the specific KPIs of the GEDC and GMD.
Risk Management Committee	• Chua See Hua (Chairperson) • Ho Kong Soon • Dato' Logendran A/L K Narayanasamy • Dato' Hajah Kalsom Binti Khalid • Mazhairul Bin Jamaludin • Loo See Mun	• Advise the Board on the Company's overall risk appetite, tolerance and strategy. • Review the Company's capability to identify and manage new risks. • Review reports on any material breaches of risk limits and the adequacy of proposed action and all reports on the Company from the risk officer. • Review the effectiveness of the Company's internal financial control, internal control and risk management systems. • Review and monitor management's responsiveness to the findings and recommendations of the risk officer.
Sustainability Committee	• Dato' Haji Mohamad Haslah Bin Mohamad Amin (Chairman) • Dato' Seri Lee Tian Hock • Ho Kong Soon • Dato' Logendran A/L K Narayanasamy • Mazhairul Bin Jamaludin	• Overseeing the implementation of sustainability related policies, measures and actions in achieving the Company's sustainability milestones and goals.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

BOARD COMPOSITION

Matrix's Board comprises a diverse range of individuals who collectively bring a wealth of experience, skills and capabilities to the Group. In compliance with the MCCG 2021, the Board continues to be composed of a majority of independent directors.

The Board continues to also reflect diversity in its composition in terms of ethnic and gender diversity. No alternate directors have been appointed in respect of any of the directors.



COLLECTIVE SKILLS AND COMPETENCE OF THE BOARD

SKILL / CAPABILITIES	DESCRIPTION
Leadership	Overall stewardship of the Group, strategy formulation, strong and established business networks, and related corporate or public listed company experience.
Entrepreneurial Acumen	Business development and assessment of existing and emerging opportunities.
Technical or Professional Qualifications	Engineering, architectural, real estate and property development, construction, and other related skills.
Sustainability And Stakeholder Management	Governmental relations, community and investor relations, corporate governance and sustainability, and environment and industrial relations.
Finance, Legal And Corporate Services	Accounting, company secretarial, audit, legal, financial literacy, human resources and business administration.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

DIRECTORS' INDEPENDENCE

The Board presently has a majority of independent directors. Directors' independence is determined based on the MMLR's definition of an Independent Director. The Group's independent, non-executive directors have met the following criteria:

- Presently not an employee of Matrix and is independent of any business relationship or dealings with the Group.
- Continued ability to exercise independent judgement at all times on all matters brought forward for the Board's deliberation.

Directors are assessed for independence by the NC prior to their appointment and thereafter, on an annual basis and at any time deemed necessary by the Board.

In FY2023, all Board independent directors have been found to meet the criteria for independence as stipulated in the MMLR. No independent director has been engaged in the day-to-day management of the Company, has participated in any business dealings or are involved in any other relationship with the Company (other than in situations permitted by the applicable regulations).

As at the date of this Statement, none of the independent directors has served more than nine (9) years on the Board.

CONFLICT OF INTEREST

The Board has established clear processes for declaring and monitoring actual and potential conflicts of interests. The Matrix's Code of Ethics of the Group allows the non-conflicted members of the Board to address a conflict or potential conflict situation. However, no such situations were approved by the Board in FY2023.

SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

Mazhairul Jamaludin is the Senior Independent Non-Executive Director ("SINED"). The SINED's role includes serving as a contact point for shareholders and to also oversee the effective resolution of any whistleblowing reports. The role of the SINED includes acting as an intermediary for other directors when necessary and also act as a sounding board for the Chairman.

BOARD APPOINTMENTS

New Appointments

All new appointments to the Board are made based on the requirements of the Group, in tandem with strengthening the Board skills mix, in response to developments in the external environment and towards injecting fresh impetus and new ideas and strategies to the Board.

The NC is responsible for identifying prospects for appointment and employs a wide range of channel to source and identify suitable candidates. This includes the recommendations of current and past directors and Senior Management as well as external channels.

Candidates are identified based on any actual or future skills requirements, which may be brought on by changes in technology or the regulatory environment, emerging industry trends and other factors.

The Group employs a non-discrimination stance in the identification of candidates and actual appointments. The process is driven purely on merit i.e. the skills, experience and capabilities of the individual. In the appointment of independent non-executive directors, the candidates' independency must be established. The candidates need to undertake a Fit & Proper assessment prior to appointment.

Directors' Retirement and Re-election

In line with Matrix's Constitution and the MMLR, one-third (1/3) of the Board of Directors, or the number nearest to one third (1/3), shall retire from office each year such that all directors would have retired at least once in every three (3) years at the Annual General Meeting ("AGM").

The retiring directors who are due to retire and eligible to stand for re-election at the 26th AGM, were individually assessed based on their performance, independence, time commitment, fitness and propriety and also taking into considerations the results of the evaluation on the effectiveness of the Board, Board Committees and Directors' self-assessment conducted for the financial year under review, past contributions in discharging their roles and responsibilities, including attendance at the Board or Board Committee meetings and participation in continuing training programmes, skills, knowledge expertise and experience. The results of the evaluation exercise had been used to form the basis of recommending for the re-election of Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Based on the outcome of the evaluation, the NC and the Board were satisfied that the retiring directors, namely, Dato' Seri Lee Tian Hock, Chua See Hua and Loo See Mun ("the Retiring Directors") met the performance criteria required for an effective and committed Board. The Board approved the re-election of the Retiring Directors as aforementioned.

TIME COMMITMENT

All directors are expected to execute their roles with professionalism and commitment, which includes attending the Board meetings including Board Committee meetings and making a meaningful contribution to Board deliberations and discussions.

Any Director, prior to accepting new directorships, must officially notify the Chairman of the Board and clarify the expectation and provide an indication of time commitments for the new appointments.

In assisting Board of Directors with their time commitments, the schedule of meetings is provided to all Directors one year in advance.

At present, no director have held more than five (5) directorships in public listed companies during the financial year and as such, have duly complied with the Paragraph 15.06 of the MMLR.

BOARD AND COMMITTEES MEETING ATTENDANCE

The following is the attendance of the Board members for the Board meetings and Board Committee meetings held during the financial year:

DIRECTORS	BOARD	AC	RC	NC	RMC	SC
Dato' Haji Mohamad Haslah Bin Mohamad Amin *Non-Independent and Non-Executive Chairman*	7/7	-	-	-	-	2/2
Dato' Seri Lee Tian Hock *Group Executive Deputy Chairman*	7/7	-	-	-	-	2/2
Ho Kong Soon *Group Managing Director*	7/7	-	-	-	2/2	2/2
Mazhairul Bin Jamaludin *Senior Independent and Non-Executive Director*	7/7	5/5	2/2	-	2/2	2/2
Dato' Hon Choon Kim *Independent and Non-Executive Director*	7/7	5/5	2/2	1/1	-	-
Dato' Hajah Kalsom Binti Khalid *Independent and Non-Executive Director*	7/7	5/5	2/2	1/1	2/2	-
Dato' Logendran A/L K Narayanasamy *Non-Independent and Non-Executive Director*	7/7	-	-	-	1/2	0/2*
Chua See Hua *Independent and Non-Executive Director*	7/7	5/5	-	1/1	2/2	-
Loo See Mun *Independent and Non-Executive Director*	7/7	5/5	-	1/1	2/2	-
Total number of meetings held during the Financial Year	7	5	2	1	2	2

* *Medical Leave*

All Directors have exceeded the MMLR's requirements of 50% Director attendance for Board meetings. Additionally, directors have also approved various matters requiring the sanction of the Board by way of circular resolution.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

DIRECTOR'S TRAINING

Directors continue to undergo regular training to refresh their skills and to update themselves with emerging trends and developments.

Directors' training is guided by the annual Board Effectiveness Evaluation ("BEE") exercise, which identifies the training requirements of individual directors.

Following is a list of training and professional courses attended by the Matrix's Board of Directors in FY2023:

NAME OF DIRECTOR	TOPICS OF TRAINING ATTENDED
Dato' Haji Mohamad Haslah Bin Mohamad Amin	• ESG Updates – Based on Bursa Malaysia Sustainability Guidelines
Dato' Seri Lee Tian Hock	• ESG Updates – Based on Bursa Malaysia Sustainability Guidelines • CEO and Board succession Planning Management
Ho Kong Soon	• ESG Updates – Based on Bursa Malaysia Sustainability Guidelines • ESG Thematic Mini Conference
Mazhairul Bin Jamaludin	• Artificial Intelligence (Ai) for Company Directors and Executives • Virtual MIA International Accountants Conference 2022 • The Nominating and Remuneration Committees • ESG Updates – Based on Bursa Malaysia Sustainability Guidelines • The Role of Board in Strategy, ESG and Risk Management Usual Oversight
Dato' Hon Choon Kim	• ESG Updates – Based on Bursa Malaysia Sustainability Guidelines • Sustaining Growth Through An Innovation Culture and The Value Driven
Dato' Hajah Kalsom Binti Khalid	• ESG Updates – Based on Bursa Malaysia Sustainability Guidelines • Sustaining Growth Through An Innovation Culture and The Value Driven
Dato' Logendran A/L K Narayanasamy	• ESG Updates – Based on Bursa Malaysia Sustainability Guidelines • CEO and Board Succession Planning Management
Chua See Hua	• ESG Updates – Based on Bursa Malaysia Sustainability Guidelines
Loo See Mun	• ESG Updates – Based on Bursa Malaysia Sustainability Guidelines

BOARD ASSESSMENT

During the financial year, the Chairman of the NC is facilitated by the Group Company Secretary to conduct a Board Evaluation Exercise ("BEE") to independently assess the performance of every member of the Board. Directors were assessed based on effectiveness with key focus areas being Board Committees' compositions, roles and responsibilities, time commitment and contribution during Board and Board Committees' meetings. The following assessment were undertaken by the NC during the year under review:-

- Directors' evaluation (self and peer assessment);
- Board and Board Committee evaluation;
- Mix of skills and experience of Board Matrix;
- Declaration of Independence;
- Time commitment;
- Reviewed the performance of the GEDC/GMD; and
- Board's adequacy in terms of its mix of skills, gender diversity and the core competencies.

The BEE is a continuous, annual exercise. Areas requiring improvements were identified and action plans were recommended to the Board for approval for implementation. The evaluation process also involved evaluating the performance of Senior and Key Management including the GEDC and GMD based on individual KPIs set for senior management and the Company's performance as a whole. The assessment undertaken by the Board are based on the criteria set for each assessment which are related to the performance of the Board, Committees and individual directors.

To carry out the assessment, the Directors are provided with a questionnaire to complete and the results are then tabulated by the Secretary and presented to the NC for review and recommendation to the Board. The individual Directors each undertook self-assessment of their individual performance as well as overall assessment of the Board during the financial year based on the criteria as prescribed under the MMLR.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The individual Director is assessed based on his/her competency, capability, commitment, objectivity, participation in Board's deliberations and their contributions to the objectives of the Board and the Board Committees on which they served.

The assessment of the GEDC and GMD is co-related to the execution of the Group's strategic business plans by management and the achievement of performance targets set by the Board.

The criteria that are used in the assessment of the Board include the adequacy of the Board structure, gender diversity, the efficiency and integrity of the Board's operations and the effectiveness of the Board in the discharge of its duties and responsibilities. A full set of the results plus the summarised version which are reviewed by the NC, are also provided to the Board for their information.

The Board is satisfied with the outcome of the BEE for FY2023. The performance of the respective Board Committees and individual Directors have been satisfactory with areas of improvement noted. Directors will be sent for training where there may be potential gaps or a future requirement to acquire and apply any particular competency or skill.

The fit and proper assessment was also conducted for the Retiring Directors and the Board concurred that the Retiring Directors are fit for re-election at the forthcoming 26th AGM.

DIRECTORS' REMUNERATION

The remuneration package for executive directors are reviewed by the RC and recommended to the Board for approval. The Board then deliberates and decides on the said remuneration package without the presence of the beneficiary directors.

Bonuses payable to executive directors are performance based and relate to the individual and the Company's as well as Group's achievement of specific goals. Non-executive directors do not receive any performance related remuneration.

In accordance with the Companies Act 2016 ("the Act"), payment of directors' fees and benefits shall be approved at a general meeting. The Board shall seek shareholders' approval at the upcoming AGM for the payment of directors' fees and benefits for the directors of the Group for FY2023.

	COMPANY				SUBSIDIARIES					GROUP
	Fees (RM)	Benefits-in-kind (RM)	Others (RM)	Total (RM)	Fees (RM)	Salaries & Bonus (RM)	Benefits-in-kind (RM)	Others RM	Total (RM)	Total (RM)
Executive Directors										
Dato' Seri Lee Tian Hock	-	-	-	-	-	9,320,000	95,896	1,715,870	11,131,766	11,131,766
Ho Kong Soon	-	-	-	-	-	11,710,000	36,896	2,078,806	13,825,702	13,825,702
TOTAL	**-**	**-**	**-**	**-**	**-**	**21,030,000**	**132,792**	**3,794,676**	**24,957,468**	**24,957,468**
Non-Executive Directors										
Dato' Haji Mohamad Haslah Bin Mohamad Amin	-	-	-	-	1,495,400	-	36,896	-	1,532,296	1,532,296
Mazhairul Bin Jamaludin	110,000	1,696	18,000	129,696	-	-	-	-	-	129,696
Dato' Logendran A/L K Narayanasamy	-	-	-	-	400,000	-	-	19,815	419,815	419,815
Dato' Hon Choon Kim	66,000	848	15,000	81,848	-	-	-	-	-	81,848
Dato' Hajah Kalsom Binti Khalid	66,000	1,696	17,000	84,696	-	-	--	-	-	84,696
Chua See Hua	66,000	848	14,000	80,848	-	-	-	-	-	80,848
Loo See Mun	66,000	848	14,000	80,848	-	-	-	-	-	80,848
TOTAL	**374,000**	**5,936**	**78,000**	**457,936**	**1,895,400**	**-**	**36,896**	**19,815**	**1,952,111**	**2,410,047**

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Aggregate remuneration paid out to Senior Management in FY2023 was RM6,790,843 with the breakdown provided herewith in bands*

BANDS (RM)	GROUP**
1,150,000-1,200,000	1
2,100,001-2,150,000	1
3,150,001-3,200,000	1
TOTAL	**3**

* *Excludes remuneration paid to Executive Directors including the GEDC and GMD, which has been disclosed earlier in the Directors' Remuneration table.*

** *Remuneration of Senior Management is paid at Group level only.*

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT AUDIT COMMITTEE

The Company's AC comprises exclusively of independent directors with the Chairman of the Committee being a certified accountant and a member of the Malaysian Institute of Accountants. In compliance with the MCCG 2021, the AC Chairman is not the Chairman of the Board of Directors.

The roles and responsibilities of the AC is provided for in its TOR, which can be viewed at www.mchb.com.my. In executing its roles, the AC is supported by the Company's external and internal audit functions. On matters pertaining to risk, the AC is supported by the Board's RMC.

The AC is responsible for ensuring that the Group's and the Company's financial statements, are made out in line with recognised accounting standards i.e. the Malaysian Financial Reporting Standards ("MFRS") and the International Financial Reporting Standards ("IFRS"), and that a balanced and fair view of the financial state and performance of the Group is presented.

Having assessed the performance of the AC during the financial year, the Board is satisfied that the AC has effectively discharged its duties. Please refer to the Audit Committee Report on page 116 for detailed information on the scope of works undertaken by the Group's AC in FY2023.

COMPLIANCE WITH APPLICABLE FINANCIAL REPORTING STANDARDS

The Board states that the annual audited financial statements and interim financial results have been prepared to comply with the Act and applicable financial reporting standards in Malaysia. This includes adopting all necessary measures to ensure all applicable accounting policies have been applied consistently, and that the policies are supported by reasonable and prudent judgement and estimates.

EXTERNAL AUDIT FUNCTION

The Group's external audit function is performed by Messrs. Crowe Malaysia PLT. The External Auditors' reports to the AC and conducts its audit based on an AC approved audit plan. The External Auditors has provided written assurance of its independence in accordance with the independence rules of the Malaysian Institute of Accountants.

The AC has assessed the performance of the External Auditors based on the following criteria:

- The quality and scope of the planning of the audit in assessing risks and how the External Auditors maintain or update the audit plan to respond to changing risks and circumstances;
- The quality and timeliness of reports provided to the AC;
- The level of understanding demonstrated on the Group's business; and
- Communication to the AC about new and applicable accounting practices and auditing standards and its impact on the Group's financial statements.

The AC is satisfied that the External Auditors continue to possess the competency, independence and experience required to fulfil their duties effectively. Hence, the AC has recommended their re-appointment for the following financial year, subject to shareholders approval at the forthcoming AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

In the course of performing its duties, the External Auditors has met with the Board on one occasion without the presence of Senior Management to provide an update on related accounting and audit matters.

The following are the fees paid / payable to the External Auditors and affiliates:

FEES	FY2023 (RM)	FY2022 (RM)
Audit Fees	714,000	665,000
Non-Audit Fees	202,000	199,000

INTERNAL AUDIT FUNCTION

Matrix's internal audit function ("IAF") is supported by Wensen Asia Consulting (M) Sdn Bhd, an independent external firm that provides additional resources to augment the Company's IAF, providing an additional check and balance mechanism to strengthen the integrity of Matrix's internal audit processes.

The IAF executes its work scope based on a defined audit plan that is approved by the AC. The IAF provides independent, regular and systematic reviews of the internal control, risk management and governance processes within the Group. The Head of the IAF reports to the Audit Committee towards ensuring the independence of the internal audit process.

In FY2023, the IAF, as per the approved audit plan carried out all audit assignments with findings reported to the AC. Total costs incurred for the internal audit function for FY2023 was RM540,835.

Further details of the activities of the risk management and internal audit function are set out in the Audit Committee Report and the Statement on Risk Management and Internal Control in this Integrated Annual Report 2023.

RISK MANAGEMENT & INTERNAL RISK CONTROL FRAMEWORK

The Board maintains oversight on risk via its RMC. Group risks, be it financial, operational, external or strategic risks are identified and mitigated by a robust internal risk management framework. The framework is designed to identify, evaluate, control, monitor and report the principal risks encountered by the Group on a regular basis.

The RMC is responsible for implementing risk management policies and strategies approved by the Board. It monitors and manages the principal risk exposures by ensuring that management has taken the necessary steps to mitigate such risks and recommends action where necessary. The RMC reports to the Board at least twice a year.

The Group's risks and mitigation measures as well as its impacts and linkages to material topics and business strategy have been provided in the Strategy section of this Integrated Annual Report 2023.

Further details on the key features of the risk management framework and the RMC are given in the Statement on Risk Management and Internal Control of this Integrated Annual Report 2023.

The Board is of the view that the system of internal control and risk management in place is sound and sufficient to safeguard the Group's assets, as well as shareholders' investments, and the interests of customers, regulators, employees and other stakeholders.

RELATED PARTY TRANSACTIONS

The directors recognise that they have to declare their respective interests in transactions with the Company and the Group, and abstain from deliberation and voting on the relevant resolution in respect of such transactions at the Board or at any general meetings convened to consider the matter.

All related party transactions are reviewed as part of the annual internal audit plan, and the AC reviews any related party transaction and conflict of interest situation that may arise within the Group including any transaction, procedure or course of conduct that causes questions of management integrity to arise.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

STAKEHOLDER RELATIONSHIP AND COMMUNICATION

Stakeholder management and communication remains a fundamental aspect of Matrix's approach to corporate governance. The views, perspectives and interests of external and internal stakeholders are continuously considered and where relevant, incorporated into the Group's overall approach to value creation.

Full details of stakeholder engagement efforts such as community engagement and more are provided in our standalone Sustainability Report 2023 available for view at https://www.mchb.com.my/sustainability.

The Group continues to embrace the challenges as well as the opportunities that arise from the diversity of viewpoints derived from stakeholders as well as the challenge of balancing these perspectives across the short, medium and long-term perspectives.

The Group conducts materiality assessment survey with its stakeholders to gauge their perspectives and expectations with insights derived from this exercise used to guide sustainability and business and/or operational strategies.

Information on the Group's main stakeholders, their interests and concerns and as well as the Group's strategic efforts to engage these stakeholders are provided in the Sustainability Report section of this Integrated Annual Report 2023.

Stakeholders engaged in FY2023 include shareholders, the investor community, the media, homebuyers and the community at large throughout the financial year. We continue to enhance and improve our stakeholder engagement efforts.

Pertaining to Investor Relations, the Board addresses the engagement for timely and accurate disclosure on corporate announcements, circulars to shareholders and financial results. This includes the Integrated Annual Report that provides a detailed account of Matrix's performance for the financial year as well as its business plans and strategies going forward.

The Integrated Annual Report is customarily sent to shareholders 30 days prior to the AGM in fulfilment of the MCCG. The Notice of AGM and Proxy Form is also sent at least 30 days prior to the AGM to enable shareholders to have sufficient time to make arrangements to attend, or to send a proxy in their stead.

Through its website www.mchb.com.my and its announcements on Bursa Malaysia's website, the Group shares mandatory public announcements as well as publishes its quarterly and annual results.

The quarterly financial results are announced via Bursa LINK immediately after the Board's approval. This is important in ensuring equal and fair access to information by the investing public. However, any information that may be regarded as undisclosed material information about the Group will not be given to any single shareholder or shareholder group.

The Group's website also has a dedicated investor relations section providing related information to shareholders. This includes the latest financial results, the Integrated Annual Report, the Board Charter, the respective TORs of its Board Committees and more. Stakeholders may also contact the Company via the direct investor relations contact:

Ms. Carmen Loo
Tel: 606-764 2688 / Email: carmen@mchb.com.my

CONDUCT OF GENERAL MEETINGS

The Board encourages shareholders to attend and actively participate in the Group's annual general meeting ("AGM"). Even though Malaysia has embraced endemic status, Matrix continues to maintain its shareholders engagements through fully virtual meeting for its 26th AGM.

The virtual session enabled remote participation and electronic voting for shareholders. It also enabled avenues for attendees to ask questions regarding resolutions put forward for voting as well as the Group's business performance and future plans.

Questions asked during the meeting were made visible to all attendees via the online platform used so that participants can follow the proceedings with greater clarity.

The results were validated by an independent scrutineer. All resolutions proposed were duly passed. The outcome of the AGM was announced to Bursa Malaysia on the same meeting day. Matrix intends to continue with this practice for all future general meetings as virtual general meetings encourage shareholders attendance and enable remote participation.

All Directors and relevant members of the Senior Management attended the virtual AGM. Minutes of the AGM are currently being uploaded to Matrix's website within 30 days from the meeting date.

Further details of the aforementioned are provided in Practice 12.3 of the Group's CG Report. Matrix will continue to ensure the timely publishing of its Integrated Annual Report and distribution of all information beforehand to shareholders.

AUDIT COMMITTEE REPORT

The Board of Directors of Matrix Concepts Holdings Berhad ("Matrix" or "the Company") is pleased to present the report on the Audit Committee (the "Committee") for the financial year ended 31 March 2023 ("FY2023").

OBJECTIVE

The Committee was established in line with the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Malaysia") to act as a Committee of the Board of Directors to fulfill its fiduciary responsibilities in accordance with the TOR of the Audit Committee of the Company and to assist the Board in reviewing the adequacy and integrity of the Group's financial administration and reporting as well as internal control.

A MEMBERS OF THE AUDIT COMMITTEE

The Committee consists of five (5) following members, who each satisfy the "independence" requirements contained in the Listing Requirements of Bursa Malaysia:-

- Mazhairul Bin Jamaludin - Chairman
  Senior Independent Non-Executive Director

- Dato' Hon Choon Kim - Member
  Independent Non-Executive Director

- Dato' Hajah Kalsom Binti Khalid - Member
  Independent Non-Executive Director

- Chua See Hua - Member
  Independent Non-Executive Director

- Loo See Mun - Member
  Independent Non-Executive Director

B SUMMARY ON KEY SCOPE OF RESPONSIBILITIES

The Committee operates under a written Audit Committee's TOR containing provisions that address the requirements imposed by Bursa Malaysia. That TOR is posted on the Corporate Governance section of the Company's websites at www.mchb.com.my.

The TOR prescribes the Committee's oversight of financial compliance matters in addition to a number of other responsibilities that the Committee performs. Those key responsibilities include, among others:-

- Overseeing the financial reporting process and integrity of the Group's financial statements;
- Evaluating the independence and appraisal of External Auditors;
- Evaluating the performance and process of the Company's internal audit function and External Auditors;
- Overseeing the Group's system of internal control and risk management that the management and the Board have established;
- Assessing the Company's practices, processes and effectiveness;
- Reviewing conflict of interest situations and related party transactions of the Group; and
- Reviewing any significant matters highlighted including financial reporting issues, significant judgements made by management, significant and unusual events or transactions, and how these matters are addressed.

C DESCRIPTION OF DUTIES PERFORMED BY THE COMMITTEE

The Committee's report provides an overview of the duties that the Committee carried out during the year, including the significant issues considered in relation to the financial statements and how the Committee assessed the effectiveness of the External Auditors.

The Committee has a responsibility to oversee the Group's internal control. The Committee continues to monitor and review the effectiveness of the Group's internal control with the support of Group's Internal Audit function. The Committee has an annual work plan, to review standing items that the Committee considers at each meeting, in addition to any matters that arise during the year.

AUDIT COMMITTEE REPORT

The salient matters that the Committee considered during the FY2023 are as described below:-

1. Financial Statements and Reporting

The Committee monitored the financial reporting processes for the Group, which include reviewing reports from, and discussing these with, management and the External Auditors. The Committee has reviewed the unaudited quarterly financial results and audited financial statements of the Group before recommending them for Board's approval.

The Committee had also reviewed the External Auditors' report on other internal controls, accounting and reporting matters and the management representation letter concerning accounting and reporting matters as well as recommendations in respect of control weaknesses noted in the course of their audit. There were no significant and unusual events or transactions highlighted by the management as well as External Auditors during the FY2023.

2. Going Concern Assessment

The Committee and the Board reviewed the going concern basis for preparing the Group's consolidated financial statements, including the assumptions underlying the going concern statement and the period of assessment. The Committee's assessment was based on presentation by management and took note of the principal risks and uncertainties, the existing financial position, the Group's financial resources, and the expectations for future performance and capital expenditure.

3. Internal Audit

The Group Internal Audit provides independent and objective assurance and advisory services designed to add value and improve the operations of the Group. Its scope encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the Group's governance, risk management and internal control processes in relation to the Group's defined goals and objectives.

The Head of Group Internal Audit, reports functionally to the Committee, and the Committee reviewed and approved the annual Internal Audit plan and budget for activities to be undertaken during FY2023. The Committee also reviewed the adequacy of the scope, functions, competency and resources of the internal audit function during the year.

The Group Internal Audit performs routine audit on and reviews all operating units within the Group, with emphasis on principal risk areas. Group Internal Audit adopts a risk-based approach towards planning and conduct of audits, which is partly guided by an Enterprise Risk Management ("ERM") framework.

The Committee reviewed the audit reports presented by Group Internal Audit on findings, recommendations and management's responses thereto and ensure that material findings are adequately addressed by the management.

The total costs incurred for the internal audit function of the Group for the FY2023 was RM540,835 (FY2022: RM526,857).

4. Assessing the effectiveness of external audit process

The Committee places great emphasis on ensuring that there are high standards of quality and effectiveness in the external audit carried out by the External Auditors. Audit quality is reviewed by the Committee and includes reviewing and approving the annual audit plan to ensure that it is consistent with the scope of the audit engagement.

In reviewing the audit plan, the Committee discussed the significant and elevated risk areas identified by the External Auditors which are most likely to give rise to a material financial reporting error or those that are perceived to be of higher risk and requiring additional audit emphasis. The Committee met with the External Auditors without management present, to discuss their audit plan and any issues arising from the audit. The Committee had met privately one (1) time with the External Auditors on 22 May 2023.

AUDIT COMMITTEE REPORT

5. **Other matters reviewed by the Committee**

   The Committee also reviewed the following matters:-

   (i) the Group's compliance with the relevant provision set out under the Malaysian Code on Corporate Governance 2021 for preparing Statement on Corporate Governance and Statement on Risk Management and Internal Control pursuant to the Listing Requirements of Bursa Malaysia.
   (ii) the Circular to Shareholders on the proposed renewal of Shareholders' mandate for recurrent related party transactions of a revenue or trading nature.
   (iii) The internal audit report relating to existing related party transactions.
   (iv) Recurrent Related Party Transactions on quarterly basis.
   (v) Solvency Assessment by the management in relation to the declaration of dividends.

Overall Summary of Work Done by the Committee

In summary, the work done during the financial year are as described below:-

1. Reviewed with the Internal Auditors and report to the Board on the following matters:-

   i) the Group's internal control procedures, including organisational and operational controls.
   ii) the internal audit's scope of work, functions, competency and resources and that it has the necessary authority to carry out its work.
   iii) the internal audit plan, scope of the work and its findings at every quarter, and to highlight to the Board on any material findings.
   iv) the regular management information and to ensure that audit recommendations regarding management weaknesses are effectively implemented.

2. Reviewed with the External Auditors and report to the Board on the following matters:-

   i) the audit planning memorandum.
   ii) the audit reports, to ensure that their recommendations regarding management weaknesses are implemented.
   iii) the annual financial statements and recommend the adoption of the financial statements.
   iv) the audit fees.
   v) the related party transactions and conflict of interest that may arise within the Company and the Group including any transaction, procedure or course of conduct that may raise questions of management integrity.

3. The Committee also reviewed the Group's quarterly financial results and year end financial statements, prior to the approval by the Board of Directors focusing particularly on:-

   i) any changes in the implementation of major accounting policy.
   ii) significant and unusual events.
   iii) compliance with accounting standards and other legal requirements.
   iv) Solvency Assessment by management in relation to the declaration of dividends.

4. Reviewed the quarterly unaudited financial results and make necessary recommendations to the Board prior to release to the relevant authorities and public on:-

   i) compliance with existing and new accounting standards, policies and practices.
   ii) highlight any significant adjustment or unusual events.
   iii) compliance with Listing Requirements of Bursa Malaysia Securities Berhad, Companies Act 2016 and other regulatory requirements.

5. Make enquiry if there are any recurrent related party transactions and to review and to ensure the recurrent related party transactions, if any, are on ordinary commercial terms and are not favourable to the related party than is generally available to the public, and that the transactions are not detrimental to the minority shareholders.

AUDIT COMMITTEE REPORT

D INTERNAL AUDIT ACTIVITIES FOR THE FINANCIAL YEAR

During the financial year, Internal Audit function had completed and reported audit assignments covering the following areas:-

Group Support Services
- Company Vehicle Management
- Human Resources and Payroll Management
- Procurement to Payment Management

Manufacturing
- Procurement Management

Property Development
- Sales Administration Management

Construction
- Project Construction and Site Asset Management (NS)
- Project Construction and Site Asset Management (Johor)

Healthcare
- Cash and Treasury

Hospitality
- Membership and Marketing Management
- Maintenance and Building Facilities
- Revenue and Collection Management

Education
- Human Resources and Payroll Management

The findings arising from the above reviews have been reported to management for their response and subsequently for Audit Committee's deliberation.

E ATTENDANCE

Details of Attendance

A total of five (5) Audit Committee meetings were held during the FY2023. The attendance record of each member is as tabulated below:-

MEMBERS	TOTAL NUMBER OF MEETINGS	NUMBER OF MEETINGS ATTENDED
Mazhairul Bin Jamaludin	5	5
Dato' Hon Choon Kim	5	5
Dato' Hajah Kalsom Binti Khalid	5	5
Chua See Hua	5	5
Loo See Mun	5	5

F. REVIEW AND PERFORMANCE EVALUATION OF THE EXTERNAL AUDITORS

As required by its TOR, the Committee conducted their annual performance evaluation in an effort to continuously improve its processes. The Committee's responsibility is to monitor and review the processes performed by the management and the External Auditors. It is not the Committee's duty or responsibility to conduct auditing or accounting reviews or procedures. The Committee members are not employees of the Company. Therefore, the Committee has relied, without independent verification, on management's representation that the financial statements have been prepared with integrity and objective and in conformity with the approved accounting principles generally accepted in Malaysia and on the representations of the External Auditors included in its reports on the Company's financial statements and internal control over financial reporting.

AUDIT COMMITTEE REPORT

The Committee considered the independence and appraisal of the External Auditors. This review took into account the following factors:-

(i) Auditors' Effectiveness

The Committee met with management, to hear their views on the effectiveness of the External Auditors. The criteria for assessing the effectiveness of the audit included the robustness of the audit, the quality of the audit delivery and the quality of the people and service. The Committee concluded that the performance of the External Auditors remained effective.

(ii) Independence and Objectivity

The Committee reviews the work undertaken by the External Auditors and assesses its independence, objective and performance. In doing so, it takes into account relevant professional and regulatory requirements and the relationship with the Auditors as a whole, including the provision of any non- audit services. The Committee monitors the Auditors' compliance with relevant regulatory, ethical and professional guidance on the rotation of partners, as well as assessing annually its qualifications, expertise, resources and the effectiveness of the audit process, including presentation from the External Auditor on its own internal quality procedures.

The audit engagement partner is required to rotate at least every seven (7) years as per the External Auditors policy, which is in accordance with the By-Laws (on professional ethics, conduct and practice) of the Malaysian Institute of Accountants (MIA). The Committee always consider the audit partner's independence in relation to the audit and was assured by the External Auditors that they have complied with professional requirements in relation to their independence.

The Committee concluded that it continues to be satisfied with the performance of the External Auditors and that they continue to be objective and independent in relation to the audit.

(iii) Non-audit Work carried out by the External Auditors

To help protect Auditors' objectivity and independence, the provision of any non-audit services provided by the External Auditors requires prior monitoring by the management.

Certain types of non-audit are of sufficiently low risk and does not require prior approval of the Committee, such as "audit-related services" including the review of interim financial information. The prohibited services are those that have potential to conflict directly with the Auditors' role, such as the preparation of the Company's financial statements.

The total of audit fees and non-audit fees paid to the External Auditors during the FY2023 is set out in the Note 33 of the Audited Financial Statements.

The External Auditors also provided in its engagement letter on the specific safeguards put in place for each piece of non-audit work confirming that it was satisfied that neither the extent of the non-audit services provided nor the size of the fees charges had any impact on its independence as statutory Auditors.

The Committee is satisfied that the quantum of the non-audit relative to the audit fees (being 30% of the total audit fees on a group basis payable to the External Auditors and affiliates) and the Committee concluded that the auditors' independence form the Group was not compromised.

(iv) External Audit fees

The Committee was satisfied that the level of audit fees payable in respect of the external audit services provided for FY2023: RM714,000 (FY2022: RM665,000) was appropriate. The existing authority for the Directors (including the Committee) to determine the current remuneration of the External Auditors is derived from the shareholders' approval granted at the Company's Annual General Meeting ("AGM") held on 26 August 2022.

G RECOMMENDATION FOR APPOINTMENT

Following the annual assessment and performance review on the External Auditors, the Committee has recommended to the Board, the re-appointment of Messrs. Crowe Malaysia PLT as the External Auditors for the ensuing year. The Board has accepted this recommendation and a resolution for its re-appointment for a further year will be put to the shareholders at the forthcoming AGM.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Board of Directors ("the Board") is pleased to provide the following statement on the state of internal control and risk management of the Group. This statement was prepared in accordance with the "Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers" issued by the Institute of Internal Auditors Malaysia.

RESPONSIBILITIES OF THE BOARD

The Board acknowledges its responsibility in maintaining an effective and sound system of internal control and risk management, including reviewing its adequacy and integrity in order to safeguard the assets of the Group and shareholders' investments.

The Board has established an on-going process to continuously review the adequacy, integrity and effectiveness of the Group's system of internal control and risk management framework to ensure implementation of appropriate systems to effectively identify, evaluate and manage principal risks of the Group and to mitigate the effects of the principal risks on achieving the Group's business objectives. This process includes enhancing the risk management and internal control system as and when there are changes to the business environment or regulatory guidelines. The process has been in place during the year up to the date of approval of this Integrated Annual Report 2023 and is subject to review by the Board.

In view of the limitations inherent in any system of internal control and risk management, it should be appreciated that an effective system of internal control and risk management framework is designed to manage principal risks of the Group rather than to eliminate the risks. These systems can only provide reasonable and not absolute assurance against material misstatements, frauds or losses.

The Audit Committee with the assistance of the Risk Management Committee will assist the Board in reviewing the adequacy, integrity and effectiveness of the system of internal control and risk management framework within the Group and to ensure adequate resources are channeled to obtain the level of assurance required by the Board. The Audit Committee presents all its findings to the Board.

The Board is assisted by the Management in implementing the Board's policies and procedures on risk and control by identifying and assessing the risks faced, and in the design, operation and monitoring of suitable internal controls to manage and control these risks.

The Board, through its Risk Management Committee, is entrusted with the responsibility of implementing and maintaining the Enterprise Risk Management (ERM) framework to achieve the following objectives:-

- Communicate the vision, roles, directions and priorities to all employees and key stakeholders;
- Identify, assess, treat, report and monitor significant risks in an effective manner; and
- Enable systematic risk review and reporting on key risks, existing control measures and any proposed action plans.

The key features of the internal control system and risk management are as described henceforth.

RISK MANAGEMENT AND INTERNAL CONTROLS

The following key features have been implemented by the Board in their effort to maintain an effective and sound system of risk management and internal control:-

Risk Management Framework

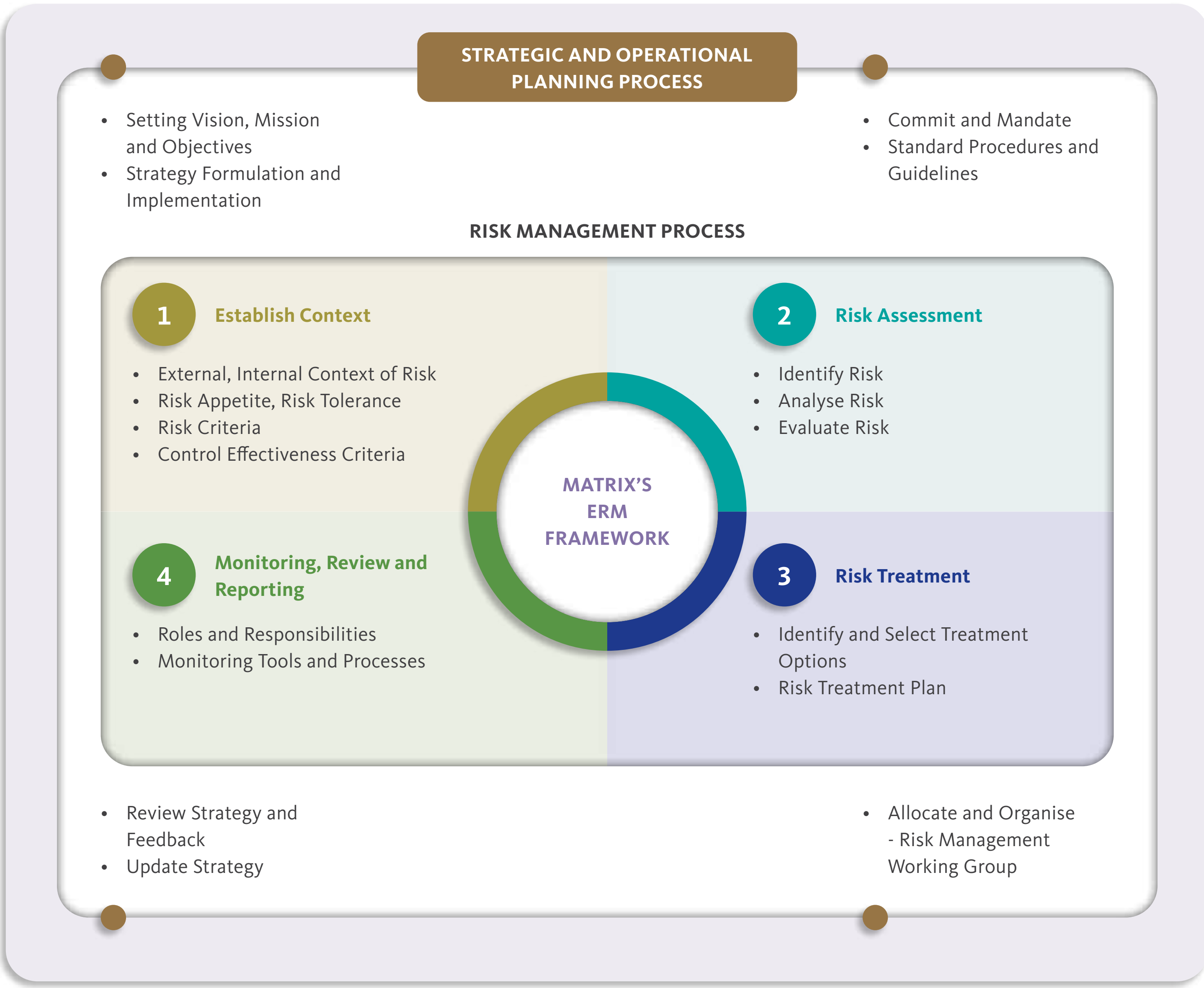
The Risk Management Committee has been established by the Board with clear defined lines of accountability and authority.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

They are responsible for identifying business risks, implementing appropriate systems of internal control to manage these risks and ensuring that there is an on-going programme to continuously assess, monitor and manage the principal risk of the Group.

The Company's ERM Framework is consistent with the Statement on Risk Management and Internal Control: Guidelines for Listed Issuers and Bursa Malaysia's Corporate Governance Guide and also Risk Management – Principles and Guidelines.

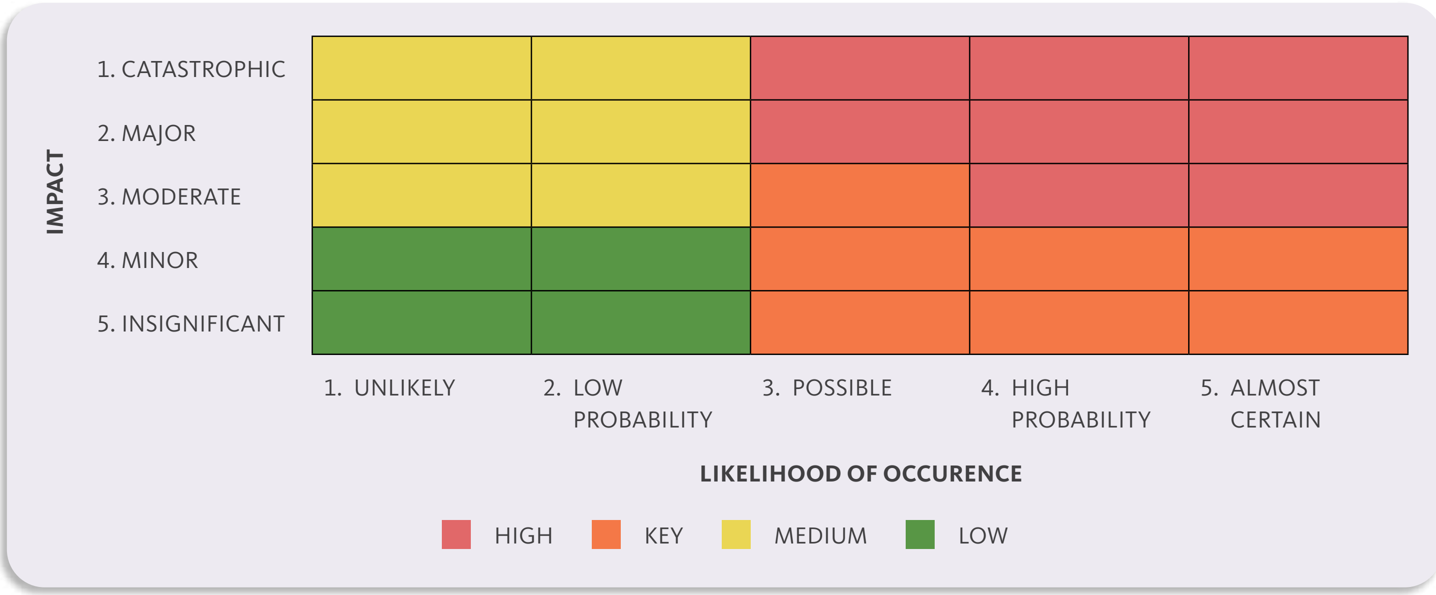
The Company's ERM Framework and processes are summarised in the flow chart as follows:-



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

All identified risks are displayed on a risk matrix based on their risk ranking to assist the Management in prioritising their efforts and appropriately managing the different classes of risks.

RISK RATING SCALE – 5 BY 5 MATRIX



Risk Category and Risk Appetite

RISK CATEGORY	GENERAL RISK APPETITE
Strategic	The Company is prepared to take a certain degree of calculated risks relating to the realization of its performance objectives and long term- goals.
Operational	The Company attempts to minimise the impact of unforeseen disruption on its operating activities.
Financial	The Company has a conservative and sound framework of financial policies and procedures to prevent risks that could have a significant impact on the financial results and material misstatements in its financial statements reporting. Eg: gearing ratios.
Compliance & Governance	The Company applies a zero tolerance policy.

The Board and Management ensure that the risk management and control framework is embedded into the culture, processes and structures of the Group. The framework is responsive to changes in the business environment and clearly communicated to all key management personnel.

The following are the initiatives undertaken by the Risk Management Committee during the year:-

- Continuously review the Risk Profile of the Group and action plans to be undertaken to manage the principal risks of the Group; and

- Continuously monitor the action plans derived by the "Risk Owners" to address principal risks of the Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Based on the above Risk Management Framework adopted and approved by the Board of Directors, the Risk Management Committee have delegated the responsibilities of identifying Key Risks of the Group to the respective "Risk Management Business Units" and "Risk Owners" whereby the "Risk Owners" are required to report the Key Risks of the Group with proposed action plans to the Risk Management Committee for review and consideration. The Key Risks of the Group with proposed action plans have been updated and presented to the Risk Management Committee in its meetings periodically.

Organisation Structure

The Board has established an Organisation Structure of the Group, with clear lines of job scope and responsibilities for each department and division to administer and actively oversee the daily operations of the Group.

The Organisation Structure plays a vital role in acting out the Board's expectations through active participation in the operations of the business. Management meetings with the Heads of all departments and business units are held once a month, led by the Group Managing Director to discuss the progress of each project and other operational issues that require immediate attention of the Board.

Audit Committee

The Audit Committee was established with a view to assist and to provide the Board with added focus in discharging the Board's duties.

The primary objectives of the Audit Committee are to provide assistance to the Board in fulfilling its fiduciary responsibilities relating to the corporate accounting and practice of the Group and to improve the Group's business efficiency, the quality of the accounting function, the system of internal control and audit function and strengthen the confidence of the public in the Group's reported results.

The Audit Committee also ensures that there are continuous efforts by the Management to address and resolve areas with control weaknesses.

Internal Audit

During the financial year ended 31 March 2023, Internal Audit function of the Group has been undertaken via an in-house Internal Audit team led by Encik Nik Li R Deraman (Head of Internal Audit) together with an independent, external consulting firm, namely Wensen Consulting Asia (M) Sdn Bhd (collectively known as "Internal Auditors") to assist the Audit Committee and the Board primarily in formalising the Internal Audit Plan based on the established risk profile of the Group. The Head of Internal Audit graduated with a Bachelor's Degree in Accounting (Hons) from University Utara Malaysia ("UUM"), is a Chartered member of The Institute of Internal Auditors Malaysia and Malaysian Institute of Accountants.

The in-house Internal Audit team comprises the Head of Internal Audit supported by two (2) executives whereas Wensen Consulting Asia (M) Services Sdn Bhd assigned at least two (2) executives during each audit assignment, thus providing overall support and back up to the entire Internal Audit team. The Internal Auditors do not have any relationship with the directors and/or major shareholders of Matrix and they have assured that they are free from any conflict of interest or relationships that could impair their objectivity and independence. The Internal Auditors carries out continuous internal control reviews on the business processes based on the approved Internal Audit Plan and reports to the Audit Committee on a quarterly basis.

All findings including the recommendations for further improvement will be presented independently by the Internal Auditors to the Audit Committee subsequent to discussions with the Management on a quarterly basis. The independent monitoring, review and reporting arrangements undertaken by the Internal Auditors give reasonable assurance that the structure of internal controls and business processes are appropriate to the Group's operations so as to properly manage the principal risks to an acceptable level throughout the Group's businesses. Internal control weaknesses are identified and duly addressed either immediately or progressively.

External Auditors

The Group employs Messrs. Crowe Malaysia PLT as its External Auditors.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

OTHER KEY INTERNAL CONTROL MECHANISMS

The Group manages its risks by implementing various internal control mechanisms. The key elements of the internal control system are as described below:-

- **Group Core Values**

  Matrix's values set the tone and helps nurture a conducive culture of accountability, transparency, integrity, which begins at the top and is cascaded across the organisation. This provides a shared belief system that governs corporate conduct and helps to develop an environment that supports good corporate governance.

- Clearly defined terms of references, authorities and responsibilities of the various committees which include the Audit Committee, Risk Management Committee, Nomination Committee, Remuneration Committee and Sustainability Committee.

- Well defined organisational structure with clear lines for the segregation of duties, accountability and the delegation of responsibilities to Senior Management and the respective division Heads including appropriate authority limits to ensure accountability and approval responsibility.

- Budgets are prepared annually for the Business/Operating units and approved by the Board. The budgets include operational, financial and capital expenditure requirements and performance monitored on a monthly basis and the business objectives and plans are reviewed in regular management meetings attended by division and business unit Heads. The Group Managing Director meets regularly with Senior Management to consider the Group's financial performance, business initiatives and other management and corporate issues.

- There are regular Board meetings, at least five (5) times conducted annually and Board papers are distributed in advance to all Board members who are entitled to receive and access all necessary and relevant information. Decisions of the Board are only made after the required information is made available and deliberated on by the Board. The Board maintains complete and effective control over the strategies and directions of the Group.

- The Board is supported by a qualified and competent Group Company Secretary. The Group Company Secretary plays an advisory role to the Board, particularly on issues relating to compliance with the Main Market Listing Requirements, the Companies Act 2016 and other relevant laws and regulations.

- The Audit Committee reviews the effectiveness of the Group's system of internal control on behalf of the Board. The Audit Committee comprises entirely Non-Executive members of the Board, who are Independent Directors. The Audit Committee is not restricted in any way in the conduct of its duties and has unrestricted access to the Internal and External Auditors of the Company and to all employees of the Group. The Audit Committee is also entitled to seek such other third party independent professional advice deemed necessary in the performance of its responsibility.

- Review by the Audit Committee of internal control issues identified by the External and Internal Auditors and actions taken by Management in respect of the findings arising there from. The Internal Audit function reports directly to the Audit Committee. All findings are communicated to Management and the Audit Committee with recommendations for improvements and are followed up to confirm that all agreed recommendations are implemented. The Internal Audit Plan is structured on risk based approach and is reviewed and approved by the Audit Committee.

- Review of all proposals for material capital and investment opportunities by the Management Committee and approval for the same by the Board prior to expenditure being committed.

- There are sufficient reports generated in respect of the business and operating units to enable proper review of the operational, financials and regulatory environment. Management Accounts are prepared timely and on a quarterly basis and is reviewed by the Group Managing Director and Senior Management.

- The professionalism and competency of staff are enhanced through trainings and development programmes. A performance management system is in place with established key performance indicators to measure and review staff performance on an annual basis.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

- In the course of conducting annual statutory audit, the External Auditors will highlight any significant audit, accounting and internal control matters which require attention of the Board, the Audit Committee and Risk Management Committee. At least once a year, the Audit and Risk Management Committee shall meet the External Auditors without the Executive Directors and management being present. This year, the Audit Committee had communicated and met with the Internal Auditors on 28 February 2023 and External Auditors on 22 May 2023 without the Executive Directors and management being present. On 28 February 2023, the Audit Committee met with the Internal Auditors to highlight on certain internal audit issues which are required for attention.

- Whistleblowing Policy

  The Group has instituted a whistleblowing policy with facilitating feedback channels to allow anyone in the Company to disclose information pertaining to misconduct or improprieties in a safe and secure manner. The confidentiality of the whistleblower is assured throughout the process. There were no reports on this during the FY2023.

MONITORING AND REVIEW OF THE ADEQUACY AND INTEGRITY OF THE SYSTEM OF INTERNAL CONTROL

The Board considered the risk management and internal control process in the Group during the financial year to be adequate and effective.

A review on the adequacy and effectiveness of the risk management and internal control system has been undertaken based on information from:

a) Management within the organisation responsible for the development and maintenance of the risk management and internal control framework;

b) Assessments of major business units and functional controls by respective management to complement the above input in providing a holistic view on the effectiveness of the Group's risk and control framework; and

c) The work by the Internal Audit function in accordance with the Internal Audit Plan document highlighting the key processes, which have been defined based on the Risk Profile of the Group as well as Internal Audit reports to the Audit and Risk Management Committees together with recommendations for improvement.

The Audit and Risk Management Committees will address and monitor the implementation of key action plans and any internal control weakness and ensure continuous process improvement. During the financial year under review, a number of improvements to internal controls were identified and addressed. There have been no significant weaknesses noted which have resulted in any material losses.

The Board has been assured by the Group Managing Director and Chief Financial Officer that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

The Board considers the system of internal control described in this statement to be satisfactory and the risks to be at an acceptable level within the context of the Group's business environment. As the development of an efficient system of internal control is an ongoing process, the Board and management maintain an ongoing commitment to continue taking appropriate measures to strengthen the risk management and internal control environment of the Group.

RISKS REVIEW FOR THE FINANCIAL YEAR

A half-yearly review on the adequacy and effectiveness of the risk management and internal control system have been undertaken for the financial year under review. During the financial year under review, each business unit via its respective working groups, comprising personnel at all levels carried out the following areas of work for periodic review:-

- Conducted reviews and updates of risk profiles of principal risks and emerging risks which will potentially derail the achievement of the business objectives and goals.

- Evaluated the adequacy of key processes, systems, and internal controls in relation to the rated principal risks, and established strategic responses, actionable programmes and tasks to manage the aforementioned and/or eliminate performance gaps.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

- Ensured Internal Audit programmes covered identified principal risks. Audit findings throughout the financial period served as key feedback to validate effectiveness of risk management activities and embedded internal controls.

- Reviewed implementation progress of actionable programmes, and evaluated post-implementation effectiveness.

- Reviewed the adequacy of all business resumption and contingency plans, and their readiness for rapid deployment.

The review includes the following:-

- Regular Internal Audit reports which are tabled quarterly to Board of Directors and the Risk Management Committee.

- Bi-annual risk reviews compiled by the respective units' risk owners, which are then presented and discussed with the Risk Management Committee, the Board and Internal Auditors.

- Operating unit's response to the risk analysis conducted on areas of weakness .

The findings arising from the above reviews have been reported to Management for their response and subsequently for Audit Committee deliberation.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3 issued by the Malaysian Institute of Accountants ("MIA") for inclusion in this Integrated Annual Report 2023 and reported to the Board that nothing has come to their attention that causes them to believe that the Statement is inconsistent with their understanding of the processes adopted by the Board in reviewing the adequacy and effectiveness of risk management and internal control within the Group.

AAPG 3 does not require the External Auditors to consider whether the Director's Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and management thereon. AAPG 3 also does not require the External Auditors to consider whether the processes described to deal with material internal control aspects of any significant matters disclosed in the Annual Report will, in fact, mitigate the risks identified or remedy the potential problems.

CONCLUSION

The Board is satisfied with the adequacy and effectiveness of the Group's risk management and internal control system. The Board has received assurance from the Group Managing Director and Chief Financial Officer that the Group's risk management and internal control system, in all material aspects, is operating adequately and effectively. For the financial year under review, there were no material control failures or adverse compliance events that have directly resulted in any material loss to the Group.

This statement is made in accordance with a resolution of the Board of Directors dated 21 June 2023.

STATEMENT OF RESPONSIBILITY BY DIRECTORS

In respect of preparation of the annual audited financial statements (pursuant to paragraph 15.26 (A) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

The Directors are responsible for ensuring that the annual audited financial statements of the Group and the Company are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia and the MMLR of Bursa Malaysia Securities Berhad.

The Directors are also responsible for ensuring that the annual audited financial statements of the Group and the Company are prepared with reasonable accuracy from the accounting records of the Group and the Company so as to give a true and fair view of the state of affairs of the Group and the Company as at 31 March 2023, and of the results of their operations and cash flows for the year ended on that date.

In preparing the annual audited financial statements, the Directors have applied the appropriate and relevant accounting policies on a consistent basis; made judgments and estimates that are reasonable and prudent; and prepared the annual audited financial statements on a going concern basis.

The Directors are also responsible for taking reasonable steps based on best effort basis to safeguard the assets of the Group and the Company to prevent and detect fraud and other irregularities.

FINANCIAL STATEMENTS

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2023.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding activities. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	THE GROUP RM'000	THE COMPANY RM'000
Profit after taxation for the financial year	202,805	117,773
Attributable to:-		
Owners of the Company	207,220	117,773
Non-controlling interests	(4,415)	-
	202,805	117,773

DIVIDENDS

Dividends paid or declared by the Company since 31 March 2022 are as follows:-

	RM'000
In respect of the financial year ended 31 March 2022:-	
- 4th interim single tier dividend of 3.75 sen per ordinary share, paid on 7 July 2022	31,284
In respect of the financial year ended 31 March 2023:-	
- 1st interim single tier dividend of 3.00 sen per ordinary share, paid on 6 October 2022	25,027
- 2nd interim single tier dividend of 2.00 sen per ordinary share, paid on 12 January 2023	25,027
- 3rd interim single tier dividend of 2.00 sen per ordinary share, paid on 6 April 2023	25,027
	106,365

DIRECTORS' REPORT
(CONT'D)

DIVIDENDS (CONT'D)

Subsequent to the end of financial year, the directors, on 24 May 2023 declared a fourth interim single tier dividend of 2.25 sen per ordinary share amounting to RM28,155,324 in respect of the current financial year, payable on 6 July 2023 to shareholders whose names appeared in the record of depositors on 22 June 2023. The financial statements for the current financial year do not reflect the above declared dividends. Such dividends will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 March 2024.

The directors do not recommend the payment of any final dividend for the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those items disclosed in the financial statements.

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

(a) the Company increased its issued share capital by way of issuance of 417,115,361 new ordinary shares pursuant to the bonus issue exercise undertaken by the Company on the basis of 1 bonus share for every 2 existing ordinary shares held by the shareholders of the Company.

(b) there were no issues of debentures by the Company except as disclosed in Note 22 to the financial statements.

OPTIONS GRANTED OVER UNISSUED SHARE

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there are no known bad debts and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

DIRECTORS' REPORT
(CONT'D)

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:-

(a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS' REPORT
(CONT'D)

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

DATO' HAJI MOHAMAD HASLAH BIN MOHAMAD AMIN
DATO' SERI LEE TIAN HOCK
HO KONG SOON
CHUA SEE HUA
DATO' HAJAH KALSOM BINTI KHALID
DATO' HON CHOON KIM
DATO' LOGENDRAN A/L K NARAYANASAMY
LOO SEE MUN
MAZHAIRUL BIN JAMALUDIN

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follow:-

AHMAD IZZUDDIN BIN ISMAIL
DATO' HJ. MOHD BAHRUDIN BIN MAHFUZ
DATO' LEE YUEN FONG
DATO' LIM KHENG LOY
DATO' LIM SI BOON
DATO' MOHD JAAFAR BIN MOHD ATAN
DATUK MOHD AMINUDDIN BIN MOHD AMIN
DR. ONG CHIEW PING
EDWIN TAN BEOW AIK
FONG FEE JUNE
KELVIN LEE CHIN CHUAN
KRISNARAGA SYARFUAN
LEE JON WEE
LEE TIAN ONN
LIM CHEW HENG
MURTADHA BIN MOKHTAR
SUHAIMI BIN ALI
TAN SAY KUAN
TEOH SIEW YIEN
TUAN HAJI MUSTAZA BIN MUSA
DATO' SERI DR. RAZALI BIN AB. MALIK
DATO' MOHD KHIDIR BIN MAJID
YEW AH TEE
DATO' DR MOHAMAD RAFIE BIN AB MALEK (APPOINTED ON 01.09.2022)
EMY MARIANY BINTI MOHD MOKHTAR (APPOINTED ON 01.09.2022)
LIEW CHEE MENG (APPOINTED ON 19.09.2022)
REZAL ZAIN BIN ABDUL RASHID (APPOINTED ON 01.04.2022)
NORAZHAR BIN MUSA (APPOINTED ON 23.03.2023)
TAN SZE CHEE (APPOINTED ON 01.09.2022)
CHIA KHING FUAT (RESIGNED ON 07.10.2022)
LEONG JEE VAN (RESIGNED ON 09.09.2022)
YAP KIAN MUN (FIRST DIRECTOR AND RESIGNED ON 27.10.2022)

DIRECTORS' REPORT
(CONT'D)

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:-

	Number of Ordinary Shares				
The Company	At 1.4.2022	Bought	Bonus Issue	Sold	At 31.3.2023
Direct Interests					
Dato' Haji Mohamad Haslah Bin Mohamad Amin	1,675,737	2,000,000	837,868	(1,000,000)	**3,513,605**
Dato' Seri Lee Tian Hock	105,985,399	11,000,000	52,992,699	(20,000,000)	**149,978,098**
Ho Kong Soon	3,284,811	-	1,642,405	-	**4,927,216**
Dato' Hon Choon Kim	262,500	-	131,250	-	**393,750**
Dato' Logendran A/L K Narayanasamy	1,543,437	-	771,718	-	**2,315,155**
Dato' Hajah Kalsom Binti Khalid	201,300	-	100,650	-	**301,950**
Mazhairul Bin Jamaludin	-	10,000	5,000	-	**15,000**
Indirect Interests					
Dato' Seri Lee Tian Hock(i)	177,439,364	-	88,719,680	-	**266,159,044**
Ho Kong Soon(ii)	26,162,043	-	13,081,021	-	**39,243,064**
Dato' Hon Choon Kim(iii)	208,750	-	104,375	-	**313,125**

(i) Deemed interested by virtue of his direct shareholdings in Shining Term Sdn. Bhd., Ambang Kuasa Sdn. Bhd., Magnitude Point Sdn. Bhd. and Yakin Teladan Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 ("the Act") and the shareholdings of his spouse and offspring pursuant to Section 59 (11)(c) of the Act.

(ii) Deemed interested by virtue of his direct shareholdings in Supreme Interest Sdn. Bhd. pursuant to Section 8 of the Act and the shareholdings of his spouse pursuant to Section 59(11)(c) of the Act.

(iii) Deemed interested of shares held by spouse and offspring pursuant to Section 59(11)(c) of the Act.

By virtue of his shareholdings in the Company, Dato' Seri Lee Tian Hock is deemed to have interests in the shares in the Company and its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares of the Company or its related corporations during the financial year.

DIRECTORS' REPORT
(CONT'D)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 41 to the financial statements.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:-

	THE GROUP RM'000	THE COMPANY RM'000
Fees	2,269	374
Salaries, bonuses and other benefits	21,369	78
Defined contribution benefits	3,074	-
Long-term employee benefits	480	-
	27,192	452

The estimated monetary value of benefits-in-kind provided by the Group and the Company to the directors of the Company were RM176,000 and RM6,000 respectively.

INDEMNITY AND INSURANCE COST

The Company maintains a Directors' and Officers' Liability Insurance Policy on a group basis. During the financial year, the amount of indemnity coverage and insurance premium paid for the directors and certain officers of the Group were RM20,000,000 and RM23,500 respectively.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 5 to the financial statements.

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

The significant event during the financial year are disclosed in Note 46 to the financial statements.

DIRECTORS' REPORT
(CONT'D)

AUDITORS

The auditors, Crowe Malaysia PLT have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:-

	THE GROUP RM'000	THE COMPANY RM'000
Audit fees	714	70
Non-audit fees	8	8
	722	78

SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 21 JUNE 2023

Dato' Seri Lee Tian Hock

Ho Kong Soon

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Dato' Seri Lee Tian Hock and Ho Kong Soon, being two of the directors of Matrix Concepts Holdings Berhad, state that, in the opinion of the directors, the financial statements set out on pages 143 to 243 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2023 and of their financial performance and cash flows for the financial year ended on that date.

SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 21 JUNE 2023

Dato' Seri Lee Tian Hock

Ho Kong Soon

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, Tan Say Kuan, MIA Membership Number: 20012, being the officer primarily responsible for the financial management of Matrix Concepts Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 143 to 243 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Tan Say Kuan, NRIC Number: 740912-01-5787
at Seremban
in the state of Negeri Sembilan
on this 21 June 2023

Tan Say Kuan

Before me

Lee Kee Chong (N086)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MATRIX CONCEPTS HOLDINGS BERHAD

(INCORPORATED IN MALAYSIA)
REGISTRATION NO: 199601042262 (414615-U)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Matrix Concepts Holdings Berhad, which comprise the statements of financial position as at 31 March 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 143 to 243.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2023, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MATRIX CONCEPTS HOLDINGS BERHAD

(INCORPORATED IN MALAYSIA)
REGISTRATION NO: 199601042262 (414615-U)
(CONT'D)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Reasonableness of revenue recognition arising from contracts with customers
Refer to Note 4.1(e), 4.23(a) and 30 to the financial statements

Key Audit Matter	How our audit addressed the Key Audit Matter
Area of focus Most of the Group's revenue is derived from property development activities. Pursuant to MFRS 15, revenue may be recognised at a point in time or progressively over time and judgements required to assess the performance obligations and revenue recognition. Judgements impacting the revenue recognition are as follow:- • interpreting of contract terms and conditions; • assessing and identifying the performance obligations; and • assessing the computation of revenue recognition.	To address this risk, our audit procedures involved the following: • reviewing the contract terms and identifying performance obligations stipulated in the contracts, on sample basis; • evaluating whether the performance obligations are satisfied at point in time or over time; and • assessing the revenue recognised are in accordance with MFRS 15 "Revenue with Contract Customers".

Reasonableness of attributable profits arising from property development projects
Refer to Note 4.1(e), 11(b), 30 and 31 to the financial statements

Key Audit Matter	How our audit addressed the Key Audit Matter
Area of focus The Group's property development division recognises revenue and cost over time by reference to the progress towards complete satisfaction of the performance obligation at the end of the reporting period using the input method. This requires the use of estimates, namely on project development revenue and cost. Revenue and cost recognised on property development activities have an inherent risk as it involves judgement and estimates. Substantial changes to construction contract revenue and cost estimates in the future can have a significant effect on the Group's results.	To address this risk, our audit procedures involved the following: • making inquiries and obtaining an understanding from management on the procedures and controls in relation to the estimation of and revision to the property development revenue and cost; • reviewing the reasonableness of the estimated property development revenue by comparing the selling prices of units sold, on sample basis; • reviewing the reasonableness of the estimated property development cost by reviewing the contract works awarded, assessing the basis of estimation for contract works not awarded and comparing to the actual costs incurred up to the end of the reporting period, on sample basis; and • evaluating the reasonableness of percentage of completion using the input method.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MATRIX CONCEPTS HOLDINGS BERHAD

(INCORPORATED IN MALAYSIA)
REGISTRATION NO: 199601042262 (414615-U)
(CONT'D)

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MATRIX CONCEPTS HOLDINGS BERHAD

(INCORPORATED IN MALAYSIA)
REGISTRATION NO: 199601042262 (414615-U)
(CONT'D)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also (Cont'd):-

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MATRIX CONCEPTS HOLDINGS BERHAD

(INCORPORATED IN MALAYSIA)
REGISTRATION NO: 199601042262 (414615-U)

(CONT'D)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 5 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Tan Lin Chun
02839/10/2023 J
Chartered Accountant

Melaka

21 June 2023

STATEMENTS OF FINANCIAL POSITION

AT 31 MARCH 2023

	NOTE	THE GROUP 2023 RM'000	THE GROUP 2022 RM'000 (RESTATED)	THE COMPANY 2023 RM'000	THE COMPANY 2022 RM'000
ASSETS					
NON-CURRENT ASSETS					
Investment in subsidiaries	5	**-**	-	**356,766**	323,896
Investment in joint venture	6	**143,174**	140,402	**-**	-
Property, plant and equipment	7	**210,693**	219,181	**-**	-
Investment properties	8	**30**	62	**-**	-
Right-of-use assets	9	**2,743**	2,863	**-**	-
Goodwill	10	*****	*	**-**	-
Inventories	11	**773,536**	802,960	**-**	-
Other receivables, deposits and prepayments	12	**36,331**	38,734	**-**	-
Amount owing by subsidiaries	13	**-**	-	**526,541**	393,825
Deferred tax assets	14	**36,976**	22,580	**-**	-
		1,203,483	1,226,782	**883,307**	717,721
CURRENT ASSETS					
Inventories	11	**397,614**	463,192	**-**	-
Trade receivables and contract assets	15	**617,836**	617,505	**-**	-
Other receivables, deposits and prepayments	12	**160,932**	96,857	**57**	2
Amount owing by subsidiaries	13	**-**	-	**351,642**	443,407
Fixed deposits with licensed banks	17	**59,181**	58,466	**31,600**	34,029
Cash and bank balances	18	**191,051**	143,672	**25,169**	3,508
Current tax assets		**8,321**	12,899	**-**	-
		1,434,935	1,392,591	**408,468**	480,946
TOTAL ASSETS		**2,638,418**	2,619,373	**1,291,775**	1,198,667

The annexed notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION
AT 31 MARCH 2023
(CONT'D)

	NOTE	THE GROUP 2023 RM'000	THE GROUP 2022 RM'000	THE COMPANY 2023 RM'000	THE COMPANY 2022 RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	19	**961,315**	961,315	**961,315**	961,315
Retained profits		**1,045,220**	944,365	**67,864**	56,456
Other reserves	20	**(2,910)**	4,699	**-**	-
Equity attributable to owners of the Company		**2,003,625**	1,910,379	**1,029,179**	1,017,771
Non-controlling interests		**(15,770)**	(11,505)	**-**	-
TOTAL EQUITY		**1,987,855**	1,898,874	**1,029,179**	1,017,771
NON-CURRENT LIABILITIES					
Long-term borrowings	21	**77,623**	114,587	**-**	20,000
Lease liabilities	23	**2,182**	2,201	**-**	-
Deferred tax liabilities	14	**250**	125	**-**	-
Other payables, deposits, accruals and provision	27	**24,510**	22,148	**-**	-
		104,565	139,061	**-**	20,000
CURRENT LIABILITIES					
Trade payables and contract liabilities	26	**149,163**	174,363	**-**	-
Other payables, deposits, accruals and provision	27	**233,036**	237,938	**25,883**	32,678
Amount owing to subsidiaries	13	**-**	-	**151,331**	36,314
Lease liabilities	23	**784**	863	**-**	-
Bank overdrafts	28	**17,903**	-	**4,001**	-
Short-term borrowings	29	**145,112**	168,274	**80,000**	90,000
Current tax liabilities		**-**	-	**1,381**	1,904
		545,998	581,438	**262,596**	160,896
TOTAL LIABILITIES		**650,563**	720,499	**262,596**	180,896
TOTAL EQUITY AND LIABILITIES		**2,638,418**	2,619,373	**1,291,775**	1,198,667

* - Less than RM1,000

The annexed notes form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	NOTE	THE GROUP 2023 RM'000	THE GROUP 2022 RM'000	THE COMPANY 2023 RM'000	THE COMPANY 2022 RM'000
REVENUE	30	**1,113,058**	892,396	**120,000**	115,385
COST OF SALES	31	**(624,272)**	(401,967)	**-**	-
GROSS PROFIT		**488,786**	490,429	**120,000**	115,385
OTHER INCOME		**26,550**	27,169	**43,586**	47,925
		515,336	517,598	**163,586**	163,310
SELLING AND MARKETING EXPENSES		**(85,712)**	(69,911)	**-**	-
ADMINISTRATIVE EXPENSES		**(161,490)**	(171,237)	**(15,095)**	(32,694)
FINANCE COSTS		**(6,246)**	(11,452)	**(13,033)**	(16,137)
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS	32	**(3,042)**	(11)	**(12,440)**	(94,500)
SHARE OF RESULTS OF JOINT VENTURE		**1,816**	3,409	**-**	-
PROFIT BEFORE TAXATION	33	**260,662**	268,396	**123,018**	19,979
INCOME TAX EXPENSE	34	**(57,857)**	(67,530)	**(5,245)**	(5,263)
PROFIT AFTER TAXATION		**202,805**	200,866	**117,773**	14,716
OTHER COMPREHENSIVE INCOME					
ITEMS THAT WILL BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS					
- FOREIGN CURRENCY TRANSLATION DIFFERENCES	35	**(7,609)**	3,765	**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		**195,196**	204,631	**117,773**	14,716
PROFIT AFTER TAXATION ATTRIBUTABLE TO:-					
Owners of the Company		**207,220**	205,198	**117,773**	14,716
Non-controlling interests		**(4,415)**	(4,332)	**-**	-
		202,805	200,866	**117,773**	14,716
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-					
Owners of the Company		**199,611**	208,963	**117,773**	14,716
Non-controlling interests		**(4,415)**	(4,332)	**-**	-
		195,196	204,631	**117,773**	14,716
EARNINGS PER SHARE (SEN)					
Basic	36	**19.7**	19.5		
Diluted	36	**N/A**	N/A		

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

THE GROUP	Note	SHARE CAPITAL RM'000	NON-DISTRIBUTABLE TRANSLATION RESERVES RM'000	DISTRIBUTABLE RETAINED PROFITS RM'000	ATTRIBUTABLE TO OWNERS OF THE COMPANY RM'000	NON-CONTROLLING INTERESTS RM'000	TOTAL EQUITY RM'000
Balance at 1.4.2021		961,315	934	845,486	1,807,735	(11,243)	1,796,492
Profit after taxation for the financial year		-	-	205,198	205,198	(4,332)	200,866
Other comprehensive income for the financial year							
- Foreign currency translation differences	35	-	3,765	-	3,765	-	3,765
Total comprehensive income for the financial year		-	3,765	205,198	208,963	(4,332)	204,631
Contribution by and distribution to owners of the Company:-							
- Dividends	38	-	-	(106,365)	(106,365)	-	(106,365)
Shares subscribed by non-controlling interests		-	-	-	-	6,300	6,300
Changes in a subsidiary's ownership interests that do not result in a loss of control	37	-	-	46	46	(2,230)	(2,184)
Total transactions with owners		-	-	(106,319)	(106,319)	4,070	(102,249)
Balance at 31.3.2022		961,315	4,699	944,365	1,910,379	(11,505)	1,898,874

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

THE GROUP	Note	SHARE CAPITAL RM'000	NON-DISTRIBUTABLE TRANSLATION RESERVES RM'000	DISTRIBUTABLE RETAINED PROFITS RM'000	ATTRIBUTABLE TO OWNERS OF THE COMPANY RM'000	NON-CONTROLLING INTERESTS RM'000	TOTAL EQUITY RM'000
Balance at 1.4.2022		961,315	4,699	944,365	1,910,379	(11,505)	1,898,874
Profit after taxation for the financial year		-	-	207,220	207,220	(4,415)	202,805
Other comprehensive income for the financial year							
- Foreign currency translation differences	35	-	(7,609)	-	(7,609)	-	(7,609)
Total comprehensive income for the financial year		-	(7,609)	207,220	199,611	(4,415)	195,196
Contribution by and distribution to owners of the Company:-							
- Dividends	38	-	-	(106,365)	(106,365)	-	(106,365)
Shares subscribed by non-controlling interests		-	-	-	-	150	150
Total transactions with owners		-	-	(106,365)	(106,365)	150	(106,215)
Balance at 31.3.2023		961,315	(2,910)	1,045,220	2,003,625	(15,770)	1,987,855

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

THE COMPANY	Note	SHARE CAPITAL RM'000	DISTRIBUTABLE RETAINED PROFITS RM'000	TOTAL EQUITY RM'000
Balance at 1.4.2021		961,315	148,105	1,109,420
Profit after taxation/Total comprehensive income for the financial year		-	14,716	14,716
Contribution by and distribution to owners of the Company:-				
- Dividends	38	-	(106,365)	(106,365)
Balance at 31.3.2022/1.4.2022		**961,315**	**56,456**	**1,017,771**
Profit after taxation/Total comprehensive income for the financial year		**-**	**117,773**	**117,773**
Contribution by and distribution to owners of the Company:-				
- Dividends	38	**-**	**(106,365)**	**(106,365)**
Balance at 31.3.2023		**961,315**	**67,864**	**1,029,179**

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000 (RESTATED)	2023 RM'000	2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation	**260,662**	268,396	**123,018**	19,979
Adjustments for:-				
Bad debts written off	**-**	4	**-**	-
Depreciation of property, plant and equipment	**9,320**	10,891	**-**	-
Depreciation of right-of-use assets	**930**	1,021	**-**	-
Depreciation of investment properties	**1**	2	**-**	-
Deposit written off	**-**	103	**-**	-
Property, plant and equipment written off	**703**	-	**-**	-
Property development costs written off	**3,229**	5,579	**-**	-
Impairment loss on deposit	**7,000**	-	**-**	-
Impairment loss on investment in subsidiaries	**-**	-	**13,130**	30,384
Impairment loss on amount owing by subsidiaries	**-**	-	**12,440**	94,500
Impairment loss on property, plant and equipment	**-**	11,963	**-**	-
Impairment loss on trade receivable	**-**	11	**-**	-
Impairment loss on other receivable	**3,042**	-	**-**	-
Interest expense on lease liabilities	**143**	129	**-**	-
Interest expenses	**9,491**	16,151	**13,033**	16,137
Interest income	**(4,800)**	(4,583)	**(43,215)**	(47,773)
Bad debts recovered	**(26)**	(30)	**-**	-
Gain on derecognition due to lease modification	**(5)**	-	**-**	-
Gain on disposal of investment property	**(36)**	(54)	**-**	-
Gain on disposal of property, plant and equipment	**(1,277)**	(213)	**-**	-
Gain on capital reduction of a subsidiary	**-**	-	**-**	(150)
Reversal of impairment loss on deposit	**-**	(7,000)	**-**	-
Share of profit of joint venture	**(1,816)**	(3,409)	**-**	-
Operating profit before working capital changes	**286,561**	298,961	**118,406**	113,077
Decrease in inventories	**100,622**	31,208	**-**	-
Increase in receivables and contract assets	**(71,644)**	(88,913)	**(55)**	-
(Decrease)/Increase in payables and contract liabilities	**(23,454)**	(47,883)	**(537)**	322
CASH FROM OPERATIONS	**292,085**	193,373	**117,814**	113,399
Interest received	**4,425**	2,070	**43,215**	47,773
Income tax paid	**(68,051)**	(76,530)	**(5,768)**	(2,850)
Income tax refunded	**20**	3,972	**-**	-
Interest paid	**(17,152)**	(15,015)	**(13,033)**	(16,137)
NET CASH FROM OPERATING ACTIVITIES	**211,327**	107,870	**142,228**	142,185

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

	NOTE	THE GROUP 2023 RM'000	THE GROUP 2022 RM'000 (RESTATED)	THE COMPANY 2023 RM'000	THE COMPANY 2022 RM'000
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES					
(Advances to)/Repayment from related companies		**-**	-	**(53,392)**	4,276
Acquisition of non-controlling interests	37	**-**	(2,185)	**-**	(2,185)
Investment in subsidiaries		**-**	-	**(46,000)**	*
Placements of pledged deposits with licensed banks		**(3,182)**	(754)	**(39)**	(37)
Withdrawals of deposits with licensed banks with maturity date more than 3 months		**22,831**	802	**22,831**	802
Proceeds from disposal of investment property		**67**	122	**-**	-
Proceeds from disposal of property, plant and equipment		**1,991**	479	**-**	-
Purchase of property, plant and equipment		**(2,360)**	(1,845)	**-**	-
NET CASH FROM/(FOR) INVESTING ACTIVITIES		**19,347**	(3,381)	**(76,600)**	2,856
CASH FLOWS FOR FINANCING ACTIVITIES					
Dividends paid		**(112,622)**	(100,108)	**(112,622)**	(100,108)
Proceeds from issuance of shares by a subsidiary to non-controlling shareholders		**150**	-	**-**	-
Advances from non-controlling interest shareholders	39(b)	**1,200**	4,119	**-**	-
Drawdown of term loans	39(b)	**26,479**	63,517	**-**	-
Drawdown of revolving credits	39(b)	**-**	20,000	**-**	-
Advances from related companies	39(b)	**-**	-	**115,017**	20,496
Repayment of lease liabilities	39(b)	**(964)**	(1,046)	**-**	-
Repayment of hire purchase payables	39(b)	**-**	(184)	**-**	-
Repayment of revolving credits	39(b)	**-**	(20,000)	**-**	-
Repayment of term loans	39(b)	**(55,210)**	(16,090)	**-**	-
Repayment of Sukuk Wakalah	39(b)	**(30,000)**	(90,000)	**(30,000)**	(90,000)
NET CASH FOR FINANCING ACTIVITIES		**(170,967)**	(139,792)	**(27,605)**	(169,612)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**59,707**	(35,303)	**38,023**	(24,571)
EFFECTS OF FOREIGN EXCHANGE TRANSLATION		**(9,867)**	24	**-**	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		**150,288**	185,567	**10,123**	34,694
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	39(d)	**200,128**	150,288	**48,146**	10,123

* - Less than RM1,000

The annexed notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows:-

Registered office	:	Wisma Matrix 57, Jalan Tun Dr. Ismail 70200 Seremban Negeri Sembilan Darul Khusus
Principal place of business	:	Wisma Matrix 57, Jalan Tun Dr. Ismail 70200 Seremban Negeri Sembilan Darul Khusus

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 21 June 2023.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding activities. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

3.1 During the current financial year, the Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)
Amendments to MFRS 3: Reference to the Conceptual Framework
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract
Annual Improvements to MFRS Standards 2018 – 2020

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

3. BASIS OF PREPARATION (CONT'D)

3.2 The Group has not applied in advance the following accounting standards and/or 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 year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 7 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(b) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 11 to the financial statements.

(c) Impairment of Trade Receivables and Contract Assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The contract assets are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying values of trade receivables and contract assets. The carrying amounts of trade receivables and contract assets as at the reporting date are disclosed in Notes 15 and 16 to the financial statements.

(d) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amounts of other receivables and amounts owing by subsidiaries as at the reporting date are disclosed in Notes 12 and 13 to the financial statements respectively.

(e) Revenue and Profit Recognition of Property Development Activities

The Group recognises property development revenue as and when the control of the asset is transferred to a customer and it is probable that the Group will collect the consideration to which it will be entitled. The control of the asset may transfer over time or at a point in time depending on the terms of the contract with the customer and the application laws governing the contract.

The Group recognises property development revenue and costs by reference to the progress towards complete satisfaction of the performance obligation at the end of the reporting period. This is measured based on the Group's efforts or budgeted inputs to the satisfaction of the performance obligation. Significant judgement is required in determining the completeness and accuracy of the budgets and the extent of the costs incurred. Substantial changes in property development cost estimates in the future can have a significant effect on the Group's results. In making the judgement, the Group evaluates and relies on past experience and works of specialists.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(f) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the year in which such determination is made.

(g) Deferred Tax Assets

Deferred tax assets are recognised for deductible temporary differences, unused tax losses and unabsorbed capital allowances to the extent that it is probable that future taxable profits would be available against which the deductible temporary differences, unused tax losses and unabsorbed capital allowances could be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the assessment of the probability of the future taxable profits.

(h) Provision for Affordable Housing

The provision for affordable housing represents the shortfall between the cost of constructing affordable housing and the economic benefits expected to be received from the purchasers of affordable housing in the development of affordable housing on involuntary basis. This provision is capitalised in the form of common costs for the development of premium housing. In determining the provision for affordable housing, estimates and assumptions are made by the Group on the structure and construction costs in constructing the affordable housing. In making those judgements, the Group evaluates the provisions based on past experience.

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the Group's accounting policies which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

(a) Classification between Investment Properties and Owner-occupied Properties

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment properties.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Critical Judgements Made in Applying Accounting Policies (Cont'd)

Management believes that there are no instances of application of critical judgement in applying the Group's accounting policies which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below (Cont'd):-

(b) Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

4.2 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the reporting period.

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

(a) Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 BASIS OF CONSOLIDATION (CONT'D)

(a) Business Combinations (Cont'd)

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

(b) Non-controlling Interests

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(c) Changes in Ownership Interests in Subsidiaries Without Change of Control

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity of the Group.

(d) Loss of Control

Upon the loss of control of a subsidiary, the Group recognises any gain or loss on disposal in profit or loss which is calculated as the difference between:-

(i) the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and

(ii) the previous carrying amount of the assets (including goodwill), and liabilities of the former subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the former subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of (i.e. reclassified to profit or loss or transferred directly to retained profits). The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value of the initial recognition for subsequent accounting under MFRS 9 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

4.3 GOODWILL

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired. The impairment value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 GOODWILL (CONT'D)

Under the acquisition method, any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests recognised and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities at the date of acquisition is recorded as goodwill.

Where the latter amount exceeds the former, after reassessment, the excess represents a bargain purchase gain and is recognised in profit or loss immediately.

In respect of equity-accounted associates, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill that forms part of the carrying amount of the equity-accounted associates.

4.4 FUNCTIONAL AND FOREIGN CURRENCIES

(a) Functional and Presentation Currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency and has been rounded to the nearest thousand, unless otherwise stated.

(b) Foreign Currency Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the exchange rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

(c) Foreign Operations

Assets and liabilities of foreign operations (including any goodwill and fair value adjustments arising on acquisition) are translated to the Group's presentation currency at the exchange rates at the end of the reporting period. Income, expenses and other comprehensive income of foreign operations are translated at exchange rates at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity; attributed to the owners of the Company and non-controlling interests, as appropriate.

Goodwill and fair value adjustments arising from the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 FUNCTIONAL AND FOREIGN CURRENCIES (CONT'D)

(c) Foreign Operations (Cont'd)

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign subsidiary, or a partial disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in an associate and joint ventures that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that foreign operation attributable to the owners of the Company are reclassified to profit or loss as part of the gain or loss on disposal. The portion that related to non-controlling interests is derecognised but is not reclassified to profit or loss.

In addition, in relation to partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are reattributed to non-controlling interests and are not recognised in profit or loss. When the Group disposes of only part of its investment in an associates and joint ventures that includes a foreign operation while retaining significant influence and joint control, the proportionate share of the accumulative exchange differences is reclassified to profit or loss.

In the consolidated financial statements, when settlement of an intragroup loan is neither planned nor likely to occur in the foreseeable future, the exchange differences arising from translating such monetary item are considered to form part of a net investment in the foreign operation and are recognised in other comprehensive income.

4.5 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the statements of financial position when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as financial assets, financial liabilities or equity instruments in accordance with the substance of the contractual arrangement and their definitions in MFRS 132. Interest, dividends, gains and losses relating to a financial instrument classified as a liability are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially at its fair value (other than trade receivables without significant financing component which are measured at transaction price as defined in MFRS 15 at inception). Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments recognised in the statements of financial position are disclosed in the individual policy statement associated with each item.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value (through profit or loss, or other comprehensive income), depending on the classification of the financial assets.

Debt Instruments

(i) Amortised Cost

The financial asset is held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset. When the asset has subsequently become credit-impaired, the interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), excluding expected credit losses, through the expected life of the financial asset or a shorter period (where appropriate).

(ii) Fair Value through Other Comprehensive Income

The financial asset is held for both collecting contractual cash flows and selling the financial asset, where the asset's cash flows represent solely payments of principal and interest. Movements in the carrying amount are taken through other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference which are recognised directly in profit or loss. Interest income is calculated using the effective interest rate method.

(iii) Fair Value through Profit or Loss

All other financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. The fair value changes do not include interest or dividend income.

The Group reclassifies debt instruments when and only when its business model for managing those assets change.

Equity Instruments

All equity investments are subsequently measured at fair value with gains and losses recognised in profit or loss except where the Group has elected to present the subsequent changes in fair value in other comprehensive income and accumulated in the fair value reserve at initial recognition.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets (Cont'd)

Equity Instruments (Cont'd)

The designation at fair value through other comprehensive income is not permitted if the equity investment is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise.

Dividend income from this category of financial assets is recognised in profit or loss when the Group's right to receive payment is established unless the dividends clearly represent a recovery of part of the cost of the equity investments.

(b) Financial Liabilities

(i) Financial Liabilities at Fair Value through Profit or Loss

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. The changes in fair value (excluding interest expense) of these financial liabilities are recognised in profit or loss.

(ii) Other Financial Liabilities

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), through the expected life of the financial liability or a shorter period (where appropriate).

(c) Equity Instruments

Equity instruments classified as equity are measured initially at cost and are not remeasured subsequently.

Ordinary Shares

Ordinary shares are classified as equity and recorded at the proceeds received, net of directly attributable transaction costs.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 FINANCIAL INSTRUMENTS (CONT'D)

(d) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the carrying amount of the asset and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity to profit or loss. In contrast, there is no subsequent reclassification of the fair value reserve to profit or loss following the derecognition of an equity investment.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(e) Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specific debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the amount of the credit loss determined in accordance with the expected credit loss model and the amount initially recognised less cumulative amortisation.

4.6 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investments includes transaction costs.

On the disposal of the investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

4.7 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that are directly attributable to the acquisition of the asset and other costs directly attributable to bringing the asset to working condition for its intended use.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.7 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Subsequent to initial recognition, all property, plant and equipment, are stated at cost less accumulated depreciation and any impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is charged to profit or loss (unless it is included in the carrying amount of another asset) on the straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:-

Buildings	2%
Leasehold land and buildings	Over the lease period of 98 years
Office equipment, furniture and fittings	10% - 20%
Plant and machinery	10%
Motor vehicles	15%

Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

The depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period to ensure that the amounts, method and periods of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the property, plant and equipment. Any changes are accounted for as a change in estimate.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset, being the difference between the net disposal proceeds and the carrying amount, is recognised in profit or loss.

4.8 INVESTMENT PROPERTIES

Investment properties are properties which are owned or right-to-use asset held to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties which are owned are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The right-of-use asset held under a lease contract that meets the definition of investment property is measured initially similarly as other right-of-use assets.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.8 INVESTMENT PROPERTIES (CONT'D)

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

Depreciation is charged to profit or loss on a straight-line method over the estimated useful lives of the investment properties. The estimated useful lives of the investment properties are 50 years.

Investment properties are derecognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal.

On the derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

Transfers are made to or from investment property only when there is a change in use. All transfers do not change the carrying amount of the property reclassified.

4.9 LEASES

The Group assesses whether a contract is or contains a lease, at the inception of the contract. The Group recognises a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for low-value assets and short-term leases with 12 months or less. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use assets and the associated lease liabilities are presented as a separate line item in the statements of financial position.

The right-of-use asset is initially measured at cost. Cost includes the initial amount of the corresponding lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any incentives received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of the lease liability. The depreciation starts from the commencement date of the lease. If the lease transfers ownership of the underlying asset to the Group or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those property, plant and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.9 LEASES (CONT'D)

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in the future lease payments (other than lease modification that is not accounted for as a separate lease) with the corresponding adjustment is made to the carrying amount of the right-of-use asset or is recognised in profit or loss if the carrying amount has been reduced to zero.

4.10 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost and net realisable value are determined as below:

(a) Properties Held for Future Development

Property held for future development is stated at the lower of cost and net realisable value.

The cost comprises specifically identified cost, including cost associated to the purchase of land and an appropriate proportion of common infrastructure costs.

Net realisable value represents the estimated selling price of intended properties that to be developed less the estimated costs of completion and the estimated costs necessary in selling the properties. If future development layout plan is not available, the replacement cost of the properties held for future development will be the best available measure of the net realisable value.

Properties held for future development for which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operation cycle is classified as non-current asset.

Properties held for future development is transferred to 'properties under development for sale' category when development activities have commenced and are expected to be completed within the Group's normal operating cycle.

(b) Properties Under Development for Sale

Property under development for sale is stated at the lower of cost and net realisable value.

The cost comprises specifically identified cost, including cost associated to the purchase of land, conversion fees, aggregate cost of development, materials and supplies, wages and other direct expenses, an appropriate proportion of common infrastructure costs and cost of constructing affordable houses less cumulative amounts recognised as expenses in profit or loss.

Net realisable value represents the estimated selling price less the estimated costs of completion and the estimated costs necessary in selling the property.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.10 INVENTORIES (CONT'D)

Inventories are stated at the lower of cost and net realisable value. Cost and net realisable value are determined as below (Cont'd):

(c) Completed Properties Held for Sale

The cost is determined by apportionment of the total development costs for that development project, attributable to the unsold properties. The cost of completed properties held for sale comprises cost associated with the acquisition of land, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price less the estimated costs necessary in selling the property.

(d) Club and Hotel Operating Supplies

Cost is determined using first-in, first-out method and comprises food and beverage supplies.

Net realisable value is the estimated selling price in the ordinary course of business, less the applicable variable selling expenses.

4.11 COSTS TO SECURE CONTRACTS

Incremental Costs of Obtaining A Contract

The Group recognises incremental costs of obtaining contracts with customers as an asset when the Group expects to recover these costs. When the amortisation period of the asset is one year or less, such costs are recognised as an expense immediately when incurred.

The costs to secure contracts are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates.

An impairment loss is recognised in the profit or loss when the carrying amount of the costs to secure contracts exceeds the expected revenue less expected cost that will be incurred. Any impairment loss recovered shall be reversed to the extent of the carrying amount of the costs to secure contracts does not exceed the amount that would have been recognised had there been no impairment loss recognised previously.

4.12 CONTRACT ASSET AND CONTRACT LIABILITY

A contract asset is recognised when the Group's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment requirements of MFRS 9.

A contract liability is stated at cost and represents the obligation of the Group to transfer goods or services to a customer for which consideration has been received (or the amount is due) from the customers.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.13 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand, bank balances and demand deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturity periods of three months or less. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts.

4.14 IMPAIRMENT

(a) Impairment of Financial Assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost, trade receivables and contract assets.

The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises lifetime expected credit losses using the simplified approach. The expected credit losses on these financial assets are estimated based on the Group's historical credit loss experience and are adjusted for forward-looking information (including time value of money where appropriate).

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

(b) Impairment of Non-financial Assets

The carrying values of assets, other than those to which MFRS 136 does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of an asset is the higher of the asset's fair value less costs to sell and its value in use, which is measured by reference to discounted future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Group determines the recoverable amount of the cash-generating unit to which the asset belongs.

An impairment loss is recognised in profit or loss immediately unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset. Any impairment loss recognised in respect of a cash-generating unit is allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then to reduce the carrying amounts of the other assets in the cash-generating unit on a pro rata basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.14 IMPAIRMENT (CONT'D)

(b) Impairment of Non-financial Assets (Cont'd)

In respect of assets other than goodwill, and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately, unless the asset is carried at its revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

4.15 PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation. The unwinding of the discount is recognised as interest expense in profit or loss.

4.16 EMPLOYEE BENEFITS

(a) Short-term Benefits

Wages, salaries, paid annual leave and bonuses are measured on an undiscounted basis and are recognised in profit or loss in the period in which the associated services are rendered by employees of the Group.

(b) Defined Contribution Plans

The Group's contributions to defined contribution plans are recognised in profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further liability in respect of the defined contribution plans.

4.17 INCOME TAXES

(a) Current Tax

Current tax assets and liabilities are expected amount of income tax recoverable or payable to the taxation authorities.

Current taxes are measured using tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period and are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss (either in other comprehensive income or directly in equity).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.17 INCOME TAXES (CONT'D)

(b) Deferred Tax

Deferred tax are recognised using the liability method for all temporary differences other than those that arise from goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefits will be realised.

Current and deferred tax items are recognised in correlation to the underlying transactions either in profit or loss, other comprehensive income or directly in equity. Deferred tax arising from a business combination is adjusted against goodwill or negative goodwill.

Current tax assets and liabilities or deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxable entity (or on different tax entities but they intend to settle current tax assets and liabilities on a net basis) and the same taxation authority.

4.18 OPERATING SEGMENTS

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the directors to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

4.19 EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share is calculated by dividing the consolidated profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the reporting period, adjusted for own shares held.

Diluted earnings per ordinary share is determined by adjusting the consolidated profit or loss attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.20 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset.

All other borrowing costs are recognised in profit or loss as expenses in the period in which they are incurred.

4.21 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:-

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;

Level 2: Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

4.22 CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements, unless the probability of outflow of economic benefits is remote. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.23 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts.

The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the asset.

Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time. The Group transfers control of a good or service at a point in time unless one of the following overtime criteria is met:-

- The customer simultaneously receives and consumes the benefits provided as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

(a) Property Development Activities

Revenue from property development is recognised progressively when property development services are rendered and such services do not create an asset with an alternative's use to the Group, and the Group has a present right to payment for services rendered to date. The progress towards complete satisfaction of the performance obligation is measured based on a method that best depicts the Group's performance in satisfying the performance obligation of the contract. This is determined by reference to the property development costs incurred up to the end of the reporting period as a percentage of total estimated costs for complete satisfaction of the contract. Otherwise, revenue is recognised at a point in time upon delivery of property and customer's acceptance, and the Group has a present right to payment for the property sold.

A receivable is recognised when the development activities are carried out as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. When the services rendered exceed the billings to customers, a contract asset is recognised. If the billings exceed the services rendered, a contract liability is recognised.

(b) Sale of Goods

Revenue is recognised upon delivery of goods and customers' acceptance, and the Group has a present right to payment for goods sold. Revenue is measured based on the consideration specified in a contract with customer and where applicable, net of goods and services tax, expected returns, cash and trade discounts.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.23 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONT'D)

(c) Rendering of Services

Revenue is recognised in the accounting period in which the services are rendered and the customer receives and consumes the benefits provided by the Group, and the Group has a present right to payment for, the services.

4.24 OTHER OPERATING INCOME

(a) Interest Income

Interest income is recognised on an accrual basis using the effective interest method unless collectability is in doubt, in which case it is recognised on a cash receipt basis.

(b) Dividend Income

Dividend income from investment is recognised when the right to receive dividend payment is established.

(c) Rental Income

Rental income is accounted for on a straight-line method over the lease term.

4.25 JOINT ARRANGEMENT

Joint arrangements are arrangements of which the Group has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements returns.

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures.

Joint Ventures

A joint venture is a joint arrangement whereby the Group has rights only to the net assets of the arrangement.

Investments in joint ventures are stated at cost in the statement of financial position of the Group and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investment includes transaction costs.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.25 JOINT ARRANGEMENT (CONT'D)

Joint Ventures (Cont'd)

The investment in a joint venture is accounted for in the consolidated financial statements using the equity method, based on the financial statements of the joint venture made up to 31 March 2023. The Group's share of the post acquisition profits and other comprehensive income of the joint venture is included in the consolidated statement of profit or loss and other comprehensive income, after adjustment if any, to align the accounting policies with those of the Group, from the date that joint control commences up to the effective date when the investment ceases to be a joint venture or when the investment is classified as held for sale. The Group's investment in the joint venture is carried in the consolidated statement of financial position at cost plus the Group's share of the post acquisition retained profits and reserves. The cost of investment includes transaction costs.

When the Group's share of losses exceeds its interest in a joint venture, the carrying amount of that interest is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation. The interest in the joint venture is the carrying amount of the investment in the joint venture determined using the equity method together with any long-term interests that, in substance, form part of the Group's net investment in the joint venture.

Unrealised gains on transactions between the Group and the joint venture are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are eliminated unless cost cannot be recovered.

The Group discontinues the use of the equity method from the date when the investment ceases to be a joint venture or when the investment is classified as held for sale. When the Group retains an interest in the former joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as the initial carrying amount of the financial asset in accordance with MFRS 9. Furthermore, the Group also reclassifies its share of the gain or loss previously recognised in other comprehensive income of that joint venture to profit or loss when the equity method is discontinued. However, the Group will continue to use the equity method when an investment in a joint venture becomes an investment in an associate. Under such change in ownership interest, the retained investment is not remeasured to fair value but a proportionate share of the amounts previously recognised in other comprehensive income of the joint venture will be reclassified to profit or loss where appropriate. All dilution gains or losses arising in investments in joint ventures are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

5. INVESTMENT IN SUBSIDIARIES

	THE COMPANY	
	2023 RM'000	2022 RM'000
Unquoted shares, at cost	**408,680**	362,680
Accumulated impairment losses	**(51,914)**	(38,784)
	356,766	323,896
Unquoted shares, at cost:		
At 1 April	**362,680**	293,379
Addition during the year	**46,000**	71,001
Capital reduction during the year	**-**	(1,700)
At 31 March	**408,680**	362,680
Accumulated impairment losses:		
At 1 April	**38,784**	8,400
Addition during the year	**13,130**	30,384
At 31 March	**51,914**	38,784

The details of the subsidiaries are as follows:-

Name of Subsidiaries	Principal Place of Business/Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2023 %	2022 %	Principal Activities
Subsidiaries of the Company				
Matrix Excelbuilder Sdn. Bhd.	Malaysia	**100**	100	Investment holding
Matrix Concepts (Central) Sdn. Bhd.	Malaysia	**100**	100	Property development and investment holding
Matrix Concepts (NS) Sdn. Bhd.	Malaysia	**100**	100	Property development
MGE Development Sdn. Bhd.	Malaysia	**100**	100	Property development and investment holding

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows (Cont'd):-

Name of Subsidiaries	Principal Place of Business/Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2023 %	2022 %	Principal Activities
Subsidiaries of the Company				
Masuda Corporation Sdn. Bhd.	Malaysia	**100**	100	Property development and investment holding
Matrix Concepts Sdn. Bhd.	Malaysia	**100**	100	Property development and investment holding
Matrix Concepts (Southern) Sdn. Bhd.	Malaysia	**100**	100	Property development
MCHB Natro' Green Sdn. Bhd.	Malaysia	**100**	100	Dormant
BSS Development Sdn. Bhd.	Malaysia	**100**	100	Property development
Matrix Properties Sdn. Bhd.	Malaysia	**100**	100	Property investment and investment holding
Matrix Concepts (Damansara) Sdn. Bhd.	Malaysia	**100**	100	Property development
Matrix IBS Sdn. Bhd.	Malaysia	**100**	100	Property development
Matrix Realty Management Sdn. Bhd.	Malaysia	**100**	100	Property management services
Matrix Healthcare Sdn. Bhd.	Malaysia	**100**	100	Provision of healthcare services and investment holding
MCHB Development (NS) Sdn. Bhd.	Malaysia	**100**	100	Investment holding
MCHB Development (Southern) Sdn. Bhd.	Malaysia	**100**	100	Dormant
MCHB Development (KV) Sdn. Bhd.	Malaysia	**100**	100	Dormant
Megah Sedaya Sdn. Bhd.	Malaysia	**100**	-	Dormant
Matrix Sino Development Sdn. Bhd.	Malaysia	**100**	-	Dormant
Matrix Development (Australia) Pty Ltd @	Australia	**100**	100	Investment holding
PT Matrix Perkasa Indonesia @	Indonesia	**100**	100	Property development

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows (Cont'd):-

Name of Subsidiaries	Principal Place of Business/Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2023 %	2022 %	Principal Activities
Subsidiaries of Matrix Excelbuilder Sdn. Bhd.				
Matrix Excelcon Sdn. Bhd.	Malaysia	**100**	100	General contractors
Matrix Exceltrading Sdn. Bhd.	Malaysia	**100**	100	Dormant
Subsidiary of MCHB Development (NS) Sdn. Bhd.				
N9 Matrix Development Sdn. Bhd.	Malaysia	**85**	-	Property development
Subsidiary of Masuda Corporation Sdn. Bhd.				
Matrix Project Management Sdn. Bhd.	Malaysia	**100**	100	Dormant
Subsidiaries of Matrix Concepts Sdn. Bhd.				
Matrix Country Club Sdn. Bhd.	Malaysia	**100**	100	Clubhouse operator
Matrix Hotels Management Sdn. Bhd.	Malaysia	**100**	100	Hotel management and hospitality services
Subsidiary of MGE Development Sdn. Bhd.				
Matrix Educare Sdn. Bhd.	Malaysia	**51**	51	Provision of education services
Subsidiary of Matrix Concepts (Central) Sdn. Bhd.				
Matrix Concepts (Cheras) Sdn. Bhd.	Malaysia	**100**	100	Property development
Subsidiary of Matrix Healthcare Sdn. Bhd.				
Matrix Medicare Sdn. Bhd.	Malaysia	**70**	70	Provision of healthcare services

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows (Cont'd):-

Name of Subsidiaries	Principal Place of Business/Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2023 %	2022 %	Principal Activities
Subsidiaries of Matrix Development (Australia) Pty Ltd				
Matrix 333 St Kilda (Australia) Pty Ltd @	Australia	**100**	100	Property development
Matrix Greenvale (Australia) Pty Ltd @	Australia	**100**	100	Property development
Matrix Property Management (Australia) Pty Ltd @	Australia	**100**	100	Management of defect works and rental guarantees for completed group property development

@ *These subsidiaries were audited by other firm of chartered accountant.*

(i) During the financial year:-

(a) the Company subscribed 1 new ordinary share in Megah Sedaya Sdn. Bhd. for a total cash consideration of RM1;

(b) the Company subscribed 100 new ordinary shares in Matrix Sino Development Sdn. Bhd. for a total cash consideration of RM100;

(c) the Company subscribed 46,000,000 new redeemable preference shares in N9 Matrix Development Sdn. Bhd. for a total cash consideration of RM46,000,000; and

(d) MCHB Development (NS) Sdn. Bhd., a wholly-owned subsidiary of the Company subscribed 850,000 new ordinary shares in N9 Matrix Development Sdn. Bhd., for a total cash consideration of RM850,000.

(ii) In the previous financial year:-

(a) the Company subscribed 25,200,000 new ordinary shares in Matrix IBS Sdn. Bhd. by capitalising the amount owing by Matrix IBS Sdn. Bhd. of RM25,200,000;

(b) the Company acquired an additional 20% equity interests in Matrix IBS Sdn. Bhd. from its non-controlling interests. Following the completion of the acquisition, Matrix IBS Sdn. Bhd. became a wholly owned subsidiary of the Company. The details of the acquisition are disclosed in Note 37 to the financial statements;

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

(ii) In the previous financial year (Cont'd):-

(c) the Company subscribed 100 new ordinary shares in MCHB Development (Southern) Sdn. Bhd. for a total cash consideration of RM100;

(d) the Company subscribed 100 new ordinary shares in MCHB Development (KV) Sdn. Bhd. for a total cash consideration of RM100;

(e) the Company subscribed 13,800,000 new ordinary shares in Matrix Development (Australia) Pty Ltd by capitalising the amount owing by Matrix Development (Australia) Pty Ltd of RM43,616,280;

(f) Masuda Corporation Sdn. Bhd. initiated a capital reduction in respect of its issued and paid-up ordinary shares by cancelling 1,700,000 ordinary shares and returning RM1,700,000 to the Company; and

(g) MCHB Natro' Green Sdn. Bhd. initiated a capital reduction in respect of its issued and paid-up ordinary shares by cancelling 150,000 ordinary shares and returning RM150,000 to the Company.

(iii) The non-controlling interests at the end of the reporting period comprise the following:-

	EFFECTIVE EQUITY INTEREST		THE GROUP	
	2023 %	2022 %	2023 RM'000	2022 RM'000
Matrix Educare Sdn. Bhd.	**49**	49	**(9,104)**	(6,174)
Matrix Medicare Sdn. Bhd.	**30**	30	**(6,805)**	(5,331)
Other immaterial subsidiary			**139**	-
			(15,770)	(11,505)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

(iv) The summarised financial information (before intra-group elimination) for each subsidiary that has non-controlling interests that are material to the Group is as follows:-

	MATRIX EDUCARE SDN. BHD.	
	2023 RM'000	**2022 RM'000**
At 31 March		
Non-current assets	**5,229**	6,438
Current assets	**2,132**	1,720
Non-current liabilities	**(16,695)**	(12,198)
Current liabilities	**(9,246)**	(8,560)
Net liabilities	**(18,580)**	(12,600)
Financial Year Ended 31 March		
Revenue	**12,908**	11,565
Loss for the financial year/Total comprehensive expense	**(5,981)**	(5,619)
Total comprehensive expense attributable to non-controlling interests	**(2,931)**	(2,753)
Net cash flows for operating activities	**(4,129)**	(4,021)
Net cash flows (for)/from investing activities	**(19)**	40
Net cash flows from financial activities	**4,020**	3,746

	MATRIX MEDICARE SDN. BHD.	
	2023 RM'000	**2022 RM'000**
At 31 March		
Non-current assets	**36,331**	38,734
Current assets	**1,368**	1,296
Non-current liabilities	**(60,349)**	(56,085)
Current liabilities	**(30)**	(1,717)
Net liabilities	**(22,680)**	(17,772)
Financial Year Ended 31 March		
Loss for the financial year/Total comprehensive expense	**(4,908)**	(1,525)
Total comprehensive expense attributable to non-controlling interests	**(1,472)**	(458)
Net cash flows for operating activities	**(531)**	(3,332)
Net cash flows from financial activities	**650**	3,411

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

6. INVESTMENT IN JOINT VENTURE

	THE GROUP	
	2023 RM'000	2022 RM'000
Unquoted shares, at cost	**118,800**	118,800
Share of post acquisition profits	**10,265**	8,449
Effect of movement in exchange rate	**14,109**	13,153
	143,174	140,402

The details of the joint venture are as follows:-

Name of Joint Venture	Principal Place of Business	Percentage of Ownership 2023 %	Percentage of Ownership 2022 %	Principal Activities
Joint venture of PT Matrix Perkasa Indonesia				
PT Fin Centerindo Satu@	Indonesia	**30**	30	Property development

@ *The joint venture was audited by other firm of chartered accountant.*

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

(CONT'D)

7. PROPERTY, PLANT AND EQUIPMENT

The Group	AT 1.4.2022 RM'000	ADDITIONS RM'000	EFFECT OF MOVEMENT IN EXCHANGE RATE RM'000	DISPOSAL/ WRITTEN OFF RM'000	DEPRECIATION CHARGES RM'000	AT 31.3.2023 RM'000
2023						
Carrying Amount						
Freehold land	**1,257**	**-**	**-**	**-**	**-**	**1,257**
Buildings	**202,009**	**-**	**-**	**(191)**	**(5,027)**	**196,791**
Leasehold land and buildings	**131**	**-**	**-**	**(131)**	**-**	**-**
Office equipment, furniture and fittings	**12,193**	**1,128**	**(191)**	**(842)**	**(2,829)**	**9,459**
Plant and machinery	**197**	**-**	**-**	**-**	**(62)**	**135**
Motor vehicles	**3,394**	**1,232**	**80**	**(253)**	**(1,402)**	**3,051**
Total	**219,181**	**2,360**	**(111)**	**(1,417)**	**(9,320)**	**210,693**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	AT 1.4.2021 RM'000	ADDITIONS RM'000	EFFECT OF MOVEMENT IN EXCHANGE RATE RM'000	DISPOSAL/ WRITTEN OFF RM'000	RECLASSIFICATION RM'000	IMPAIRMENT RM'000	DEPRECIATION CHARGES RM'000	AT 31.3.2022 RM'000
2022 (Restated)								
Carrying Amount								
Freehold land	1,257	-	-	-	-	-	-	1,257
Buildings	207,392	-	-	-	-	(343)	(5,040)	202,009
Leasehold land and buildings	133	-	-	-	-	-	(2)	131
Office equipment, furniture and fittings	13,857	1,286	(5)	(47)	-	-	(2,898)	12,193
Plant and machinery	5,021	7	-	-	15	(4,132)	(714)	197
Motor vehicles	4,637	552	-	(219)	-	-	(1,576)	3,394
Moulds	8,149	-	-	-	-	(7,488)	(661)	-
Machinery in progress	15	-	-	-	(15)	-	-	-
Total	240,461	1,845	(5)	(266)	-	(11,963)	(10,891)	219,181

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	AT COST RM'000	ACCUMULATED DEPRECIATION RM'000	ACCUMULATED IMPAIRMENT RM'000	CARRYING AMOUNT RM'000
2023				
Freehold land	**1,257**	**-**	**-**	**1,257**
Buildings	**240,745**	**(40,733)**	**(3,221)**	**196,791**
Leasehold land and buildings	**173**	**(173)**	**-**	**-**
Office equipment, furniture and fittings	**33,916**	**(24,457)**	**-**	**9,459**
Plant and machinery	**1,720**	**(1,585)**	**-**	**135**
Motor vehicles	**17,003**	**(13,952)**	**-**	**3,051**
Total	**294,814**	**(80,900)**	**(3,221)**	**210,693**

The Group	AT COST RM'000	ACCUMULATED DEPRECIATION RM'000	ACCUMULATED IMPAIRMENT RM'000	CARRYING AMOUNT RM'000
2022 (RESTATED)				
Freehold land	1,257	-	-	1,257
Buildings	241,004	(35,774)	(3,221)	202,009
Leasehold land and buildings	173	(42)	-	131
Office equipment, furniture and fittings	34,036	(21,843)	-	12,193
Plant and machinery	7,702	(3,373)	(4,132)	197
Motor vehicles	17,152	(13,758)	-	3,394
Moulds	8,674	(1,186)	(7,488)	-
Total	309,998	(75,976)	(14,841)	219,181

Certain freehold land and buildings of the Group amounted to RM128,584,000 (2022 – RM134,544,000) have been pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Notes 24, 25 and 28 to the financial statements.

In the previous financial year, the Group has carried out a review of the recoverable amount of its building, plant and machinery and moulds due to continuous losses experienced by a subsidiary. An impairment loss of RM11,963,000, representing the write-down to the recoverable amount was recognised in "Administrative Expenses" line item of the consolidated statement of profit or loss and other comprehensive income as disclosed in Note 33 to the financial statements. The recoverable amount of the building was based on its fair value less costs to sell. The main valuation input used was current replacement costs of the building less depreciation estimated by valuer using the replacement cost method. Since the estimated costs of replacement are a significant unobservable input, the fair value of the building is categorised as a level 3 fair value.

The recoverable amount of plant and machinery were expected to be nil since the affected subsidiary is not expected to turn around in the near future.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

8. INVESTMENT PROPERTIES

The Group	AT 1.4.2022 RM'000	DISPOSAL RM'000	DEPRECIATION CHARGE RM'000	AT 31.3.2023 RM'000
2023				
Carrying Amount				
Houses	**62**	**(31)**	**(1)**	**30**

The Group	AT 1.4.2021 RM'000	DISPOSAL RM'000	DEPRECIATION CHARGE RM'000	AT 31.3.2022 RM'000
2022				
Carrying Amount				
Houses	132	(68)	(2)	62

The Group	AT COST RM'000	ACCUMULATED DEPRECIATION RM'000	CARRYING AMOUNT RM'000
2023			
Houses	**50**	**(20)**	**30**

The Group	AT COST RM'000	ACCUMULATED DEPRECIATION RM'000	CARRYING AMOUNT RM'000
2022			
Houses	100	(38)	62

The estimated fair value of the Group's investment properties as at the end of the reporting period approximates RM93,000 (2022 – RM133,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

(CONT'D)

9. RIGHT-OF-USE ASSETS

The Group	AT 1.4.2022 RM'000	DEPRECIATION CHARGES RM'000	EFFECT OF MOVEMENT IN EXCHANGE RATE RM'000	DERECOGNITION DUE TO LEASE MODIFICATION RM'000	MODIFICATION OF LEASE LIABILITIES (NOTE 23) RM'000	AT 31.3.2023 RM'000
2023						
Carrying Amount						
Buildings	**2,863**	**(930)**	**(61)**	**(102)**	**973**	**2,743**

The Group	AT 1.4.2021 RM'000	ADDITIONS (NOTE 39(a)) RM'000	DEPRECIATION CHARGES RM'000	EFFECT OF MOVEMENT IN EXCHANGE RATE RM'000	MODIFICATION OF LEASE LIABILITIES (NOTE 23) RM'000	AT 31.3.2022 RM'000
2022 (RESTATED)						
Carrying Amount						
Buildings	3,141	91	(1,021)	(58)	710	2,863

Hostels, store rooms and office

The Group has leased a number of hostels, store rooms and office that run between 1 year to 5 years (2022 – 1 year to 6 years), with an option to renew the lease after that date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

10. GOODWILL

	THE GROUP	
	2023 RM'000	2022 RM'000
Goodwill arising from consolidation	**18**	18
Accumulated impairment losses	**(18)**	(18)
At 31 March	*****	*

* - Less than RM1,000

11. INVENTORIES

		THE GROUP	
	Note	2023 RM'000	2022 RM'000
Non-current			
Properties held for future development	11(a)	**773,536**	802,960
Current			
Properties under development for sale	11(b)	**350,304**	385,625
Completed properties held for sale	11(c)	**47,073**	75,088
Operating supplies and materials	11(d)	**237**	2,479
		397,614	463,192
Recognised in profit or loss:-			
Inventories of property development		**48,384**	101,931
Cost of property development recognised during the current financial year		**538,193**	260,354

(i) Included in the development costs are interests on borrowings capitalised during the financial year of RM8,759,000 (2022 – RM Nil).

(ii) Certain development properties amounted to RM229,329,000 (2022 – RM225,290,000) have been pledged to secure borrowings as disclosed in Notes 24, 25 and 28 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

11. INVENTORIES (CONT'D)

(a) Properties held for future development

	THE GROUP	
	2023 RM'000	**2022 RM'000**
Land, at cost		
At beginning of the year	**596,870**	518,966
Costs incurred during the year	**69,850**	111,870
Transferred to properties under development for sale (Note 11(b))	**(86,851)**	(33,966)
At the end of the year	**579,869**	596,870
Development costs		
At beginning of the year	**206,090**	166,142
Costs incurred during the year	**32,414**	66,568
Transferred to properties under development for sale (Note 11(b))	**(41,608)**	(24,194)
Property development costs written off	**(3,229)**	(2,426)
At the end of the year	**193,667**	206,090
Cumulative cost/Carrying amount	**773,536**	802,960

(b) Properties under development for sale

	THE GROUP	
	2023 RM'000	**2022 RM'000**
Land, at cost		
At beginning of the year	**376,813**	431,885
Costs incurred during the year	**16,959**	4,692
Transferred from properties held for future development (Note 11(a))	**86,851**	33,966
Reversal of completed projects	**(107,518)**	(93,325)
Effect of movement in exchange rate	**(5,339)**	(405)
At the end of the year	**367,766**	376,813

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

11. INVENTORIES (CONT'D)

(b) Properties under development for sale (Cont'd)

	THE GROUP	
	2023 RM'000	**2022 RM'000**
Development costs		
At beginning of the year	**32,387**	157,890
Costs incurred during the year	**384,717**	149,899
Transferred from properties held for future development (Note 11(a))	**41,608**	24,194
Reversal of completed projects	**(356,793)**	(296,309)
Property development cost written off	**-**	(3,153)
Effect of movement in exchange rate	**(1,555)**	(134)
At the end of the year	**100,364**	32,387
Cumulative costs	**468,130**	409,200
Cumulative cost recognised in profit or loss		
At beginning of the year	**(23,575)**	(124,725)
Recognised during the year	**(538,193)**	(260,354)
Unsold units transferred to completed properties held for sale (Note 11(c))	**(20,369)**	(28,130)
Reversal of completed projects	**464,311**	389,634
At the end of the year	**(117,826)**	(23,575)
Carrying amount	**350,304**	385,625

(c) Completed properties held for sale

	THE GROUP	
	2023 RM'000	**2022 RM'000**
At beginning of the year	**75,088**	148,889
Unsold units transferred from properties under development for sale (Note 11(b))	**20,369**	28,130
Disposals during the year	**(48,384)**	(101,931)
Cumulative cost/Carrying amount	**47,073**	75,088

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

11. INVENTORIES (CONT'D)

(d) Operating supplies and materials

As at the end of the reporting year, all operating supplies and materials for the Group are stated at cost.

12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-current				
Other receivables (Note 12(a))	**18,890**	17,097	**-**	-
Prepayment (Note 12(b))	**20,483**	21,637	**-**	-
	39,373	38,734	**-**	-
Less: Allowance for impairment losses (Note 12(c))	**(3,042)**	-	**-**	-
	36,331	38,734	**-**	-
Current				
Other receivables:-				
Third parties	**13,360**	3,779	**1**	-
Goods and services tax recoverable	**4,492**	98	**-**	-
	17,852	3,877	**1**	-
Deposits	**9,201**	7,322	**2**	2
Deposits paid for land acquisition	**61,475**	20,818	**-**	-
Deposits paid for land development right	**31,655**	22,046	**-**	-
Prepayment	**1,937**	1,965	**54**	-
Costs to secure contracts (Note 12(d))	**45,812**	40,829	**-**	-
	167,932	96,857	**57**	2
Less: Allowance for impairment losses (Note 12(c))	**(7,000)**	-	**-**	-
	160,932	96,857	**57**	2

(a) The non-current other receivable balance is unsecured and bears interest of 5% per annum.

(b) The non-current prepayment is in respect of upfront exclusive rights payments for managing a hospital operation for a period of 30 years.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D)

		THE GROUP		THE COMPANY	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
(c)	Allowance for impairment losses:				
	At the beginning of the year	**-**	7,000	**-**	-
	Addition/(Reversal) during the year:-				
	- other receivable (Note 32)	**3,042**	-	**-**	-
	- deposits	**7,000**	(7,000)	**-**	-
	At the end of the year	**10,042**	-	**-**	-

		THE GROUP		THE COMPANY	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
(d)	Costs to secure contracts:				
	Incremental costs of obtaining a contract				
	At the beginning of the year	**40,829**	21,563	**-**	-
	Add: Incurred during the financial year	**79,293**	82,621	**-**	-
		120,122	104,184	**-**	-
	Less: Cost recognised in profit or loss during the financial year	**(74,310)**	(63,355)	**-**	-
	At the end of the year	**45,812**	40,829	**-**	-

Costs to secure contracts relating to sales agent commission, contract coordinator costs and legal costs incurred to secure sales of property units are recognised in the profit or loss in proportion to the income recognised for the respective financial years.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

13. AMOUNTS OWING BY/(TO) SUBSIDIARIES

	THE COMPANY	
	2023 RM'000	2022 RM'000
Amount owing by:		
Non-current		
- Subsidiaries (Non-trade)	**526,541**	393,825
Current		
- Subsidiaries (Non-trade)	**506,222**	585,547
Less: Impairment losses	**(154,580)**	(142,140)
	351,642	443,407
Impairment losses:-		
At 1 April	**142,140**	47,640
Addition during the financial year (Note 32)	**12,440**	94,500
At 31 March	**154,580**	142,140

	THE COMPANY	
	2023 RM'000	2022 RM'000
Amount owing to:		
Current		
- Subsidiaries (Non-trade)	**(151,331)**	(36,314)

The non-trade balances represent payments made on behalf which bear an interest of 5% per annum (2022 – 5% per annum). The amounts owing are to be paid over a period of time and are to be settled in cash.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

14. DEFERRED TAX (ASSETS)/LIABILITIES

	At 1.4.2022 RM'000	Recognised in Profit or Loss (Note 34) RM'000	At 31.3.2023 RM'000
The Group			
2023			
Deferred Tax Liabilities			
Property, plant and equipment	608	(186)	422
Right-of-use assets	597	147	744
	1,205	(39)	1,166
Deferred Tax Assets			
Lease liabilities	(89)	30	(59)
Deferred income	(97)	1	(96)
Property development costs	(4,370)	(1,666)	(6,036)
Unrealised profits	(18,445)	2,858	(15,587)
Unutilised capital allowance	-	(33)	(33)
Unused tax losses	-	(15,936)	(15,936)
Provision	(659)	514	(145)
	(23,660)	(14,232)	(37,892)
	(22,455)	(14,271)	(36,726)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

14. DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

	At 1.4.2021 RM'000	Recognised in Profit or Loss (Note 34) RM'000	At 31.3.2022 RM'000
The Group			
2022			
Deferred Tax Liabilities			
Property, plant and equipment	633	(25)	608
Right-of-use assets	868	(271)	597
	1,501	(296)	1,205
Deferred Tax Assets			
Lease liabilities	(546)	457	(89)
Deferred income	(72)	(25)	(97)
Property development costs	(10,073)	5,703	(4,370)
Unrealised profits	(19,225)	780	(18,445)
Provision	(9,168)	8,509	(659)
	(39,084)	15,424	(23,660)
	(37,583)	15,128	(22,455)

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset in the table above. The following is the analysis of the deferred tax balances for financial reporting purposes:

	THE GROUP	
	2023 RM'000	2022 RM'000
Deferred tax assets	**(36,976)**	(22,580)
Deferred tax liabilities	**250**	125
	(36,726)	(22,455)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

15. TRADE RECEIVABLES AND CONTRACT ASSETS

	THE GROUP	
	2023 RM'000	**2022 RM'000**
Trade receivables	**269,718**	324,193
Contract assets in relation to property development (Note 16)	**348,129**	293,323
	617,847	617,516
Less: Allowance for impairment losses	**(11)**	(11)
	617,836	617,505
Allowance for impairment losses:		
At the beginning of the year	**11**	-
Addition during the year (Note 32)	**-**	11
At the end of the year	**11**	11

(a) The credit terms of the Group range from 14 to 60 (2022 – 14 to 60) days.

(b) Other credit terms are assessed and approved on a case-by-case basis.

16. CONTRACT ASSETS/(LIABILITIES)

The contract assets and contract liabilities as at 31 March 2023 and 31 March 2022 were not impacted by significant changes in contract terms.

	THE GROUP	
	2023 RM'000	**2022 RM'000**
Net carrying amount of contract assets/(liabilities) is analysed as follows:-		
At 1 April		
- contract assets	**293,323**	313,591
- contract liabilities	**(89,079)**	(72,963)
Property development and construction revenue recognised on performance obligation during the financial year	**1,072,721**	861,650
Less: Billings during the financial year	**(969,321)**	(898,034)
At 31 March	**307,644**	204,244
At 31 March		
- contract assets (Note 15)	**348,129**	293,323
- contract liabilities (Note 26)	**(40,485)**	(89,079)
	307,644	204,244

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

16. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(a) Contract assets represent the Group's rights to consideration for property development activities carried out but not billed at the end of the reporting period. This balance will be billed progressively in the future upon the fulfilment of contractual milestones notwithstanding the control of the properties under development has not been transferred to buyers.

(b) Contract liabilities represent the excess of progress billings to buyers over revenue recognised in profit or loss at the end of the reporting period.

(c) The following table shows revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date:-

	THE GROUP		
2023	**2024 RM'000**	**2025 RM'000**	**2026 RM'000**
Property development revenue	**630,296**	**328,640**	**85,458**
Education service	**1,135**	**-**	**-**
Membership fee	**143**	**-**	**-**
	631,574	**328,640**	**85,458**

	THE GROUP		
2022	**2023 RM'000**	**2024 RM'000**	**2025 RM'000**
Property development revenue	497,176	151,841	22,512
Education service	1,088	-	-
Membership fee	148	-	-
	498,412	151,841	22,512

17. FIXED DEPOSITS WITH LICENSED BANKS

(a) The fixed deposits with licensed banks of the Group and of the Company at the end of the reporting period bear effective interest rates ranging from 0.80% to 2.80% (2022 – 0.33% to 3.00%) per annum and 0.80% to 2.86% (2022 – 0.33% to 1.95%) per annum respectively. The fixed deposits have maturity periods ranging from 28 to 365 (2022 – 28 to 365) days and 30 to 365 (2022 – 25 to 365) days for the Group and the Company respectively.

(b) Included in the fixed deposits with licensed banks of the Group and the Company at the end of the reporting period was an amount of RM29,777,000 (2022 – RM26,595,000) and RM2,198,000 (2022 – RM2,159,000) which have been pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 28 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

18. CASH AND BANK BALANCES

Included in the cash and bank balances of the Group is an amount of RM128,675,000 (2022 – RM83,581,000) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966, as amended by the Housing Developers (Housing Development Account) (Amendment) Regulation, 2002. The amount is held at call with banks and is available only to the subsidiaries involved in the property development activities.

19. SHARE CAPITAL

The movements in the paid-up share capital are as follows:-

	THE GROUP/THE COMPANY			
	2023	2022	2023	2022
	NUMBER OF SHARES ('000)		RM'000	RM'000
Issued and Fully Paid-Up				
Ordinary shares:-				
At 1 April	**834,232**	834,232	**961,315**	961,315
New shares issued:				
- Bonus issue	**417,116**	-	**-**	-
At 31 March	**1,251,348**	834,232	**961,315**	961,315

(a) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per share at meetings of the Company.

(b) During the financial year, the Company increased its issued share capital by way of issuance of 417,115,361 new ordinary shares pursuant to the bonus issue exercise undertaken by the Company on the basis of 1 bonus share for every 2 existing ordinary shares held by the shareholders of the Company.

20. RESERVES

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Non-distributable:-				
Translation reserves	**(2,910)**	4,699	**-**	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

20. RESERVES (CONT'D)

FOREIGN EXCHANGE TRANSLATION RESERVE

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from the Group's presentation currency.

21. LONG-TERM BORROWINGS

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Sukuk Wakalah (Note 22)	-	20,000	-	20,000
Term loans (Note 24)	**77,623**	84,572	-	-
Revolving credits (Note 25)	-	10,015	-	-
	77,623	114,587	-	20,000

22. SUKUK WAKALAH

The Company had established an Islamic Commercial Papers ("ICP") and Islamic Medium Term Note ("IMTN") programme with a combined limit of RM250 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar ("Sukuk Wakalah Programme") (collectively, the ICP and the IMTN shall be referred to as "Sukuk Wakalah"). The Sukuk Wakalah Programme is for tenures of 7 years commencing from 15 August 2017 to 14 August 2024.

Details of the Sukuk Wakalah as at 31 March 2023 are as follows:-

Date of issuance	Tenure (months)	Nominal Value RM'000	Periodic distribution rate (per annum) %	Maturity date
IMTN				
19 November 2018	60	20,000	6.85	17 November 2023
ICP				
20 March 2023	3	60,000	4.72	20 June 2023
		80,000		

22. SUKUK WAKALAH (CONT'D)

Details of the Sukuk Wakalh as at 31 March 2022 are as follows:-

Date of issuance	Tenure (months)	Nominal Value RM'000	Periodic distribution rate (per annum) %	Maturity date
IMTN				
15 August 2017	60	20,000	6.50	15 August 2022
19 November 2018	48	20,000	6.78	18 November 2022
19 November 2018	60	20,000	6.85	17 November 2023
6 March 2020	36	50,000	5.50	6 March 2023
		110,000		

(a) Details of the Sukuk Wakalah outstanding are as follows:-

	THE GROUP/THE COMPANY	
	2023 RM'000	2022 RM'000
Current liabilities (Note 29)	**80,000**	90,000
Non-current liabilities (Note 21)	**-**	20,000
	80,000	110,000

(b) The Sukuk Wakalah are secured by first legal assignment and charge of the Finance Service Reserve Account ("FSRA") and monies standing to the credit of the FSRA, including Permitted Investment *(as defined in (Permitted investments, if applicable))*.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

23. LEASE LIABILITIES

	THE GROUP	
	2023 RM'000	**2022 RM'000 (Restated)**
At 1 April	**3,064**	3,309
Changes due to lease modification (Note 9)	**973**	710
Derecognition due to lease modification	**(107)**	-
Addition of lease liabilities	**-**	91
Interest expense recognised in profit or loss	**143**	129
Repayment of principal	**(964)**	(1,046)
Repayment of interest expense	**(143)**	(129)
At 31 March	**2,966**	3,064
Analysed by:-		
Current liabilities	**784**	863
Non-current liabilities	**2,182**	2,201
	2,966	3,064

24. TERM LOANS (SECURED)

	THE GROUP	
	2023 RM'000	**2022 RM'000**
Current liabilities (Note 29)	**45,097**	68,274
Non-current liabilities (Note 21)	**77,623**	84,572
	122,720	152,846

(a) The term loans are repayable over 42 to 72 (2022 – 10 to 84) monthly instalments from the date of drawdown and are secured in the same manner as the bank overdrafts as disclosed in Note 28 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

24. TERM LOANS (SECURED) (CONT'D)

(b) The interest rate profile of the term loans is summarised below:-

	THE GROUP	
	EFFECTIVE INTEREST RATE	
	2023 %	2022 %
Floating rate term loans	**4.80 – 6.45**	2.75 – 5.25

25. REVOLVING CREDITS

	THE GROUP	
	2023 RM'000	2022 RM'000
Current liabilities (Note 29)	**20,015**	10,000
Non-current liabilities (Note 21)	-	10,015
	20,015	20,015

(a) The revolving credits are secured in the same manner as the bank overdrafts as disclosed in Note 28 to the financial statements.

(b) The interest rate profile of the revolving credits is summarised below:-

	THE GROUP	
	EFFECTIVE INTEREST RATE	
	2023 %	2022 %
Floating rate revolving credits	**5.30 – 5.50**	4.13 – 4.19

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

26. TRADE PAYABLES AND CONTRACT LIABILITIES

	THE GROUP	
	2023 RM'000	2022 RM'000
Trade payables	**61,940**	65,248
Retention sum	**6,162**	5,719
Contract liabilities in relation to property development (Note 16)	**40,485**	86,125
Contract liabilities in relation to clubhouse membership (Note 16)	**-**	2,954
Accruals	**36,258**	9,999
Provision	**4,318**	4,318
	149,163	174,363

The normal trade credit terms granted to the Group range from 30 days to 60 days (2022 – 30 days to 60 days). Other credit terms are granted to the Group on a case-by-case basis.

27. OTHER PAYABLES, DEPOSITS, ACCRUALS AND PROVISION

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-Current				
Non-controlling interest shareholders	**24,510**	22,148	**-**	-
Current				
Other payables	**44,096**	42,538	**-**	-
Advances from customers	**908**	906	**-**	-
Goods and services tax payable	**109**	1	**-**	-
Sales and services tax payable	**6**	8	**-**	-
Withholding tax payable	**380**	190	**-**	-
Deposits	**11,673**	12,056	**-**	-
Accruals	**149,379**	149,529	**856**	1,394
Provision	**179**	190	**-**	-
Dividend payables	**25,027**	31,284	**25,027**	31,284
Deferred income	**1,279**	1,236	**-**	-
	233,036	237,938	**25,883**	32,678

The amount owing to non-controlling interest shareholders is unsecured and bears an interest of 5% (2022 – 5%) per annum. The amount owing is to be paid over a period of time and are to be settled in cash.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

28. BANK OVERDRAFTS

	THE GROUP		THE COMPANY	
	2023 %	2022 %	2023 %	2022 %
Bank overdrafts	**5.95 – 8.10**	4.95 – 6.20	**8.10**	-

The bank overdrafts are secured by the following:-

(i) Facilities agreements;
(ii) Legal charge over certain development properties and properties of certain subsidiary companies;
(iii) Pledge of fixed deposits of the Company and of certain subsidiary companies;
(iv) Corporate guarantee on principal sums plus interest thereon by the Company;
(v) The Government of Malaysia/Syarikat Jaminan Pembiayaan Perniagaan Berhad under Working Capital Guarantee Scheme; and
(vi) A specific debenture over certain charged properties of subsidiaries companies.

29. SHORT-TERM BORROWINGS

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Sukuk Wakalah (Note 22)	**80,000**	90,000	**80,000**	90,000
Term loans (Note 24)	**45,097**	68,274	**-**	-
Revolving credits (Note 25)	**20,015**	10,000	**-**	-
	145,112	168,274	**80,000**	90,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

30. REVENUE

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Contract with customers:-				
- Property development and construction revenue	**967,968**	703,504	**-**	-
- Sales of completed properties	**104,753**	158,146	**-**	-
- Revenue from hospitality segment	**25,369**	17,323	**-**	-
- Revenue from education segment	**12,347**	11,038	**-**	-
Dividend income	**-**	-	**120,000**	115,385
Others	**2,621**	2,385	**-**	-
	1,113,058	892,396	**120,000**	115,385

The disaggregation of revenue from contracts with customers is presented under 'Operating Segments' in Note 42.2 to financial statements.

31. COST OF SALES

Included in cost of sales are the following:-

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cost of inventories recognised:-				
- property development costs	**538,193**	260,354	**-**	-
- completed properties	**48,384**	101,931	**-**	-
Cost of construction	**4,438**	14,639	**-**	-
Cost of services	**32,500**	24,428	**-**	-
Others	**757**	615	**-**	-
	624,272	401,967	**-**	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

32. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Impairment losses:-				
- trade receivables	**-**	11	**-**	-
- other receivables	**3,042**	-	**-**	-
- amount owing by subsidiaries	**-**	-	**12,440**	94,500
	3,042	11	**12,440**	94,500

33. PROFIT BEFORE TAXATION

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000 (RESTATED)	2023 RM'000	2022 RM'000
Profit before taxation is arrived at after charging/ (crediting):-				
Auditors' remuneration				
- audit fees:				
- current year:				
- Crowe Malaysia PLT	**572**	563	**70**	70
- other auditors	**142**	102	**-**	-
- under/(over) provision in prior year:				
- other auditors	**32**	(28)	**-**	-
- non-audit fees:				
- Crowe Malaysia PLT	**8**	8	**8**	8
Bad debts written off	**-**	4	**-**	-
Depreciation:				
- property, plant and equipment (Note 7)	**9,320**	10,891	**-**	-
- investment properties (Note 8)	**1**	2	**-**	-
- right-of-use assets (Note 9)	**930**	1,021	**-**	-
Directors' remuneration (Note 40)	**32,472**	32,276	**452**	441
Deposit written off	**-**	103	**-**	-
Incorporation fees	**3**	3	**-**	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

33. PROFIT BEFORE TAXATION (CONT'D)

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000 (RESTATED)	2023 RM'000	2022 RM'000
Profit before taxation is arrived at after charging/(crediting) (Cont'd):-				
Interest expense on financial liabilities that are not at fair value through profit or loss:				
- bank overdraft	**1,089**	274	**120**	*
- non-controlling interest shareholders	**1,162**	1,078	**-**	-
- finance charges	**375**	9	**-**	-
- inter-company	**-**	-	**5,430**	6,296
- term loan	**6,383**	8,580	**-**	-
- hire purchase	**-**	14	**-**	-
- revolving credit	**482**	1,331	**-**	-
- Sukuk interest	**-**	4,865	**7,483**	9,841
	9,491	16,151	**13,033**	16,137
Impairment loss:				
- deposit	**7,000**	-	**-**	-
- trade receivable	**-**	11	**-**	-
- other receivable	**3,042**	-	**-**	-
- property, plant and equipment	**-**	11,963	**-**	-
- loan to subsidiaries	**-**	-	**12,440**	94,500
- investment in a subsidiary	**-**	-	**13,130**	30,384
Interest expenses on lease liabilities (Note 23)	**143**	129	**-**	-
Loss on foreign exchange – realised	**2,387**	20	**-**	-
Lease expense:				
- short-term lease	**14,237**	9,121	**-**	-
- low value asset	**170**	172	**-**	-
- variable lease payments	**1,159**	-	**-**	-
Property, plant and equipment written off	**703**	-	**-**	-
Property development cost written off	**3,229**	5,579	**-**	-
Staff cost (including other key management personnel as disclosed in Note 40):				
- short-term employee benefits	**51,241**	51,294	**-**	-
- long-term employee benefits	**599**	565	**-**	-
- defined contribution benefits	**5,964**	6,058	**-**	-
- others	**4,655**	4,694	**-**	-
	62,459	62,611	**-**	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

33. PROFIT BEFORE TAXATION (CONT'D)

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000 (RESTATED)	2023 RM'000	2022 RM'000
Profit before taxation is arrived at after charging/(crediting) (Cont'd):-				
Bad debts recovered	**(26)**	(30)	**-**	-
Gain on capital reduction of a subsidiary	**-**	-	**-**	(150)
Gain on disposal of property, plant and equipment	**(1,277)**	(213)	**-**	-
Gain on disposal of investment properties	**(36)**	(54)	**-**	-
Gain on derecognition due to lease modification	**(5)**	-	**-**	-
Gain on foreign exchange – realised	**(371)**	(1)	**(371)**	(1)
Reversal of accruals	**321**	-	**-**	-
Reversal of impairment loss on deposits	**-**	(7,000)	**-**	-
Reversal of project costs	**(12,056)**	(11,286)	**-**	-
Interest income of financial assets that are not at fair value through profit or loss:				
- fixed deposits with licensed banks	**(1,452)**	(1,155)	**(995)**	(558)
- imputed interest	**(375)**	-	**-**	-
- inter-company	**-**	-	**(42,154)**	(46,675)
- late payment interest (charged)/waived	**(342)**	176	**-**	-
- bank interest	**(2,631)**	(3,604)	**(66)**	(540)
	(4,800)	(4,583)	**(43,215)**	(47,773)
Lease income:				
- property, plant and equipment	**(2,512)**	(1,723)	**-**	-

* - Less than RM1,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

34. INCOME TAX EXPENSE

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Current tax expenses	**70,891**	54,381	**4,956**	5,260
Under/(Over) provision in the previous financial year	**1,133**	(1,979)	**289**	3
	72,024	52,402	**5,245**	5,263
Deferred tax expenses (Note 14):-				
- Origination and reversal of temporary differences	**(14,219)**	15,708	**-**	-
- Over provision of deferred tax liabilities in the previous financial year	**(55)**	(1)	**-**	-
- Over/(Under) provision of deferred tax assets in the previous financial year	**3**	(579)	**-**	-
	(14,271)	15,128	**-**	-
Sub-total	**57,753**	67,530	**5,245**	5,263
Real property gains tax	**104**	-	**-**	-
	57,857	67,530	**5,245**	5,263

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

34. INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit before taxation	**260,662**	268,396	**123,018**	19,979
Tax at the applicable corporate tax rate of 24% (2022 - 24%)	**62,559**	64,415	**29,524**	4,795
Tax effects of:-				
Non-deductible expenses	**4,573**	986	**69**	22,797
Non-taxable income	**(258)**	(1,702)	**(24,637)**	(22,205)
Effects of differential in tax rates of foreign sources income	**-**	-	**-**	(127)
Share of results in joint venture	**(436)**	(818)	**-**	-
Deferred tax assets not recognised during the financial year	**1,985**	7,230	**-**	-
Effects of differential in tax rates of subsidiaries	**(237)**	(22)	**-**	-
Under/(Over) provision of Malaysian Income Tax in the previous financial year	**1,133**	(1,979)	**289**	3
Over provision of deferred tax liabilities in the previous financial year	**(55)**	(1)	**-**	-
Over/(Under) provision of deferred tax assets in the previous financial year	**3**	(579)	**-**	-
Deferred tax assets recognised in respect of previously unrecognised tax losses and unabsorbed capital allowances	**(11,514)**	-	**-**	-
Income tax expense for the financial year	**57,753**	67,530	**5,245**	5,263

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

34. INCOME TAX EXPENSE (CONT'D)

Subject to agreement with the tax authorities, at the end of the reporting year, the unused tax losses, unabsorbed capital allowances and unabsorbed industrial building allowances of the Group are as follows:-

	THE GROUP	
	2023 RM'000	2022 RM'000
Unused tax losses:		
- expires year of assessment 2028	**23,117**	27,551
- expires year of assessment 2029	**15,374**	15,374
- expires year of assessment 2030	**7,032**	7,032
- expires year of assessment 2031	**15,433**	20,153
- expires year of assessment 2032	**11,466**	12,949
- expires year of assessment 2033	**27,998**	-
	100,420	83,059
Unabsorbed capital allowances	**20,681**	12,767
Unabsorbed industrial building allowances	**46,553**	40,636
	167,654	136,462

At the end of the reporting period, the amounts of deferred tax assets not recognised (stated at gross) due to uncertainty of their realisation are as follows:-

	THE GROUP	
	2023 RM'000	2022 RM'000
Unused tax losses:		
- expires year of assessment 2028	**953**	983
- expires year of assessment 2029	**18**	18
- expires year of assessment 2030	**7,032**	7,032
- expires year of assessment 2031	**15,433**	20,153
- expires year of assessment 2032	**11,466**	12,949
- expires year of assessment 2033	**7,601**	-
	42,503	41,135
Unabsorbed capital allowances	**16,303**	9,593
Unabsorbed industrial building allowances	**4,412**	3,069
Others deductible temporarily differences	**98,415**	99,568
	161,633	153,365

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

34. INCOME TAX EXPENSE (CONT'D)

Based on the current legislation, the unused tax losses up to the year of assessment 2018 can be carried forward until the year of assessment 2028 and the unused tax losses for 2019 onwards are allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment; whereas, the unabsorbed capital allowances are allowed to be carried forward indefinitely.

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2022 – 24%) of the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

35. OTHER COMPREHENSIVE INCOME

	THE GROUP	
	2023 RM'000	2022 RM'000
Items that will be reclassified subsequently to profit or loss		
Foreign currency translation:		
- changes during the financial year	**(7,609)**	3,765

36. 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 year under review.

	THE GROUP	
	2023	2022
Profit attributable to owners of the Company (RM'000)	**207,220**	205,198
Weighted average number of ordinary shares in issue ('000)	**1,052,504**	1,052,504*
Basic earnings per share (sen)	**19.7**	19.5

* The comparative basis earnings per share have been restated taken into account the effect of bonus issue on the basis of one share for every two existing ordinary shares held in financial year 2023.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

37. ACQUISITIONS OF NON-CONTROLLING INTERESTS

In the previous financial year:

(a) On 11 November 2021, Matrix IBS Sdn. Bhd. increased its issued and paid-up share capital from RM2,500,000 to RM34,000,000. The Company subscribed an additional 25,200,000 new ordinary shares in Matrix IBS Sdn. Bhd. by capitalising the amount owing of RM25,200,000.

(b) On 17 November 2021, the Company acquired an additional 20% equity interests in Matrix IBS Sdn. Bhd. for RM2,184,513 in cash, increasing its ownership from 80% to 100%. The carrying amount of Matrix IBS Sdn. Bhd.'s net assets in the Group's financial statements on that date was RM11,108,285. The Group recognised an increase in non-controlling interests of RM4,069,350 and an increase in retained profits of RM46,137.

The following summarises the effect of changes in the equity interests in Matrix IBS Sdn. Bhd. that is attributable to the owners of the Company:-

	THE GROUP 2022 RM'000
Equity interest in 1 April	(11,838)
Effect of increase in the Company's ownership interest	2,230
Additional subscription of shares in a subsidiary	25,200
Share of post acquisition losses	(16,242)
Equity interest at 31 March	(650)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

38. DIVIDENDS

	THE GROUP/THE COMPANY	
	2023 RM'000	2022 RM'000
In respect of the financial year ended 31 March 2021:-		
- 4th interim single tier dividend of 4.00 sen per ordinary share, paid on 8 July 2021	-	33,369
In respect of the financial year ended 31 March 2022:-		
- 1st interim single tier dividend of 2.00 sen per ordinary share, paid on 7 October 2021	-	16,685
- 2nd interim single tier dividend of 3.00 sen per ordinary share, paid on 6 January 2022	-	25,027
- 3rd interim single tier dividend of 3.75 sen per ordinary share, paid on 7 April 2022	-	31,284
- 4th interim single tier dividend of 3.75 sen per ordinary share, paid on 7 July 2022	**31,284**	-
In respect of the financial year ended 31 March 2023:-		
- 1st interim single tier dividend of 3.00 sen per ordinary share, paid on 6 October 2022	**25,027**	-
- 2nd interim single tier dividend of 2.00 sen per ordinary share, paid on 12 January 2023	**25,027**	-
- 3rd interim single tier dividend of 2.00 sen per ordinary share, paid on 6 April 2023	**25,027**	-
	106,365	106,365

Subsequent to the end of financial year, the directors, on 24 May 2023 declared a fourth interim single tier dividend of 2.25 sen per ordinary share amounting to RM28,155,324 in respect of the current financial year, payable on 6 July 2023 to shareholders whose names appeared in the record of depositors on 22 June 2023.

39. CASH FLOW INFORMATION

(a) The cash disbursed for the addition of right-of-use assets is as follows:-

	THE GROUP	
	2023 RM'000	2022 RM'000
Cost of right-of-use assets acquired (Note 9)	-	91
Amount financed through lease liabilities (Note 39(b))	-	(91)
Cash disburse for acquired of right-of-use assets	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

39. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliation of liabilities arising from financing activities are as follows:-

	TERM LOANS RM'000	SUKUK WAKALAH RM'000	LEASE LIABILITIES RM'000	REVOLVING CREDITS RM'000	NON-CONTROLLING INTEREST SHAREHOLDERS RM'000	OTHERS RM'000	TOTAL RM'000
The Group							
2023							
At 1 April	152,846	110,000	3,064	20,015	22,148	-	308,073
Changes in Financing Cash Flows							
Proceeds from drawdown	26,479	-	-	-	1,200	-	27,679
Repayment of borrowing principal	(55,210)	(30,000)	(964)	-	-	-	(86,174)
Repayment of borrowing interests	(7,294)	(7,483)	(143)	(950)	-	(1,282)	(17,152)
Other Changes							
Changes due to lease modification	-	-	973	-	-	-	973
Derecognition due to lease modification	-	-	(107)	-	-	-	(107)
Finance charges recognised in profit or loss	6,383	-	143	482	1,162	1,464	9,634
Finance charges capitalised/(reversed) in inventories	990	7,483	-	468	-	(182)	8,759
Effect of movement in exchange rate	(1,474)	-	-	-	-	-	(1,474)
At 31 March	122,720	80,000	2,966	20,015	24,510	-	250,211

39. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliation of liabilities arising from financing activities are as follows (Cont'd):-

	TERM LOANS RM'000	SUKUK WAKALAH RM'000	LEASE LIABILITIES RM'000	HIRE PURCHASE RM'000	REVOLVING CREDITS RM'000	NON-CONTROLLING INTEREST SHAREHOLDERS RM'000	OTHERS RM'000	TOTAL RM'000
The Group								
2022 (Restated)								
At 1 April	105,462	200,000	3,309	184	20,015	23,251	-	352,221
Changes in Financing Cash Flows								
Proceeds from drawdown	63,517	-	-	-	20,000	-	-	83,517
Repayment of borrowing principal	(16,090)	(90,000)	(1,046)	(184)	(20,000)	-	-	(127,320)
Repayment of borrowing interests	(4,497)	(9,841)	(129)	(14)	(493)	-	(41)	(15,015)
Advances from non-controlling interest shareholders	-	-	-	-	-	4,119	-	4,119
Other Changes								
Acquisition of new leases	-	-	91	-	-	-	-	91
Changes due to lease modification	-	-	710	-	-	-	-	710
Finance charges recognised in profit or loss	8,580	4,865	129	14	1,331	1,078	283	16,280
Finance charges (reversed)/capitalised in inventories	(4,083)	4,976	-	-	(838)	-	(242)	(187)
Shares subscribed by non-controlling interests	-	-	-	-	-	(6,300)	-	(6,300)
Effect of movement in exchange rate	(43)	-	-	-	-	-	-	(43)
At 31 March	152,846	110,000	3,064	-	20,015	22,148	-	308,073

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

39. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliation of liabilities arising from financing activities are as follows (Cont'd):-

The Company	LOAN FROM RELATED COMPANIES RM'000	SUKUK WAKALAH RM'000	OTHERS RM'000	TOTAL RM'000
2023				
At 1 April	**36,314**	**110,000**	**-**	**146,314**
Changes in Financing Cash Flows				
Net advance from subsidiaries	**115,017**	**-**	**-**	**115,017**
Repayment of borrowing principal	**-**	**(30,000)**	**-**	**(30,000)**
Repayment of borrowing interests	**(5,430)**	**(7,483)**	**(120)**	**(13,033)**
Other Changes				
Finance charges recognised in profit or loss	**5,430**	**7,483**	**120**	**13,033**
At 31 March	**151,331**	**80,000**	**-**	**231,331**

The Company	LOAN FROM RELATED COMPANIES RM'000	SUKUK WAKALAH RM'000	OTHERS RM'000	TOTAL RM'000
2022				
At 1 April	17,668	200,000	-	217,668
Changes in Financing Cash Flows				
Net advance from subsidiaries	20,496	-	-	20,496
Repayment of borrowing principal	-	(90,000)	-	(90,000)
Repayment of borrowing interests	(6,296)	(9,841)	*	(16,137)
Other Changes				
Finance charges recognised in profit or loss	6,296	9,841	*	16,137
Capital reduction in subsidiaries	(1,850)	-	-	(1,850)
At 31 March	36,314	110,000	-	146,314

*- Less than RM1,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

39. CASH FLOW INFORMATION (CONT'D)

(c) The total cash outflows for leases as a leasee are as follows:-

	THE GROUP	
	2023 RM'000	**2022 RM'000 (Restated)**
Payment of short-term leases	**14,237**	9,121
Payment of low-value assets	**170**	172
Variable lease payments	**1,159**	-
Interest paid on lease liabilities	**143**	129
Payment of lease liabilities	**964**	1,046
	16,673	10,468

(d) The cash and cash equivalents comprise the following:-

	THE GROUP		THE COMPANY	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Fixed deposits with licensed banks (Note 17)	**59,181**	58,466	**31,600**	34,029
Cash and bank balances (Note 18)	**191,051**	143,672	**25,169**	3,508
Bank overdrafts (Note 28)	**(17,903)**	-	**(4,001)**	-
	232,329	202,138	**52,768**	37,537
Less: Fixed deposits pledged to licensed banks (Note 17(b))	**(29,777)**	(26,595)	**(2,198)**	(2,159)
Fixed deposits with maturity of more than 3 months	**(2,424)**	(25,255)	**(2,424)**	(25,255)
	200,128	150,288	**48,146**	10,123

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

(CONT'D)

40. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Group and of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:-

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
(a) Directors				
Directors of the Company				
Executive Directors				
Short-term employee benefits:				
- salaries, bonuses and other benefits	**21,271**	19,661	**-**	-
Defined contribution benefits	**3,074**	3,033	**-**	-
Long-term employee benefits	**480**	480	**-**	-
	24,825	23,174	**-**	-
Non-executive Directors				
Short-term employee benefits:				
- fees	**2,269**	2,202	**374**	322
- other benefits	**98**	119	**78**	119
	2,367	2,321	**452**	441
	27,192	25,495	**452**	441

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

40. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

The key management personnel compensation during the financial year are as follows (Cont'd):-

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
(a) Directors (Cont'd)				
Directors of the subsidiaries				
Executive Directors				
Short-term employee benefits:				
- fees	**1,374**	1,409	**-**	-
- salaries, bonuses and other benefits	**3,442**	4,627	**-**	-
	4,816	6,036	**-**	-
Defined contribution benefits	**414**	648	**-**	-
Long-term employee benefits	**50**	97	**-**	-
	5,280	6,781	**-**	-
Total directors' remuneration (Note 33)	**32,472**	32,276	**452**	441

The estimated monetary value of benefits-in-kind provided by the Group and the Company to the directors of the Company were RM176,000 and RM6,000 (2022 – RM160,000 and RM Nil) respectively.

(b) Other Key Management Personnel

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Short-term employee benefits	**4,499**	4,501	**-**	-
Defined contribution benefits	**678**	635	**-**	-
Long-term employee benefits	**110**	107	**-**	-
Total compensation for other key management personnel	**5,287**	5,243	**-**	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

41. RELATED PARTY DISCLOSURES

(a) Identities of Related Parties

Parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control.

In addition to the information detailed elsewhere in the financial statements, the Group has related party relationships with its directors, key management personnel and entities within the same group of companies.

(b) Significant Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Subsidiaries				
Dividend income	**-**	-	**(120,000)**	(115,385)
Interest income	**-**	-	**(42,154)**	(46,675)
Interest expenses	**-**	-	**5,429**	6,296
Person connected to directors of the Company and of certain subsidiary companies				
Rental paid	**141**	43	**-**	-
Purchase of marketing materials	**476**	159	**-**	-
Corporations connected to directors of the Company and of certain subsidiary companies				
Consultancy services	**2,881**	1,728	**-**	-
Purchases of building materials and sub-contract charges	**29,675**	21,240	**-**	-
Rental paid	**253**	240	**-**	-
Petrol charges	**-**	10	**-**	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

42. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Executive Director as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a quarterly basis. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into 3 main reportable segments as follows:-

(a) Property Development and Construction – involves in development and construction of commercial and residential properties
(b) Education – involves in managing and administering a private and international school
(c) Hospitality – involves in managing and operating a clubhouse and hotel
(d) Others – involves in property management services and hospital management services

42.1 BUSINESS SEGMENTS

	Property Development and Construction RM'000	Education RM'000	Hospitality RM'000	Others RM'000	Group RM'000
2023					
Revenue					
External revenue	**1,072,721**	**12,347**	**25,369**	**2,621**	**1,113,058**
Inter-segment revenue	**325,993**	**560**	**341**	**-**	**326,894**
	1,398,714	**12,907**	**25,710**	**2,621**	**1,439,952**
Consolidation adjustments					**(326,894)**
Consolidated revenue					**1,113,058**
Results					
Segment results	**261,732**	**(4,380)**	**11,695**	**(5,510)**	**263,537**
Interest income					**4,800**
					268,337
Share of results of joint venture					**1,816**
Finance costs					**(9,491)**
Profit before taxation					**260,662**
Income tax expense					**(57,857)**
Consolidated profit after taxation					**202,805**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

42. OPERATING SEGMENTS (CONT'D)

42.1 BUSINESS SEGMENTS (CONT'D)

	Property Development and Construction RM'000	Education RM'000	Others RM'000	Group RM'000
2023				
Segment results includes the followings:-				
Property development cost written off	**3,229**	**-**	**-**	**3,229**
Property, plant and equipment written off	**703**	**-**	**-**	**703**
Bad debts recovered	**(26)**	**-**	**-**	**(26)**
Rental income	**(2,420)**	**(92)**	**-**	**(2,512)**
(Gain)/Loss on disposal of property, plant and equipment	**(1,278)**	**1**	**-**	**(1,277)**
Gain on disposal of investment property	**(36)**	**-**	**-**	**(36)**
Impairment loss on deposit	**7,000**	**-**	**-**	**7,000**
Impairment loss on other receivable	**-**	**-**	**3,042**	**3,042**

	Property Development and Construction RM'000	Education RM'000	Hospitality RM'000	Others RM'000	Group RM'000
2022					
Revenue					
External revenue	861,650	11,038	17,323	2,385	892,396
Inter-segment revenue	314,321	526	334	-	315,181
	1,175,971	11,564	17,657	2,385	1,207,577
Consolidation adjustments					(315,181)
Consolidated revenue					892,396
Results					
Segment results	281,380	(8,415)	3,472	118	276,555
Interest income					4,583
					281,138
Share of results of joint venture					3,409
Finance costs					(16,151)
Profit before taxation					268,396
Income tax expense					(67,530)
Consolidated profit after taxation					200,866

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

42. OPERATING SEGMENTS (CONT'D)

42.1 BUSINESS SEGMENTS (CONT'D)

	Property Development and Construction RM'000	Education RM'000	Hospitality RM'000	Group RM'000
2022				
Segment results includes the followings:-				
Bad debts written off	-	-	4	4
Deposit written off	103	-	-	103
Impairment loss on property, plant and equipment	11,963	-	-	11,963
Property development cost written off	5,579	-	-	5,579
Bad debts recovered	(30)	-	-	(30)
Rental income	(1,703)	(20)	-	(1,723)
(Gain)/Loss on disposal of property, plant and equipment	(221)	8	-	(213)
Gain on disposal of investment property	(54)	-	-	(54)
Impairment on trade receivables	-	11	-	11
Reversal of impairment loss on deposit	(7,000)	-	-	(7,000)

	Property Development and Construction RM'000	Education RM'000	Hospitality RM'000	Others RM'000	Group RM'000
2023					
Assets					
Segment assets	**2,353,177**	**126,189**	**75,350**	**38,405**	**2,593,121**
Unallocated assets					**45,297**
Consolidated total assets					**2,638,418**
Liabilities					
Segment liabilities	**611,906**	**14,515**	**5,735**	**18,157**	**650,313**
Unallocated liabilities					**250**
Consolidated total liabilities					**650,563**
Other Segment Items					
Additions to non-current assets other than financial instruments:					
- Property, plant and equipment	**1,631**	**39**	**690**	**-**	**2,360**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

42. OPERATING SEGMENTS (CONT'D)

42.1 BUSINESS SEGMENTS (CONT'D)

	Property Development and Construction RM'000	Education RM'000	Hospitality RM'000	Others RM'000	Group RM'000
2022					
Assets					
Segment assets	2,335,556	129,748	78,397	40,193	2,583,894
Unallocated assets					35,479
Consolidated total assets					2,619,373
Liabilities					
Segment liabilities	683,149	12,334	7,653	17,238	720,374
Unallocated liabilities					125
Consolidated total liabilities					720,499
Other Segment Items					
Additions to non-current assets other than financial instruments:					
- Property, plant and equipment	1,622	57	166	-	1,845
- Right-of-use assets	-	-	91	-	91

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

42. OPERATING SEGMENTS (CONT'D)

42.2 DISAGGREGATION OF REVENUE

Revenue from contracts with customers is disaggregated by primary geographical market and timing of revenue recognition as below:-

	Property Development and Construction RM'000	Education RM'000	Hospitality RM'000	Others RM'000	Group RM'000
2023					
Primary Geographical Markets					
Malaysia	**998,512**	**12,347**	**25,369**	**2,621**	**1,038,849**
Australia	**74,209**	**-**	**-**	**-**	**74,209**
	1,072,721	**12,347**	**25,369**	**2,621**	**1,113,058**
Timing of Revenue Recognition					
At a point in time	**104,753**	**-**	**8,191**	**-**	**112,944**
Over time	**967,968**	**12,347**	**17,178**	**2,621**	**1,000,114**
	1,072,721	**12,347**	**25,369**	**2,621**	**1,113,058**

	Property Development and Construction RM'000	Education RM'000	Hospitality RM'000	Others RM'000	Group RM'000
2022					
Primary Geographical Markets					
Malaysia	861,650	11,038	17,323	2,385	892,396
Timing of Revenue Recognition					
At a point in time	158,146	-	4,686	-	162,832
Over time	703,504	11,038	12,637	2,385	729,564
	861,650	11,038	17,323	2,385	892,396

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

42. OPERATING SEGMENTS (CONT'D)

42.3 MAJOR CUSTOMERS

There is no single customer that contributed more than 10% to the Group's revenue.

43. CAPITAL COMMITMENTS

	THE GROUP		THE COMPANY	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Purchase of property, plant and equipment	**-**	40	**-**	-
Purchase of land held for property development	**538,598**	94,328	**-**	-
Acquisition of development right	**61,003**	70,271	**-**	-
	599,601	164,639	**-**	-

44. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

44.1 FINANCIAL RISK MANAGEMENT POLICIES

The Group's policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group does not have any transactions and balances denominated in foreign currencies and hence, is not exposed to foreign currency risk.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group's policy is to obtain the most favourable interest rates available and by maintaining a balanced portfolio of mix of fixed and floating rate borrowings.

44. FINANCIAL INSTRUMENTS (CONT'D)

44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk (Cont'd)

The Group's fixed rate borrowings and fixed deposits with licensed banks are carried at amortised cost. Therefore, they are not subject to interest rate risk as defined MFRS 7 since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Group's exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Notes 24, 25 and 28 to the financial statements.

Interest Rate Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Effects on Profit After Taxation				
Increase of 93 basis points (2022: 77 basis points)	**-2,069**	-1,439	**-778**	-737
Decrease of 93 basis points (2022: 77 basis points)	**+2,069**	+1,439	**+778**	+737

(iii) Equity Price Risk

The Group does not have any quoted investments and hence, is not exposed to equity price risk.

(b) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company's exposure to credit risk arises principally from loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the results of these subsidiaries regularly and repayments made by the subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

44. FINANCIAL INSTRUMENTS (CONT'D)

44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(i) Credit Risk Concentration Profile

The Group does not have any major concentration of credit risk related to any individual customer or counterparty.

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

(iii) Assessment of Impairment Losses

At each reporting date, the Group assesses whether any of the financial assets at amortised cost and contract assets are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

The Group considers any receivables having significant balances, more than 90 days overdue and vacant possession delivered are deemed credit impaired.

<u>Trade Receivables and Contract Assets</u>

The Group applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts using the linear regressive analysis. The Group has identified the unemployment rate, Gross Domestic Product (GDP) and inflation rate as the key macroeconomic factors of the forward-looking information.

44. FINANCIAL INSTRUMENTS (CONT'D)

44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Allowance for Impairment Losses

The Group	Gross Amount RM'000	Individual Impairment RM'000	Collective Impairment RM'000	Carrying Amount RM'000
2023				
Current (not past due)	**82,147**	-	-	**82,147**
1 to 30 days past due	**36,689**	-	-	**36,689**
31 to 60 days past due	**13,845**	-	-	**13,845**
61 to 90 days past due	**11,237**	-	-	**11,237**
More than 90 days past due	**125,800**	**(11)**	-	**125,789**
Trade receivables	**269,718**	**(11)**	-	**269,707**
Contract assets	**348,129**	-	-	**348,129**
	617,847	**(11)**	-	**617,836**
2022				
Current (not past due)	97,183	-	-	97,183
1 to 30 days past due	46,322	-	-	46,322
31 to 60 days past due	39,381	-	-	39,381
61 to 90 days past due	35,331	-	-	35,331
More than 90 days past due	105,976	(11)	-	105,965
Trade receivables	324,193	(11)	-	324,182
Contract assets	293,323	-	-	293,323
	617,516	(11)	-	617,505

The movements in the loss allowances in respect of trade receivables are disclosed in Notes 15 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

44. FINANCIAL INSTRUMENTS (CONT'D)

44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Property Development Segment

The management is of the opinion that the amount owed by the purchasers is duly recoverable, due to the following reasons:-

(i) The transfer of the property to the purchaser is subject to the full payment of the outstanding amount;

(ii) Most of the purchasers have end financing arrangements, and payments are slow because of the credit processes of the end financiers; and

(iii) In the event the sale is terminated for non-payment, the Group will be able to recover the property since the transfer of the property is subject to the full payment of the outstanding amount.

Other Segments

Other segments are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial and hence, it is not provided for.

Other Receivables

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

Under this approach, the Group assesses whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Group considers there has been a significant increase in credit risk when there are changes in contractual terms or delay in payment. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 30 days past due in making a contractual payment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

44. FINANCIAL INSTRUMENTS (CONT'D)

44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables (Cont'd)

The Group uses 3 categories to reflect their credit risk and how the loss allowance is determined for each category:-

Category	Definition of Category	Loss Allowance
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-months expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Not performing:	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

The Group measures the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on individual basis. Other receivables are grouped based on shared credit risk characteristics and assessed on collective basis.

Loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Company considers the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

44. FINANCIAL INSTRUMENTS (CONT'D)

44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables (Cont'd)

Allowance for Impairment Losses

The Group	Gross Amount RM'000	Lifetime Loss Allowance RM'000	Carrying Amount RM'000
2023			
Low credit risk	**33,700**	**-**	**33,700**
Credit impaired	**3,042**	**(3,042)**	**-**
	36,742	**(3,042)**	**33,700**
2022			
Low credit risk	20,974	-	20,974

The movements in the loss allowances are disclosed in Note 12 to the financial statements.

Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group considers the license banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

Financial Guarantee Contracts

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

44. FINANCIAL INSTRUMENTS (CONT'D)

44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Amount Owing By Subsidiaries

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company measures the expected credit losses on individual basis, which is aligned with its credit risk management practices on the inter-company balances.

The Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly.

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

For loans and advances that are not repayable on demand, impairment loss is measured using techniques that are similar for estimating the impairment losses of other receivables as disclosed above.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

The Company	Gross Amount RM'000	Lifetime Loss Allowance RM'000	Carrying Amount RM'000
2023			
Low credit risk	**878,183**	**-**	**878,183**
Credit impaired	**154,580**	**(154,580)**	**-**
	1,032,763	**(154,580)**	**878,183**
2022			
Low credit risk	837,232	-	837,232
Credit impaired	142,140	(142,140)	-
	979,372	(142,140)	837,232

The movements in the loss allowances are disclosed in Note 13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

44. FINANCIAL INSTRUMENTS (CONT'D)

44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group	CONTRACTUAL INTEREST RATE %	CARRYING AMOUNT RM'000	CONTRACTUAL UNDISCOUNTED CASH FLOWS RM'000	WITHIN 1 YEAR RM'000	1 – 5 YEARS RM'000	OVER 5 YEARS RM'000
2023						
Non-derivative Financial Liabilities						
Lease liabilities	4.76	2,966	3,155	876	2,279	-
Trade payables	-	104,360	104,360	104,360	-	-
Amount owing to non-controlling interest shareholders	5.00	24,510	32,478	1,945	8,754	21,779
Other payables, deposits and accruals	-	230,175	230,175	230,175	-	-
Bank overdraft	6.93	17,903	17,903	17,903	-	-
Term loans	5.65	122,720	139,327	51,153	83,677	4,497
Sukuk Wakalah	5.25	80,000	87,549	87,549	-	-
Revolving credits	5.40	20,015	20,286	20,286	-	-
		602,649	635,233	514,247	94,710	26,276

44. FINANCIAL INSTRUMENTS (CONT'D)

44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

The Group	CONTRACTUAL INTEREST RATE %	CARRYING AMOUNT RM'000	CONTRACTUAL UNDISCOUNTED CASH FLOWS RM'000	WITHIN 1 YEAR RM'000	1 – 5 YEARS RM'000	OVER 5 YEARS RM'000
2022						
Non-derivative Financial Liabilities						
Lease liabilities	4.83	3,064	3,206	976	2,230	-
Trade payables	-	80,966	80,966	80,966	-	-
Amount owing to non-controlling interest shareholders	5.00	22,148	30,444	1,827	8,282	20,335
Other payables, deposits and accruals	-	235,407	235,407	235,407	-	-
Term loans	3.98	152,846	162,895	71,797	84,411	6,687
Sukuk Wakalah	6.16	110,000	131,149	104,307	26,842	-
Revolving credits	4.29	20,015	20,637	10,419	10,218	-
		624,446	664,704	505,699	131,983	27,022

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

44. FINANCIAL INSTRUMENTS (CONT'D)

44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

The Company	CONTRACTUAL INTEREST RATE %	CARRYING AMOUNT RM'000	CONTRACTUAL UNDISCOUNTED CASH FLOWS RM'000	WITHIN 1 YEAR RM'000
2023				
Non-derivative Financial Liabilities				
Other payables, deposits and accruals	-	25,883	25,883	25,883
Amounts owing to subsidiaries	5.00	151,331	151,331	151,331
Sukuk Wakalah	5.25	80,000	87,549	87,549
Bank overdraft	8.10	4,001	4,001	4,001
Financial guarantee contracts in relation to corporate guarantee given to subsidiaries	-	-	220,621	220,621
		261,215	489,385	489,385

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

44. FINANCIAL INSTRUMENTS (CONT'D)

44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

The Company	CONTRACTUAL INTEREST RATE %	CARRYING AMOUNT RM'000	CONTRACTUAL UNDISCOUNTED CASH FLOWS RM'000	WITHIN 1 YEAR RM'000	1 – 5 YEARS RM'000
2022					
Non-derivative Financial Liabilities					
Other payables, deposits and accruals	-	32,678	32,678	32,678	-
Amounts owing to subsidiaries	5.00	36,314	36,314	36,314	-
Sukuk Wakalah	6.16	110,000	131,149	104,307	26,842
Financial guarantee contracts in relation to corporate guarantee given to subsidiaries	-	-	277,563	277,563	-
		178,992	477,704	450,862	26,842

44.2 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders' value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

44. FINANCIAL INSTRUMENTS (CONT'D)

44.2 CAPITAL RISK MANAGEMENT (CONT'D)

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group includes within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the parent and non-controlling interest. The debt-to-equity ratio of the Group at the end of the reporting period was as follows:-

	THE GROUP	
	2023 RM'000	**2022 RM'000**
Term loans (Note 24)	**122,720**	152,846
Bank overdrafts (Note 28)	**17,903**	-
Sukuk Wakalah (Note 22)	**80,000**	110,000
Revolving credits (Note 25)	**20,015**	20,015
	240,638	282,861
Less: Fixed deposits with licensed banks (Note 17)	**59,181**	58,466
Less: Cash and bank balances (Note 18)	**191,051**	143,672
	250,232	202,138
Net debt	**(9,594)**	80,723
Total equity	**1,987,855**	1,898,874
Debt-to-equity ratio (times)	**N/A**	0.04

There was no change in the Group's approach to capital management during the financial year.

Note:
N/A – Not Applicable

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

44. FINANCIAL INSTRUMENTS (CONT'D)

44.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Financial Assets				
Amortised cost				
Trade receivables (Note 15)	**269,707**	324,182	**-**	-
Other receivables and deposits (Note 12)	**38,409**	28,198	**3**	2
Amount owing by subsidiaries (Note 13)	**-**	-	**878,183**	837,232
Fixed deposits with licensed banks (Note 17)	**59,181**	58,466	**31,600**	34,029
Cash and bank balances (Note 18)	**191,051**	143,672	**25,169**	3,508
	558,348	554,518	**934,955**	874,771
Financial Liabilities				
Amortised cost				
Lease liabilities (Note 23)	**2,966**	3,064	**-**	-
Term loans (Note 24)	**122,720**	152,846	**-**	-
Trade payables (Note 26)	**104,360**	80,966	**-**	-
Other payables, deposits and accruals (Note 27)	**254,685**	257,555	**25,883**	32,678
Amount owing to subsidiaries (Note 13)	**-**	-	**151,331**	36,314
Bank overdrafts (Note 28)	**17,903**	-	**4,001**	-
Sukuk Wakalah (Note 22)	**80,000**	110,000	**80,000**	110,000
Revolving credits (Note 25)	**20,015**	20,015	**-**	-
	602,649	624,446	**261,215**	178,992

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

44. FINANCIAL INSTRUMENTS (CONT'D)

44.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	THE GROUP		THE COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Financial Assets				
Fair Value Through Profit or Loss				
Net gains recognised in profit or loss	**-**	300	**-**	300
Amortised cost				
Net (losses)/gains recognised in profit or loss	**(227)**	4,298	**31,146**	(47,027)
Financial Liabilities				
Amortised cost				
Net losses recognised in profit or loss	**(9,634)**	(16,280)	**(13,033)**	(16,137)

44.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

44. FINANCIAL INSTRUMENTS (CONT'D)

44.5 FAIR VALUE INFORMATION (CONT'D)

As the Group does not have any financial instruments carried at fair value, the following table sets out only the fair value profile of financial instruments that are not carried at fair value at the end of the reporting period:-

The Group	Fair Value of Financial Instruments not Carried at Fair Value			Total	Carrying
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Fair Value RM'000	Amount RM'000
2023					
Financial assets					
Other receivable (non-current)	**-**	**15,848**	**-**	**15,848**	**15,848**
Financial liabilities					
Amount owing to non-controlling interest shareholders (non-current)	**-**	**24,510**	**-**	**24,510**	**24,510**
Sukuk Wakalah	**-**	**78,753**	**-**	**78,753**	**80,000**
Term loans	**-**	**122,720**	**-**	**122,720**	**122,720**
Revolving credits	**-**	**20,015**	**-**	**20,015**	**20,015**
2022					
Financial assets					
Other receivable (non-current)	-	17,097	-	17,097	17,097
Financial liabilities					
Amount owing to non-controlling interest shareholders (non-current)	-	22,148	-	22,148	22,148
Sukuk Wakalah	-	105,963	-	105,963	110,000
Term loans	-	152,846	-	152,846	152,846
Revolving credits	-	20,015	-	20,015	20,015

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

44. FINANCIAL INSTRUMENTS (CONT'D)

44.5 FAIR VALUE INFORMATION (CONT'D)

As the Group does not have any financial instruments carried at fair value, the following table sets out only the fair value profile of financial instruments that are not carried at fair value at the end of the reporting period (Cont'd):-

The Company	Fair Value of Financial Instruments not Carried at Fair Value			Total	Carrying
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Fair Value RM'000	Amount RM'000
2023					
Financial assets					
Amount owing by subsidiaries (non-current)	**-**	**526,541**	**-**	**526,541**	**526,541**
Financial liability					
Sukuk Wakalah	**-**	**78,753**	**-**	**78,753**	**80,000**
2022					
Financial assets					
Amount owing by subsidiaries (non-current)	-	393,825	-	393,825	393,825
Financial liability					
Sukuk Wakalah	-	105,963	-	105,963	110,000

(a) The fair values, which are for disclosure purposes, have been determined using the following basis:-

(i) The fair value of other receivable (non-current), amounts owing by subsidiaries (non-current) and non-controlling interest shareholders approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.

(ii) The fair values of the term loans and revolving credits that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.

44. FINANCIAL INSTRUMENTS (CONT'D)

44.5 FAIR VALUE INFORMATION (CONT'D)

(a) The fair values, which are for disclosure purposes, have been determined using the following basis (Cont'd):-

(iii) The fair values of Sukuk Wakalah that carry fixed interest rates are determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period. The interest rates used to discount the estimated cash flows are as follows:-

	THE GROUP/THE COMPANY	
	2023 %	2022 %
Sukuk Wakalah	**4.72 – 6.85**	5.50 – 6.85

45. COMPARATIVE FIGURES

The following figures had been reclassified to conform with the presentation of the current financial year which reclassified assets under hire purchase financing from right-of-use assets to property, plant and equipment:-

	THE GROUP	
	As Previously Reported RM'000	As Restated RM'000
Statement of Financial Position (Extract):-		
Property, plant and equipment	219,048	219,181
Right-of-use assets	2,996	2,863

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

45. COMPARATIVE FIGURES (CONT'D)

The following figures had been reclassified to conform with the presentation of the current financial year which reclassified assets under hire purchase financing from right-of-use assets to property, plant and equipment (Cont'd):-

	THE GROUP	
	As Previously Reported RM'000	As Restated RM'000
Statement of Cash Flows (Extract):-		
CASH FLOWS FROM OPERATING ACTIVITIES		
Depreciation of equipment	10,692	10,891
Depreciation of right-of-use assets	1,220	1,021
Gain on disposal of equipment	(150)	(213)
Gain on disposal of right-of-use assets	(63)	-
Interest expenses on lease liabilities	143	129
Interest expenses	16,137	16,151
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	269	479
Proceeds from disposal of right-of-use assets	210	-
CASH FLOWS FOR FINANCING ACTIVITIES		
Repayment of hire purchase payable	-	(184)
Repayment of lease liabilities	(1,230)	(1,046)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(CONT'D)

46. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

(i) On 28 April 2022, MCHB Development (NS) Sdn. Bhd. ("MCNS") a wholly-owned subsidiary of the Company entered into a Memorandum of Understanding ("MOU") with NS Corporation ("NS Corp"), the development arm of the Negeri Sembilan State, to explore the possibility of collaborating in the development of certain land parcels within the Malaysia Vision Valley 2.0 region ("MVV Lands").

Further to the above, on 24 August 2022, N9 Matrix Development Sdn. Bhd. ("N9 Matrix") an 85%-owned subsidiary of MCNS had entered into a Conditional Sales and Purchase Agreement ("CSPA") with NS Corp to acquire freehold agriculture lands measuring approximately 1,382.208 acres located in Mukim Labu, Daerah Seremban, Negeri Sembilan forming part of the lands located in MVV Lands for a total cash consideration of RM460,000,000 ("Proposed Acquisition").

In addition, on 24 August 2022, MCNS entered into a Joint Venture Agreement ("JVA") with N9 Matrix and NS Corp wherein the parties hereto have agreed to collaborate to jointly acquire and develop certain parts of land located in MVV Lands and to regulate their rights as shareholders of the same upon the terms and subject to the conditions as contained in the JVA. N9 Matrix will serve as the special purpose vehicle for the JVA.

On 23 March 2023, N9 Matrix had entered into a supplemental agreement to the CSPA with NS Corp in relation to the Proposed Acquisition and MCNS had entered into a supplemental agreement to the JVA with NS Corp and N9 Matrix in relation to the Proposed Joint Venture whereby the parties agreed to vary the terms of the Principal Agreement to effect such variation according to the terms and conditions into these supplemental agreement.

The proposals are subject to approvals from shareholders at the forthcoming Annual General Meeting.

ADDITIONAL INFORMATION

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

UTILISATION OF PROCEEDS

There were no new proceeds raised during the financial year ended 31 March 2023.

AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid/payable to the external auditors or their affiliated companies by Matrix for the financial year ended 31 March 2023 as shown below:-

	The Group RM	The Company RM
Audit Fees	714,000	70,000
Non-Audit Fees *	202,000	23,000

** Non-audit fees comprise taxation services and review of Statement on Risk Management and Internal Control.*

MATERIAL CONTRACTS INVOLVING DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Matrix and its subsidiary companies have not entered into any material contracts outside the ordinary course of business, involving Directors and substantial shareholders for the financial year ended 31 March 2023.

LIST OF PROPERTIES

PROPERTIES OWNED BY OUR GROUP

No.	Location	Tenure	Land (Acres)	Usage	Net book value as at 31 March 2023 (RM'000)	Date of acquisition
1.	Lot 12652-12654, Bandar Sri Sendayan, Seremban, Negeri Sembilan	Freehold / Perpetuity	26.1	School and clubhouse	175,506	5 July 2013

DEVELOPMENT PROPERTIES

No.	Location	Tenure	Land (Acres)	Usage	Net book value as at 31 March 2023 (RM'000)	Date of acquisition
1.	Bandar Sri Sendayan	Freehold / Perpetuity			109,484	11 August 2011
(i)	Lot No. PT 10992-11011, 11016-11029, 13158-13190, 13229-13262, 13298-13337, 13378-13426, 13477-13503, 13941-14150 and 12667, Bandar Sri Sendayan, Seremban, Negeri Sembilan		48.7	On-going and/or future mixed residential and commercial development		
(ii)	Lot No. PT 7148-7194 and 7196-7209 Bandar Sri Sendayan, Seremban, Negeri Sembilan		4.9	Future commercial development		
(iii)	Lot No. PT 4895 and 12662-12663, Bandar Sri Sendayan, Seremban, Negeri Sembilan		18.4	On-going commercial development		
(iv)	Lot No. PT6140-6172, Bandar Sri Sendayan, Seremban, Negeri Sembilan		4.9	Future mixed commercial and industrial development		
(v)	Lot No. PT 11651, 11653 and 11663-11680, Bandar Sri Sendayan, Seremban, Negeri Sembilan		26.8	On-going industrial and commercial development		
(vi)	Lot No. PT 6868, Bandar Sri Sendayan, Seremban, Negeri Sembilan		116.0	Future commercial development		
(vii)	Lot No. PT 10717-10865, 12655-12658 , 12660 and 12679, Bandar Sri Sendayan, Seremban, Negeri Sembilan		55.3	Future mixed commercial development		

LIST OF PROPERTIES

No.	Location	Tenure	Land (Acres)	Usage	Net book value as at 31 March 2023 (RM'000)	Date of acquisition
2.	PT37936-39868, Mukim of Labu, Seremban, Negeri Sembilan	Freehold	237.0	Future mixed residential and commercial development	79,522	10 April 2014
3.	PT43234-43794, 44491 and 44492, Mukim of Labu, Seremban, Negeri Sembilan	Freehold	83.8	On-going mixed residential and commercial development	37,509	13 February 2015
4.	HS(D) 297055, PT8790, Mukim Pekan Kinrara, Daerah Petaling, Negeri Selangor	Leasehold	5.8	Future residential development	109,519	4 January 2016
5.	333 St Kilda Road, St Kilda 3182 Victoria Australia	Freehold	0.6	On-going commercial and residential development	68,136	7 December 2018
6.	Lot 2828-2831 and 2833 -2861, Mukim Jimah, Daerah Port Dickson, Negeri Sembilan	Freehold	202.8	On-going and /or Future residential development	127,108	Between 14 June 2017 and 14 February 2020
7.	H.S(D) 267031, PT48041, Mukim Sungai Buloh, Daerah Peraling Jaya, Negeri Selangor	Leasehold	5.6	Future residential development	59,584	28 February 2020
8.	PT45679-46321, 5357-5359, 5363-5365 and 26304, Mukim of Labu, Seremban, Negeri Sembilan	Freehold	126.9	On-going and/or Future mixed residential and commercial development	51,927	Between 13 August 2015 and 12 August 2020
9.	235 parcels of vacant agriculture land held under separate titles situated in Bandar Sri Sendayan, Negeri Sembilan	Freehold	479.8	Future mixed residential and commercial development	226,204	Between 21 December 2019 and 31 March 2023
10.	PT49737-50633 and Lot 5451, 5453-5455, 5457-5458 and 5460, Mukim of Labu, Seremban, Negeri Sembilan	Freehold	124.7	On-going and/or Future mixed residential and commercial development	61,577	Between 6 August 2019 and 31 March 2023
11.	Lot 15257 and 13245, Mukim of Labu, Seremban, Negeri Sembilan	Leasehold	134.9	Future mixed residential and commercial development	43,364	24 February 2020

RECURRENT RELATED PARTY TRANSACTIONS

(PURSUANT TO PARAGRAPH 10.09(2)(B) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD)

In addition to Note 41 - Related Party Disclosures in the Audited Financial Statements for the financial year ended 31 March 2023, the disclosure of the breakdown of the aggregate value of RRPTs incurred during FY2023 are as below:-

No.	Related Parties	Relationship with MCHB Group	Type of RRPT	Based on Audited Account Actual Aggregate Value as at 31 March 2023 (RM)
1.	Y&Y Mix Sdn Bhd	Datin Yong Chou Lian, who is a substantial shareholder of Y&Y Mix Sdn Bhd, is a shareholder of the Company and the spouse of Dato' Seri Lee Tian Hock. Yong Moi Noi, who is a director of Y&Y Mix Sdn Bhd, is the sister-in-law of Dato' Seri Lee Tian Hock. Yong Ghee Kiat, Yong Ing Kiat, Yong Ah Chek and Yong Hwah Kiat who are substantial shareholders of Y&Y Mix Sdn Bhd, are the brothers-in-law to Dato' Seri Lee Tian Hock.	Supply ready mix concrete to Matrix Excelcon Sdn Bhd and Matrix IBS Sdn Bhd	29,590,531
2.	Takrif Maksimum Sdn Bhd	Dato' Seri Lee Tian Hock, who is a substantial shareholder and director of Takrif Maksimum Sdn Bhd, is a substantial shareholder of the Company and its Group Executive Deputy Chairman. Datin Yong Chou Lian, who is a substantial shareholder and director of Takrif Maksimum Sdn Bhd, is the spouse of Dato' Seri Lee Tian Hock.	Rental of retail space to BSS Development Sdn Bhd to be utilised as its sales gallery	60,000
3.	Reka Homes, RekaLight Sdn Bhd and Reka International Industries (M) Sdn Bhd (collectively, "**Reka Group**")	Dato' Logendran A/L K Narayanasamy who is a director and substantial shareholder of Reka Group, is also the Non-Independent Non-Executive Director of MCHB and the director of several subsidiary companies of MCHB.	Supply and deliver light fittings and accessories, fittings for buildings fixture and furniture	83,531

RECURRENT RELATED PARTY TRANSACTIONS

(PURSUANT TO PARAGRAPH 10.09(2)(B) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD)

No.	Related Parties	Relationship with MCHB Group	Type of RRPT	Based on Audited Account Actual Aggregate Value as at 31 March 2023 (RM)
4.	Yong Moi Noi	Yong Moi Noi is the sister-in-law of Dato' Seri Lee Tian Hock.	Agency services for the sourcing and purchase of sales, marketing materials or collaterals, corporate gift and decoration items	476,136
5.	Lee Geok Hoon and Cheong Yong Chieh	Lee Geok Hoon and Cheong Yong Chieh are the sister and brother-in-law of Dato' Seri Lee Tian Hock.	Rental of retail space to Matrix Excelcon Sdn Bhd for the purpose of operating as an office	45,450
6.	Ratusan Aman Jati Sdn Bhd	Tan Seng Heng and Low Kim Fong are the directors and shareholders of Ratusan Aman Jati Sdn Bhd. They are also the brother and sister-in-law of Mr Lee Tian Onn, who in turn is the brother of Dato' Seri Lee Tian Hock.	Rental of retail space to Matrix Concepts Sdn Bhd for the purpose of operating as an office	193,200
7.	GXM Pty Ltd	Lee Jon Wee, who is the sole director and sole shareholder of GXM Pty Ltd, is also the director of Matrix Development (Australia) Pty Ltd, Matrix Greenvale (Australia) Pty Ltd, Matrix 333 St Kilda (Australia) Pty Ltd and Matrix Property Management (Australia) Pty Ltd.	Provision of development and management of projects, management, sales and marketing services to Matrix Development (Australia) Pty Ltd Group of Companies	2,880,767

ANALYSIS OF SHAREHOLDINGS

AS AT 30 JUNE 2023

Issued Share Capital	:	1,251,347,717 ordinary shares
Class of Shares	:	Ordinary shares
Voting Right	:	One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	Shareholdings	%
Less Than 100 shares	799	37,520	0.00
100 To 1,000 shares	1,688	840,099	0.07
1,001 To 10,000 shares	6,870	31,011,360	2.48
10,001 To 100,000 shares	3,668	105,094,865	8.40
100,001 To Less Than 5% of issued shares	573	777,923,156	62.16
5% and above of issued shares	3	336,440,717	26.89
Total	**13,601**	**1,251,347,717**	**100.00**

SUBSTANTIAL SHAREHOLDERS

According to the register to be kept under Section 144 of the Companies Act 2016, ("the Act") the following are the substantial shareholders of Matrix:-

Name of Substantial Shareholder	No. of Shares Direct	%	Indirect	%
1. Dato' Seri Lee Tian Hock	143,478,098	11.47	(i) 266,159,044	21.27
2. Shining Term Sdn Bhd	158,601,535	12.67		
3. Datin Seri Yong Chou Lian	4,018,230	0.32	(ii) 167,932,265	13.42
4. Employees Provident Fund Board	122,550,736	9.79	-	

Notes:

(i) Deemed interested by virtue of his direct shareholdings in Shining Term Sdn Bhd, Ambang Kuasa Sdn Bhd, Magnitude Point Sdn Bhd and Yakin Teladan Sdn Bhd pursuant to Section 8 of the Act and the shareholdings of his spouse, Datin Seri Yong Chou Lian and offspring pursuant to Section 59(11)(c) of the Act.

a)	Shining Term Sdn Bhd	158,601,535
b)	Ambang Kuasa Sdn Bhd	49,048,777
c)	Magnitude Point Sdn Bhd	29,926,335
d)	Yakin Teladan Sdn Bhd	9,330,730
e)	Datin Seri Yong Chou Lian	4,018,230
f)	Harry Lee Chin Yeow	3,233,437
g)	Kelvin Lee Chin Chuan	3,000,000
h)	Vivian Lee Chin Shean	3,000,000
i)	Jennice Lee Chin Mei	3,000,000
j)	Cindy Lee Chin Hui	3,000,000
Total		**266, 159, 044**

ANALYSIS OF SHAREHOLDINGS
AS AT 30 JUNE 2023

(ii) Deemed interested by virtue of her direct shareholdings in Shining Term Sdn Bhd and Yakin Teladan Sdn Bhd pursuant to Section 8 of the Act.

a)	Shining Term Sdn Bhd	158,601,535
b)	Yakin Teladan Sdn Bhd	9,330,730
Total		**167,932,265**

DIRECTOR'S SHAREHOLDINGS

	No. of Shares			
Name of Director	**Direct**	**%**	**Indirect**	**%**
1. Dato' Haji Mohamad Haslah Bin Mohamad Amin	3,513,605	0.28	-	-
2. Dato' Seri Lee Tian Hock	143,478,098	11.47	(i) 266,159,044	21.27
3. Ho Kong Soon	4,927,216	0.39	(ii) 39,243,064	3.14
4. Dato' Hon Choon Kim	393,750	0.03	(iii) 313,125	0.03
5. Dato' Hajah Kalsom Binti Khalid	301,950	0.02	-	-
6. Dato' Logendran A/L K Narayanasamy	2,315,155	0.19	-	-
7. Chua See Hua	-	-	-	-
8. Mazhairul Bin Jamaludin	15,000	-	-	-
9. Loo See Mun	-	-	-	-

Notes:

(i) Deemed interested by virtue of his direct shareholdings in Shining Term Sdn Bhd, Ambang Kuasa Sdn Bhd, Magnitude Point Sdn Bhd and Yakin Teladan Sdn Bhd pursuant to Section 8 of the Act and the shareholdings of his spouse, Datin Seri Yong Chou Lian and offspring pursuant to Section 59(11)(c) of the Act.

a)	Shining Term Sdn Bhd	158,601,535
b)	Ambang Kuasa Sdn Bhd	49,048,777
c)	Magnitude Point Sdn Bhd	29,926,335
d)	Yakin Teladan Sdn Bhd	9,330,730
e)	Datin Seri Yong Chou Lian	4,018,230
f)	Harry Lee Chin Yeow	3,233,437
g)	Kelvin Lee Chin Chuan	3,000,000
h)	Vivian Lee Chin Shean	3,000,000
i)	Jennice Lee Chin Mei	3,000,000
j)	Cindy Lee Chin Hui	3,000,000
Total		**266,159,044**

(ii) Deemed interested by virtue of his direct shareholdings in Supreme Interest Sdn Bhd pursuant to Section 8 of the Act and the shareholdings of his spouse, Alice Tan Khiam Chow pursuant to Section 59(11)(c) of the Act.

a)	Supreme Interest Sdn Bhd	38,783,689
b)	Alice Tan Khiam Chow	459,375
Total		**39,243,064**

(iii) Deemed interested of shares held by his spouse, Datin Lee Siow Kian @ Lee Siew Kian and offspring pursuant to Section 59(11)(c) of the Act.

a)	Datin Lee Siow Kian @ Lee Siew Kian	13,125
b)	Hon Woei Chia	300,000
Total		**313,125**

TOP THIRTY (30) LARGEST SHAREHOLDERS

AS AT 30 JUNE 2023

THIRTY (30) LARGEST SHAREHOLDERS

No.	Name	No. of Shares Held	%
1.	Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board*	113,550,205	9.07
2.	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Shining Term Sdn Bhd*	112,500,000	8.99
3.	RHB Capital Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Dato' Seri Lee Tian Hock*	110,390,512	8.82
4.	Ambang Kuasa Sdn Bhd	49,048,777	3.92
5.	Shining Term Sdn Bhd	46,101,535	3.68
6.	Lembaga Tabung Haji	45,175,200	3.61
7.	Supreme Interest Sdn Bhd	38,783,689	3.10
8.	Citigroup Nominees (Tempatan) Sdn Bhd *Exempt AN for AIA Bhd*	32,789,667	2.62
9.	Magnitude Point Sdn Bhd	29,926,335	2.39
10.	RHB Nominees (Tempatan) Sdn Bhd *RHB Asset Management Sdn Bhd for Dato' Seri Lee Tian Hock*	22,500,000	1.80
11.	Target Venue Sdn Bhd	18,674,314	1.49
12.	Permodalan Nasional Berhad	15,441,150	1.23
13.	Citigroup Nominees (Asing) Sdn Bhd *Exempt AN for Bank of Singapore Limited (Foreign)*	13,277,400	1.06
14.	Kenanga Nominees (Asing) Sdn Bhd *Exempt AN for Monex Boom Securities (HK) Limited*	13,252,500	1.06
15.	Cartaban Nominees (Tempatan) Sdn Bhd *PBTB for Takafulink Dana Ekuiti*	12,980,175	1.04
16.	Fine Approach Sdn Bhd	12,450,000	0.99
17.	Amanahraya Trustees Berhad *Amanah Saham Bumiputera 3 – Didik*	11,036,230	0.88
18.	Dato' Seri Lee Tian Hock	10,587,586	0.85
19.	Maybank Nominees (Tempatan) Sdn Bhd *Etiqa Family Takaful Berhad (Family)*	9,850,912	0.79
20.	Public Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Dato' Seri Lee Tian Hock (E-SRB/PDN)*	9,375,000	0.75

ADDITIONAL INFORMATION

TOP THIRTY (30) LARGEST SHAREHOLDERS
AS AT 30 JUNE 2023

No.	Name	No. of Shares Held	%
21.	Yakin Teladan Sdn Bhd	9,330,730	0.75
22.	Kumpulan Wang Persaraan (Diperbadankan)	9,242,524	0.74
23.	Meridian Effect Sdn Bhd	8,002,000	0.64
24.	Yong Soi Mee	6,750,000	0.54
25.	Citigroup Nominees (Tempatan) Sdn Bhd *Great Eastern Life Assurance (Malaysia) Berhad (LGF)*	6,443,800	0.51
26.	Cartaban Nominees (Tempatan) Sdn Bhd *PAMB for Prulink Dana Unggul*	6,357,886	0.51
27.	Maybank Securities Nominees (Asing) Sdn Bhd *Maybank Securities Pte Ltd for Asia Core Properties Inc Pte Ltd*	6,269,450	0.50
28.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad *Deutsche Trustees Malaysia Berhad for Eastspring Investments Dana Al-Ilham*	6,003,529	0.48
29.	Citigroup Nominees (Asing) Sdn Bhd *CBNY for Emerging Market Core Equity Portfolio DFA Investment Dimensions Group Inc*	5,826,405	0.47
30.	Amanahraya Trustees Berhad *Amanah Saham Bumiputera 2*	5,370,600	0.43
	Total	**797,288,111**	**63.71**

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Sixth Annual General Meeting ("26th AGM") of Matrix Concepts Holdings Berhad ("MCHB" or "the Company") will be conducted on a fully virtual basis through live streaming via remote participation and voting facilities ("RPV") using Vote2U at https://web.vote2u.my (Domain Registration No. with MYNIC-D6A471702) provided by Agmo Digital Solutions Sdn Bhd in Malaysia on **Wednesday, 30 August 2023** at **11.00 a.m.** for the transaction of the following businesses:-

AGENDA

AS ORDINARY BUSINESS

1. TO RECEIVE the Audited Financial Statements for the financial year ended 31 March 2023 and the Directors' and Auditors' reports thereon.

2. TO APPROVE the payment of Directors' Fees of RM374,000 for the financial year ended 31 March 2023 (2022: RM322,225). **Ordinary Resolution 1**

3. TO APPROVE the payment of Directors' Benefits of up to RM910,000 payable pursuant to Section 230(1) of the Companies Act 2016. **Ordinary Resolution 2**

4. TO RE-ELECT the following Directors retiring in accordance with Clause 103 of the Company's Constitution:-

   a) Dato' Seri Lee Tian Hock **Ordinary Resolution 3**
   b) Chua See Hua **Ordinary Resolution 4**
   c) Loo See Mun **Ordinary Resolution 5**

5. TO RE-APPOINT Messrs. Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 6**

AS SPECIAL BUSINESS

TO CONSIDER AND IF THOUGHT FIT, to pass the following as Ordinary Resolutions:-

6. **Authority to Allot and Issue Shares Pursuant to Section 75 of the Companies Act 2016** **Ordinary Resolution 7**

   "**THAT,** subject always to the Companies Act 2016 ("the Act"), the Constitution of the Company and the approvals of the relevant authorities, the Directors be and hereby empowered pursuant to Section 75 of the Act, to allot and issue shares in the Company at any time and upon such terms and conditions and for such purpose as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution in any one financial year does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next AGM of the Company."

NOTICE OF ANNUAL GENERAL MEETING

7. **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature** **Ordinary Resolution 8**

"**THAT** approval be hereby given for the renewal of the mandate granted by the shareholders of the Company on 26 August 2022 pursuant to paragraph 10.09 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad, authorising the Company and/or its subsidiaries to enter into the recurrent related party transactions of a revenue or trading nature as set out in Section 2.1.4 in the Circular to Shareholders dated 28 July 2023, with the related parties mentioned therein which are necessary, for the Company and/or its subsidiaries' for day-to-day operations which are carried out in the ordinary course of business on terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of minority shareholders.

THAT the authority conferred by such mandate shall commence upon the passing of this resolution and continue to be in force until:-

(i) the conclusion of the next AGM of the Company following the 26th AGM at which such mandate will lapse, unless by an ordinary resolution passed at an AGM whereby the authority is renewed, either unconditionally or subject to conditions; or

(ii) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(iii) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is earlier.

THAT the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this resolution."

8. **Proposed Acquisition by N9 Matrix Development Sdn Bhd ("N9 Matrix") , an 85%-owned subsidiary of MCHB Development (NS) Sdn Bhd ("MCHB Development"), which in turn is a wholly-owned subsidiary of MCHB of freehold agricultural lands measuring approximately 1,382.2082 acres (equivalent to approximately 559.372 hectares), all situated in Mukim of Labu, District of Seremban, Negeri Sembilan ("Land") forming part of the Lands which covers the districts of Seremban and Port Dickson, Negeri Sembilan known as Malaysian Vision Valley 2.0 ("MVV 2.0") from NS Corporation ("NS Corp") for a total indicative purchase consideration of RM460,000,000 to be satisfied fully in cash ("Proposed Acquisition")** **Ordinary Resolution 9**

"**THAT** subject to the passing of Ordinary Resolution 10 in respect of the Proposed Joint Venture (as defined herein) and Ordinary Resolution 11 in respect of the Proposed Provision of Financial Assistance (as defined herein), and conditional upon the approvals and consents of all relevant authorities and/or parties being obtained and the conditions precedent in the conditional sale and purchase agreement dated 24 August 2022 ("CSPA") and the supplemental agreement to the CSPA dated 23 March 2023 entered into between N9 Matrix as the purchaser and NS Corp as the vendor for the Proposed Acquisition being fulfilled and/or waived (as the case may be), approval be and is hereby given to N9 Matrix to acquire the Land for a total indicative purchase consideration of RM460,000,000 to be satisfied fully in cash;

NOTICE OF ANNUAL GENERAL MEETING

AND THAT the Board of Directors of MCHB ("Board") be and is hereby empowered and authorised to take all such steps to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents, agreements, arrangements, undertakings, declarations and/or guarantees to or with any party or parties (including without limitations, the affixation of the Company's Common Seal in accordance with the Company's Constitution) as may be necessary or expedient in order to implement, finalise, give effect and complete the Proposed Acquisition with full powers to assent to any condition, modification, variation and/or amendment in any manner as may be required or imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company."

9. **Proposed Joint Venture between MCHB Development, N9 Matrix and NS Corp to jointly acquire and develop the Land located in MVV 2.0 ("Proposed Joint Venture")** **Ordinary Resolution 10**

"**THAT** subject to the passing of Ordinary Resolution 9 in respect of the Proposed Acquisition and Ordinary Resolution 11 in respect of the Proposed Provision of Financial Assistance (as defined herein), and conditional upon the approvals and consents of all relevant authorities and/or parties being obtained, approval be and is hereby given to the Company to undertake the Proposed Joint Venture in accordance with the terms and conditions of the joint venture agreement dated 24 August 2022 ("JVA") and supplemental agreement to the JVA dated 23 March 2023 entered into between MCHB Development, NS Corp and N9 Matrix;

AND THAT the Board be and is hereby empowered and authorised to take all such steps to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents, agreements, arrangements, undertakings, declarations and/or guarantees to or with any party or parties (including without limitations, the affixation of the Company's Common Seal in accordance with the Company's Constitution) as may be necessary or expedient in order to implement, finalise and give effect to the Proposed Joint Venture with full powers to assent to any condition, modification, variation and/or amendment in any manner as may be required or imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company."

10. **Proposed Provision of Financial Assistance to N9 Matrix under the Proposed Joint Venture ("Proposed Provision of Financial Assistance")** **Ordinary Resolution 11**

"**THAT** subject to the passing of Ordinary Resolution 9 in respect of the Proposed Acquisition and Ordinary Resolution 10 in respect of the Proposed Joint Venture, and conditional upon the approvals and consents of all relevant authorities and/or parties being obtained, approval be and is hereby given to the Company and its subsidiaries to provide financial assistance to N9 Matrix in any form, including in the form of shareholders' advances and/or corporate guarantees and/or such other security documents which may be required by the financier, to fund the future development cost over the duration of the development of the Land pursuant to the Proposed Acquisition and Proposed Joint Venture;

AND THAT the Board be and is hereby empowered and authorised to take all such steps to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents, agreements, arrangements, undertakings, declarations and/or guarantees to or with any party or parties (including without limitations, the affixation of the Company's Common Seal in accordance with the Company's Constitution) as may be necessary or expedient in order to implement, finalise and give effect to the Proposed Provision of Financial Assistance with full powers to assent to any condition, modification, variation and/or amendment in any manner as may be required or imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company."

NOTICE OF ANNUAL GENERAL MEETING

11. TO TRANSACT any other business of which due notice shall have been given.

By Order Of The Board
LOO KAH BOON
Group Company Secretary
(MAICSA 0784630) (SSM PC NO. 201908001700)
Negeri Sembilan Darul Khusus
28 July 2023

Notes:-

(i) A shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his place. A proxy may, but need not be, a shareholder of the Company. A shareholder shall be entitled to appoint up to two (2) proxies to attend and vote at the 26th AGM. Where a shareholder appoints more than one (1) proxy to attend at the same meeting, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.

(ii) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or if the appointor is a corporation either under the corporation's seal or under the hand of an officer or attorney duly authorised.

(iii) Where a shareholder of the Company is an exempt nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) Securities Account ("Omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus account it holds. An exempt authorised nominee with more than one (1) Securities Account must submit a separate instrument of proxy for each securities account.

(iv) The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited at the Company's Registered Office, Wisma Matrix, No.57, Jalan Tun Dr. Ismail, 70200 Seremban, Negeri Sembilan Darul Khusus, Malaysia, not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjourned thereof.

(v) In respect of deposited securities, only shareholders whose name appear in the Record of Depositors on **17 August 2023** shall be entitled to attend, speak and vote at the 26th AGM.

(vi) All the resolutions as set out in the notice of 26th AGM will be put to vote by poll via online voting facilities.

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes on Item 1, 3, 5 and Special Business of the Agenda.

Ordinary Business:-

1. **Item 1 of the Agenda – Audited Financial Statements**
   This item 1 of the Agenda is meant for discussion only. The provisions of Section 340(1) of the Companies Act 2016 require that the audited financial statements and the Reports of the Directors and Auditors thereon be laid before the Company at its AGM. As such, this Agenda item is not a business which requires a resolution to be put to vote by shareholders.

2. **Item 3 of the Agenda – Payment of Directors' Benefits**
   The Company is seeking shareholders' approval pursuant to Section 230(1) of the Companies Act 2016 for the payment of the Directors' Benefits incurred or to be incurred from the date of the 26th AGM until the next annual general meeting of the Company to be held in the year 2024.

   The Directors' Benefits payable to the Directors comprise meeting allowances, club memberships, leave passages and allocations of incentive payouts for the employees of the Company as part of the Employee Retention Programme initiated by the Company with effect from 1 January 2020 (referred to as "ERP"). Executive directors being employees of the Company are entitled to the ERP. If the Proposed Ordinary Resolution 2 is passed at the 26th AGM, with the exception of the ERP which are payable only at the completion of at least 5 years from 1 January 2020, the payment of the Directors' Benefits will be made by the Company as and when incurred. The breakdown of the Directors' Benefits which are payable are as follows:-

	RM
a) Meeting Allowance, Leave Passages and Club Membership	430,000
b) Allocation of ERP for executive director for the financial year ended 31 March 2023	480,000
	910,000

   The Board is of the view that it is fair and equitable for the Directors to be paid as and when incurred for part (a) above, given that the Directors have duly discharged their responsibilities and provided their services to the Company for the said period.

3. **Item 5 of the Agenda – Re-appointment of Auditors**
   The Board had approved the recommendation by the Audit Committee on the re-appointment of Messrs. Crowe Malaysia PLT as Auditors of the Company. The Board and Audit Committee collectively agreed that Messrs. Crowe Malaysia PLT has met the relevant criteria prescribed by Paragraph 15.21 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

NOTICE OF ANNUAL GENERAL MEETING

Special Business:-

4. Authority to Allot and Issue Shares Pursuant to Section 75 of the Companies Act 2016

The proposed Ordinary Resolution 7 is primarily to give authority to the Board of Directors to allot and issue up to 10% of the total number of issued shares at any time in their absolute discretion and for such purpose as they consider would be in the best interest of the Company without convening a general meeting. This authority, if granted, is a renewal of the earlier mandate granted at the Twenty-Fifth Annual General Meeting held on 26 August 2022 and unless revoked or varied at a general meeting, shall expire at the Twenty-Seventh Annual General Meeting of the Company.

The Company continues to consider opportunities to broaden its earnings potential. If any of the expansion/diversification proposals involves the issue of new shares, the Directors, under certain circumstance when the opportunity arises, would have to convene a general meeting to approve the issue of new shares even though the number involved may be less than 10% of the total number of issued shares of the Company.

In order to avoid any delay and costs involved in convening a general meeting to approve such issue of shares when the needs may arise during the financial year, it is thus considered appropriate that the Directors be empowered to issue shares in the Company, up to any amount not exceeding in total, 10% of the total number of issued shares of the Company for the time being, for such purpose.

5. Recurrent Related Party Transactions

The proposed Ordinary Resolution 8 is to seek a renewal of shareholders' mandate to allow the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature.

6. Proposed Acquisition

The proposed Ordinary Resolution 9 is to seek shareholders approval on the Proposed Acquisition. The Proposed Acquisition entails the acquisition of the freehold agriculture lands measuring approximately 1,382.2082 acres, all situated in Mukim of Labu, District of Seremban, Negeri Sembilan ("Lands") , forming part of the lands which covers the districts of Seremban and Port Dickson, Negeri Sembilan known as Malaysian Vision Valley 2.0 by N9 Matrix from NS Corp for an indicative purchase consideration of RM460,000,000 subject to the terms and conditions as stipulated in the Conditional Sale and Purchase Agreement dated 24 August 2022.

7. Proposed Joint Venture

The proposed Ordinary Resolution 10 is to seek shareholders approval on the Proposed Joint Venture. MCHB Development, NS Corp and N9 Matrix had on 24 August 2022 entered into a Joint Venture Agreement to set out the terms governing their rights as shareholders of N9 Matrix and the manner in which N9 Matrix is to be managed. The main purpose of the Proposed Joint Venture is to undertake the Proposed Acquisition and subsequently the future development of the Lands.

8. Proposed Provision of Financial Assistance

The proposed Ordinary Resolution 11 is to seek shareholders approval on the Proposed Provision of Financial Assistance. Pursuant to Paragraph 8.23(1) of the Listing Requirements with regards to the provision of financial assistance, MCHB Group may be required to provide financial assistance to N9 Matrix pursuant to the Proposed Acquisition and the Proposed Joint Venture.

Details in respect of all the proposals as mentioned in paragraph 5, 6, 7 and 8 are more particularly described in the Circular to Shareholders dated 28 July 2023 accompanying the Company's Integrated Annual Report 2023.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(PURSUANT TO PARAGRAPH 8.27(2) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD)

1. Directors who are standing for re-election at the 26th AGM of Matrix Concepts Holdings Berhad are as follows:-

    a) Dato' Seri Lee Tian Hock
    b) Chua See Hua
    c) Loo See Mun

2. The profiles of the Directors who are standing for re-election are set out on page 58, 64 & 65 of this Integrated Annual Report.

3. The information relating to the shareholdings of the above Directors in the Company and its related corporation are set out on page 250 of this Integrated Annual Report.

4. **Authority to issue shares pursuant to Section 75 of the Companies Act 2016**

    The shareholders had at the Twenty-Fifth Annual General Meeting held on 26 August 2022, granted the authority to the Directors of the Company for the issuance of shares up to 10% of the total number of issued shares of the Company and such authority shall expire at the conclusion of the 26th AGM. Details of the said authority are further explained in the Explanatory Notes attached with the Notice of 26th AGM on page 258 of this Integrated Annual Report. The Board of Directors intends to seek a renewal of the said authority.

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PROXY FORM

MATRIX CONCEPTS HOLDINGS BERHAD
Registration No. 199601042262 (414615-U)
(Incorporated in Malaysia)

No. of Shares	CDS Account No.

(Before completing this form please refer to the notes below)

I/We ____
(Full name in Block Letters)

NRIC /Passport No./Company No. ____

of ____
(Full address)

____

being a member / members of Matrix Concepts Holdings Berhad ("Matrix" or "the Company") hereby appoint the following person(s):-

Name of Proxy	NRIC No.	No. of shares represented	Contact	
			Mobile No.	Email
1.				
2.				

or failing him/her, the Chairman of the Meeting as my/our proxy/proxies to attend and vote for me/us and on my/our behalf at the Twenty-Sixth Annual General Meeting ("26th AGM") of the Company to be conducted on a fully virtual basis through live streaming via remote participation and voting facilities ("RPV") using Vote2U at https://web.vote2u.my (Domain Registration No. with MYNIC- D6A471702) provided by Agmo Digital Solutions Sdn Bhd in Malaysia on **Wednesday, 30 August 2023** at **11.00 a.m.** and at any adjournment thereof.

Ordinary Businesses				
Item	**Agenda**			
1.	To receive the Audited Financial Statements for the financial year ended 31 March 2023 together with the Reports of the Directors and the Auditors thereon			
		Ordinary Resolution	**For**	**Against**
2.	To approve the payment of Directors' Fees	1		
3.	To approve the payment of Directors' Benefits	2		
4.	a) To re-elect Dato' Seri Lee Tian Hock as Director of the Company	3		
	b) To re-elect Chua See Hua as Director of the Company	4		
	c) To re-elect Loo See Mun as Director of the Company	5		
5.	To re-appoint Auditors	6		
Special Businesses				
6.	Authority to Allot and Issue Shares pursuant to Section 75 of the Companies Act 2016	7		
7.	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature	8		
8.	To approve the Proposed Acquisition	9		
9.	To approve the Proposed Joint Venture	10		
10.	To approve the Proposed Provision of Financial Assistance	11		

(Please indicate with an "X" in the space provided above on how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his/her discretion).

As witness my hand this ____________________ day of ____________________ 2023

____
Signature/Common Seal of Shareholder(s)

E-Mail address: ____________________

Contact No.: ____________________

Notes:

(i) A shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint up to two (2) proxies [the appointment shall be invalid unless the shareholder specifies the proportions of his shareholdings to be represented by each proxy] to attend and vote.
(ii) The instrument appointing a proxy shall be in writing or if the appointor is a corporation either under the corporation's seal or under the hand of an officer or attorney duly authorised.
(iii) Where a shareholder of the Company is an exempt nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) Securities Account ("Omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus account it holds. An exempt authorised nominee with more than one (1) Securities Account must submit a separate instrument of proxy for each securities account.
(iv) The instrument appointing a proxy shall be deposited at the Company's Registered Office, Wisma Matrix, No.57, Jalan Tun Dr. Ismail,70200 Seremban, Negeri Sembilan Darul Khusus, Malaysia, not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjourned thereof.
(v) In respect of deposited securities, only shareholders whose names appear in the Record of Depositors on 17 August 2023 shall be entitled to attend, speak and vote at the 26th AGM.
(vi) The 26th AGM will be conducted fully virtual via RPV. The shareholders are advised to refer to the Administrative Guide on the registration and voting process of the meeting.

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AFFIX
STAMP

The Group Company Secretary

MATRIX CONCEPTS HOLDINGS BERHAD
Registration No. 199601042262 (414615-U)

Wisma Matrix
No. 57, Jalan Tun Dr. Ismail
70200 Seremban
Negeri Sembilan Darul Khusus, Malaysia

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WWW.MCHB.COM.MY

MATRIX CONCEPTS HOLDINGS BERHAD
Registration No. 199601042262 (414615-U)
Wisma Matrix
No. 57, Jalan Tun Dr. Ismail
70200 Seremban
Negeri Sembilan Darul Khusus
Malaysia.

T +606 764 2688
F +606 764 6288

NURTURING ENVIRONMENTS, ENRICHING LIVES.

This Integrated Annual Report is printed on environmental friendly paper.