

**MATRIX CONCEPTS HOLDINGS BERHAD (“MCHB” OR “THE COMPANY”)**  
**- SALE OF PROPERTIES TO RELATED PARTIES BY BSS DEVELOPMENT SDN BHD**

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**INTRODUCTION**

MCHB wishes to announce that BSS Development Sdn Bhd (“BSSD”), a wholly-owned subsidiary of the Company has on 22 November 2016, entered into separate Sale and Purchase Agreement (“SPA”) in respect of related party transactions (collectively referred to as “the Transactions”), the details of which are as set out below:-

<b>Purchasers (referred to as “Related Parties”)</b>	<b>Nature of relationship</b>	<b>Description of the Transaction</b>	<b>Selling Price (RM)</b>
Datin Yong Chou Lian	Datin Yong Chou Lian is the spouse of Dato’ Lee Tian Hock, the Group Managing Director of MCHB Group	SPA dated 22 November 2016 for the sale of one unit of double storey terrace house known as Suriaman 3, located on H.S.(D) 207767, PT6733 in Bandar Sri Sendayan, Negeri Sembilan measuring 3,648 sq ft.	1,211,888.00
Datin Yong Chou Lian	Datin Yong Chou Lian is the spouse of Dato’ Lee Tian Hock, the Group Managing Director of MCHB Group	SPA dated 22 November 2016 for the sale of one unit of double storey terrace house known as Hijayu 3, located on H.S.(D) 212213, PT9597 in Bandar Sri Sendayan, Negeri Sembilan measuring 4,122 sq ft.	1,296,888.00
Mdm Lee Yoke Bee, Mr Tiong Chang Lun and Mdm Lai Mee Wei	Mdm Lee Yoke Bee and Mr Tiong Chang Lun is the sister and nephew of Dato’ Lee Tian Hock, the Group Managing Director of MCHB Group  Mdm Lai Mee Wei is the spouse of Mr Tiong Chang Lun	SPA dated 22 November 2016 on the sale of one unit of shop office known as Sendayan Merchant Square, located on H.S.(D) 209396, PT8290 in Bandar Sri Sendayan, Negeri Sembilan measuring 184 sq meter	1,188,800.00
<b>Total</b>			<b>3,697,576.00</b>

**INFORMATION ON BSSD**

BSSD is the wholly-owned subsidiary of MCHB, was incorporated in Malaysia as a private limited company under the Companies Act, 1965. The principal activity of BSSD is property development.

**SALIENT TERMS OF THE TRANSACTIONS**

The consideration for the Transactions shall be paid in the following manner :-

- a) A payment equivalent to 10% of the Selling Price had been paid upon execution of the SPA;
- b) The balance of 90% shall be paid according to the stage of works completed.

BSSD agreed to sell and the Related Parties agreed to purchase the abovementioned properties with vacant possession free from encumbrances and subject to the terms and conditions as contained in the SPA which are standard and applicable to all purchasers.

### **RATIONALE OF THE TRANSACTIONS**

The Transactions as described above is incurred in the ordinary course of business of BSSD. There is no liability to be assumed arising from the Transactions.

### **BASIS OF ARRIVING AT THE SELLING PRICE**

The Transactions is based on standard terms and pricing applicable to general public and is not more favourable than those generally offered to BSSD's customers save and except for applicable discounts (if any) in accordance with the standard sales policy practised by BSSD which is also applicable to all the other purchasers.

### **FINANCIAL EFFECT OF THE TRANSACTIONS**

a) Share capital

The Transactions will not have any effect on the issued and paid up capital of the Company.

b) Net Assets (NA) and Earning per share

The Transactions will not have any material effect on the NA and Earnings per share of MCHB Group for the financial year ending 31 March 2017

c) Gearing

The Transactions has no effect on the gearing of MCHB Group for the financial year ending 31 March 2017.

### **HIGHEST PERCENTAGE RATIO**

The highest percentage ratio applicable for the Transactions pursuant to Paragraph 10.02(g) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements is 0.42%.

### **ESTIMATED TIME FRAME FOR COMPLETION**

The Transactions is expected to be completed within 24 months from the date of the SPA

### **APPROVAL REQUIRED**

The Transactions is being incurred in the ordinary course of business are not subject to the approval of the shareholders of MCHB or any governmental or regulatory authorities.

### **TOTAL AMOUNT TRANSACTED BY THE RELATED PARTY**

Dato' Lee Tian Hock and persons connected to him, namely his family members, had acquired several properties within MCHB Group (*the details of which had been duly announced on 13 September 2016, 17 June 2016 and 2 June 2016* )

Save and except for these transactions as mentioned, there is no other transaction entered into between the Related Party with MCHB Group of companies for the preceding 12 months.

### **INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED TO THEM**

Save for Dato' Lee Tian Hock, none of the Directors or major shareholders of MCHB or persons connected to them have any interests, direct or indirect, in the Transaction.

### **STATEMENT BY THE BOARD OF DIRECTORS AND THE AUDIT COMMITTEE**

The Board of Directors of MCHB (*with the exception of Dato' Lee Tian Hock who is interested in the Transactions*), is of the opinion that they are in the best interest of MCHB Group.

In addition, the Audit Committee, having considered all aspects of the Transaction, including the rationale, is of the opinion that they are:-

- a) In the best interest of MCHB Group;
- b) Fair, reasonable and on normal commercial terms; and
- c) Not detrimental to the interests of the Company's minority shareholders.

### **DOCUMENTS FOR INSPECTION**

A copy of the SPA is available for inspection at the Company's registered office during normal business hours for a period of 3 months from the date of this announcement.

This announcement is dated 22 November 2016.