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# MATRIX

## MATRIX HOLDINGS LIMITED

美力時集團有限公司\*

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 1005)

### DELAY IN DESPATCH OF THE CIRCULAR

Financial adviser to Matrix Holdings Limited



**Quam Capital Limited**

Pursuant to Rules 14.38 of the Listing Rules, the Company is required to despatch the Circular to the Shareholders within 21 days after publication of the Announcement, which is on or before 21 May 2007.

As additional time is required to prepare and audit the financial information of the Funrise Group as required by the Listing Rules for inclusion in the Circular, the Company has applied for a waiver from the Stock Exchange from strict compliance with Rules 14.38 of the Listing Rules and for an extension of deadline for the despatch of the Circular to on or before 20 June 2007.

Reference is made to the announcement of the Company in relation to, among others, the proposed acquisition by Maxibase, an indirect wholly-owned subsidiary of the Company, of all the equity interests of the Funrise Group for a total consideration of US\$23 million (equivalent to approximately HK\$179.4 million) dated 27 April 2007 (the "Announcement"). Unless the context otherwise requires, terms used herein shall have the same meanings as defined in the Announcement.

### THE CIRCULAR

Pursuant to Rules 14.38 of the Listing Rules, the Company is required to despatch the circular in relation to the Acquisition (the "Circular") to the Shareholders within 21 days after publication of the Announcement, which is on or before 21 May 2007. It is noted that the financial statements of some of the subsidiaries of the Funrise Group had not been audited previously and these financial statements had only been subject to review by various accounting firms. Subsequent to the signing of the Share Acquisition Agreement on 25 April 2007, the Funrise Group engaged its respective accounting firms in the countries in which the subsidiaries are located (the "Local Accountants"). The Local Accountants are currently in the process of preparing and finalising the financial information as required by the Listing Rules, in particular, the audited financial statements of each of Funrise LLC, Funrise Inc. and Code 3 LLC for the three financial years ended 31 December 2006 (the "Financial Information"), which is expected to be substantially completed within three weeks from the date of the Announcement. As at the date of this announcement, the Financial Information is not yet completed, and hence, the Company's reporting accountants (the "Reporting Accountants") cannot commence their field work until the Financial Information is ready for review. Immediately upon receipt of the Financial Information, the Reporting Accountants will commence their review work and prepare the consolidated financial information as required by the Listing Rules (the "Consolidated Financial Information") for inclusion in the Circular as soon as practicable. The Reporting Accountants consider that additional time is required to review the audit work done by the Local Accountants and to prepare the Consolidated Financial Information for inclusion in the Circular. Given the above, and in particular after taking into account the progress so far, the Reporting Accountants expects

that the finalisation of the Consolidated Financial Information and the related accountants report to be included in the Circular would be made ready, together with the Circular, within the week commencing 18 June 2007. In view of the foregoing, the Company expects that the despatch of the Circular is to be on or before 20 June 2007.

The Company has applied to the Stock Exchange for a waiver from the strict compliance with Rules 14.38 of the Listing Rules and for extension of deadline for the despatch of the Circular to on or before 20 June 2007.

As at the date of this announcement, the Board comprises Mr. Cheng Yung Pun, Mr. Yu Sui Chuen and Ms. Cheng Wing See, Nathalie as the executive Directors and Dr. Loke Yu alias Loke Hoi Lam, Mr. Mak Shiu Chung, Godfrey and Mr. Wan Hing Pui as the independent non-executive Directors.

By order of the Board  
**Cheng Yung Pun**  
*Chairman*

18 May 2007, Hong Kong

\* *For identification purpose only*