

MATRIX CONCEPTS HOLDINGS BERHAD (414615-U)

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Main Market, Bursa Malaysia

MATRIX CONCEPTS HOLDINGS BERHAD

AQUILAS ADVISORY



BUSINESS OVERVIEW

Matrix Concepts Holdings Berhad (Matrix Concepts), established in 1996, has grown into a major property development company in Malaysia. The Group has built a strong track record in developing residential, commercial, and industrial properties in Negeri Sembilan (NS) and Johor. To date, the Group has completed projects worth RM9.7b Gross Development Value (GDV) on approximately 3,667 acres of land. The Group currently is undertaking the development of two flagship township projects, **Sendayan Developments** in Seremban, NS, and **Bandar Seri Impian (BSI)** in Kluang, Johor. It is also developing **Sendayan TechValley (STV)** within Sendayan Developments, an industrial cluster highly promoted by the NS State Government and Malaysian Investment Development Authority (MIDA) to local and foreign investors.

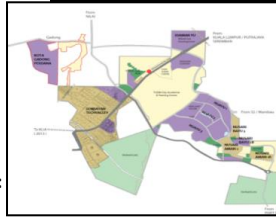
SENDAYAN DEVELOPMENTS @ Seremban, NS

Mixed developments of residential, commercial, & industrial properties

Key information on Sendayan Developments:

- Total acreage:** 7,180.0 acres
- Total GDV:** RM12.0b est.
- Completed:** RM6,747.1m
- Ongoing:** RM1,399.0m
- Unbilled sales:** RM809.1m (inc. STV)
- Completion:** end-2030 est.
- Location stats:**
 - To KL: 70km, **KLIA:** 22km

Sendayan Developments Masterplan



Key information on STV (part of Sendayan Developments):

- Total land:** 768.9 acres/172 lots*
- Sold:** 737.5 acres/149 lots*
- *After replanning of industrial land
- Completed end-2013**

Foreign Direct Investors to date:

- Hino Motor, Messier-Bugatti-Dowty, Keen Point, TMC Metal, Akashi-Kikay, Daihatsu Motors, MBM Resources, Meditop Corp, Nippon Kayaku, Weir Group, Schmidt + Clemens Group, Hubei Dijian Construction Group, Fibertex Personal Care, Shimadzu Corporation, Perodua & Daihatsu

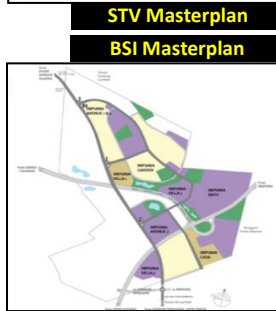


BANDAR SERI IMPIAN @ Kluang, Johor

Residential & commercial projects

Key information on BSI:

- Total acreage:** 1,003.6 acres
- Total GDV:** RM3.6b est.
- Completed:** RM1,360.4m
- Ongoing:** RM240.1m
- Unbilled sales:** RM74.3m
- Completion:** 2026 est.
- Easily accessible via numerous highways, e.g. Jln Kluang-Bandar Tenggara and proposed Kluang – Pasir Gudang Expressway



1Q22 OPERATIONS REVIEW

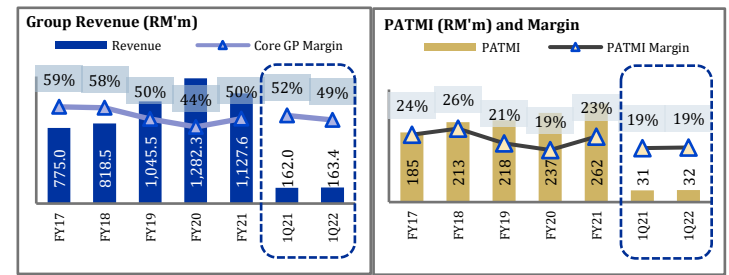
Location	Start GDV (RM 'm)	Completed Projects (RM 'm)	New Projects (RM 'm)	GDV Adjustment	End GDV (RM 'm)	Current Take-up (%)	Unbilled sales (RM 'm)
Sendayan Developments	1,635.2	375.9	-	(0.4)	1258.9	89.5	775.5
STV	140.0	-	-	-	140.0	87.4*	33.6
BSI	239.9	-	-	0.2	240.1	59.1	74.3
Others	325.5	-	-	-	325.5	87.8	155.3
Total	2,340.6	-	-	(0.2)	1,964.5	88.3	1,038.9

*Average take up rate for STV2 (GDV: RM619.2m) and STV3 (GDV: RM140m)

COMPETITIVE ADVANTAGES & KEY STRENGTHS

<p>Established Track Record</p> <ul style="list-style-type: none"> >20 years experience; incl. developing integrated township Ability to launch new projects at higher prices Experience in Joint Venture projects with State Governments 	<p>High Quality & Diverse Product Mix</p> <ul style="list-style-type: none"> Demonstrated in high take-up rates Diverse product portfolio to mitigate risk 	<p>Strategic Location</p> <ul style="list-style-type: none"> Sendayan Developments has high accessibility to key locations Bandar Seri Impian strategically located in Kluang 	<p>Sustainable & High-Impact Developments</p> <ul style="list-style-type: none"> Sendayan Developments to benefit from high-impact Government and industrial developments Ongoing and future projects GDV of approx RM8.7b 	<p>Experienced Management Team</p> <ul style="list-style-type: none"> Founder has >30 years of experience in the sector Supported by competent management team Ability to market and complete projects on time
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FINANCIAL PERFORMANCE



	1Q22 to 30.6.21	1Q21 to 30.6.20	Change	RM 'm	FY21 to 31.3.21	FY20 to 31.3.20	Change
Revenue	163.4	162.0	0.9%	1,127.6	1,283.4	(12.1%)	
Gross Profit	80.5	85.0	(5.3%)	565.2	568.1	(0.5%)	
Gross Profit margin	49.3%	52.5%	(3.2 pt)	50.1%	44.3%	5.9 pt	
EBITDA	45.6	45.7	0.0%	379.3	350.6	8.2%	
EBITDA margin	27.9%	28.2%	(0.3 pt)	33.6%	27.3%	6.3 pt	
PBT	42.7	42.7	(0.1%)	340.8	337.6	0.9%	
PBT margin	26.1%	26.4%	(0.3 pt)	30.2%	26.3%	3.9 pt	
PATMI	31.7	31.1	2.0%	262.2	237.4	10.5%	
Net margin	19.4%	19.2%	0.2 pt	23.3%	18.5%	4.8 pt	
Basic EPS (sen)	3.8	3.7	2.0%	31.4	29.5	6.6%	

Matrix Concepts' 1Q22 net profit increased 2.0% to RM31.7 mil (1Q21: RM31.1 mil), on revenue growth of 0.9% to RM163.4 mil (RM162.0 mil). The resilient performance was attributed to continued robust demand for the Group's affordably priced landed properties, as well as lower sales and marketing expenses due to cost-effective marketing programs.

Matrix Concepts declared 1st interim dividend of 2.00 sen/share with ex-date on 23 September 2021, payable on 7 October 2021.

IMMEDIATE PIPELINE LAUNCHES (GDV RM'm)

Projects	No. of Units/Type	FY2022 GDV (RM 'm)			
		1Q	2Q	3Q	4Q
Sendayan Developments					
Hijayu (Residence) Phase 1 (Parcel 2)	183 units 2-storey terrace houses			133.6	
Hijayu (Resort Villa) Phase 1,2,3	46 units 2-storey bungalows				110.0
Laman Sendayan 3	250 units town houses		27.5		
Laman Sendayan 4	540 units 2-storey terrace houses 20 units single storey shop		122.9		142.7
Bayu Sutera 1 (Precint 2B)	325 units of residential houses			175.6	
Bayu Sutera 2 (Precint 2A)	255 units of residential houses				131.7
Tiara Sendayan 9	90 units 2-storey terrace houses		48.4		
Tiara Sendayan 11	266 units town houses				22.0
Tiara Sendayan 12	120 units town houses		9.9		
Tiara Sendayan 13	476 units 1 & 2 storey terrace houses				129.6
Bandar Seri Impian					
Impiana Bayu 3B 1	195 units 2 storey terrace houses				93.6
Other					
Taman Anggerik Tenggara	240 units 2-storey terrace houses				77.9
Cheras Land	1 service apartment				375.0
Total		1600.4			

- To be launched
- Launched

GROWTH STRATEGIES

- To undertake landbanking at strategic timing**
 - To actively seek landbanking opportunities at strategic areas
 - Exploring potential lands to duplicate similar success
- To continue promoting Seremban as part of the Greater Klang Valley**
 - Leverage on high price differential between KL & Sendayan Developments prices
 - Emphasising connectivity with various highways
- To further enhance vibrancy of Sendayan Developments**
 - Commercial activities to thrive in township
 - Job creation via high-impact industries investing in STV
 - Top-notch education facilities and curriculum, as well as country club and other leisure amenities to attract families

INVESTMENT MERITS

- An investment proxy to the growth proposition of Seremban as a satellite city within the Greater Klang Valley
- Future earnings to be sustained till 2030 with close to RM6.8b¹ GDV of future launches; unbilled sales as at 30 June 2021: RM1,038.9m
- Strong balance sheet with minimal gearing – capable of undertaking landbanking
- Consistently paid dividends since listing; 1Q22 payout represents 54.7% of PAT¹

¹ Does not include potential GDV for Sendayan Icon Park (estimated more than RM6 billion)

INVESTMENT METRICS

Based on price (23.8.21): RM2.11, No. of Shares: 834.2 shares

Market Capitalisation	RM1,760.2m
Trailing PE Ratio	6.7x
Trailing EV/EBITDA	4.8x
FY21 Dividend Yield	5.7%

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