



PICTURES BY MATRIX CONCEPTS

December. We just previewed our third project in Australia, which is also in Melbourne. We are now in the midst of finalising the project's contractor.

For now, we will not pursue anything further until the third project is up and running, or the project could meet our ROI (return on investment) target. If not, we may not seek to continue our business expansion in Australia.

I will not say Australia did not contribute to our revenue. In fact, it has already achieved the purpose of investment.

When Matrix Concepts was publicly listed on Bursa Malaysia in 2013, the common market perception was that we were a not-so-big developer based in Negeri Sembilan. One way to make our name and showcase our ability to the market was to kick-start an overseas project. It is fair to say that the overseas investment was more for corporate image and brand-building purposes.

Today, the Matrix Concepts brand is well established and the purpose of investing in Australia has been well achieved. Therefore, if the ROI of the third project does not meet our target, we may not continue.

Nevertheless, I will not say that Australia did not contribute to the group's revenue. It is just not very significant. And as it is a very established and mature market, there is a limitation to the ROI unless the project is extraordinary or on a larger scale.

We have recently entered the Indonesia market with a local partner, which I believe will have a bigger impact in terms of revenue and prospects for the group.

It is a 3.6ha commercial development located in Pantai Indah Kapuk 2, in the northeast of Jakarta, within an Islamic financial hub that was endorsed by the Indonesian government. The first phase, the Menara Syariah Twin Towers, is due for completion in 1Q2023. Meanwhile, the remaining 2.2ha will keep us busy for the next four to five years.

We do have a longer-term plan for the Indonesian market. However, if things don't go our way or it stresses our cash flow, we will not be sentimental about any investments because we need to answer to our shareholders.

**Please tell us more about Matrix Concepts' metaverse platform.**

Matrix Concepts has constantly upgraded itself and readied itself for the future. The launch of the metaverse [platform] is one of the things we do to stay ahead.

It is a virtual platform where you can create your avatar and explore the company's projects on the platform. You may also interact with other avatars in real time — our salesperson and other visitors like yourself — who want to explore our projects.

Some may say the metaverse is not really relevant now in Malaysia as we do not have 5G yet. It is something for the future. However, I believe the 'future' is much closer than we imagine. It may come at any time. We don't want to take action when the future is already here. It is also our strategy to avoid major hiccups after all the crises in the past.

An artist's Impression of M333 St Kilda ... It is Matrix Concepts' third project in Australia

**Matrix Concepts Holdings Bhd**

FINANCIAL YEAR-END: (RM MIL)	2021	2020	2019	2018	2017
Revenue	892.4	1,127.60	1,283.41	1,045.53	818.48
Pre-tax profit	268.4	340.81	337.61	297.77	295.21
Paid-up capital	961.32	961.32	961.28	800.22	796.22
Shareholders' funds	1,910.38	1,807.74	1,605.13	1,327.12	1,206.49
Profit attributable to shareholders	205.2	262.22	237.39	218.39	213.28
Dividend payout ratio (%)	52	39.6	40.6	44.5	45

we will still need some time to train them.

Many in the industry have said that we [developers] should be using the Industrialised Building System (IBS) more to cut down on our dependence on foreign labour and level up our building method. I do agree that IBS is the way forward but Malaysia is not ready to go fully to IBS yet. It may solve the current labour shortage issue, but it will also further increase the already-high construction cost, which will put the developers in the difficult position of finding the balance between profit margin and product affordability.

We have stopped using IBS for our projects but we still have onsite precast and precast for some projects. There are a few key reasons and one of it is the 8% to 10% additional cost if we continue to use IBS. The traditional way of building is the most cost-efficient and feasible in the current situation. In fact, by using the traditional way of building now, it helps to keep our house prices at an affordable range, so that more people will be able to own a house.

It is true that prices are very sensitive now in the property market because we are not a high-income country. In my humble opinion, I think IBS can only have a greater impact on Malaysia's property market when we are already a high-income country with a higher disposable income in general.

**Please share with us the plan for the newly acquired 1,382 acres in Negeri Sembilan.**

It will be a mixed development, comprising main-

ly landed houses and small pockets of industrial products, as the land is not far from the port and KLIA. We see the potential of industrial property. We will also have a lifestyle commercial component there. It will be a self-sustaining township.

We are in the midst of converting the land for development before we can kick off the infrastructure works and build a sales gallery. Meanwhile, we are working on branding and promotion. If everything goes smoothly, we will have the first launch in FY2025.

For the next two years, we will be focusing on rolling out new phases in our ongoing projects. We are quite comfortable with our land bank, which is about 1,300 acres, excluding the tract that we just acquired. Altogether, the current land bank will easily keep us busy for the next 10 years.

Having said that, we are open to any good land deal. If the price is right and it's in a good location, we will go for it, especially in our existing markets in Negeri Sembilan, the Klang Valley and Johor.

We intend to enhance our presence in the Klang Valley before expanding our footprint to other states or a new overseas market.

**Please share with us the development of your overseas business.**

Our first overseas project is in Melbourne, Australia. We have completed one project and now the second project is coming to an end. We are looking to hand over the project to buyers in November or

An artist's Impression of a park in Bandar Sri Sendayan

**ONGOING PROJECTS**

PROJECT LOCATION	TYPE	GDV (RM MIL)	LAUNCH DATE
Bandar Sri Sendayan, Negeri Sembilan	Township	1,437.71	Aug 2020
Bandar Seri Implan, Kluang, Johor	Township	189.70	Nov 2019
Tiara Sendayan, Sendayan Developments, Negeri Sembilan	Township	489.03	Oct 2020
KL Chambers, Wilayah Persekutuan, Kuala Lumpur	Residential	322.70	Aug 2018

**IN THE PIPELINE**

PROJECT LOCATION	TYPE	GDV (RM MIL)	EXPECTED LAUNCH DATE
Sendayan Development, Negeri Sembilan:			
- Bayu Sutera			
- Eka Height 1 & 2	Residential	3,368.17	NA
- Tiara Sendayan			
- Iraman Sendayan 1			
Bandar Seri Implan, Kluang, Johor:			
- Implana Square 2			
- Implana Damal 2B	Residential	2,028.16	NA
- Implana Bayu 3B1			
- Implana Alam			
- BSI 2			

