

# Matrix Concepts bullish on outlook

**PETALING JAYA:** Property developer Matrix Concepts Holdings Bhd posted a 56.1% year-on-year (y-o-y) revenue growth to RM363.8mil in its third fiscal quarter for financial year 2023 Dec 31 (3Q23), supported by recognition from the group's recently completed The Chambers, Kuala Lumpur and M. Greenvale, Australia projects.

Group gross profit for 3Q23 improved 10.7% y-o-y to RM150.7mil compared to RM136.2mil previously, driven by the higher turnover.

However, net profit was 9.1% lower y-o-y at RM53.6mil from the RM59.1mil reported in the corresponding quarter last year, due to the product mix factor which included lower gross margin contributions from the Kuala Lumpur and Australia projects.

Nevertheless, cumulative group revenue for the nine months ended Dec 31 last year (9M23) climbed 28.2% to RM815.4mil from RM636mil in the previous corresponding financial period, while net profit rose 6.9% to RM149.5mil from RM140mil previously.

The improved performance was in line with revenue recognition from the completion of the group's Kuala Lumpur and Australia projects and increased contribution from Malaysian developments as labour insufficiency issues subsided gradually.

Meanwhile, new property sales remained resilient at RM340mil in 3Q23 from RM356.7mil in the previous quarter, on healthy demand for launches at the company's flagship Sendayan Developments in Seremban.

The 3Q23 new property sales excluded the RM65.1mil contributed post completion of the M. Greenvale project, which was fully recognised as revenue in line with Australia's accounting standards.

At the same time, 9M23 new property sales was maintained y-o-y at RM1bil, with the group staying on track to hit its full year target of RM1.2bil for FY2023.

On the back of healthy sales, total unbilled sales increased to RM1.5bil as at Dec 31 against RM1.3bil for the same period a year ago, providing strong financial visibility over the next 12 to 15 months.

Matrix Concepts chairman Datuk Mohamad Haslah Mohamad Amin said the positive performance of the group in 3Q23 is a testament to its resilience in managing the challenges faced in the property sector.

He said the good performance was also underpinned by the market's confidence in the company, as reflected in its healthy valuations being at par with book value.

"This is further highlighted by continued strong response for our well-priced afforda-

ble premium homes at our Sendayan Developments and we are also benefiting from the results of our portfolio diversification strategy through contribution from our Klang Valley and Australia projects.

"With improving market conditions and gradual easing of labour insufficiency issues, we are confident of hitting our annual sales target of RM1.2bil for FY23 as well as expect significant recovery in revenue in the next three-to six-months," said Mohamad Haslah.

He noted that the group's prospects are also supported by a strong track record of expediting and ramping up construction activities for its projects, on top of its solid financial position.

Additionally, he said the group has a clear growth roadmap and an ongoing acquisition of a 1,382-acre land in Negri Sembilan that will provide the company with strong long-term footing for future growth.

The company declared a third interim dividend of two sen per share in respect of FY23, with the ex-date on March 23, 2022 and payable on April 6, 2023.

Together with the first and second interim dividend of two sen and two sen respectively, the cumulative dividend payout amounts to six sen for 9M23, totalling RM75.1mil or 50.2% of net profit for 9M23.