Strong earnings visibility for Matrix Concepts

New sales rise to RM345mil in third quarter

PETALING JAYA: Matrix Concepts Holdings Bhd's unbilled sales of RM1.2bil as at Dec 31, 2023 will provide solid earnings visibility for the group when recognised over the next 15 to 18 months.

Matrix said it registered new property sales of RM345.3mil for the third quarter ended Dec 31, 2023 (3Q24) compared to RM340.3mil in 3Q23, with its flagship Sendayan Developments project in Seremban contributing RM231.1mil of the amount.

The group's recent second Klang Valley development, Levia Residence, secured RM97.9mil worth of new sales within three months of its launch.

"Matrix Concepts has established a robust foothold in Negri Sembilan, the Klang Valley and Johor, while also extending our influence globally with successful ventures in Indonesia and Australia.

"Our new property sales for the nine months of the financial year 2024 (9M24) position us on track to hit our target of RM1.3bil new sales for financial year 2024 (FY24)," chairman Datuk Mohamad Haslah Mohamad Amin said in a statement.

"We have demonstrated improved financial performance and resilience despite the challenges of higher building material prices and inflated logistical costs.
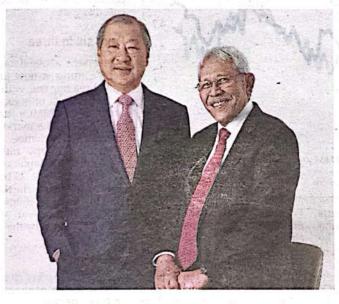
"This substantiates our commitment to declare dividends, with the payout in 9M24 higher by 25% compared to the same period last year."

The group's new property sales in 9M24 were healthy at RM961.4mil, which allowed Matrix to continue its profit growth trajectory by recording a 5.3% year-on-year (y-o-y) growth in earnings to RM57.2mil in 3Q24.

The higher profit was primarily driven by a larger contribution from its property projects in Sendayan Developments, resulting in a 5.8% on-year increase in gross

Growth trajectory: Mohamad Haslah (right) with Matrix Concepts' founder and group executive deputy chairman Datuk Seri Lee Tian Hock. The company has established a robust foothold in Negri Sembilan, the Klang Valley and Johor, while also extending its influence globally with successful ventures in Indonesia and Australia.

profit to RM159.5mil in 3Q24.

The rise in net profit was achieved despite an 18.6% y-o-y decline in revenue to RM296mil in the quarter due to lower contribution from the property development segment, which declined by 19.1% y-o-y to RM286.2mil in the period.

Matrix's filing with Bursa Malaysia stated the drop was mainly due to the absence of revenue contribution from the group's Australian and Klang Valley property development activities, following the completion of M. Greenvale and The Chambers developments in the previous year.

The two developments recorded revenues of RM65.1mil and RM52.7mil, respectively, in 3Q23.

In a statement, Matrix noted that Sendayan Developments was the main revenue provider in 3Q24, contributing RM268.3mil or 90.6% of total group revenue, while its Bandar Seri Impian in Kluang, Johor, contributed RM16.8mil.

Its other business units, namely, the education and hospitality divisions, contributed RM9.8mil revenue in 3Q24, down 4.3% y-o-y.

The group also recorded an inaugural contribution from its healthcare division, namely, Mawar Medical Centre in Seremban, amounting to RM2mil in 3Q24 which is expected to see healthy sustainable earnings moving forward.

The group declared a third interim dividend of 2.5 sen per share in respect of FY24 with the dividend ex-date on March 21 and the payment date on April 3.

Together with the first and second interim dividends of 2.5 sen each, the 9M24 dividend per share stands at 7.5 sen with a total payout of RM93.9mil or 51.1% of 9M24 earnings.

Its 9M24 net profit grew by 22.3% y-o-y to RM185.9mil on the back of a 21% rise in revenue to RM986.8mil.

Matrix launched eight projects worth RM978.6mil at Sendayan Developments in 9M24, which comprised 1,338 double-storey terrace houses, 14 double-storey bungalows and a serviced apartment with 389 units in the Klang Valley.

Revenue from the group's other business units decreased by 3.5% to RM29.1mil in 9M24 from RM30.1mil previously.