

Matrix Concepts excels with RM113mil net profit

Group on track to exceed previous year's record performance

PETALING JAYA: Negri Sembilan township developer Matrix Concepts Holdings Bhd is on track to exceed the previous year's record net profit, after recording a 10% jump in net profit to RM113.4mil in the first half ended Sept 30, 2019.

The group said the improved performance was underpinned by a 9.9% year-on-year increase in revenue to RM531.2mil, on the back of higher recognition from sales of properties at Sendayan Development, its flagship township, Bandar Seri Impian, and its high-rise property development Chambers Kuala Lumpur.

Sales performance also remained resilient with the group selling RM665.6mil worth of new properties during the period, exceeding 50% of its full year sales target of RM1.3bil.

Its second quarter net profit, meanwhile, jumped 10.9% to RM58.7mil on the back of stronger performance from its property development and investment properties segments.

The group's revenue, for the three-month period ended Sept 30, 2019, came in at RM282.7mil, representing an increase of 11.6% from the previous year's corresponding quarter.

The growth in revenue, the group said, was largely attributed to the higher revenue recognition from the its Sendayan Development project and Chambers Kuala Lumpur.

Revenue recognition from the group's investment properties also improved to RM9.5mil during the quarter, from RM9mil a year ago.

In its filing with the stock exchange, the township developer said its unbilled sales stood at RM1.2bil as at Sept 30, 2019, to be recognised over the next 15 months.

Compared with the preceding quarter, revenue was up 13.8%, mainly attributed to higher revenue recognition the group's maiden high-rise development project and industrial properties.

Group profit before tax was also up by RM6.5mil or 8.9% in line with the improved top line.

Looking ahead, the group said it has lined-up close to RM500mil worth of new property launches, comprising mainly affordable and affordable-premium residential properties in Sendayan Development, for the remaining six months of FY20.

Total launches for FY20, it said, was targeted at RM1.2bil.

Despite the soft property industry, Matrix Concepts' said it was confident of positive uptake of its properties, given the carefully tailored property launches which were aligned

to the requirements of its target market.

In a statement, group chairman Datuk Haji Mohamad Haslah Mohamad Amin said they were encouraged by the commendable sales performance and aimed to further capitalise on the growing recognition of their townships by embarking on more landbank expansions.

"We also look forward to expanding our recurring income stream beyond property development, through other business units namely hospitality, education, and our most recent foray into the healthcare segment," he said.

For the next phase of the group's growth plans, Mohamad Haslah said the group aimed to enhance its brand beyond its origins in Negri Sembilan, by expanding the group's footprint in the Klang Valley and Australia.

He said the upcoming launch of the Menara Syariah Twin Towers in Jakarta was testament to Matrix Concepts' commitment towards sustained growth for the long-term.

The group declared a second interim single tier dividend of three sen per share.

Together with an earlier-paid first interim single-tier dividend of three sen per share, the total estimated payout makes up RM49.4mil or 43.5% of first half net profit.