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Matrix posts firm Q1 results

Developer's income expands 8.7% on back of resilient property sales

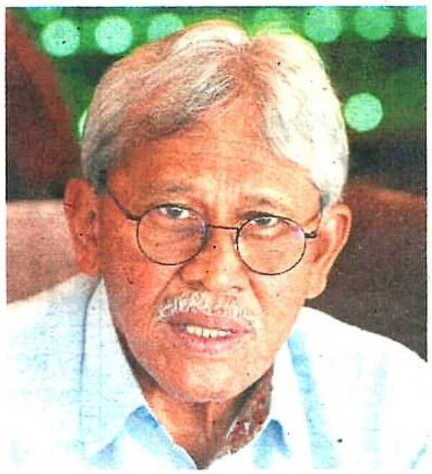
PETALING JAYA: Matrix Concepts Holdings Bhd has posted a firm set of financial results in its first quarter ended June 30, underpinned by resilient property sales and an improved contribution from its hospitality and education businesses.

In a statement, the Negri Sembilan-based township developer announced that its net profit had risen 8.7% to RM54.55mil from RM50.15mil a year ago.

Revenue increased 8% to RM248.50mil from RM230mil, mainly driven by higher revenue recognition for its residential and commercial properties.

Earnings per share was at 7.09 sen compared with 6.67 sen. It has declared an interim dividend of three sen a share or a payout of RM23.6mil or 43.3% of net profit in the first quarter.

Matrix Concepts' ongoing gross development value (GDV) increased by 10.2% to RM2.9bil from RM2.6bil in the financial year ended March 31, 2019 (FY19).



The unbilled sales in the first quarter improved by 1.9% to RM1.24bil from RM1.22bil a year ago.

Matrix Concepts chairman Datuk Mohamad Haslah Mohamad Amin (*pic*) said the commendable performance underscored the vast demand for its residential and commercial properties in its townships of Bandar Sri Sendayan (BSS) in Negri Sembilan and Bandar Seri Impian (BSI) in Johor.

"At the same time, we are strengthening our recurring income from investment properties to achieve greater sustainability and long-term value for our shareholders.

Notably, MGS and d'Tempat Country Club registered a significantly better performance as we continue to optimise their operations, and we look forward to further enhancements to our results in FY20," he said.

Haslah added that Matrix Concepts was expanding to include other high-potential markets, which included expanding its brand in Melbourne via M.Greenvale following the success of its M.Carnegie boutique apartment, and its participation in the development of the Islamic Financial Towers in Jakarta.

Commenting on the first-quarter revenue, he said recognition of residential properties increased by 9.3% and accounted for RM208.7mil, while recognition of commercial properties surged by 62.0% to RM29.8mil.

However, revenue from sales of industrial properties fell by 48.3% to RM10.7mil while contribution from investment properties – MGS and d'Tempat Country Club – dipped 1.5% to RM9.9 mil.

Haslah was upbeat on the company's prospects and expects the enlarged ongoing GDV and unbilled sales to provide "strong earnings visibility for the next 18 months, driven by resilient demand for our properties."