



# MATRIX CONCEPTS HOLDINGS BERHAD (414615-U)

Wisma Matrix, No. 57, Jalan Tun Dr. Ismail, 70200, Seremban, Negeri Sembilan Darul Khusus  
 T: +606-764 2688 F: +606-764 6288 | Web: [www.mchb.com.my](http://www.mchb.com.my) IR Site: [www.mchb.com.my/investor-relations](http://www.mchb.com.my/investor-relations)

Bloomberg: MCH:MK  
 Reuters: MATR.KL

## BUSINESS OVERVIEW

**Matrix Concepts Holdings Berhad (Matrix Concepts)**, established in 1996, is a reputable property developer in Negeri Sembilan. The Group has built a strong track record in developing residential, commercial, and industrial properties in Negeri Sembilan (NS) and Johor. To date, the Group has completed projects worth RM6.4b Gross Development Value (GDV) on approximately 3,155 acres of land. The Group currently is undertaking the development of two flagship township projects, **Bandar Sri Sendayan (BSS)** in Seremban, NS, and **Bandar Seri Impian (BSI)** in Kluang, Johor. It is also developing **Sendayan TechValley (STV)** within BSS, an industrial cluster highly promoted by the NS State Government and Malaysian Investment Development Authority (MIDA) to local and foreign investors.

### BANDAR SRI SENDAYAN @ Seremban, NS

➤ Mixed developments of residential, commercial, & industrial properties

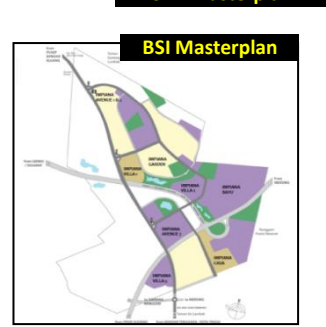
#### Key information on BSS:

- **Total acreage:** 2,893.3 acres
- **Total GDV:** RM9.8b est.
  - **Completed:** RM3,866.6m
  - **Ongoing:** RM2,164.6m
  - **Unbilled sales:** RM1,118.7m (inc. STV)
- **Completion:** end-2027 est.
- **Location stats:**
  - **To KL:** 70km, **KLIA:** 22km



#### Key information on STV (part of BSS development):

- **Total land:** 694.5 acres/130 lots
- **Sold:** 637.3 acres/114 lots
- **Completed end-2013**
- **Foreign Direct Investors to date:**
  - Hino Motor, Messier-Buggati-Dowty, Keen Point, TMC Metal, Akashi-Kikai, Daihatsu Motors, MBM Resources, Meditop Corp, Nippon Kayaku, Weir Group, Schmidt + Clemens Group, Hubei Dijian Construction Group, Fibertex Personal Care, Shimadzu Corporation, Perodua & Daihatsu

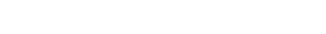


### BANDAR SERI IMPIAN @ Kluang, Johor

➤ Residential & commercial projects

#### Key information on BSI:

- **Total acreage:** 694.1 acres
- **Total GDV:** RM2.4b est.
- **Completed:** RM1,013.7m
- **Ongoing:** RM345.5m
- **Unbilled sales:** RM114.0m
- **Completion:** 2023 est.
- Easily accessible via numerous highways, e.g. Jln Kluang-Bandar Tenggara and proposed Kluang – Pasir Gudang Expressway



## 9M19 OPERATIONS REVIEW

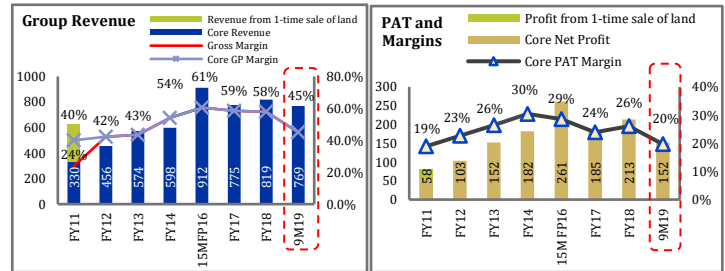
Location	Start GDV (RM 'm)	Completed Projects (RM 'm)	New Projects (RM 'm)	GDV Adjustment	End GDV (RM 'm)	Current Take-up (%)	Unbilled sales (RM 'm)
BSS	2,047.3	681.3	792.5	6.1	2,164.5	80.7	1,065.3
STV	786.7	786.7	-	-	-	85.4	53.4
BSI	401.2	62.0	-	6.3	345.5	71.0	114.0
Chambers KL	-	-	310.8	-	310.8	47.8	111.9
SIGC	161.7	161.7	-	-	-	98.4	57.4
M.Carnegie	101.8	101.8	-	-	-	100.0	-
PKL 2	-	-	25.0	-	25.0	64.3	13.8
<b>Total</b>	<b>3,498.7</b>	<b>1,793.5</b>	<b>1,128.3</b>	<b>12.4</b>	<b>2,845.8</b>	<b>81.5</b>	<b>1,415.7</b>

## COMPETITIVE ADVANTAGES & KEY STRENGTHS

<b>Established Track Record</b> >20 years experience; incl. developing integrated township Ability to launch new projects at higher prices Experience in Joint Venture projects with State Governments	<b>High Quality &amp; Diverse Product Mix</b> Demonstrated in high take-up rates Diverse product portfolio to mitigate risk	<b>Strategic Location</b> BSS has high accessibility to key locations Bandar Seri Impian strategically located in Kluang	<b>Sustainable &amp; High-Impact Developments</b> BSS to benefit from high-impact Government and industrial developments Ongoing and future projects GDV of approx RM8.3b <sup>1</sup>	<b>Experienced Management Team</b> Founder has >30 years of experience in the sector Supported by a competent management team Ability to market and complete projects on time
---	---	--	--	--

For more information, please contact:  
 Terence Loo T: 03-2711 1391/ 012-629 5618  
 Louis Tan T: 06-7642 688/ 017-336 1595  
 Fadzli Suhaimi T: 06-7642 688/ 012-208 0090

## FINANCIAL PERFORMANCE



	3Q19	3Q18	Change	RM 'm	9M19 to 31.12.18	9M18 to 31.12.17	Change
<b>Revenue</b>	285.7	266.2	7.3%	769.0	641.9	19.8%	
<b>Gross Profit</b>	128.3	144.3	-11.1%	346.4	355.0	-2.4%	
<b>Gross Profit margin</b>	44.9%	54.2%	(9.3 pt)	45.0%	55.3%	(10.3 pt)	
<b>EBITDA</b>	74.1	98.8	-25.1%	220.4	238.1	-7.4%	
<b>EBITDA margin</b>	25.9%	37.1%	(11.2 pt)	28.7%	37.1%	(8.4 pt)	
<b>PBT</b>	71.8	97.4	-26.4%	214.1	230.4	-7.1%	
<b>PBT margin</b>	25.1%	36.6%	(11.5 pt)	27.8%	35.9%	(8.1 pt)	
<b>PATMI</b>	48.6	70.6	-31.1%	151.7	167.9	-9.7%	
<b>Net margin</b>	17.0%	26.5%	(9.5 pt)	19.7%	26.2%	(6.4 pt)	
<b>Basic EPS (sen)</b>	6.5	9.5	-32.1%	20.2	26.3	-23.2%	

**Matrix Concepts'** 3Q19 revenue increased 7.3% to RM285.7m (3Q18: RM266.2m) on higher revenue recognition from residential and commercial development properties. However, 3Q19 net profit dipped 31.1% to RM48.6m (3Q18: RM70.6m) on changes in product mix, and a significant contribution from industrial properties in 3Q18. **Matrix Concepts** declared a 3<sup>rd</sup> interim single-tier dividend of 3.00 sen/share with ex-date on 21 March 2019 and payable on 10 April 2019.

## IMMEDIATE PIPELINE LAUNCHES (GDV RM 'm)

Projects	No. of Units/Type	FY2019			
		1Q	2Q	3Q	4Q
<b>Bandar Sri Sendayan</b>					
Hijayu Resorts Homes (Phases 5&6)	10 units 2-storey semi detached houses, and 175 units 2-storey terrace houses				17.0
Ara Sendayan Phase 3 (Precinct 4)	168 units 2-storey terrace houses	119.6			
Ara Sendayan Phase 4 (Precinct 2A)	244 units 2-storey terrace houses			191.2	
Ara Sendayan Phase 5 (Precinct 2A)	144 units 2-storey terrace houses				103.5
Tiara Sendayan 1	192 units 1-storey terrace houses, and 212 units 2-storey terrace houses	151.4			
Tiara Sendayan 2	504 units 2-storey terrace houses		225.7		
Tiara Sendayan 3 (Precinct 4)	363 units 2-storey terrace houses				158.4
Tiara Sendayan 4 (Precinct 3)	429 units 2-storey terrace houses				205.2
Tiara Biz 1	24 units 2-storey shop offices			23.7	
Tiara Biz - Petrol Station	1 units 2-storey shop offices			2.9	
Sub Centre @ STV 1A	13 units of industrial lots			77.8	
<b>Bandar Seri Impian</b>					
Impiana Bayu 3A	83 units 2-storey terrace houses				44.6
<b>Others</b>					
Chambers KL (PWTC)	509 units service apartments, and units commercial lots		310.8		
Lobak Commercial Centre	14 units 2-storey shop offices		25.0	3.9	
<b>TOTAL</b>					<b>1,660.7</b>

● To be launched ● Launched

## GROWTH STRATEGIES

- **To undertake landbanking at strategic timing**
  - To actively seek landbanking opportunities at strategic areas
  - Exploring potential lands to duplicate similar success
- **To continue promoting Seremban as part of the Greater Klang Valley**
  - Leverage on high price differential between KL & BSS prices
  - Emphasising connectivity with various highways
- **To create vibrancy in BSS**
  - Commercial activities to thrive in township
  - Job creation via high-impact industries investing in STV
  - Top-notch education facilities and curriculum, as well as country club and other leisure amenities to attract families

## INVESTMENT MERITS

- An investment proxy to the growth proposition of Seremban as a satellite city within the Greater Klang Valley
- Future earnings to be sustained till 2027 more than RM8.3b<sup>1</sup> GDV of future launches; unbilled sales as at 31 December 2018: RM1.4b
- Strong balance sheet with minimal gearing – capable of undertaking landbanking
- Consistently paid dividends since listing; 9M19 payout represents 47.1% of net profit<sup>1</sup> Does not include potential GDV for Sendayan Icon Park (estimated more than RM6 billion)

## INVESTMENT METRICS

Based on price (19.02.19): RM1.97, No. of Shares: 752.8m shares

<b>Market Capitalisation</b>	RM1,483.0 m
<b>Trailing PE Ratio</b>	7.7x
<b>Trailing EV/EBITDA</b>	5.6x
<b>FY18 Dividend Yield</b>	6.5%