

Matrix Concepts' 2Q21 net profit up 27.8% to RM75.1million

- *Rebounds to pre-MCO levels with highest net profit in 5 years*
- *Declares second interim dividend of 3.0 sen in respect of FY2021*

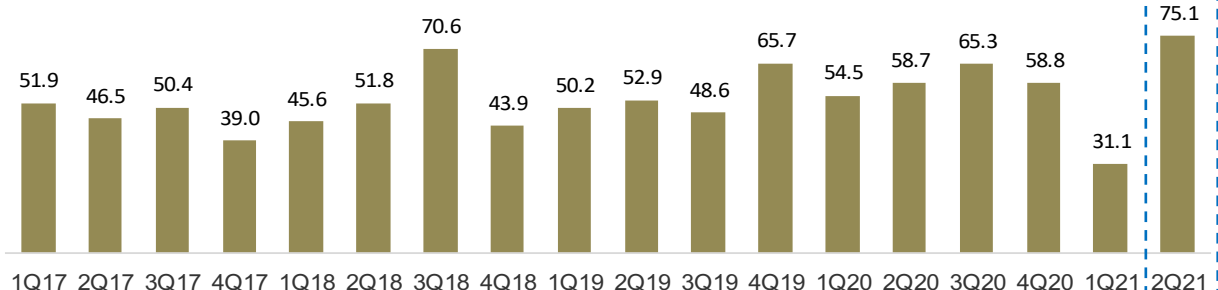
Seremban, Negeri Sembilan, Malaysia, 18 November 2020 - Property developer Matrix Concepts Holdings Berhad (Matrix Concepts; 金群利集团; Bloomberg: MCH:MK; Reuters: MATR.KL) recorded a 27.8% year-on-year increase in net profit to RM75.1 million for the second quarter ended 30 September 2020 (2Q21), delivering its best quarterly earnings in 5 years and signalling a return to pre-Movement Control Order (MCO) operating levels.

The commendable year-on-year net profit growth was achieved through revenue recognition of favourable product mix and expedited construction progress. Additionally, the Group benefited from optimised sales and marketing costs in line with the adoption of digital marketing efforts.

Group 2Q21 revenue stood at RM262.0 million, 7.3% lower compared to RM282.7 million in the previous year. The majority of 2Q21 revenue was contributed by recognition from residential and commercial properties amounting to RM227.6 million, while sales of industrial properties made up RM26.7 million. Revenue from investment properties contributed the remaining RM7.8 million in 2Q21.

Matrix Concepts Chairman Dato' Haji Mohamad Haslah commended the ramp up in construction progress following implementation of the Recovery Movement Control Order (RMCO) on 10 June 2020, in contrast to the lower productivity during the nationwide MCO period from March to May 2020.

Matrix Concepts' 5 Year Quarterly Net Profit Performance (RM' mil)



“Following the operational disruptions faced during the MCO, we remain resolved to deliver a swift recovery to pre-pandemic levels. Our focus in 2Q21 was to quickly mobilise our construction teams while maintaining stringent health protection measures, as well as transitioning to online sales and marketing channels that enabled us to continue recording healthy sales of new properties.

Given the ongoing challenges in the property sector, the strong take up rates achieved by our new property launches in 1H21 exceeded our expectations. This was helped by our strategy of tailoring offerings to meet latest market needs, such as fast-tracking launches of right-priced homes that feature both affordability and spaciousness at our award-winning Sendayan Developments, have struck a right chord with buyers.

While the Covid-19 pandemic continues to pose uncertainties, we remain upbeat on achieving our FY21 targets based on the recovery thus far. We are also supported by sizeable unbilled sales of RM1.1 billion which provides earnings visibility for the next 15 months, as well as new property launches with strong value propositions.”

*Dato’ Haji Mohamad Haslah bin Mohamad Amin
Chairman of Matrix Concepts Holdings Berhad*

Matrix Concepts launched three projects with total gross development value (GDV) of RM353.2 million in the first half ended 30 September 2021 (1H21), which recorded average take up rate of 80.7% as at 30 September 2020. The new launches, namely Clover @ Resort Residence, Floria @ Tiara Sendayan, and Laman Sendayan 1, featured a total of 735 landed single-storey and double-storey terrace homes at the Group’s flagship Sendayan Developments in Seremban.

Notably, the Laman Sendayan 1 and Floria @ Tiara Sendayan projects recorded take-up rates of 99.0% and 97.2% respectively as at 30 September 2020. Both projects were launched at a starting price of RM225,000 and RM498,888 per home respectively.

For 1H21, Matrix Concepts reported net profit of RM106.1 million from RM113.4 million previously, on revenue of RM424.0 million from RM531.2 million in the previous year. This was attributed mainly to lower contribution from the property development segment and investment properties in 1Q21 due to halt in operations imposed under MCO by the Malaysian Government from March to May 2020.

Of the Group’s 1H21 revenue, residential and commercial properties contributed RM369.9 million, while sales of industrial properties contributed RM39.6 million. The remaining RM14.5 million was made up of Group’s investment properties.

Dato’ Haslah added: “As our operations are on track to normalcy, we are committed to delivering healthy performance and dividends to our shareholders for the second half of FY21.”

“Encouraged by the continued strong take up of our properties, we would be launching RM787.3 million worth of new properties in the second half to capture market demand.”



Along with the commendable financial performance, the Group declared a second interim dividend of 3.0 sen per share in respect of FY21, with ex-date on 24 December 2020. Together with the first interim dividend of 2.0 sen, total dividend payout would amount to RM41.7 million or 39.3% of 1H21 net profit. The Group has a track record of paying out at least 40% of its annual net profit attributable to shareholders.

Financial Summary (Unaudited Consolidated Results)						
RM'000	3-month to 30.09.20	3-month to 30.09.19	Change	6-month to 30.09.20	6-month to 30.09.19	Change
Revenue	262,012	282,728	(7.3%)	424,036	531,230	(20.2%)
Pre-tax Profit	102,604	79,460	29.1%	145,332	152,522	(4.7%)
Net Profit to Shareholders	75,063	58,740	27.8%	106,118	113,389	(6.4%)
Basic EPS (sen)	9.00	7.39	21.8%	12.72	12.81	(0.7%)



About Matrix Concepts Holdings Berhad (金群利集团有限公司)

Established in 1996, Matrix Concepts Holdings Berhad is one of the leading developers in Negeri Sembilan. The Group has built a strong track record by developing residential and commercial properties in Negeri Sembilan and Johor. It has now grown its business units based on its four pillars; Property development, Construction, Education and Hospitality.

The Group is setting new benchmarks in integrated township developments, with its 5,233-acre Bandar Sri Sendayan (达城) township boasting a thriving community of 40,000-strong and rapidly growing, along with its highly successful Bandar Seri Impian (金峦城) township in Kluang, Johor. The Bandar Sri Sendayan township today features first class amenities such as the GBI-certified d'Tempat Country Club, Matrix Global Schools, d'Sora Business Boutique Hotel, and X Park, with a range of affordable to premium-priced houses situated amongst lush greeneries, where community-focused experiential living is at the core of its developments.

Matrix Concepts is also the developer of Sendayan TechValley - an industrial cluster at Bandar Sri Sendayan - which has seen a growing presence of prominent global and domestic brands and attracted more than RM4 billion worth of foreign direct investments to date.

The Group had more recently, expanded the Matrix Concepts brand into Kuala Lumpur with its first high-rise condominium project, as well as internationally to Melbourne, Australia and Jakarta, Indonesia.

The Group has consistently delivered greater shareholder returns, generating total returns of more than 160% to date since its Initial Public Offer in 2013, in addition to the completion of three bonus issuances consistent with earnings growth. The Group also won "Highest Return on Equity Over Three Years" for three consecutive years at The Edge Billion Ringgit Club Awards from 2017 to 2019.

For more information, please visit: www.mchb.com.my

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