

# Matrix Concepts first-half results improve

**PETALING JAYA:** Matrix Concepts Holdings Bhd is aiming to convert its growing unbilled sales, which have now exceeded RM1.4bil from RM1.1bil last year, to revenue upon solving its labour shortage issue.

In a filing with Bursa Malaysia, Matrix Concepts said it was in the final stages of the foreign labour recruitment process and expects to fulfil its labour requirement at its construction sites by year-end.

Additionally, the group expects healthy demand for new properties, moving forward, with growing inclination for Klang Valley residents to relocate outside of the city centre, made easier by remote and flexible working arrangements.

With the broadening of its sales channel through the use of digital solutions, the group intends to capitalise on the strong demand driven by the strong value proposition of its residential properties, particularly those within the RM600,000 price range.

Yesterday, the property development and investment holding company reported results for the sec-

ond quarter of its financial year 2023 (2Q23), where net profit for the quarter was marginally lower at RM50.57mil from RM51.8mil in the previous corresponding quarter.

Revenue for the quarter decreased by 7.2% year-on-year (y-o-y) to RM222.35mil.

"Revenue remained relatively healthy despite the continued challenges posed by the shortage in the labour supply that has affected construction activities, particularly in the last 12 months," it said.

"While construction activities were hampered by an insufficient labour force, the group managed to secure RM352.7mil of new property sales for the quarter, driven by healthy demand for its new launches at its Sendayan Developments," it added.

Residential properties remain the group's strongest provider, contributing 93.1% or RM207mil of its revenue for the quarter, as homebuyers remain attracted by the value proposition of the group's product offerings.

"Revenue from both commercial

and industrial properties was significantly lower by 85.9% at RM5.3mil, as a result of lower commercial product launches during the current financial year, as well as limited industrial product inventory as its Sendayan Tech Valley development approaches its conclusion," it added.

Commenting on its performance, Matrix Concepts chairman Datuk Mohamad Haslah Mohamad Amin said: "Despite the labour availability issues we have been experiencing, we are still able to maintain healthy margins supported by our in-house construction arm, which allows us to maintain quality, cost efficiency, and timely handover to buyers."

He believes that these strengths will prepare the group well for the upcoming macroeconomic challenges expected in 2023.

A single-tier second interim dividend of two sen per share has been declared with the entitlement date on Dec 23, 2022 and payable on Jan 12, 2023.

Together with the first interim dividend of two sen per share, the

cumulative dividend payout amounts to four sen per share for the first half of its financial year 2023 (1H23), totalling RM50.1mil or a 52.2% payout ratio of the 1H23 profit after tax.

For 1H23, both the group's revenue and net profit improved by 12.1% and 16.9% y-o-y to RM451.61mil and RM97.61mil, respectively.

According to the group, its profit after tax margin for 1H23 improved to 22.4% compared to 21.1% previously on a favourable product mix, which helped mitigate cost pressures and supply chain disruptions.

Meanwhile, the group achieved new sales of RM661.9mil in 1H23, growing 3.2% from RM641.3mil in the previous comparative period, on strong demand for affordable-premium residential projects at its Sendayan Developments.

"The group is on track to hit its full-year sales target, as 1H23 new sales reached 55.2% of the group's sales target of RM1.2bil in the financial year ending March 31, 2023," it noted.