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Matrix Concepts posts 4th straight quarter of growth

Developer on track for full-year new sales target of RM1.3bil

PETALING JAYA: Leading Negri Sembilan township developer Matrix Concepts Holdings Bhd reported its fourth consecutive quarter of growth in bottomline, with net profit in the third quarter ended Dec 31, 2019 rising 34.4% to RM65.3mil from RM48.6mil previously.

Revenue for the quarter stood at RM279mil.

The group's net profit for the nine months ended Dec 31, 2019 surged 17.8% to RM178.7mil from RM151.7mil in the previous corresponding period. Revenue for the period was 5.4% higher to RM810.2mil from RM769mil previously.

In a statement, Matrix Concepts said the enhanced performance came on the back of stronger revenue recognition from Sendayan Developments in Negri Sembilan, coupled with lower administrative and general expenses as well as finance costs in light of one-off expenses incurred in the previous period.

Of the group's revenue for the nine-month period, residential and commercial properties contributed RM691.5mil, while sales of industrial properties made up RM89.8mil. The remaining RM29mil comprised its investment properties.

Chairman Datuk Mohamad Haslah Mohamad Amin said that in financial year 2020 (FY20), the group has tailored its product launches to comprise more affordably priced offerings in line with robust market demand.

"This has allowed us to maintain net profit growth for numerous quarters, a challenging feat amidst weaker sentiment in the property market," he said in a statement.

In light of the positive response to its developments, Haslah said the group is optimistic of surpassing its target of achieving RM1.3bil in new sales for the financial year ending March 31, 2020.



Dividend payout: Matrix Concepts founder and group executive deputy chairman Datuk Lee Tian Hock (left) and Haslah. The group has declared a third interim single-tier dividend of 3.00 sen per share in respect of FY20.

"Additionally, the favourable interest rate, coupled with various initiatives announced in Budget 2020, further fuels our optimism of improved market sentiment, going forward," he added.

Matrix Concepts' ongoing gross development value rose by 2% to RM2.65bil as at end of the third quarter from RM2.6bil as at end of the financial year ended March 31, 2019.

Meanwhile, the group's unbilled sales for the second quarter stood at RM1.2bil, which will provide earnings visibility for the next 15 months.

On its prospects for the remainder of FY20, Haslah said: "We are pleased that Sendayan Developments is living to its true potential, posting revenue of RM642.5mil in the nine-

month period from RM561.3mil in the same period a year ago, signifying the ever-growing interest in our flagship development.

"We have started to diversify our property product offerings and are also determined to increase the contribution from other business units - education, hospitality and healthcare - to enhance growth and shareholders' returns," he said.

The group has declared a third interim single-tier dividend of 3.00 sen per share in respect of FY20.

Together with an earlier paid first and second interim single-tier dividend of 3.00 sen per share, total estimated payout makes up RM74.1mil or 41.4% of the nine-month net profit.