

CHAIRMAN'S STATEMENT



“

TO OUR
VALUED SHAREHOLDERS,

ON BEHALF OF THE BOARD OF DIRECTORS
OF MATRIX CONCEPTS HOLDINGS BERHAD
("MATRIX" OR "THE GROUP"), I AM
HONOURED TO PRESENT THE INTEGRATED
ANNUAL REPORT FOR THE FINANCIAL
YEAR ENDED 31 MARCH 2024 ("FY2024").

I'M PLEASED TO INFORM THAT MATRIX
CONTINUES TO DELIVER ANOTHER
YEAR OF COMMENDABLE PROFITS IN
OUR ELEVENTH YEAR OF PROGRESSIVE
GROWTH SINCE OUR LISTING ON THE MAIN
BOARD OF BURSA MALAYSIA.

**DATO' HAJI MOHAMAD HASLAH
BIN MOHAMAD AMIN**

NON-INDEPENDENT NON-EXECUTIVE CHAIRMAN

CHAIRMAN'S STATEMENT

PROGRESSIVE ECONOMIC GROWTH

FY2024 has been a year of continuous growth and progress despite the many challenges experienced. The global economy has been impacted by the geopolitical tensions with the ongoing Ukraine-Russia conflict, heightened further by the strife in the Middle-East. Rising inflation and tighter financial conditions have seen a marked tightening of monetary policy. This is in addition to the disruption in the supply chain and increased pricing of products and services across countries.

The above factors weighed significantly on Malaysia's economy, compounded by the increased inflation, unemployment and shrinking incomes, hence reducing the purchasing power of potential homeowners. Compounding this was the increase in cost of raw materials for construction and difficulty in securing financial loans.

However, notwithstanding the global, domestic financial and economic environmental factors above, the property market proved resilient in 2023, supported by an overall positive performance.

In 2023, a total of 399,008 transactions worth RM196.8 billion were recorded, each showing an increase of 2.5% and 9.9% respectively compared to 2022, which recorded 389,107 transactions worth RM179.1 billion.

Keeping a pulse on the erosion of the ringgit and growing inflation, Bank Negara Malaysia remained resolute in maintaining the overnight policy rate ("OPR") at 3.00% basis points for the large portion of the Group's financial year 2024.

Malaysia's Foreign Direct Investment ("FDI") in 2023 proved encouraging, given the nation's competitive advantage of skilled and available workforce, relative low cost of living and technological advancement. The relaxation of the Malaysia My Second Home (MM2H) programme, announced by the Government in December 2023, is on the right track to boost foreign investment in Malaysia particularly in real estate sector.

The property market in 2023 showcased a positive growth, largely attributable to the improving labour market conditions and implementation of various government initiatives and assistance such as the MADANI Economy Framework. Initiatives outlined in the National Budget 2023 also supported this growth, such as the full stamp duty exemption on the instrument of transfer and loan agreement for the purchase of the first residential home priced up to RM500,000 by Malaysia citizens to remain until 31 December 2025. Another initiative was the increase of stamp duty remission from 50% to 75% for the purchase of the first residential properties priced between RM500,000 to RM1 million by Malaysian citizens and applicable for sale and purchase agreements executed until 31 December 2023.

Budget allocations were also accorded for housing in rural areas as well as for development under the People's Housing Programme, Rumah Mesra Rakyat and the Project Perumahan Awam Malaysia.

On the demand side, mixed movements are shown in the indicators of residential and non-residential property demand. With the exception of a slight decline in local application for residential purchases, loan applications and approval for the non-residential property registered a positive increase.



Lumina, Eka Heights

CHAIRMAN'S STATEMENT



Levia Residence

PROGRESSIVE PERFORMANCE

Accelerating away from the earlier tumultuous pandemic era, Matrix has sharpened its focus on keeping to our established and proven business model, hence setting the stage for stronger, sustained growth in the years ahead.

Despite the many challenging business hurdles encountered in FY2024, the business agility and tenacity of the team at Matrix has once again persevered, forging a progressive path forward. This is clearly demonstrated in the Group's total revenue of RM1,344.1 million in FY2024, representing a 20.8% increase over revenue of RM1,113.1 million in FY2023.

This commendable performance is reflective of the Group's adaptive strategy, given the fast-evolving business environment. Managing cash flow and strengthening operational efficiency, using the Group's in-house construction arm, was a key focus alongside strategic product launches and the innovative digital transformation to support our ongoing business operations.


The accelerated market acceptance and reliance on digitalisation in today's business environment has served to further entrench our digital platforms, now a part of our standard operating systems in office processes. Nonetheless, we are continuously exploring avenues to further expand our technological boundaries to improve operating efficiency, adapt our product offerings to the evolving market trends driven by the expectation of the younger generation and essentially, cater to the needs of our customers and local community alike.

We affirm our passion and commitment as a domestic-driven developer, looking to customise our home ownership packages to offer right-priced, luxuriously spacious affordable homes, nestled in a vibrant township, to realise the dreams of potential buyers.

PROPERTY DEVELOPMENT

Our resilience in standing firm and facing head-on the many challenges in the business environment has proven successful. Our strategies and business acumen built up over the decades has held us in good stead, resulting in a credible performance in this arena.

In FY2024, revenue contribution from residential properties generated RM1,222.3 million, an increase of 20.4% over the previous financial year whilst the commercial and industrial properties contributed RM77.2 million, an increase of 34.5% over FY2023. This was supported by other business units bringing in revenue of RM44.6 million in FY2024, an increase of 10.7% over the corresponding financial year.

20.8% 
GROUP TOTAL REVENUE OF RM1,344.1 MILLION (FY2024) VS RM1,113.1 MILLION (FY2023)

The residential overhang situation continued to improve as the numbers has seen a reduction as compared to the previous year.

The country's GDP growth is projected to be moderately lower than the previous year. In line with other countries in the region, the property market performance is expected to be cautiously optimistic given the unpredictable external environment.

However, the accommodative policies, continuous government support, well execution of measures outlined in the revised National Budget 2023 and the proper implementation of strategies and initiatives under the Twelfth Malaysia Plan are expected to remain supportive of the property sector.

CHAIRMAN'S STATEMENT



Levia Infinity Pool View

IN FY2024, THE GROUP SUCCESSFULLY LAUNCHED 13 PROJECTS AT SENDAYAN DEVELOPMENTS WORTH RM1,065.7 MILLION IN GROSS DEVELOPMENT VALUE ("GDV").

In FY2024, the Group successfully launched 13 projects at Sendayan Developments worth RM1,065.7 million in gross development value ("GDV"), albeit a decrease of 9.3% over RM1,174.9 million in FY2023. The average take-up rate of 75.9% for these projects are indicative of the growing acceptance from homebuyers, particularly those from the Klang Valley.

One notable achievement is from Levia Residence in Cheras, was officially launched on 22 January 2024. Being the Group's second Klang Valley Development, it secured RM111.7 million worth of new sales, just within 3 months of its launch.

As at FY2024, the Group's total landbank stands at 2,032 acres, adequate to cater to development over the next two decades.



M333 St Kilda, Melbourne

STRENGTHENING OUR INTERNATIONAL FOOTPRINT

As part of its expansion strategy, Matrix had since embarked on a journey to further open out new markets globally and entrench our prowess as a reputable property developer and construction Company.

Having already established its presence in Australia, the Group had launched its third project in Melbourne, M333 St Kilda, with an expected completion within FY2026. Located in a trendy Tribeca-style bayside suburb, this 12-storey mixed development with a boutique apartment block is set to follow the successful footsteps of the Group's earlier two Melbourne projects, M. Carnegie and M. Greenvale.

CHAIRMAN’S STATEMENT

The Group’s presence in Indonesia is the Menara Syariah Twin Towers, a RM1 billion joint venture project. Strategically located at the gateway into the Islamic Financial District, it forms part of the International Financial District in Pantai Indah Kapuk 2 (PIK 2) Waterfront City, Jakarta. This commercial and retail building with two office towers, each 29-storeys high, is designed to promote a unique identity with modern, conducive and future-ready workspace as a world-class business hub. We are proud to announce that construction has just been completed and given the commercially attractive property sector, the Group is anticipative of a strong take-up rate.

FURTHERING EDUCATION

Matrix is a firm advocator of education being a powerful driver of development and a means to reduce poverty and improve health, gender equality, peace and stability. With

this as our driving force, we are proud to chart the progress at our Matrix Global Schools (“MGS”) in our Bandar Sri Sendayan township. Established over a decade ago, this multiple award-winning educational institution has recorded a 8.5% upturn in student intake in FY2024. Such is the quality of education that MGS has cultivated enrolment from students from Korea and China.

In taking this to the next level, in FY2024, the Group has entered into a management agreement with Adcote Schools, a multiple award-winning educational institution in the UK, to manage MGS. This milestone signals a pivotal moment in our ongoing journey to position MGS as a leading provider of private education in Malaysia.

MATRIX GLOBAL SCHOOLS, A MULTIPLE AWARD-WINNING EDUCATIONAL INSTITUTION ESTABLISHED OVER A DECADE AGO, HAS RECORDED A 8.5% UPTURN IN STUDENT INTAKE IN FY2024.



Operation Theatre in action

HEALTHCARE FOR THE COMMUNITY

In the four years since acquiring management of operations of the Mawar Medical Centre (“MMC”), Seremban in FY2020, we have successfully entrenched the centre as a reputable healthcare centre for the local community.

Offering professional medical services to cover a wide range of therapeutic disciplines, MMC has seen an increased patient load of 19.7% in FY2024 over the corresponding financial year. This has necessitated an increase in bed capacity, totalling 77 beds, in order to manage the increasing patient load. To date, a total of RM10.2 million has been invested into the upgrading of medical equipment at the centre.

In keeping the community at the core of its operations, MMC continues to provide dialysis and welfare subsidies to deserving patients. In FY2024, a total of 116 patients had benefitted from such medical and financial assistance.

In FY2024, the Group recorded an inaugural contribution from MMC, amounting to RM5.03 million. This is a clear indication of its reputation as a premier healthcare centre of choice for the local community, one which is poised for healthy sustainable earnings moving forward.



Matrix Global Schools students

CHAIRMAN'S STATEMENT



d'Tempat Country Club - family oriented club

UNIQUE BRAND OF HOSPITALITY

The Group's unique business approach is aptly reflected in its hospitality division, in managing two key establishments. d'Tempat Country Club, in the heart of the Group's Sendayan Development in Seremban, is recognised as a premier lifestyle and entertainment venue in Seremban. Operating for 10 years to date, it has since proven its capability to cater to large scale events. It is gradually recovering post-pandemic, generating revenue from continued membership subscription and events.

d'Sora Boutique Business Hotel, also at Bandar Sri Sendayan, offers accommodation ideal particularly for business travellers due to the close proximity to Seremban city and the Kuala Lumpur International Airport. With travel demand gradually returning to pre-pandemic levels, average occupancy rate in FY2024 is at 60.5%.

OUR DEDICATED WORKFORCE

Our workforce has always been our lifeblood in running our operations with admirable professionalism, calibre and capability. Totalling 947 staff within the Group and MMC, their prowess in their respective contributions have made us what and who we are.

At Matrix, we believe strongly in supporting each staff to strive for their fullest potential. Our talent development programmes are customised to meet their individual training needs. Such is the Group's commitment that we have invested RM274,662 in FY2024 into such capacity building programmes in order to develop high performance behaviours.

In instilling a deep sense of belonging in our workforce, Matrix adopts a listening ear to their voice and takes a caring approach toward staff wellbeing. This approach is largely responsible for the conducive and open workplace culture at Matrix and will enable the Group to continue to deliver our strategic objectives in upcoming years.

ENSURING SHAREHOLDER REWARD

At Matrix, our relationship with our stakeholders goes beyond mere fiduciary obligation. This is reflective in our issuing dividends on a quarterly basis, a tradition we have been faithfully carrying out for the past decade.

We reiterate our commitment to drive performance for shareholders' benefit and to enable strong returns via our dividend policy of a payout ratio of at least 50% of attributable earnings for the financial year.

In FY2024, the Group's total dividend payout was RM125.2 million, compared to RM103.2 million in FY2023. This represents a 50.9% payout of profit after tax, reaffirming Matrix as one of the top dividend yielding companies listed on Bursa Malaysia Securities Berhad. This further aligns with our commitment to deliver sustainable returns to shareholders with consistent dividends.



Resort Villa Type C Bungalow

CORPORATE MILESTONES AND RECOGNITION

I am honoured to share the many corporate milestones and recognition accorded in FY2024, a testimony to the strong brand and established reputation of the Group.

The Group entered into a facility agreement with AmBank for a landbank development worth RM512 million within the MVV 2.0 project, touted as the country's sixth economic corridor in the decentralisation of the Greater Kuala Lumpur. This agreement will align with the nation's aspiration to deliver economic impact by bringing in international and local investors, creating jobs and business opportunities.

Matrix has been consistently recognised through industry awards as a developer of choice, with its core ethos in building sustainable and healthy communities. The awards are also reflective of the competencies and resilience of our workforce and the innovative processes within the Group.



I wish to congratulate Dato' Seri Lee Tian Hock for being awarded the Sin Chew Lifetime Excellence Achievement Award.

At the same time, Matrix is also the recipient of various esteemed awards received in the financial year ended 31 March 2024, amongst which are:



- **SIN CHEW BUSINESS EXCELLENCE AWARDS:**
 - Top 10 (PAT)
 - Lifetime Excellence Achievement
- **THE EDGE PROPERTY EXCELLENCE AWARDS:**
 - Top 10 Property Developers Award
- **MALAYSIA DEVELOPER AWARDS:**
 - Top 3 in Top 10 for Market Capitalisation of RM1 Billion and Above

The above accolades serve as a testament to our dedication, innovation and commitment to exceeding expectations in the industry.

CHAIRMAN'S STATEMENT

CONTRIBUTION TO OUR COMMUNITY

Mirroring the Group's diverse business units, likewise diverse focus areas are targeted for corporate social responsibility ("CSR"), revolving around education, community, sports and social.

Matrix has worked conscientiously to bring to life the Corporate Social Responsibility (CSR) community spirit, embedding this firmly into the mindset of our workforce. In FY2024, a total of RM10.3 million was spent on CSR initiatives, significantly higher than the RM8.3 million spent in FY2023. Matrix is committed to significantly increasing its CSR contribution to societal causes, aiming to make a lasting impact on communities locally. Through strategic partnerships and focused initiatives, Matrix is channeling resources towards education, healthcare, environmental sustainability, and community empowerment. By expanding its CSR footprint, Matrix seeks to address pressing social issues and promote inclusive growth. This enhanced commitment underscores Matrix's dedication to being a responsible corporate citizen, creating positive change, and fostering sustainable development.



Dialysis for the needy

Eco-enzymes are being embraced as a transformative tool for pond maintenance, with a pioneering initiative involving collaboration with 10 schools to educate and empower young minds. Through hands-on training and workshops, students are learning about the ecological benefits of eco-enzymes in cleaning up ponds. This collaborative effort not only promotes environmental stewardship among the youth but also fosters a sense of responsibility towards sustainable practices. By actively participating in the application and monitoring of eco-enzymes, students are gaining valuable insights into natural solutions for water quality management. This innovative partnership not only improves pond ecosystems but also cultivates a generation of informed advocates for environmental conservation.

At Matrix, we embody the passion and commitment to give back to our community in which we work and live in.



Eco-enzyme launch at Carnelian Park

CHAIRMAN’S STATEMENT

THE GROUP IS COGNISANT OF THE PRINCIPLES OF CORPORATE GOVERNANCE REVOLVING AROUND FOUR INTEGRAL PILLARS –

- 1 **TRANSPARENCY**
- 2 **FAIRNESS**
- 3 **RESPONSIBILITY**
- 4 **RISK MANAGEMENT**

STRENGTHENING CORPORATE GOVERNANCE

The Group is cognisant of the principles of corporate governance revolving around four integral pillars – transparency, fairness, responsibility and risk management. On this basis, the Board continues to emphasise the critical importance of governance across the length and breadth of the Group. This underscores the importance of both the financial and non-financial compliance as a value driver for the long-term wellbeing of the Company.

Matrix has long since adopted the globally recognised framework of Integrated Reporting (“IR”) and keeps itself updated on the latest requirements by regulatory and governance bodies. This is reflected in the Group’s strong reporting disclosure, working towards best practice for the industry.

This augurs well for the Group’s stakeholders, giving a clear outline the Group management approaches, strategies and risks and opportunities, amongst others.



Menara Syariah Jakarta

To reinforce the Group commitment to governance, various initiatives were implemented in FY2024. This included formulating a Conflict of Interest Policy and upgrading the Board Charter to incorporate additional regulatory requirements. Matrix continues to uphold our unwavering commitment to gender diversity, looking beyond gender, ethnicity and affiliations. This is aptly reflected in the 44.4% achievement of women representation on the Board, aligning further with Malaysian Code on Corporate Governance (“MCCG”) 2021.

We are proud that the Group has worked to firmly embed the tenets of good governance into our employees, setting the bar on high expectation of adhering to this as our way of life at Matrix.

CHAIRMAN’S STATEMENT

PRIORITISING OUR CLIMATE CHANGE AGENDA

The consequences of not heeding the signs of climate change will impact everyone. Hence, it is incumbent on us, as individuals and corporations, to rise to meet this challenge and do all we can to address this growing threat.

As a responsible corporate citizen, Matrix had earlier incorporated climate change into the Board’s agenda. Our priority is to explore avenues, adopt suitable measures and monitor our performance with a goal to becoming carbon neutral by 2050.

To give credence to our commitment to reduce our carbon footprint, the Group has already commenced a number of initiatives, such as utilising solar photovoltaic panels at various sites and monitoring intensity factors across Scope 1, 2 and 3. In FY2024, the Group has accelerated its usage of renewable energy with the increase in its generation by 9.07% (1,207 Mwh) as compared with last year of 1,107 Mwh.

IN FY2024,
THE GROUP HAS
ACCELERATED IT'S USAGE
OF RENEWABLE
ENERGY (SOLAR)
WITH THE INCREASE
IN GENERATION BY
9.07%
(1,207 Mwh)

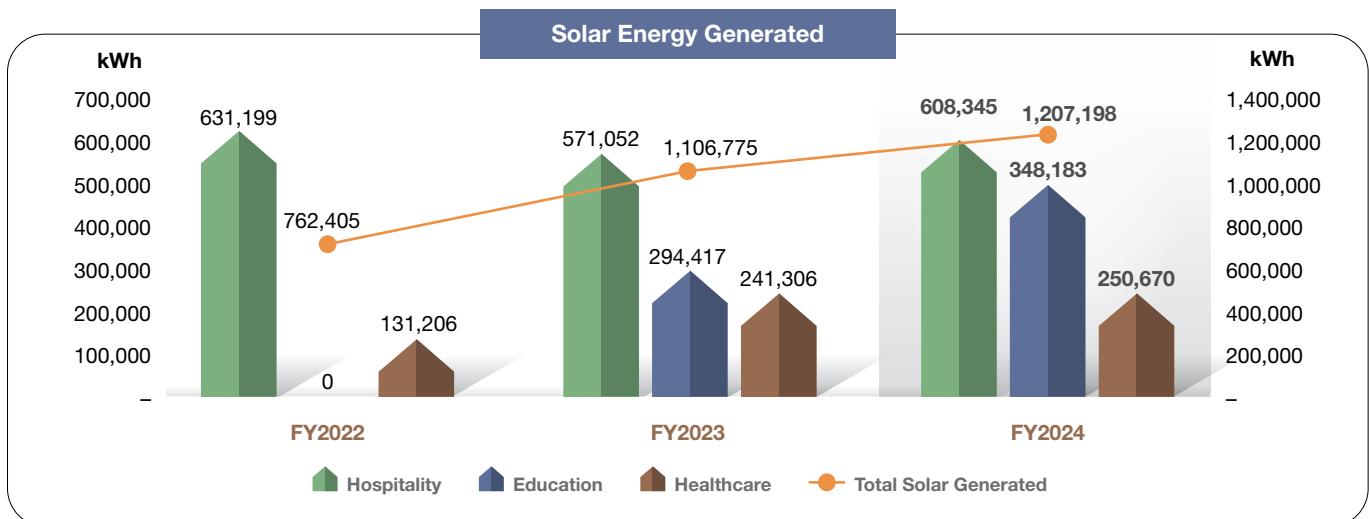
Efforts at environmental conservation is gaining momentum, given the increased recycling material both at our office and project sites as well. This projects a comforting message of assurance that Matrix is on the right track for the good of our environment.

The Group reiterates its commitment toward progressive adoption of the Task Force on Climate-Related Financial Disclosures (“TCFD”) recommendation for more effective disclosure of climate-related risks and opportunities. A measure of the Group’s firm commitment is the introduction of our Climate Change and Policy Statement in FY2024. This will guide our approach to embed climate mitigation and adaption into our business, in support of our customers and the local community for the future.

OUTLOOK MOVING FORWARD

Looking ahead, the Group is poised for continued growth. The demand for its property offerings remains robust, particularly at its flagship, Sendayan Developments. This resilience is attributable to a noticeable shift in the preferences of Klang Valley residents, opting to relocate to areas outside the city center, made easier by the well-developed road networks, superior connectivity and the evolving landscape of remote and flexible working arrangements.

The Group’s early adoption of expanded sales channels, utilising digital solutions, including social media platforms, have played a pivotal role in the growing visibility among home buyers from Klang Valley. Leveraging on these platforms, the Group has successfully tapped into the strong demand for its residential properties, especially those priced within the RM600,000 range, which has proven to be a compelling value proposition for its customers.



CHAIRMAN’S STATEMENT

With unbilled sales of RM1.28 billion and RM1.65 billion GDV in new projects to be launched in the financial year ahead, we are confident of remaining competitive and sustainable.

The Group’s strategic move to acquire a 1,382-acre land parcel within the Malaysian Vision Valley corridor will be an exciting avenue for future growth, ensuring the sustainability of its property development arm beyond 2030. This acquisition not only positions the Group to cater to the thriving housing demand in Seremban but also captures the spillover effect from buyers seeking alternatives to the Klang Valley market. The close proximity of the new land with the anticipated revival of the High-Speed Railway (HSR) project in the region further augments its growth prospects.

Furthermore, the Group’s focus on optimising construction efficiency is further reinforced by the successful recruitment of foreign labour to meet its workforce requirements at construction sites. This positions the Group to be cautiously optimistic of accelerating recovery of revenue recognition, backed by a proven track record in scaling up construction activities.

THE GROUP’S STRATEGIC MOVE TO ACQUIRE A 1,382-ACRE LAND PARCEL WITHIN THE MALAYSIAN VISION VALLEY CORRIDOR WILL BE AN EXCITING AVENUE FOR FUTURE GROWTH, ENSURING THE SUSTAINABILITY OF ITS PROPERTY DEVELOPMENT BEYOND 2030.

HEARTFELT ACKNOWLEDGEMENTS

I wish to express my heartfelt appreciation to our very capable Senior Management and high performing employees for their perseverance in enabling us to scale such heights of performance and for having the business agility to navigate around the many hurdles in our financial year’s journey.

To our reassuring shareholders, loyal customers, supportive bankers, engaging government ministries and regulatory agencies and as well as our reliable suppliers and business partners, you have our deepest appreciation for your much valued partnership over FY2024.

Finally, to my esteemed Board members, I wish to accord my profound gratitude for your keen business acumen and collaborative engagement in yet another successful and meaningful financial year for our Group.

On this note, I would like to warmly welcome Kelvin Lee Chin Chuan,

Non-Independent Non-Executive Director and Ms Vijayam A/P Nadarajah, Independent Non-Executive Director who joined us on 1 September 2023 and 19 June 2024 respectively. Both bring with them strong credentials and business acumen. This would undoubtedly augment the existing Board well and serve to strengthen the Group’s leadership.

We, at Matrix, don’t just build homes for the present, but for generations to come, to live and enjoy their investment and achievements. We are committed to sustaining our positive performance momentum and deliver greater shareholder value while prioritising our role as a caring and community-centric developer.

DATO’ HAJI MOHAMAD HASLAH BIN MOHAMAD AMIN
NON-INDEPENDENT NON-EXECUTIVE CHAIRMAN

30 June 2024



Impiana Square, Bandar Seri Impian Park