

Matrix Concepts Holdings Berhad

(8236 | MCH MK) Main | Property



Maintain **BUY**

Unchanged Target Price **RM1.65**

Corporate Update

Klang Valley Developments Gaining Momentum

We visited projects of Matrix Concepts in Klang Valley as the company has a strategic goal to derive 30% of its earnings from outside Negeri Sembilan in the longer term. We came away the visit feeling positive on the prospect of its projects in Klang Valley. The key takeaways from the visit as below:

Expanding Klang Valley presence through acquisition of Horizon L&L.

Matrix Concepts completed acquisition of Horizon L&L in August 2025, broadening its presence in Klang Valley to Sepang and Banting. Horizon Suites is a completed high-rise project by Horizon L&L in Kota Warisan, Sepang. Horizon Suites consists of 1,845 units of SOHO with layout of 450sf to 650sf with selling price of RM270k-RM330k during project launch in 2018. Horizon Suites is well positioned for investment as it is Airbnb-friendly. We gather that rental market is good for Horizon Suites with rental rate of RM1.8k per month. Target tenants are mainly airport crew due to its proximity to KLIA and ERL station (KLIA Transit). Looking ahead, management plans to replicate the success of Horizon Suites with its upcoming project Horizon KLIA (GDV: RM366.4m) scheduled to be launched in 2QFY27.

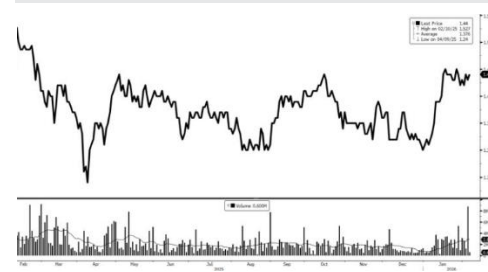
Tapping the booming Banting property market. Horizon L&L is developing the plots acquired from Lion Group in Banting. The project is part of Bandar Mahkota Banting township whereby projects are mostly landed house and shop lots. Horizon L&L has total landbank of ~150 acres in Banting and has remaining 60% of the landbank for ongoing and future development. The target market for Bandar Mahkota Banting is families and buyers from Klang, Jenjarom and Port Klang. Selling prices for single storey house starts from RM400k while prices of double-storey house with layout of 20' x 70' start from RM550k. Upcoming projects of Bandar Mahkota Banting has a GDV of RM405m. The recent new launch for landed houses in Bandar Mahkota Banting enjoyed decent take up rate of 98%. Demand for houses in Bandar Mahkota Banting is lifted by the West Coast Expressway (WCE) interchange nearby the township, giving the township good connectivity to Klang and other major highways such as SKVE.

High-rise project in KL. Matrix Concepts is embarking on a new high-rise project, Levia Residences in Cheras after completing Chambers Kuala Lumpur near PTWC. Levia Residences in Cheras has an estimated GDV of RM520.9m with expected completion in September 2027. The project comprises of 778 units of condominium. We gather that the latest take up rate for the project is decent at 86%. Going forward, Matrix Concepts plans to launch Levia Puchong (GDV: RM717.6m) in 4QFY26 or 1QFY27 and Levia Damansara (GDV: RM611.8m) in FY27/FY28. Overall, the acquisition of Horizon L&L which gives expertise in building high-rise projects to Matrix Concepts expedites the rollout of high-rise projects of Matrix Concepts. We expect the contribution from high-rise projects to support earnings growth albeit high-rise projects typically command lower margin than landed home projects.

RETURN STATISTICS

Price @ 6 th Feb 2026 (RM)	1.44
Expected share price return (%)	+14.6
Expected dividend yield (%)	+5.2
Expected total return (%)	+19.8

SHARE PRICE CHART



Price performance (%)	Absolute	Relative
1 month	9.1	6.2
3months	10.8	-0.3
12 months	-1.4	-9.4

INVESTMENT STATISTICS

FYE March	2026E	2027F	2028F
Revenue	1,436	1,523	1,730
Operating Profit	372	411	449
Profit Before Tax	349	388	425
Core PATAMI	266	295	324
Core EPS	14.17	15.73	17.25
DPS	7.5	8.3	9.1
Dividend Yield	5.2%	5.8%	6.4%

KEY STATISTICS

FBM KLCI	1,732.83
Issue shares (m)	1877.02
Estimated free float (%)	60.50
Market Capitalisation (RM'm)	2,702
52-wk price range	RM1.22 – RM1.57
3-mth average daily volume (m)	1.75
3-mth average daily value (RM'm)	2.43
Top Shareholders (%)	
Shining Term Sdn Bhd	12.67
Lee Tian Hock	10.31
Lembaga Tabung Haji	6.28

Analyst

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Maintain BUY with an unchanged TP of RM1.65. Post visit, we make no changes to our earnings forecast for FY26/27/28F. We also maintain our TP for Matrix Concepts at RM1.65, based on 22% discount to RNAV. We anticipate earnings outlook for Matrix Concepts to remain positive, underpinning by the solid contribution from Sendayan developments in Seremban. Besides, the growing contribution from Klang Valley developments namely Horizon L&L projects and Levia Residence are expected to drive earnings growth. Matrix Concepts is a good proxy to economic growth of Negeri Sembilan due to its Bandar Sri Sendayan township while the development of MVV City will benefit from the booming economic growth in Negeri Sembilan. Besides, dividend yield is attractive at 5.2%. Hence, we maintain our **BUY** call on Matrix Concepts.

Figure 1: Location of Horizon Suites



Source: Company

Figure 2: Location of Bandar Mahkota Banting



Source: Company

Figure 3: Artist Impression of Levia Residence Cheras



Source: Company

Matrix Concepts RNAV

	Stake	Est remaining GDV (RM m)	WACC (%)	Value (RM m)
Domestic				
Sendayan	100%	5744	10%	492
BSI	100%	1926	10%	179
Other N.S.	100%	128	10%	14
Klang Valley	100%	1138	10%	115
MVV land	85%	12000	10%	808
International				
Australia	100%	268	10%	32
Indonesia	30%	2000	10%	63
Unbilled sales		1200	10%	139
Total				1843
Shareholder Funds				2130
Total RNAV				3973
Number of shares				1877
RNAV per share				2.12
Discount				22%
Target Price				1.65

FINANCIAL SUMMARY

Profit or Loss (RM'm)	2024A	2025A	2026F	2027F	2028F	Cash Flow (RM'm)	2024A	2025A	2026F	2027F	2028F
Revenue	1,340	1,187	1,436	1,523	1,730	Cash flows from operating activities					
EBIT	339	289	372	411	449	Net income before taxation	332	275	349	388	425
PBT	334	275	349	388	425	Net cash from operating activities	331	-482	186	190	194
Net Income	246	214	266	295	324						
Core Net Income	237	203	266	295	324	Cash flows from investing activities					
Core EPS (sen)	19.0	10.8	14.2	15.7	17.3	Purchase of PPE	-2	-5	-4	-3	-3
Core PER (x)	7.6	13.3	10.2	9.2	8.3	Net cash used in investing activities	-3	14	11	8	6
NTA/share	1.70	1.18	1.20	1.23	1.26						
P/NTA	0.85	1.22	1.20	1.17	1.14	Cash flows from financing activities					
Balance Sheet (RM'm)	2024A	2025A	2026F	2027F	2028F	Repayment of term loan	-111	-49	-52	-47	-42
Property, plant and equipment	204	188	190	192	194	Net cash from/(used in) financing activities	-210	213	-105	-112	-119
Inventories	721	1246	1221	1196	1172						
Total non-current assets	1131	1647	1684	1721	1758	Net increase/(decrease) in cash and cash equivalents	119	-254	91	86	81
Trade receivables and contract assets	710	742	749	757	764	Cash and cash equivalent at 1 April	200	328	70	162	248
Inventories	464	599	613	626	640	Cash and cash equivalent at 31 March					
Deposits, Cash and bank balances	376	176	180	186	193						
Other current assets	0	0	46	102	163	Profitability Ratios (%)	2024A	2025A	2026F	2027F	2028F
Total Assets	2681	3164	3271	3391	3519	EBIT margin	25.3%	24.4%	25.9%	27.0%	26.0%
Long-term borrowings	85.1	357.9	383.0	409.8	438.5	PBT margin	24.9%	23.2%	24.3%	25.5%	24.6%
Short-term borrowings	145.1	60.3	183.3	185.2	187.0	PAT margin	18.5%	17.4%	18.2%	19.1%	18.4%
Other Liabilities	328	535	450	489	533	Core PATAMI margin	17.7%	17.1%	18.5%	19.4%	18.7%
Total Liability	558	953	1016	1084	1158	ROE	11.2%	9.2%	11.8%	12.8%	13.7%
Share capital	961	961	961	961	961	ROA	8.9%	6.4%	8.1%	8.7%	9.2%
Other Equity	1161	1250	1294	1346	1400						
Total Equity	2122	2211	2255	2307	2361						
Equity + Liability	2681	3164	3271	3391	3519						

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STOCK RECOMMENDATIONS

BUY	Total return is expected to be >10% over the next 12 months.
TRADING BUY	The stock price is expected to rise by >10% within 3 months after a Trading Buy rating has been assigned due to positive news flow.
NEUTRAL	Total return is expected to be between -10% and +10% over the next 12 months.
SELL	Total return is expected to be <-10% over the next 12 months.
TRADING SELL	The stock price is expected to fall by >10% within 3 months after a Trading Sell rating has been assigned due to negative news flow.

SECTOR RECOMMENDATIONS

POSITIVE	The sector is expected to outperform the overall market over the next 12 months.
NEUTRAL	The sector is to perform in line with the overall market over the next 12 months.
NEGATIVE	The sector is expected to underperform the overall market over the next 12 months.

ESG RECOMMENDATIONS* - source Bursa Malaysia and FTSE Russell

☆☆☆☆	Top 25% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆☆☆	Top 26-50% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆☆	Top 51%- 75% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆	Bottom 25% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell

* ESG Ratings of PLCs in FBM EMAS that have been assessed by FTSE Russell in accordance with FTSE Russell ESG Ratings Methodology