Corporate Update

Matrix Concepts Holdings Berhad

(8236 | MCH MK) Main | Property

SHARIAH Compliant | 3 Stars | FTSE4Good

Maintain **BUY**

Unchanged Target Price **RM1.55**

Sustainability Fuels the Future

Progressing towards ESG excellence. Matrix Concepts Holdings Berhad is a property developer with a strong commitment to sustainable development, integrating environmental, social, and governance (ESG) principles into its business strategy and operations. The company is recognised as a constituent of the FTSE4Good Bursa Malaysia Index, reflecting its dedication to responsible corporate practices and sustainable value creation. While Matrix Concepts currently holds a three-star ESG rating, the company remains steadfast in its commitment to continuously strengthen its sustainability performance.

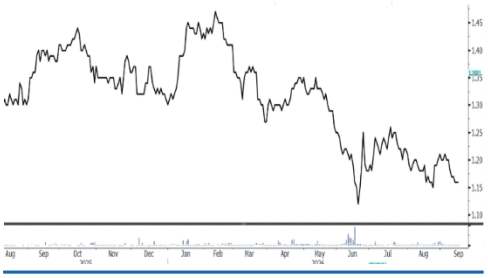
Powering a greener future. As part of its ESG commitment, Matrix Concepts has invested in solar PV systems at Matrix HQ, Adcote Matrix School, d'Tempat Country Club, and Mawar Medical Centre. The solar PV installations generated approximately 1.5 million kWh of renewable energy, offsetting 13.5% of grid electricity consumption and delivering RM750,000 in cost savings. This long-term investment reduces reliance on grid electricity while creating sustainable value. Looking ahead, the Group plans to expand its renewable energy initiatives with a new solar PV installation at Bandar Seri Impian Galleria, Johor.

Promoting composting and recycling. Matrix Concepts has also invested in a composting machine to reduce organic waste sent to landfills, supporting more sustainable waste management practices. The machine primarily processes food waste generated at d'Tempat Country Club, converting it into nutrient-rich compost for landscaping use and commercial sale. While market demand for compost remains limited, the initiative continues to contribute to waste reduction. In addition, Matrix Concepts established the Kita Recycle Store, featuring a convenient drive-through facility to encourage recycling and promote responsible waste management among the community.

The Miyawaki Forest initiative. In July 2026, Matrix Concepts launched a Miyawaki Forest at the Adcote Matrix School compound as a pilot initiative to enhance biodiversity in Bandar Sri Sendayan. The project features approximately 1,400 native trees from 47 indigenous species, including threatened and endangered species. The forest will also serve as a future seed bank, supplying native plants for ongoing greening and biodiversity enhancement efforts across the township. In a nutshell, the Miyawaki Forest contributes to a healthier environment by restoring native biodiversity and improving ecosystem resilience.

RETURN STATISTICS	
Price @ 15th Sept 2026 (RM)	1.16
Expected share price return (%)	+33.6
Expected dividend yield (%)	+6.2
Expected total return (%)	+39.8

SHARE PRICE CHART



Price performance (%)	Absolute	Relative
1 month	-2.5	0.2
3months	-1.7	-0.7
12 months	-17.1	-20.5

INVESTMENT STATISTICS

FYE March	2027F	2028F	2029F
Revenue	1,523	1,730	1,952
Operating Profit	377	442	497
Profit Before Tax	353	418	446
Core PATAMI	269	319	340
Core EPS	14.36	16.98	18.11
DPS	7.2	8.8	9.4
Dividend Yield	6.2%	7.6%	8.1%

KEY STATISTICS	
FBM KLCI	1,679.21
Issue shares (m)	1877.02
Estimated free float (%)	57.22
Market Capitalisation (RM'm)	2,177.35
52-wk price range	RM1.1 - RM1.48
3-mth average daily volume (m)	2.27
3-mth average daily value (RM'm)	2.72
Top Shareholders (%)	
Shining Term Sdn Bhd	12.67
Lee Tian Hock	9.94
Lembaga Tabung Haji	8.65

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Maintain BUY with an unchanged target price at RM1.55. We view Matrix Concepts' ESG initiatives positively, as they reinforce the company's commitment to sustainable development and long-term value creation. The company's investments in renewable energy, waste management, and biodiversity conservation are expected to enhance the sustainability of Bandar Sri Sendayan while generating long-term benefits. Fundamentally, we remain positive on Matrix Concepts' outlook, with MVV City serving as a key growth catalyst. We maintain our **TP** of **RM1.55**, based on a 30% discount to RNAV, supported by steady contributions from its Sendayan and Klang Valley developments. Coupled with an attractive 6.2% dividend yield and compelling valuations following recent share price weakness, we reiterate our **BUY** call on Matrix Concepts.

Figure 1: Solar PV system at Adcote Matrix School



Source: MBSB Research

Figure 2: Composting machine at d'Tempat Country Club



Source: MBSB Research

Figure 3: Kita Recycle Store



Source: MBSB Research

Figure 4: Miyawaki Forest



Source: MBSB Research

Matrix Concepts RNAV

	Stake	Est remaining GDV (RM m)	WACC (%)	Value (RM m)
Domestic				
Sendayan	100%	3881	10%	333
BSI	100%	1852	10%	172
Klang Valley	100%	1130	10%	114
MVV land	85%	15000	10%	1010
HLL Group	70%	845	10%	63
International				
Indonesia	30%	2000	10%	63
Unbilled sales		1500	10%	173
Total				**1929**
Shareholder Funds				2225
Total RNAV				4154
Number of shares				1877
RNAV per share				2.21
Discount				30%
Target Price				**1.55**

FINANCIAL SUMMARY

Profit or Loss (RM'm)	2025A	2026A	2027F	2028F	2029F
Revenue	1,187	1,360	1,523	1,730	1,952
EBIT	289	312	377	442	497
PBT	275	269	353	418	446
Net Income	214	219	269	319	340
Core Net Income	203	215	269	319	340
Core EPS (sen)	10.8	11.5	14.4	17.0	18.1
Core PER (x)	10.7	10.1	8.1	6.8	6.4
NTA/share	1.18	1.25	1.23	1.26	1.29
P/NTA	0.98	0.93	0.94	0.92	0.90

Balance Sheet (RM'm)	2025A	2026A	2027F	2028F	2029F
Property, plant and equipment	189	194	196	198	200
Inventories	1098	1748	1713	1679	1646
Total non-current assets	1589	2210	2237	2308	2361
Trade receivables and contract assets	713	732	739	747	754
Inventories	731	860	879	898	918
Deposits, Cash and bank balances	187	182	188	195	201
Other current assets	0	0	7	13	20
Total Assets	**3220**	**3984**	**4050**	**4161**	**4254**
Long-term borrowings	444.4	827.2	885.1	947.0	1013.3
Short-term borrowings	60.3	97.5	220.8	223.0	225.3
Other Liabilities	503	720	637	630	598
Total Liability	1008	1645	1743	1800	1837
Share capital	961	961	961	961	961
Other Equity	1251	1378	1346	1400	1456
Total Equity	2212	2339	2307	2361	2417
Equity + Liability	**3220**	**3984**	**4050**	**4161**	**4254**

Cash Flow (RM'm)	2025A	2026A	2027F	2028F	2029F
Cash flows from operating activities					
Net income before taxation	275	298	353	418	446
Net cash from operating activities	-473	-220	64	65	67
Cash flows from investing activities					
Purchase of PPE	-4	-10	-8	-7	-6
Net cash used in investing activities	9	-74	-56	-54	-41
Cash flows from financing activities					
Repayment of term loan	-47	-119	-125	-112	-101
Net cash from/(used in) financing activities	257	220	79	47	50
Net increase/(decrease) in cash and cash equivalents	-206	-74	87	59	76
Cash and cash equivalent at 1 April	328	120	39	87	146
Cash and cash equivalent at 31 March	328	120	39	87	146

Profitability Ratios (%)	2025A	2026A	2027F	2028F	2029F
EBIT margin	24.4%	23.0%	24.8%	25.6%	25.5%
PBT margin	23.2%	19.8%	23.2%	24.2%	22.9%
PAT margin	17.4%	14.9%	17.4%	18.1%	17.2%
Core PATAMI margin	17.1%	15.8%	17.7%	18.4%	17.4%
ROE	9.2%	9.2%	11.7%	13.5%	14.1%
ROA	6.3%	5.4%	6.7%	7.7%	8.0%

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MBSB INVESTMENT BANK: GUIDE TO RECOMMENDATIONS

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