

**MCT BERHAD**

**Company No: 200901038653 (881786-X)**

**(Incorporated In Malaysia)**

**Interim Financial Reports**

**For The Year Ended 31 December 2021**

**MCT BERHAD 200901038653 (881786-X)**  
**Incorporated In Malaysia**

**Interim Financial Reports**

**For The Year Ended 31 December 2021**

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**MCT BERHAD 200901038653 (881786-X)**  
**Incorporated In Malaysia**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

*(The figures have not been audited)*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31-DEC-21 RM'000	PRECEEDING YEAR CORRESPONDIN G QUARTER 31-DEC-20 RM'000	CURRENT YEAR TO DATE 31-DEC-21 RM'000	PRECEEDING YEAR CORRESPONDIN G PERIOD 31-DEC-20 RM'000
Revenue	87,099	207,089	326,941	462,438
Cost of sales	(65,749)	(118,566)	(231,853)	(303,410)
Gross profit	21,350	88,523	95,088	159,028
Other Income	8,452	3,349	12,508	9,392
Selling and marketing expenses	(569)	(2,151)	(2,899)	(6,808)
Direct operating and general administrative expenses	(17,726)	(31,331)	(64,367)	(92,246)
Finance costs	(8,082)	(8,806)	(35,229)	(35,297)
Profit before tax	3,425	49,584	5,101	34,069
Income tax expense	(4,936)	(20,691)	(21,278)	(24,123)
(Loss)/ Profit for the period	(1,511)	28,893	(16,177)	9,946
Other comprehensive income/(loss), net of tax				
<b>Items that may be reclassified subsequently to profit or loss</b>				
Cash flow hedge	1,819	9,785	7,121	(10,822)
Total comprehensive income/(loss) for the period	308	38,678	(9,056)	(876)

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

*(The figures have not been audited)*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31-DEC-21 RM'000	PRECEEDING YEAR CORRESPONDING QUARTER 31-DEC-20 RM'000	CURRENT YEAR TO DATE 31-DEC-21 RM'000	PRECEEDING YEAR CORRESPONDING PERIOD 31-DEC-20 RM'000
Total comprehensive income/(loss) attributable to:				
Owners of the parent	310	38,678	(9,049)	(873)
Non-controlling interest	(2)	-	(7)	(3)
	308	38,678	(9,056)	(876)
Earnings per share attributable to owners of the parent:				
Basic earnings per share (sen) - Note B13	0.02	2.65	(0.62)	(0.06)
Diluted earnings per share (sen)	NA	NA	NA	NA

NA denotes not applicable as the Company has no dilutive potential ordinary shares at the end of the reporting period.

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

**MCT BERHAD 200901038653 (881786-X)**  
**Incorporated In Malaysia**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021**

	<b>(UNAUDITED)</b> <b>AS AT END OF</b> <b>CURRENT</b> <b>FINANCIAL</b> <b>YEAR</b> <b>31-DEC-21</b> <b>RM'000</b>	<b>(AUDITED)</b> <b>AS AT</b> <b>PRECEDING</b> <b>FINANCIAL</b> <b>YEAR END</b> <b>31-DEC-20</b> <b>RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	247,518	260,004
Investment properties	249,304	250,701
Land held for property development	296,021	229,462
Deferred tax assets	16,677	7,879
	<b>809,520</b>	<b>748,046</b>
<b>Current Assets</b>		
Inventories	4,452	12,778
Property development costs	245,877	351,991
Trade receivables	96,889	151,468
Other receivables	50,933	39,352
Contract assets	23,827	6,304
Tax recoverable	18,526	30,868
Cash and bank balances	459,482	599,300
	<b>899,986</b>	<b>1,192,061</b>
	<b>1,709,506</b>	<b>1,940,107</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable to Owners of the Company</b>		
Share capital	1,541,092	1,541,092
Reserves	(1,067,734)	(1,074,855)
Retained earnings	390,658	406,828
	<b>864,016</b>	<b>873,065</b>
Non-controlling interests	230	237
	<b>864,246</b>	<b>873,302</b>

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021**

	<b>(UNAUDITED) AS AT END OF CURRENT FINANCIAL YEAR 31-DEC-21 RM'000</b>	<b>(AUDITED) AS AT PRECEDING FINANCIAL YEAR END 31-DEC-20 RM'000</b>
<b>Non-Current Liabilities</b>		
Other payables	-	3,216
Amount owing to ultimate holding company	-	502,125
Derivative financial liabilities	-	34,848
Lease liabilities	1,104	1,822
<b>Total Non-Current Liabilities</b>	<u>1,104</u>	<u>542,011</u>
<b>Current Liabilities</b>		
Trade payables	86,614	88,999
Other payables and accrued expenses	117,871	154,652
Contract liabilities	105,352	241,956
Amount owing to ultimate holding company	520,625	-
Tax liabilities	5,741	7,658
Borrowings	-	25,000
Lease liabilities	1,115	6,529
Derivative financial liabilities	6,838	-
<b>Total Current Liabilities</b>	<u>844,156</u>	<u>524,794</u>
<b>Total Liabilities</b>	<u>845,260</u>	<u>1,066,805</u>
<b>Total Equity and Liabilities</b>	<u>1,709,506</u>	<u>1,940,107</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

**MCT BERHAD 200901038653 (881786-X)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**  
*(The figures have not been audited)*

**Attributable to the owners of the Company**

	<--- Non-Distributable --->			Distributable		Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Acquisition reserve RM'000	Cash flow hedge reserve RM'000	Retained earnings RM'000	Total RM'000		
<b>As at 31 December 2019 (as previously reported)</b>	1,541,092	(1,062,627)	(1,850)	427,265	903,880	944	904,824
Prior year adjustments	-	-	444	(30,386)	(29,942)	-	(29,942)
<b>As at 1 January 2020 (restated)</b>	1,541,092	(1,062,627)	(1,406)	396,879	873,938	944	874,882
Reduction in capital vide minority interest	-	-	-	-	-	(704)	(704)
Total comprehensive income for the year	-	-	(10,822)	9,949	(873)	(3)	(876)
<b>As at 31 December 2020 (restated)</b>	1,541,092	(1,062,627)	(12,228)	406,828	873,065	237	873,302
Total comprehensive income for the year	-	-	7,121	(16,170)	(9,049)	(7)	(9,056)
<b>As at 31 December 2021</b>	1,541,092	(1,062,627)	(5,107)	390,658	864,016	230	864,246

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

**MCT BERHAD 200901038653 (881786-X)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>(UNAUDITED)</b>	<b>(AUDITED)</b>
	<b>12 MONTHS</b>	<b>12 MONTHS</b>
	<b>ENDED</b>	<b>ENDED</b>
	<b>31-DEC-21</b>	<b>31-DEC-20</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES</b>		
Profit before tax	5,101	34,069
Adjustments for:		
Depreciation of:		
Property, plant and equipment	9,888	13,895
Investment properties	505	2,760
Right-of-use asset	1,795	640
Finance costs	35,229	35,297
Impairment loss on:		
-Property, plant and equipment	1,204	4,702
-Investment property	-	834
Reversal of impairment loss on:		
-Trade receivables	(3)	(1,943)
-Investment properties	-	(895)
Allowance for impairment loss on:		
-Trade receivables	177	10,684
-Other receivables	-	225
Bad debts written off	38	48
Property, plant and equipment written off	-	506
Gain on disposal of property, plant and equipment	(1,710)	(258)
Interest income	(4,553)	(6,415)
Unrealised loss/(gain) on foreign exchange	19	(77)
	47,690	94,072
Operating Profit Before Working Capital Changes		
Decrease/(Increase) in:		
Inventories	8,326	7,859
Property development costs	54,340	14,401
Contract assets	(40,379)	69,385
Trade receivables	54,383	(55,483)
Other receivables and prepaid expenses	(11,548)	5,597
(Decrease)/Increase in:		
Contract liabilities	(113,749)	22,947
Trade payables	(2,402)	(15,557)
Other payables and accrued expenses	(42,112)	28,512
	(45,451)	171,733
Cash (Used In)/Generated from Operations		
Income taxes paid	(20,767)	(15,179)
	(66,218)	156,554
Net Cash (Used In)/Generated from Operating Activities		



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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>(UNAUDITED)</b>	<b>(AUDITED)</b>
	<b>12 MONTHS ENDED</b>	<b>12 MONTHS ENDED</b>
	<b>31-DEC-21</b>	<b>31-Dec-20</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	2,140	1,948
Interest received	4,553	6,415
Additions to:		
Investment properties	(392)	(4,922)
Property, plant and equipment	(3,370)	(9,686)
Land held for property development	(14,785)	(5,792)
Repayment of share capital	-	(704)
Net Cash Used In Investing Activities	(11,854)	(12,741)
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>		
Proceeds/(Repayment) from bank borrowings	(25,000)	25,000
Withdrawal of fixed deposits placed with licensed banks	-	413
Repayment of lease liabilities	(6,600)	(9,859)
Finance costs paid	(30,146)	(29,314)
Net Cash Used In Financing Activities	(61,746)	(13,760)
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(139,818)	130,053
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	599,300	469,247
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	459,482	599,300

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>(UNAUDITED)</b>	<b>(AUDITED)</b>
<b>12 MONTHS</b>	<b>12 MONTHS</b>
<b>ENDED</b>	<b>ENDED</b>
<b>31-DEC-21</b>	<b>31-DEC-20</b>
<b>RM'000</b>	<b>RM'000</b>

Cash and cash equivalents included in the statement of cash flows comprise the following:

Fixed deposits with licensed banks	36,496	43,309
Deposits under Housing Development Accounts	359,546	547,032
Cash on hand and in bank	63,440	8,959
Cash and bank balances	422,986	555,991
Cash and cash equivalents	459,482	599,300

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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED INTERIM FINANCIAL REPORTS FOR THE YEAR ENDED 31 DECEMBER 2021**

**PART A - EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING**  
**STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A1 Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS134: Interim Financial Reporting and paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020. These interim financial statements contain selected explanatory notes which provide explanations of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company and its subsidiaries ("Group").

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted as disclosed in the audited financial statements for the financial year ended 31 December 2020.

The Group has adopted the following amendments to MFRSs which are effective for annual periods beginning on or after 1 January 2021:

Amendments to:

MFRS 9, MFRS 139,

MFRS 7, MFRS 4 and

MFRS 16

Interest Rate Benchmark Reform-Phase 2

The adoption of the above amendments to MFRSs does not have any significant impact to the Group.

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**PART A - EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD**  
**("MFRS") 134: INTERIM FINANCIAL REPORTING**

At the date of the unaudited interim financial statements, the new and revised Standards and Amendments which were in issue but not yet effective and not early adopted by the Group and the Company are as listed below:

MFRS 17	Insurance Contracts <sup>2</sup>
Amendments to:	
MFRS 3	Reference to the Conceptual Framework <sup>1</sup>
MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information <sup>2</sup>
MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
MFRS 101	Classification of Liabilities as Current or Non-current <sup>2</sup>
MFRS 108	Definition of Accounting Estimates
MFRS 112	Deferred tax related to assets and liabilities arise from a single transaction
MFRS 116	Proceeds before Intended Use <sup>1</sup>
MFRS 137	Cost of Fulfilling a Contract <sup>1</sup>
Amendments to MFRSs	Annual Improvements to MFRSs 2018-2020 Cycle <sup>1</sup>

<sup>1</sup> Effective for annual period beginning on or after 1 January 2022, with earlier application permitted.

<sup>2</sup> Effective for annual period beginning on or after 1 January 2023, with earlier application permitted.

<sup>3</sup> Effective date deferred to a date to be determined and announced, with earlier application permitted.

The directors anticipate that the abovementioned MFRSs and amendments to MFRSs will be adopted in the annual financial statements of the Group and the Company when they become effective and that the adoption of these MFRSs and amendments to MFRSs may have an impact on the financial statements of the Group and the Company in the period of initial application. However, it is not practicable to provide a reasonable estimate of the effect until the Group and the Company undertake a detailed review.

**A2 Auditors' Report on preceding annual financial statements**

The auditors' report on the audited financial statements for the financial year ended 31 December 2020 were not subject to any qualification.

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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
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**PART A - EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD**  
**("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A3 Exceptional or unusual items**

There were no material items of exceptional or unusual nature affecting the assets, liabilities, equity, net income or cash flows of the Group for the year ended 31 December 2021.

**A4 Changes in estimates**

There were no changes in estimates that have a material effect on the amounts reported for the current quarter under review.

**A5 Debt and equity securities**

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current quarter under review.

**A6 Dividend paid**

There were no dividends paid in the current quarter under review.

**A7 Profit before tax**

The following amounts have been included in arriving at profit before tax:

	<b>CURRENT YEAR QUARTER 31-DEC-21 RM'000</b>	<b>YEAR TO DATE 31-DEC-21 RM'000</b>
Staff costs	6,137	27,951
Depreciation of:		
Property, plant and equipment	1,987	9,888
Investment properties	(606)	505
Amortisation of right of use assets	1,139	1,795
Unrealised (gain)/loss on foreign exchange	(25)	19
Realised loss on foreign exchange	(3)	98
Gain on disposal of property, plant and equipment	(1,511)	(1,710)
Interest income	(1,938)	(4,553)

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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
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**PART A - EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A8 Segmental information**

The segmental information for the year ended 31 December 2021 is as follows:

	<b>Property Development RM'000</b>	<b>Construction Activities RM'000</b>	<b>Investment Holding RM'000</b>	<b>Complementary Business RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>	<b>Elimination RM'000</b>	<b>The Group RM'000</b>
<b>Revenue</b>								
External revenue	316,648	-	-	490	9,803	326,941	-	326,941
Inter-segment revenue	-	-	-	22,168	2,524	24,692	(24,692)	-
<b>Total revenue</b>	<b>316,648</b>	<b>-</b>	<b>-</b>	<b>22,658</b>	<b>12,327</b>	<b>351,633</b>	<b>(24,692)</b>	<b>326,941</b>
<b>Results</b>								
Operating profit/(loss)	56,341	(16,695)	(3,168)	(3,489)	(5,135)	27,854	(32)	27,822
Interest income	4,430	8	36,003	110	2	40,553	(36,000)	4,553
Other income	835	6,824	75	58	163	7,955	-	7,955
Finance costs	(26,923)	(7,753)	(33,287)	(2,414)	(884)	(71,261)	36,032	(35,229)
<b>Profit/(Loss) before tax</b>	<b>34,683</b>	<b>(17,616)</b>	<b>(377)</b>	<b>(5,735)</b>	<b>(5,854)</b>	<b>5,101</b>	<b>-</b>	<b>5,101</b>
Income tax expense	(10,026)	(4,702)	(6,225)	(273)	(52)	(21,278)	-	(21,278)
<b>Profit/(Loss) after tax</b>	<b>24,657</b>	<b>(22,318)</b>	<b>(6,602)</b>	<b>(6,008)</b>	<b>(5,906)</b>	<b>(16,177)</b>	<b>-</b>	<b>(16,177)</b>

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**PART A - EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A8 Segmental information**

The segmental information for the year ended 31 December 2021 is as follows: *(continued)*

	<b>Property Development RM'000</b>	<b>Construction Activities RM'000</b>	<b>Investment Holding RM'000</b>	<b>Complementary Business RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>	<b>Elimination RM'000</b>	<b>The Group RM'000</b>
<b>Assets and liabilities</b>								
Segment assets	2,232,473	600,247	2,258,149	184,522	76,782	5,352,173	(3,677,870)	1,674,303
Tax recoverable and deferred tax asset	9,812	7,212	1,669	1,641	246	20,580	14,623	35,203
<b>Total assets</b>	<b>2,242,285</b>	<b>607,459</b>	<b>2,259,818</b>	<b>186,163</b>	<b>77,028</b>	<b>5,372,753</b>	<b>(3,663,247)</b>	<b>1,709,506</b>
Segment liabilities	1,728,006	550,307	711,781	174,378	110,305	3,274,777	(2,435,258)	839,519
Tax liabilities and deferred tax liabilities	2,269	-	3,472	-	-	5,741	-	5,741
<b>Total liabilities</b>	<b>1,730,275</b>	<b>550,307</b>	<b>715,253</b>	<b>174,378</b>	<b>110,305</b>	<b>3,280,518</b>	<b>(2,435,258)</b>	<b>845,260</b>

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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
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**PART A - EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A8 Segmental information**

The segmental information for the year ended 31 December 2021 is as follows: *(continued)*

	<b>Property Development RM'000</b>	<b>Construction Activities RM'000</b>	<b>Investment Holding RM'000</b>	<b>Complementary Business RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
<b>Other segment information</b>						
Capital expenditure:						
Investment properties	393	-	-	-	-	393
Property, plant and equipment	502	-	-	2,868	-	3,370
Depreciation of:						
Investment properties	505	-	-	-	-	505
Property, plant and equipment	6,868	364	-	285	2,371	9,888
Right-of-use assets	1,730	-	-	-	65	1,795



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**PART A - EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD**  
**("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A9 Material events subsequent to the end of interim financial year**

There were no material events subsequent to the end of the current quarter under review up to the date of issue of this report that were not reflected in the financial statements for the current quarter under review.

**A10 Changes in the composition of the Group**

There were no changes in the composition of the Group for the current quarter under review.

**A11 Changes in contingent liabilities and contingent assets**

Details of contingent liabilities of the Group as at end of the current quarter under review are as follows:

(a) Performance bond

	<b>As at 31-DEC-21 RM'000</b>	<b>As at 31-DEC-20 RM'000</b>
Performance bond provided in favour of third parties pursuant to the construction and/or development projects of the Group	<u>14,191</u>	<u>43,817</u>

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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
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**PART A - EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD**  
**("MFRS") 134: INTERIM FINANCIAL REPORTING**

**A12 Commitments**

There were no commitments in the Group for the current quarter under review.

**A13 Significant related party transactions**

During the financial year, the significant related party transactions entered by the Group, which were determined based on negotiations agreed between the parties, are as follows:

	<b>YEAR TO DATE</b> <b>31-DEC-21</b> <b>RM'000</b>
Interest paid/payable to ultimate holding company	<u>32,525</u>

**A14 Seasonal or Cyclical Factors**

The Group's operations were not significantly affected by any seasonal or cyclical factors during the current quarter under review.

**A15 Fair Values**

The carrying amounts of the financial instruments approximate their fair values as these financial assets and financial liabilities have short-term maturity or are repayable on demand except for the following:

The fair value of long-term financial liabilities is determined by the present value of future cash flow estimated and discounted using the current interest rates for similar instruments at the end of the reporting period. There is no material difference between the fair values and carrying values of these liabilities as at the end of the reporting period.

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**B1 Performance Review**

For the current quarter under review

The Group recorded revenue of RM87 million for the current quarter ended 31 December 2021, compared to RM207 million in the corresponding quarter of the preceding year, representing a 58% decrease in revenue. In the corresponding quarter of the preceding year, higher revenue was recorded pursuant to the construction progress and the delivery of vacant possession of Casa Bluebell @ Cybersouth and CasaWood @ Cybersouth.

Expenses recorded for the current quarter under review was lower at RM26 million versus RM42 million accounted in the corresponding quarter of the preceding year. The reduction in expenses was a result of our cost rationalisation program that we undertook in 2020. In the corresponding quarter of the preceding year, the Group recognised impairment of RM14m for the Group's investment properties, equipment and other assets pursuant to the weak market sentiment following COVID-19 pandemic.

Consequently, the Group recorded loss after tax of RM2 million for the current quarter under review as compared to a profit after tax of RM29 million for the corresponding quarter of the preceding year.

For the current year

The Group recorded revenue of RM327 million for the year ended 31 December 2021. The Group's gross profit margin was at 29% which was mainly driven by sales and construction progress from Market Homes at the Lakefront @ Cyberjaya, Casa Bayu @ Cybersouth and Aetas Damansara development coupled with sales from completed units ie. Lakefront Villa and Lakefront Residence Phase 1.

Expenses recorded for the year was RM102 million, out of which RM33 million were for the interest charged on the advances from its ultimate holding company.

Consequently, the Group recorded loss after tax of RM16 million for the year ended 31 December 2021.

The effective tax rate is higher than the statutory tax rate owing to the tax deductibility of the interest expense at the holding company under the Earnings Stripping Rules.

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**B2 Material Changes for the Current Quarter as Compared to the Preceding Quarter**

The Group recorded revenue of RM87 million for the current quarter ended 31 December 2021, compared to RM71 million in the preceding quarter. The increase in revenue recorded was mainly due to the upswing in construction progress given the reopening of economic sectors under National Recovery Plan Phase 4 in October 2021. The gross profit margin for both quarter remains consistent.

Total expenses recorded for the current quarter of RM26 million is higher than the expenses recorded in the preceding quarter of RM24 million. This slight increase is due to the recognition of impairment of the Group's assets.

Consequently, the Group recorded loss after tax of RM2 million for the current quarter under review as compared to loss after tax of RM13 million in the previous quarter.

**B3 Prospects for the next financial year**

In facing the global pandemic, most countries are forced to deal with two huge challenges – saving lives and protecting the economy. As the Covid-19 pandemic begins to migrate toward an endemic phase, more countries are beginning to ease or open their international borders in order to boost their economies. The Malaysian Government is also considering this and it is just a matter of time before it happens. This will stimulate the nation's economy and we are cautiously optimistic that the property industry will improve in tandem.

We are also confident that the initiatives introduced in Budget 2022 will spur the property industry and accelerate its recovery. The abolishment of the Real Property Gains Tax ("RPGT") from the disposal of properties by residents and permanent residents ("PR") from the sixth year onwards will hopefully translate into a positive multiplier effect on the economy. Although the extension of the Home Ownership Campaign ("HOC") would have been welcomed, we feel that it will not affect the industry significantly as most developers will introduce sales packages that would soften this impact.

The Group will maintain its prudent management strategy in the coming quarters to ensure a satisfactory performance. It will consolidate its market position and reinforce its competitive edge in order to seize any opportunities that will arise as the situation improves. In addition, the Group will continue to manage activities that will contribute to cost efficiencies and prudence in asset utilisation.

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**B4 Variance of profit forecast**

No profit forecast has been issued by the Group previously in any public document.

**B5 Profit forecast or profit guarantee**

The Group has not issued any profit forecast or profit guarantee for the current quarter under review.

**B6 Profit/(Loss) on sale of unquoted investments**

There was no sale of unquoted investments during the current quarter under review.

**B7 Quoted securities**

There was no other purchase or disposal of quoted and marketable securities during the current quarter under review.

**B8 Status of corporate proposals**

There were no material corporate proposals entered into during the current quarter under review.

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**B9 Group borrowings**

Total loans and borrowings as at 31 December 2021 were as follows:

	<b>Short-term RM'000</b>	<b>Long-term RM'000</b>	<b>Total RM'000</b>
Unsecured:			
Lease liabilities	<u>33</u>	<u>68</u>	<u>101</u>

Save for the advances from ultimate holding company and its related interest payable, there were no loans and borrowings denominated in foreign currency as at 31 December 2021.

Total loans and borrowings as at 31 December 2020 were as follows:

	<b>Short-term RM'000</b>	<b>Long-term RM'000</b>	<b>Total RM'000</b>
Unsecured:			
Lease liabilities	45	102	147
Revolving credit	<u>25,000</u>	<u>-</u>	<u>25,000</u>

Save for the advances from ultimate holding company and its related interest payable, there were no loans and borrowings denominated in foreign currency as at 31 December 2020.

Weighted average interest rates per annum of borrowings effective as at reporting date are as follow:

	<b>31-DEC-21</b>
Lease liabilities	3.16%

The interest rate profile of the borrowings are:

	<b>31-DEC-21 RM'000</b>	<b>% to total borrowings</b>
Fixed rate	<u>101</u>	<u>100%</u>

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**B10 Material litigation**

- (a) By virtue of an originating summons (“OS”) filed by Chellappa Kalimuthu, President of the Jawatankuasa Pengurusan Kuil (“Chellappa”) of the Sri Maha Mariamman Temple (“Temple”) in the High Court on 3 May 2019, Chellappa is seeking the following orders:
- i. A declaration that the affairs of the Temple are subject to a constructive trust for religious purposes;
  - ii. the administration and management of the Temple;
  - iii. the vesting of immovable property(ies) (if any) of the Temple or to be donated to the temple or to be acquired for the benefit of the Temple to the Court appointed Trustees;
  - iv. intervention of the Attorney General (“AG”) in respect of matters involving the Temple.
- (b) The Judge directed for expedition of land surrendering process by OCD.
- (c) The case was heard on 20 December 2021 and the decision will be delivered on 1 March 2022.

**B11 Income Tax Expense**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31-DEC-21 RM'000	PRECEEDING YEAR CORRESPONDING QUARTER 31-DEC-20 RM'000	CURRENT YEAR TO DATE 31-DEC-21 RM'000	PRECEEDING YEAR CORRESPONDING PERIOD 31-DEC-20 RM'000
Income tax expense/(credit) comprises:				
Current tax	10,709	21,563	32,465	28,684
Deferred tax	(5,773)	(872)	(11,187)	(4,561)
	<u>4,936</u>	<u>20,691</u>	<u>21,278</u>	<u>24,123</u>

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**B12 Dividend Payable**

No interim dividends have been recommended in respect of the current quarter under review.

**B13 Earnings Per Share**

The calculation of the earnings per ordinary share of the Group has been calculated by dividing loss for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31-DEC-21 RM'000	PRECEEDING YEAR CORRESPONDING QUARTER 31-DEC-20 RM'000	CURRENT YEAR TO DATE 31-DEC-21 RM'000	PRECEEDING YEAR CORRESPONDING PERIOD 31-DEC-20 RM'000
Basic earnings per share				
Profit/(Loss) attributable to owners of the parent (RM'000)	310	38,678	(9,049)	(873)
Weighted average number of ordinary shares ('000)	1,456,995	1,456,995	1,456,995	1,456,995
Basic earnings per share (sen)	<u>0.02</u>	<u>2.65</u>	<u>(0.62)</u>	<u>(0.06)</u>



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**B14 Trade Receivables**

The table below is the aging analysis of trade receivables at the end of the reporting period:

	<b>31-DEC-21 RM'000</b>
Neither past due nor impaired	75,072
1 to 30 days past due	5,309
31 to 60 days past due	2,850
61 to 90 days past due	2,671
More than 90 days past due	22,481
	33,311
Less: Provision for doubtful debt for trade receivables	(11,494)
	<u>96,889</u>

Allowance for doubtful debt for trade receivables was provided for balances aged beyond 180 days as it is probable the Group will be unable to collect such debts after sending reminder letters and letter of demand.

On confirmation of insolvency of receivables, the balances will be written off.