

MCT BERHAD

Company No: 200901038653 (881786-X)

(Incorporated In Malaysia)

Interim Financial Reports

For The Quarter Ended 30 June 2022

MCT BERHAD 200901038653 (881786-X)
Incorporated In Malaysia

Interim Financial Reports

For The Quarter Ended 30 June 2022

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MCT BERHAD 200901038653 (881786-X)
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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 JUNE 2022
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30-JUN-22 RM'000	PRECEEDING YEAR CORRESPONDING QUARTER 30-JUN-21 RM'000	CURRENT YEAR TO DATE 30-JUN-22 RM'000	PRECEEDING YEAR CORRESPONDING PERIOD 30-JUN-21 RM'000
Revenue	53,501	79,484	92,119	168,984
Cost of sales	(37,464)	(45,993)	(62,675)	(111,192)
Gross profit	16,037	33,491	29,444	57,792
Other income	8,075	1,263	9,944	2,127
Selling and marketing expenses	(1,030)	(1,472)	(1,783)	(1,666)
Direct operating and general administrative expenses	(16,665)	(17,617)	(32,660)	(32,690)
Finance costs	(9,027)	(8,903)	(17,335)	(17,966)
(Loss)/Profit before tax	(2,610)	6,762	(12,390)	7,597
Income tax expense	(4,387)	(8,810)	(6,804)	(8,930)
Loss for the period	(6,997)	(2,048)	(19,194)	(1,333)
Other comprehensive (loss)/income, net of tax				
Items that may be reclassified subsequently to profit or loss				
Cash flow hedge	2,802	(38)	3,987	2,912
Total comprehensive (loss)/income for the period	(4,195)	(2,086)	(15,207)	1,579

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 JUNE 2022
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30-JUN-22 RM'000	PRECEEDING YEAR CORRESPONDING QUARTER 30-JUN-21 RM'000	CURRENT YEAR TO DATE 30-JUN-22 RM'000	PRECEEDING YEAR CORRESPONDING PERIOD 30-JUN-21 RM'000
Total comprehensive (loss)/income attributable to:				
Owners of the parent	(4,194)	(2,084)	(15,204)	1,585
Non-controlling interest	(1)	(2)	(3)	(6)
	(4,195)	(2,086)	(15,207)	1,579
	(4,195)	(2,086)	(15,207)	1,579
Earnings per share attributable to owners of the parent:				
Basic earnings per share (sen) - Note B13	(0.29)	(0.14)	(1.04)	0.11
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 2021 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	(UNAUDITED) AS AT END OF CURRENT FINANCIAL QUARTER 30-JUN-22 RM'000	(AUDITED) AS AT PRECEDING FINANCIAL YEAR END 31-DEC-21 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	233,697	239,774
Investment properties	249,515	249,674
Land held for property development	295,990	296,032
Deferred tax assets	9,154	17,120
	788,356	802,600
Current Assets		
Inventories	4,365	4,452
Property development costs	264,632	245,352
Trade receivables	176,015	98,980
Other receivables	41,200	50,918
Contract assets	47,824	26,781
Derivative financial assets	28,784	-
Tax recoverable	28,558	18,461
Cash and bank balances	448,894	459,482
	1,040,272	904,426
	1,828,628	1,707,026
EQUITY AND LIABILITIES		
Equity Attributable to Owners of the Company		
Share capital	1,541,092	1,541,092
Reserves	(1,063,747)	(1,067,734)
Retained earnings	371,401	390,592
	848,746	863,950
Non-controlling interests	227	230
	848,973	864,180

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	(UNAUDITED) AS AT END OF CURRENT FINANCIAL QUARTER 30-JUN-22 RM'000	(AUDITED) AS AT PRECEDING FINANCIAL YEAR END 31-DEC-21 RM'000
Non-Current Liabilities		
Borrowings	46,920	-
Lease liabilities	955	1,104
Total Non-Current Liabilities	<u>47,875</u>	<u>1,104</u>
Current Liabilities		
Trade payables	52,922	86,614
Other payables and accrued expenses	127,478	139,988
Contract liabilities	168,117	80,821
Amount owing to ultimate holding Company	551,000	520,625
Tax payable	2,490	5,741
Borrowings	28,800	-
Lease liabilities	973	1,115
Derivative financial liabilities	-	6,838
Total Current Liabilities	<u>931,780</u>	<u>841,742</u>
Total Liabilities	<u>979,655</u>	<u>842,846</u>
Total Equity and Liabilities	<u>1,828,628</u>	<u>1,707,026</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 2021 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 JUNE 2022
(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		
As at 1 January 2021	1,541,092	(1,062,627)	(12,228)	406,828	873,065	237	873,302
Total comprehensive income for the year	-	-	7,121	(16,236)	(9,115)	(7)	(9,122)
As at 31 December 2021	1,541,092	(1,062,627)	(5,107)	390,592	863,950	230	864,180
Total comprehensive income for the period	-	-	3,987	(19,191)	(15,204)	(3)	(15,207)
As at 30 June 2022	1,541,092	(1,062,627)	(1,120)	371,401	848,746	227	848,973

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 2021 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 JUNE 2022

	(UNAUDITED)	(AUDITED)
	6 MONTHS	12 MONTHS
	ENDED	ENDED
	30-JUN-22	31-DEC-21
	RM'000	RM'000
CASH FLOWS USED IN OPERATING ACTIVITIES		
(Loss)/Profit before tax	(12,390)	5,101
Adjustments for:		
Depreciation of:		
Property, plant and equipment	5,590	15,858
Investment properties	252	1,361
Finance costs	17,335	35,229
Impairment loss on property, plant and equipment	-	431
Reversal of impairment loss on property, plant and equipment	-	(707)
Allowance for impairment loss on trade receivables	-	82
Bad debts written off	-	38
Bad debts written off no longer required	(1)	-
Gain on disposal of property, plant and equipment	(800)	(1,710)
Interest income	(1,746)	(4,553)
Unrealised (gain)/loss on foreign exchange	(133)	19
	8,107	51,149
Operating Profit Before Working Capital Changes	8,107	51,149
Decrease/(Increase) in:		
Inventories	87	8,326
Property development costs	(15,303)	58,958
Contract assets	(21,043)	(20,477)
Trade receivables	(77,033)	52,384
Other receivables and prepaid expenses	9,715	(11,582)
Increase/(Decrease) in:		
Contract liabilities	87,297	(161,135)
Trade payables	(33,735)	(2,402)
Other payables and accrued expenses	(12,658)	(18,032)
	(54,566)	(42,811)
Cash Used In Operations	(54,566)	(42,811)
Income taxes paid	(13,443)	(22,483)
	(68,009)	(65,294)
Net Cash Used In Operating Activities	(68,009)	(65,294)

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 JUNE 2022

	(UNAUDITED)	(AUDITED)
	6 MONTHS	12 MONTHS
	ENDED	ENDED
	30-JUN-22	31-DEC-21
	RM'000	RM'000
CASH FLOWS USED IN INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	1,596	2,747
Interest received	1,746	4,553
Additions to:		
Investment properties	(93)	(334)
Property, plant and equipment	(1,438)	(3,465)
Land held for property development	(2,480)	(11,344)
	(669)	(7,843)
Net Cash Used In Investing Activities	(669)	(7,843)
CASH FLOWS GENERATED FROM/(USED IN) FINANCING ACTIVITIES		
Proceeds/(Repayment) from bank borrowings	75,721	(25,000)
Placement of fixed deposits placed with licensed banks	-	(3,077)
Repayment of lease liabilities	(663)	(7,859)
Finance costs paid	(17,157)	(33,822)
	57,901	(69,758)
Net Cash Generated From/(Used In) Financing Activities	57,901	(69,758)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(10,777)	(142,895)
EFFECT OF EXCHANGE RATE CHANGES	189	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	456,405	599,300
CASH AND CASH EQUIVALENTS AT END OF PERIOD	445,817	456,405

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 JUNE 2022

	(UNAUDITED)	(AUDITED)
	6 MONTHS	12 MONTHS
	ENDED	ENDED
	30-JUN-22	31-DEC-21
	RM'000	RM'000
Cash and cash equivalents included in the statement of cash flows comprise the following:		
Fixed deposits with licensed banks	55,135	36,496
Deposits under Housing Development Accounts	364,315	359,546
Cash on hand and in bank	29,444	63,440
Cash and bank balances	393,759	422,986
Less:		
Fixed deposits with maturity period more than 90 days	(3,077)	(3,077)
Cash and cash equivalents	445,817	456,405

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NOTES TO INTERIM FINANCIAL STATEMENTS
UNAUDITED INTERIM FINANCIAL REPORTS FOR THE QUARTER ENDED 30 JUNE 2022

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 2021. 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 2021.

The Group has adopted the following amendments to MFRSs which are effective for annual periods beginning on or after 1 January 2022:

Amendments to:

MFRS 3	Reference to the Conceptual Framework
MFRS 116	Proceeds before Intended Use
MFRS 137	Cost of Fulfilling a Contract
Amendments to MFRSs	Annual Improvements to MFRSs 2018-2020 Cycle

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 ¹
Amendments to:	
MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information ¹
MFRS 101	Classification of Liabilities as Current or Non-current & Disclosure of Accounting Policies ¹
MFRS 108	Definition of Accounting Estimates ¹
MFRS 112	Deferred tax related to assets and liabilities arise from a single transaction ¹
MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²

¹ Effective for annual period beginning on or after 1 January 2023, with earlier application permitted.

² 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 2021 were not subject to any qualification.

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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 period ended 30 June 2022.

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 Loss before tax

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

	CURRENT YEAR QUARTER 30-JUN-22 RM'000	YEAR TO DATE 30-JUN-22 RM'000
Staff costs	8,169	15,002
Depreciation of:		
Property, plant and equipment	2,498	5,590
Investment properties	126	252
Unrealised gain on foreign exchange	(166)	(133)
Realised gain on foreign exchange	(57)	(72)
Gain on disposal of property, plant and equipment	(749)	(800)
Interest income	(1,003)	(1,746)

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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 quarter ended 30 June 2022 is as follows:

	Property Development RM'000	Investment Holding RM'000	Complementary Business RM'000	Others RM'000	Total RM'000	Elimination RM'000	The Group RM'000
Revenue							
External revenue	86,320	-	526	5,273	92,119	-	92,119
Inter-segment revenue	-	-	13,186	1,366	14,552	(14,552)	-
Total revenue	86,320	-	13,712	6,639	106,671	(14,552)	92,119
Results							
Operating profit/(loss)	3,330	(4,345)	(2,385)	(1,552)	(4,952)	(47)	(4,999)
Interest income	1,684	17,984	58	-	19,726	(17,980)	1,746
Other income	2,174	247	5,541	236	8,198	-	8,198
Finance costs	(12,370)	(16,546)	(5,951)	(495)	(35,362)	18,027	(17,335)
Loss before tax	(5,182)	(2,660)	(2,737)	(1,811)	(12,390)	-	(12,390)
Income tax (expense)/credit	(6,782)	(1,554)	1,568	(36)	(6,804)	-	(6,804)
Loss after tax	(11,964)	(4,214)	(1,169)	(1,847)	(19,194)	-	(19,194)

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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 quarter ended 30 June 2022 is as follows: *(continued)*

	Property Development RM'000	Investment Holding RM'000	Complementary Business RM'000	Others RM'000	Total RM'000	Elimination RM'000	The Group RM'000
Assets and liabilities							
Segment assets	2,366,761	2,306,511	728,497	76,420	5,478,189	(3,687,273)	1,790,916
Tax recoverable and deferred tax asset	18,686	614	10,648	232	30,180	7,532	37,712
Total assets	2,385,447	2,307,125	739,145	76,652	5,508,369	(3,679,741)	1,828,628
Segment liabilities	1,880,934	760,708	700,191	111,661	3,453,494	(2,476,329)	977,165
Tax payable and deferred tax liabilities	2,490	-	-	-	2,490	-	2,490
Total liabilities	1,883,424	760,708	700,191	111,661	3,455,984	(2,476,329)	979,655

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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 quarter ended 30 June 2022 is as follows: *(continued)*

	Property Development RM'000	Investment Holding RM'000	Complementary Business RM'000	Others RM'000	Total RM'000
Other segment information					
Capital expenditure:					
Investment properties	93	-	-	-	93
Property, plant and Equipment	386	-	898	154	1,438
Depreciation of:					
Investment properties	252	-	-	-	252
Property, plant and Equipment	4,019	-	413	1,158	5,590

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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

	As at 30-JUN-22 RM'000	As at 31-DEC-21 RM'000
Performance bond provided in favour of third parties pursuant to the construction and/or development projects of the Group	<u>16,034</u>	<u>14,191</u>

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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:

	YEAR TO DATE 30-JUN-22 RM'000
Interest paid/payable to ultimate holding company	<u>16,274</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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**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA
SECURITIES BERHAD
UNAUDITED INTERIM FINANCIAL REPORTS FOR THE QUARTER ENDED 30 JUNE 2022**

**PART B - EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 AND APPENDIX 9B OF THE
MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B1 Performance Review

For the current quarter under review

The Group recorded revenue of RM54 million for the current quarter ended 30 June 2022, compared to RM79 million in the corresponding quarter of the preceding year, representing a 32% decrease in revenue. This was mainly due to majority of the Group's project are either towards the completion stage (Market Homes) and/or at the infancy stage, whereby construction progress is minimal compared with last year.

Expenses of RM27million recorded for the current quarter under review is at par with the corresponding quarter of the preceding year.

Consequently, the Group recorded loss after tax of RM7 million for the current quarter under review as compared to a loss after tax of RM2 million for the corresponding quarter of the preceding year

For the current year

The Group recorded revenue of RM92 million for the 6-months period ended 30 June 2022. The Group's gross profit margin was at 32% which was mainly driven by sales and construction progress from Market Homes at the Lakefront @ Cyberjaya, Casa Bayu & Park Place @ Cybersouth, Aetas @ Damansara, and Alira Phase 1 @ Metropark Subang.

Expenses recorded for the period was RM52 million, out of which RM16 million were for the interest charged on the advances from its ultimate holding company.

Consequently, the Group recorded loss after tax of RM19 million for the 6-months period ended 30 June 2022.

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

The Group recorded revenue of RM54 million for the current quarter ended 30 June 2022, compared to RM39 million in the preceding quarter. The increase in revenue recorded was mainly due to initial recognition for Alira Phase 1. The gross profit margin for the current quarter at 30% was slightly lower than last quarter owing to price adjustments made to boost sales velocity.

Total expenses recorded for the current quarter of RM27 million is higher than the expenses recorded in the preceding quarter of RM25 million. The increase was due to higher staff costs and finance costs due to additional bridging loans obtained to support new project launches.

Consequently, the Group recorded loss after tax of RM7 million for the current quarter under review as compared to loss after tax of RM12 million in the previous quarter.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA
SECURITIES BERHAD
UNAUDITED INTERIM FINANCIAL REPORTS FOR THE QUARTER ENDED 30 JUNE 2022**

**PART B - EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 AND APPENDIX 9B OF THE
MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B3 Prospects

The Malaysian economy registered a stronger growth of 8.9% in the second quarter of 2022, with a growth of 6.9% in the first half of 2022. Domestic demand continued to strengthen, underpinned by the steady recovery in labour market conditions and ongoing policy support.

The property market saw gradual improvements in the Malaysia Property Market Report's (MPMR) price and supply indices. This trend is anticipated to continue throughout the year as the market readjusts to a post-pandemic environment.

The government has come out with a number of policies to boost the property market, such as the non-imposition of the Real Property Gains Tax (RPGT) dispose by individual owners starting from the 6th year and onwards with effective from 1 January 2022 and the Memorandum of Transfer (MoT) stamp duty waiver for first-time house buyer.

The Group will continue to conduct diligent and careful research to leverage opportunities in the property market wherein properties will be priced affordably to meet demand for better income prospects. Despite the recent hike in the overnight policy rate (OPR) in May and July, resulting to higher borrowing costs, the marginal increment has not significantly affected the buying interest. The Group continue to see positive take-up in its sales in Alira and Casa Bayu which offers property price within the range of RM500,000 – RM800,000.

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 30 June 2022 were as follows:

	Short-term RM'000	Long-term RM'000	Total RM'000
Unsecured:			
Lease liabilities	34	51	85
Revolving credit	28,800	-	28,800
Term loan	-	46,920	46,920

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 30 June 2022.

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

	Short-term RM'000	Long-term RM'000	Total RM'000
Unsecured:			
Lease liabilities	33	68	101

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.

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

	30-JUN-22
Lease liabilities	2.40%
Revolving credit	3.20%
Term loan	3.54% - 4.20%

The interest rate profile of the borrowings are:

	30-JUN-22	
	RM'000	% to total borrowings
Fixed rate	85	1%
Floating rate	75,720	99%
	<u>75,805</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, the Court has decided the following on 16 August 2022:
- 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 temple land has been surrendered to the State, to be gazetted as “Rumah Ibadat Bukan Islam”.
- (c) On 23 February 2022, an application to intervene in the proceedings was filed by one of the temple’s devotee. The court has dismissed the intervene’s application and the stakeholders sum has been returned to MCT on 15 June 2022.

B11 Income Tax Expense

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30-JUN-22 RM'000	PRECEEDING YEAR CORRESPONDING QUARTER 30-JUN-21 RM'000	CURRENT YEAR TO DATE 30-JUN-22 RM'000	PRECEEDING YEAR CORRESPONDING PERIOD 30-JUN-21 RM'000
Income tax expense comprises:				
Current tax	69	6,964	1,674	7,919
Deferred tax	4,318	1,846	5,130	1,011
	4,387	8,810	6,804	8,930

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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)/profit 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 30-JUN-22 RM'000	PRECEEDING YEAR CORRESPONDING QUARTER 30-JUN-21 RM'000	CURRENT YEAR TO DATE 30-JUN-22 RM'000	PRECEEDING YEAR CORRESPONDING PERIOD 30-JUN-21 RM'000
Basic earnings per share				
Profit/(Loss) attributable to owners of the parent (RM'000)	(4,194)	(2,084)	(15,204)	1,585
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>(0.29)</u>	<u>(0.14)</u>	<u>(1.04)</u>	<u>0.11</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:

	30-JUN-22 RM'000
Neither past due nor impaired	165,593
1 to 30 days past due	405
31 to 60 days past due	867
61 to 90 days past due	522
More than 90 days past due	20,156
	21,950
Less: Provision for doubtful debt for trade receivables	(11,528)
	<u>176,015</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.