

**MCT BERHAD**

**Company No: 200901038653 (881786-X)**  
**(Incorporated In Malaysia)**

**Interim Financial Reports**  
**For The Year Ended 31 December 2022**

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

**Interim Financial Reports**

**For The Year Ended 31 December 2022**

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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

*(The figures have not been audited)*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31-DEC-22 RM'000	PRECEEDING YEAR CORRESPONDING QUARTER 31-DEC-21 RM'000	CURRENT YEAR TO DATE 31-DEC-22 RM'000	PRECEEDING YEAR CORRESPONDING PERIOD 31-DEC-21 RM'000
Revenue	76,545	87,099	224,920	326,941
Cost of sales	(30,117)	(65,749)	(131,845)	(231,853)
Gross profit	<u>46,428</u>	<u>21,350</u>	<u>93,075</u>	<u>95,088</u>
Other income	8,908	9,157	25,200	13,212
Selling and marketing expenses	(1,916)	(569)	(5,663)	(2,899)
Direct operating and general administrative expenses	(36,057)	(18,432)	(84,203)	(65,071)
Finance costs	(5,786)	(8,082)	(32,806)	(35,229)
Profit/(Loss) before tax	<u>11,577</u>	<u>3,424</u>	<u>(4,397)</u>	<u>5,101</u>
Income tax credit/(expense)	<u>1,978</u>	<u>(5,001)</u>	<u>4,930</u>	<u>(21,343)</u>
Profit/(Loss) for the period	13,555	(1,577)	533	(16,242)
Other comprehensive income/(loss), net of tax				
<b>Items that may be reclassified subsequently to profit or loss</b>				
Cash flow hedge	<u>1,215</u>	<u>1,819</u>	<u>6,603</u>	<u>7,121</u>
Total comprehensive income/(loss) for the period	<u>14,770</u>	<u>242</u>	<u>7,136</u>	<u>(9,121)</u>

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

*(The figures have not been audited)*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31-DEC-22 RM'000	PRECEEDING YEAR CORRESPONDING QUARTER 31-DEC-21 RM'000	CURRENT YEAR TO DATE 31-DEC-22 RM'000	PRECEEDING YEAR CORRESPONDING PERIOD 31-DEC-21 RM'000
Total comprehensive income/(loss) attributable to:				
Owners of the parent	14,772	244	7,143	(9,114)
Non-controlling interest	(2)	(2)	(7)	(7)
	14,770	242	7,136	(9,121)
Earnings per share attributable to owners of the parent:				
Basic earnings per share (sen) - Note B12	1.01	0.02	0.49	(0.63)
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.

**MCT BERHAD 200901038653 (881786-X)**  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	<b>(UNAUDITED)</b> <b>AS AT END OF</b> <b>CURRENT</b> <b>FINANCIAL</b> <b>YEAR</b> <b>31-DEC-22</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-21</b> <b>RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	223,868	239,774
Investment properties	249,481	249,674
Land held for property development	289,045	296,032
Deferred tax assets	4,556	17,120
	766,950	802,600
<b>Total Non-Current Assets</b>		
<b>Current Assets</b>		
Inventories	4,070	4,452
Property development costs	269,087	245,352
Trade receivables	56,775	98,980
Other receivables	59,015	50,918
Contract assets	82,152	26,781
Tax recoverable	48,919	18,461
Cash and bank balances	91,689	459,482
	611,707	904,426
<b>Total Current Assets</b>		
	1,378,657	1,707,026
<b>Total Assets</b>		
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable to Owners of the Company</b>		
Share capital	1,541,092	1,541,092
Reserves	(1,061,131)	(1,067,734)
Retained earnings	391,132	390,592
	871,093	863,950
Non-controlling interests	223	230
	871,316	864,180
<b>Total Equity</b>		

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	<b>(UNAUDITED) AS AT END OF CURRENT FINANCIAL YEAR 31-DEC-22 RM'000</b>	<b>(AUDITED) AS AT PRECEDING FINANCIAL YEAR END 31-DEC-21 RM'000</b>
<b>Non-Current Liabilities</b>		
Borrowings	38,556	-
Amount owing to ultimate holding company	197,550	-
Lease liabilities	218	1,104
Derivative financial liabilities	14,187	-
<b>Total Non-Current Liabilities</b>	<b>250,511</b>	<b>1,104</b>
<b>Current Liabilities</b>		
Trade payables	54,388	86,614
Other payables and accrued expenses	114,692	139,988
Contract liabilities	6,360	80,821
Amount owing to ultimate holding company	43,900	520,625
Tax payable	2,356	5,741
Borrowings	31,050	-
Lease liabilities	738	1,115
Derivative financial liabilities	3,346	6,838
<b>Total Current Liabilities</b>	<b>256,830</b>	<b>841,742</b>
<b>Total Liabilities</b>	<b>507,341</b>	<b>842,846</b>
<b>Total Equity and Liabilities</b>	<b>1,378,657</b>	<b>1,707,026</b>

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.

**MCT BERHAD 200901038653 (881786-X)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 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		
<b>As at 1 January 2021</b>	1,541,092	(1,062,627)	(12,228)	406,828	873,065	237	873,302
Total comprehensive income for the year	-	-	7,121	(16,236)	(9,115)	(7)	(9,122)
<b>As at 31 December 2021</b>	1,541,092	(1,062,627)	(5,107)	390,592	863,950	230	864,180
Total comprehensive income for the year	-	-	6,603	540	7,143	(7)	7,136
<b>As at 31 December 2022</b>	1,541,092	(1,062,627)	1,496	391,132	871,093	223	871,316

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.

**MCT BERHAD 200901038653 (881786-X)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>(UNAUDITED)</b>	<b>(AUDITED)</b>
	<b>12 MONTHS</b>	<b>12 MONTHS</b>
	<b>ENDED</b>	<b>ENDED</b>
	<b>31-DEC-22</b>	<b>31-DEC-21</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS USED IN OPERATING ACTIVITIES</b>		
(Loss)/Profit before tax	(4,396)	5,101
Adjustments for:		
Depreciation of:		
Property, plant and equipment	13,670	15,858
Investment properties	505	1,361
Finance costs	32,806	35,229
Impairment loss on property, plant and equipment	2,617	431
Reversal of impairment loss on property, plant and equipment	(90)	(707)
Reversal of impairment loss on investment properties	(219)	-
Allowance for impairment loss on trade receivables	2,770	82
Allowance for impairment loss on other receivables	5,142	-
Bad debts written off	193	38
Gain on disposal of property, plant and equipment	(2,289)	(1,710)
Interest income	(4,710)	(4,553)
Ineffective cash flow hedge	(1,172)	-
Unrealised (gain)/loss on foreign exchange	(161)	19
	44,666	51,149
Operating Profit Before Working Capital Changes		
Decrease/(Increase) in:		
Inventories	382	8,326
Property development costs	(4,736)	58,958
Contract assets	(55,371)	(20,477)
Trade receivables	39,437	52,384
Other receivables and prepaid expenses	(13,433)	(11,582)
Decrease in:		
Contract liabilities	(74,461)	(161,135)
Trade payables	(32,248)	(2,402)
Other payables and accrued expenses	(23,472)	(18,032)
	(119,236)	(42,811)
Cash Used In Operations		
Income taxes paid	(18,433)	(22,483)
	(137,669)	(65,294)
Net Cash Used In Operating Activities		



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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>(UNAUDITED)</b>	<b>(AUDITED)</b>
	<b>12 MONTHS</b>	<b>12 MONTHS</b>
	<b>ENDED</b>	<b>ENDED</b>
	<b>31-DEC-22</b>	<b>31-DEC-21</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	3,484	2,747
Interest received	4,710	4,553
Additions to:		
Investment properties	(93)	(334)
Property, plant and equipment	(4,285)	(3,465)
Land held for property development	(9,284)	(11,344)
	<u>(5,468)</u>	<u>(7,843)</u>
Net Cash Used In Investing Activities		
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>		
Proceeds/(Repayment) from bank borrowings	69,570	(25,000)
Placement of fixed deposits placed with licensed banks	-	(3,077)
Repayment of lease liabilities	(1,282)	(7,859)
Finance costs paid	(34,391)	(33,822)
Decrease in amount owing to ultimate holding company	(258,492)	-
	<u>(224,595)</u>	<u>(69,758)</u>
Net Cash Used In Financing Activities		
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(367,732)</b>	<b>(142,895)</b>
<b>EFFECT OF EXCHANGE RATE CHANGES</b>	<b>(60)</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>456,405</b>	<b>599,300</b>
	<u>456,405</u>	<u>599,300</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>88,613</b>	<b>456,405</b>
	<u>88,613</u>	<u>456,405</u>

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>(UNAUDITED)</b>	<b>(AUDITED)</b>
	<b>12 MONTHS</b>	<b>12 MONTHS</b>
	<b>ENDED</b>	<b>ENDED</b>
	<b>31-DEC-22</b>	<b>31-DEC-21</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	44,712	36,496
Deposits under Housing Development Accounts	41,110	359,546
Cash on hand and in bank	5,868	63,440
Cash and bank balances	46,978	422,986
Less:		
Fixed deposits with maturity period more than 90 days	(3,077)	(3,077)
Cash and cash equivalents	88,613	456,405

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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED INTERIM FINANCIAL REPORTS FOR THE YEAR ENDED 31 DECEMBER 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 <sup>1</sup>
Amendments to:	
MFRS 16	Lease Liability in a Sale and Leaseback <sup>2</sup>
MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information <sup>1</sup>
MFRS 101	Classification of Liabilities as Current or Non-current & Disclosure of Accounting Policies <sup>1</sup>
MFRS 101	Non-Current Liabilities with Covenants <sup>2</sup>
MFRS 108	Definition of Accounting Estimates <sup>1</sup>
MFRS 112	Deferred tax related to assets and liabilities arise from a single transaction <sup>1</sup>
MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>

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

<sup>2</sup> Effective for annual period beginning on or after 1 January 2024, 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 2021 were not subject to any qualification.

**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 2022.

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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**

**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-22 RM'000</b>	<b>YEAR TO DATE 31-DEC-22 RM'000</b>
Staff costs	8,838	32,163
Depreciation of:		
Property, plant and equipment	4,736	13,670
Investment properties	126	505
Impairment loss on property, plant and equipment	2,485	2,617
Reversal of impairment on:		
Property, plant and equipment	(90)	(90)
Investment properties	(219)	(219)
Allowance for impairment on:		
Trade receivables	2,770	2,770
Other receivables	5,142	5,142
Ineffective cashflow hedge	(1,172)	(1,172)
Unrealised loss/(gain) on foreign exchange	179	(161)
Realised loss on foreign exchange	442	199
Gain on disposal of property, plant and equipment	(667)	(2,289)
Interest income	(1,025)	(4,710)

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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED INTERIM FINANCIAL REPORTS FOR THE YEAR ENDED 31 DECEMBER 2022**

**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 2022 is as follows:

	<b>Property Development 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	212,667	-	1,081	11,172	224,920	-	224,920
Inter-segment revenue	-	-	32,505	2,618	35,123	(35,123)	-
<b>Total revenue</b>	<b>212,667</b>	<b>-</b>	<b>33,586</b>	<b>13,790</b>	<b>260,043</b>	<b>(35,123)</b>	<b>224,920</b>
<b>Results</b>							
Operating profit/(loss)	28,492	(10,681)	(5,715)	(8,780)	3,316	(107)	3,209
Interest income	4,347	33,889	171	-	38,407	(33,697)	4,710
Other income	4,612	5,025	10,379	474	20,490	-	20,490
Finance costs	(23,966)	(30,861)	(10,882)	(901)	(66,610)	33,804	(32,806)
<b>Profit/(Loss) before tax</b>	<b>13,485</b>	<b>(2,628)</b>	<b>(6,047)</b>	<b>(9,207)</b>	<b>(4,397)</b>	<b>-</b>	<b>(4,397)</b>
Income tax (expense)/credit	(8,511)	12,086	1,425	(70)	4,930	-	4,930
<b>Profit/(Loss) after tax</b>	<b>4,974</b>	<b>9,458</b>	<b>(4,622)</b>	<b>(9,277)</b>	<b>533</b>	<b>-</b>	<b>533</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 2022 is as follows: *(continued)*

	<b>Property Development 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	1,872,356	1,933,056	494,855	67,600	4,367,867	(3,042,685)	1,325,182
Tax recoverable and deferred tax asset	24,275	8,990	11,036	301	44,602	8,873	53,475
<b>Total assets</b>	<b>1,896,631</b>	<b>1,942,046</b>	<b>505,891</b>	<b>67,901</b>	<b>4,412,469</b>	<b>(3,033,812)</b>	<b>1,378,657</b>
Segment liabilities	1,387,866	380,419	474,569	112,421	2,355,275	(1,850,290)	504,985
Tax payable and deferred tax liabilities	2,356	-	-	-	2,356	-	2,356
<b>Total liabilities</b>	<b>1,390,222</b>	<b>380,419</b>	<b>474,569</b>	<b>112,421</b>	<b>2,357,631</b>	<b>(1,850,290)</b>	<b>507,341</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 2022 is as follows: *(continued)*

	<b>Property Development 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	93	-	-	-	93
Property, plant and equipment	2,891	-	1,240	154	4,285
Depreciation of:					
Investment properties	505	-	-	-	505
Property, plant and equipment	7,947	-	3,101	2,622	13,670



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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-22 RM'000</b>	<b>As at 31-DEC-21 RM'000</b>
Performance bond provided in favour of third parties pursuant to the construction and/or development projects of the Group	<u>30,355</u>	<u>14,191</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-22</b> <b>RM'000</b>
Interest paid/payable to ultimate holding company	<u>29,645</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 RM77 million for the current quarter ended 31 December 2022, compared to RM87 million in the corresponding quarter of the preceding year, representing a 12% decrease in revenue. This was mainly due to majority of the Group's project are either towards the completion stage (Market Homes & Park Place Phase 1) and/or at the infancy stage, whereby construction progress is minimal compared with last year. However, gross profit margin improved to 60% versus 24% from the same period of last year as a result of savings realised upon finalisation of account from completed projects.

Total expenses for the quarter under review have increased by RM17 million to RM44 million from RM27 million recorded for the preceding quarter ended 31 December 2021. The increase was mainly due to allowance for impairment loss on receivables, plant and machinery and accelerated depreciation on construction equipment under the non-core businesses.

Nevertheless, the Group recorded profit after tax of RM14 million for the current quarter under review as compared to a loss after tax of RM2 million from the corresponding quarter of the preceding year.

For the current year

The Group recorded revenue of RM225 million for the year ended 31 December 2022 with a gross profit margin of 41% due to savings realised upon finalisation of account from completed projects.

Expenses recorded for the year was RM123 million, out of which RM29 million were for the interest charged on the advances from its ultimate holding company together with an allowance for impairment loss on receivables, plant and machinery and accelerated depreciation on construction equipment under the non-core businesses.

Consequently, the Group recorded profit after tax of RM0.5 million for the year ended 31 December 2022.

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

The Group recorded revenue of RM77 million for the current quarter ended 31 December 2022, compared to RM56 million in the preceding quarter. The increase in revenue was mainly due to the launch of Sanderling at Lakefront Cyberjaya. Gross profit margin for the current quarter at 60% was significantly better than last quarter of 30% owing to savings realised upon finalisation of account from completed projects.

Total expenses recorded for the current quarter of RM44 million is higher than the expenses recorded in the preceding quarter of RM27 million. The increase was mainly due to allowance for impairment loss on receivables, plant and machinery and accelerated depreciation on construction equipment under the non-core businesses.

The Group however, recorded a profit after tax of RM14 million for the current quarter under review as compared to profit after tax of RM6 million recorded in the previous quarter.

**B3 Prospects**

According to Bank Negara Malaysia, Malaysia's economy staged a healthy recovery in 2022 with its gross domestic product (GDP) growing by 8.7% and foresees the nation's GDP to rise by 4-5% in 2023. In line with the improved economy, the Group's net property sales maintained its uptrend with a 13% increase from RM440 million in the financial year ended 31 December 2021 to RM496 million in the financial year ended 31 December 2022 (FY2022). This came on the back of the success of Alira @ Metropark Subang, Aetas Damansara and Casa Bayu.

In addition, the Group's unbilled sales as at 31 December 2022 also rose 39% to RM720 million from RM518 million in 2021, providing earnings visibility over the coming years.

The Group also launched four new projects in FY2022, namely Phase 2 of Alira @ Metropark Subang, Phase 1 of Sanderling at Lakefront @ Cyberjaya, Phase 1 and Phase 3 of Casa Embun with a total gross development value of RM784 million.

In August 2022, the Group acquired a 4.0-acre land in Bangi for RM31.5 million which is slated for launch in 1Q2024 with an estimated gross development value (GDV) of RM404.2 million. The Group also recently announced the acquisition of a 1.6-acre land in Seputeh, Kuala Lumpur for RM58.0 million with an estimated GDV of RM320.0 million.

Going forward, the Group will continue to seek out land banking opportunities to acquire parcels of land with strong value propositions across the Klang Valley to enhance the Group's future prospects.

The Group remains cautiously optimistic of its prospects supported by its pipeline launches of at least three new projects in the financial year ending 31 December 2023 (FY2023). Underpinned by the Group's robust unbilled sales and contributions from its launches, the Group is confident of a positive growth trajectory and achieve profitability for FY2023.

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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 2022 were as follows:

	<b>Short-term RM'000</b>	<b>Long-term RM'000</b>	<b>Total RM'000</b>
Unsecured:			
Lease liabilities	35	33	68
Revolving credit	31,050	-	31,050
Term loan	<u>-</u>	<u>38,556</u>	<u>38,556</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 2022.

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.

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

	<b>31-DEC-22</b>
Lease liabilities	2.40%
Revolving credit	4.01% - 4.05%
Term loan	4.32% - 5.00%

The interest rate profile of the borrowings are:

	<b>31-DEC-22</b>	
	<b>RM'000</b>	<b>% to total borrowings</b>
Fixed rate	68	1%
Floating rate	<u>69,606</u>	<u>99%</u>
	<u>69,674</u>	<u>100%</u>

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**B10 Income Tax Expense**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEEDING YEAR CORRESPONDING PERIOD
	31-DEC-22	31-DEC-21	31-DEC-22	31-DEC-21
	RM'000	RM'000	RM'000	RM'000
Income tax (credit)/expense comprises:				
Current tax	(463)	11,217	(15,409)	32,973
Deferred tax	(1,515)	(6,216)	10,479	(11,630)
	(1,978)	5,001	(4,930)	21,343

**B11 Dividend Payable**

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

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**B12 Earnings Per Share**

The calculation of the earnings per ordinary share of the Group has been calculated by dividing profit/(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-22 RM'000	PRECEEDING YEAR CORRESPONDING QUARTER 31-DEC-21 RM'000	CURRENT YEAR TO DATE 31-DEC-22 RM'000	PRECEEDING YEAR CORRESPONDING PERIOD 31-DEC-21 RM'000
Basic earnings per share				
Profit/(Loss) attributable to owners of the parent (RM'000)	14,772	244	7,143	(9,114)
Weighted average number of ordinary shares ('000)	1,456,995	1,456,995	1,456,995	1,456,995
Basic earnings per share (sen)	1.01	0.02	0.49	(0.63)



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**B13 Trade Receivables**

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

	<b>31-DEC-22</b> <b>RM'000</b>
Neither past due nor impaired	44,669
1 to 30 days past due	6,676
31 to 60 days past due	2,032
61 to 90 days past due	608
More than 90 days past due	17,088
	26,404
Less: Provision for doubtful debt for trade receivables	(14,298)
	<u>56,775</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.