

**MCT BERHAD**  
**Company Registration No.: 200901038653 (881786-X)**  
**(Incorporated in Malaysia)**

**Summary of Key Matters Discussed at the Twelfth (“12th”) Annual General Meeting (“AGM” Or “Meeting”) of MCT Berhad (“MCT” Or “Company”) conducted fully virtual via online meeting platform in Malaysia, on Wednesday, 1 September 2021 at 2:00 p.m.**

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Tan Sri Dato’ Sri Abi Musa Asa’ari Bin Mohamed Nor presided as Chairman of the 12th AGM. The Chairman called the Meeting to order at 2.30 p.m. which was conducted via online meeting platform through remote participation and electronic voting after confirmation of the requisite quorum being present pursuant to Clause 70 of the Company’s Constitution.

The Company Secretary highlighted to the shareholders that under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the notice of the 12th AGM must be voted by way of poll, except for Agenda 1 which was in relation to receiving the Company’s Audited Financial Statements for the financial year ended 31 December 2020 (“FY 2020”), as formal approval from shareholders is not required.

HMC Corporate Services Sdn. Bhd. was the poll administrator for the voting process while Niche & Milestones International Sdn. Bhd. acted as the scrutineer to validate the votes.

The Audited Financial Statements for the FY 2020 together with the Directors’ and Auditors Report thereon were received by the shareholders. The seven (7) ordinary resolutions were voted by way of poll via remote participation and electronic voting and were duly passed by the shareholders at the 12th AGM.

The questions received from the shareholders and management’s responses in relation thereto were set out in Appendix I.

## **QUESTIONS RAISED BY SHAREHOLDERS**

The questions received from the shareholders and corresponding responses from the Chief Executive Officer and Chief Financial Officer of the Company at the 12th AGM were summarised as follows:

### **Question 1:**

How has the COVID-19 pandemic affected MCT's operations and what has been done to mitigate its impact?

### **Response by Mr. Teh Heng Chong, the Chief Executive Officer ("CEO"):**

The COVID-19 pandemic which resulted in the various MCOs has disrupted all businesses regardless. For MCT, we adhered to the various SOPs & criteria the Health Ministry imposed and we basically controlled the number of staff in office unless they needed to physically complete certain job functions.

Certain operations were more affected as they involved various stakeholders & parties to ensure the activities could be completed. Nevertheless, business has to go on and we had to adjust to the new norm.

#### **i) Sales**

- Sales galleries experienced lesser visits as we strictly adhered to the SOP's by the Ministry of Health.
- Hence, we increased our online presence by reaching out to buyers through social media platforms, creating 360 virtual tours of our show units and introduced online payment gateways to facilitate sales transactions.
- Sales team members were undergoing online selling training with interactive presentation slides for constant engagement with prospective buyers.

#### **ii) Construction progress**

- The various SOPs required by the Authorities, impacted the momentum of work in all of our project sites and our timeline of deliveries.
- Nevertheless, our strict monitoring of the contractor's performance helped us to successfully deliver four projects totaling 3,053 units with GDV worth RM1.2 billion.

#### **iii) New launches**

- In 2020, we had to defer a few planned launches due to delays in obtaining the approvals as well as decision made after going through our internal risk assessment. We decided to launch only Casa Bayu at Cybersouth & Aetas Damansara after due consideration as we felt the registration of interest obtained were healthy and we further screened & scrutinized these prospects and only then we felt confident to put those projects into the market. From the sales response we have obtained from these 2 projects since launch, it looks like we have made the right decision.
- For this year, we have also done the same, scheduled a few launches but may only proceed with Alira Metropark due to the healthy registration of interests obtained so far.

**v) Austerity and cost management measures**

- In line with our transformation and growth strategies, we undertook a manpower optimisation programme and an on-going consolidation of roles within our Group to facilitate our move towards adopting to our new operational stance as a property developer.
- We also underwent a thorough cost review to revisit the spending on capital expenditure and reduced certain administrative and overhead costs to operate under an optimum level and still maintain a healthy balance sheet.

**Question 2:**

What are the future plans of MCT?

**Response by the CEO:**

We have been exploring over 250 plots of land since 2019. All this while, our developments have been focused within the Cyberjaya-Dengkil corridor and we felt this cannot be sustainable in the long term. We reviewed our expansion strategy to diversify our presence into more strategic locations within the Klang Valley. We have set our targets on a few preferred locations. You could see our diversification plans already happening with the launch of Aetas Damansara in Petaling Jaya in 2020 and soon Alira Metropark in Subang Jaya this year. We shall announce our presence in more locations soon in the not too-distant future.

Another aspect we considered is that by venturing into various growth centers, we will be capable of reaching out to a wider market. At the same time, there may also be opportunity for us to reach out to different market segments. In the case of Aetas Damansara, due to its location and surroundings, we could target the high-end market. Having said that, our main focus will still be on the affordable and mid market segment for properties within the price range of RM400K to RM800K.

**Question 3:**

MCT handed over 4 projects totaling 3,053 units in 2020 during the pandemic when various levels of MCO were imposed. How did MCT handle the vacant possession to buyers?

**Response by the CEO:**

With the pandemic fear & safety concerns, we had to review our traditional hand over processes and adapt to the new environment.

1. Due to the high number of units to be delivered (3,053 units), we had to create more Teams to handle groups that are more manageable in size.
2. We had to minimize the physical interactions as much as possible. Therefore, we encouraged customers to opt for the DRIVE-THRU key collections for those who opted for that service. We may be among the first to have done this in the industry.
3. We had to ensure that we could manage the defects efficiently when the customers start moving in. We did this by investing into My@Community App that allows for us to manage & coordinate the defect works between the various parties concern.

All the above were done within the strict SOPs recommended by the Health Ministry.

**Question 4:**

From sales and marketing side, Alira's APDL has been delayed for a long time. As one of the next major projects to drive the profitability, can you share some updates/information on this project's status?

**Response by the CEO:**

The Management has been following up with the authorities on the approval of Alira's APDL. The delay is mainly due to the lockdown. The project was originally scheduled for launch by middle of this year but has been postponed to 4th quarter of 2021. We are confident that all necessary approvals will be secured, and we can launch the project once the APDL is obtained from the authorities.

Questions raised concerning the Audited Financial Statements:

**Question 1:**

Why is finance cost higher in FY 2020 compared to FY 2019?

**Response by MS. Susan Jacob Secreto, the Chief Financial Officer ("CFO"):**

Our finance cost was higher at RM35 million in FY 2020 compared to RM23 million in FY 2019 upon recognition of the interest for the loan from our holding Company (RM502 million as of 31 December 2020) for the full financial year.

The borrowings were utilised to fund our working capital to complete and hand over four projects as scheduled in 2020.

**Question 2:**

Why are cash and bank balances higher in FY 2020 compared to FY 2019?

**Response by the CFO:**

Our cash and bank balances increased by 28% from RM470 million in FY 2019 to RM599 million in FY 2020. The increase mainly came from collections as we handed over 3,053 units across four projects in FY 2020 and the high completion rates from Market Homes at our Lakefront @ Cyberjaya development.

The surplus in cash flow will be deployed back to our operations to support our growth plan strategy.

The Chairman inquired whether any question was received in the chat box during the Meeting. Ms. Carol Pelly, the moderator of the Meeting replied that the Company has received the following questions:

- 1) Next major projects status of the Company?
- 2) Measures taken for business continuity? and
- 3) Measures implemented to prevent cyber-attacks on the Company's computer systems?

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The Chairman delegated the Management to address these questions after the Meeting vide email.

There being no other business to be transacted, the Meeting concluded at 3.22 p.m. with a vote of thanks extended to the Chair.