

Tanco Holdings Berhad

Registration No. 195801000190 (3326-K)

Condensed Consolidated Statements of Financial Position as at 30 June 2020

	Current Year	Preceding Year
	As At 30-Jun-20 (Unaudited) RM'000	As At 30-Jun-19 (Restated) RM'000
<u>ASSETS</u>		
<u>NON-CURRENT ASSETS</u>		
Property, Plant and Equipment	38,965	75,126
Investment Properties	33,130	27,036
Inventories	94,005	87,379
Right-of-use assets	35,069	-
Other Investments	3	5
Deferred Tax Assets	-	837
TOTAL NON-CURRENT ASSETS	201,172	190,383
<u>CURRENT ASSETS</u>		
Inventories	59,259	77,525
Trade Receivables	1,804	1,045
Other Receivables, Deposits and Prepayments	1,146	1,711
Contract Costs	3,996	4,014
Cash, Bank Balances and Deposits	3,990	7,456
TOTAL CURRENT ASSETS	70,195	91,751
TOTAL ASSETS	271,367	282,134

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.)

Tanco Holdings Berhad

Registration No. 195801000190 (3326-K)

Condensed Consolidated Statements of Financial Position as at 30 June 2020

	Current Year	Preceding Year
	As At 30-Jun-20 (Unaudited) RM'000	As At 30-Jun-19 (Restated) RM'000
<u>EQUITY AND LIABILITIES</u>		
<u>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</u>		
Share Capital	76,798	51,877
Capital Reserves	50,233	50,233
RCN - Equity Component	40	95
Retained Profits	33,259	50,399
TOTAL EQUITY	160,330	152,604
<u>NON-CURRENT LIABILITIES</u>		
Borrowings	36,919	40,862
Lease Liabilities	371	-
Long Term Payables	3,696	2,239
Deferred Tax Liabilities	46	9
TOTAL NON-CURRENT LIABILITIES	41,032	43,110
<u>CURRENT LIABILITIES</u>		
Trade Payables	11,377	13,404
Other Payables, Deposits and Accruals	13,002	28,143
Contract Liabilities	33,474	32,128
Provisions For Liabilities	153	153
Borrowings	4,566	4,160
Lease Liabilities	134	-
Amount Owing To Directors	5,730	4,663
RCN - Liability Component	812	3,014
Tax Payable	757	755
TOTAL CURRENT LIABILITIES	70,005	86,420
TOTAL LIABILITIES	111,037	129,530
TOTAL EQUITY AND LIABILITIES	271,367	282,134
Net Asset Per Share (RM)	0.1294	0.2086

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.)

Tanco Holdings Berhad

Registration No. 195801000190 (3326-K)

Condensed Consolidated Statements of Changes in Equity for the Twelve (12)-months financial period ended 30 June 2020

(The figures have not been audited)

30 June 2020

	Attributable To Owners Of The Company				Total Equity RM'000
	← <u>Non-distributable</u> →			<u>Distributable</u>	
	Share Capital RM'000	Capital Reserve RM'000	RCN - Equity Component RM'000	Retained Profits RM'000	
At 1 July 2019					
- As previously reported	51,877	50,233	95	45,563	147,768
- Prior years' adjustment	-	-	-	4,836	4,836
Restated balance at 1 July 2019	51,877	50,233	95	50,399	152,604
Issuance of Redeemable Convertible Notes	-	-	1,285	-	1,285
Conversion of Redeemable Convertible Notes	5,641	-	(1,340)	-	4,301
Conversion of Warrants	2,200	-	-	-	2,200
Debt / Equity swap	17,080	-	-	-	17,080
Total comprehensive loss for the year	-	-	-	(17,140)	(17,140)
At 30 June 2020	76,798	50,233	40	33,259	160,330

30 June 2019

	Attributable To Owners Of The Company				Total Equity RM'000
	← <u>Non-distributable</u> →			<u>Distributable</u>	
	Share Capital RM'000	Capital Reserve RM'000	RCN - Equity Component RM'000	Retained Profits RM'000	
At 1 July 2018					
- As previously reported	48,877	50,233	10	61,107	160,227
- Prior years' adjustment	-	-	-	4,836	4,836
Restated balance at 1 July 2018	48,877	50,233	10	65,943	165,063
Issuance of Redeemable Convertible Notes	-	-	154	-	154
Conversion of Redeemable Convertible Notes	2,000	-	(69)	-	1,931
Conversion of Warrants	1,000	-	-	-	1,000
Total comprehensive loss for the year	-	-	-	(15,544)	(15,544)
At 30 June 2019	51,877	50,233	95	50,399	152,604

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.)

Tanco Holdings Berhad

Registration No. 195801000190 (3326-K)

Condensed Consolidated Statements of Profit or Loss**For the Twelve (12)-months Financial Year Ended 30 June 2020**

(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE YEAR	
	Current Year Quarter 30-Jun-20 RM'000	Preceding Year Corresponding Quarter 30-Jun-19 RM'000	Current Year To Date 30-Jun-20 RM'000	Preceding Year Corresponding Year 30-Jun-19 RM'000
Revenue	660	2,485	3,354	3,044
Cost of sales	(3,648)	(1,426)	(3,655)	(2,180)
Gross (loss)/profit	(2,988)	1,059	(301)	864
Other income	3,389	114	3,840	2,430
Administrative expenses	(7,209)	(2,150)	(16,936)	(14,515)
Operating loss	(6,808)	(977)	(13,397)	(11,221)
Finance income	18	111	127	337
Finance costs	(76)	(2,306)	(2,817)	(5,102)
Loss before taxation	(6,866)	(3,172)	(16,087)	(15,986)
Taxation	(1,039)	541	(1,053)	442
Loss for the financial year	(7,905)	(2,631)	(17,140)	(15,544)
Loss attributable to : -				
Owners of the Company	(7,905)	(2,631)	(17,140)	(15,544)
(a) Basic (sen)	(0.96)	(0.38)	(2.07)	(2.25)
(b) Diluted (sen)	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statements of Profit or Loss should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.)

Tanco Holdings Berhad

Registration No. 195801000190 (3326-K)

Statements of Other Comprehensive Income**For the Twelve (12)-months Financial Year Ended 30 June 2020**

(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE YEAR	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Year
	30-Jun-20 RM'000	30-Jun-19 RM'000	30-Jun-20 RM'000	30-Jun-19 RM'000
Loss for the financial year	(7,905)	(2,631)	(17,140)	(15,544)
Other comprehensive loss:				
Foreign currency reserve	-	-	-	-
Total comprehensive loss for the financial year	(7,905)	(2,631)	(17,140)	(15,544)
Total comprehensive loss attributable to:				
Owners of the Company	(7,905)	(2,631)	(17,140)	(15,544)

*Notes:**Other Income and (Expenses) highlights*

	INDIVIDUAL PERIOD		CUMULATIVE YEAR	
	Current Period Quarter		Current Year To Date	
	30/06/2020 RM'000		30/06/2020 RM'000	
Interest income	18		127	
Other income	1,651		1,893	
Reversal of impairment loss on receivables no longer required	269		471	
Reversal of impairment loss no longer required for investment properties	1,469		1,469	
Waiver of debts	-		7	
Bad debts written off	-		(2)	
Depreciation and amortisation	(536)		(2,301)	
Impairment of receivables	(712)		(712)	
Interest expenses	(76)		(2,817)	
Property, plant and equipment written off	-		(2)	

(1) There were no provisions for receivables and inventories, gain or loss on disposal of quoted or unquoted investment (save as disclosed in note B6), impairment of assets and any exceptional items for the current quarter under review.

(2) Gain or loss on derivatives is not applicable as the Company does not have any derivative financial instrument.

(The Condensed Consolidated Statements of Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.)

Tanco Holdings Berhad

Registration No. 195801000190 (3326-K)

**Condensed Consolidated Statements of Cash Flows
For the Twelve (12)-months Financial Year Ended 30 June 2020**

(The figures have not been audited)

	12 Months Ended 30-Jun-20 RM'000	12 Months Ended 30-Jun-19 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(16,087)	(15,986)
Adjustment for :		
Non-operating items	5,187	7,260
Operating loss before working capital changes	<u>(10,900)</u>	<u>(8,726)</u>
Changes in Working Capital		
Net change in current assets	9,453	1,110
Net change in current liabilities	(14,358)	7,018
	<u>(15,805)</u>	<u>(598)</u>
Interest received	127	337
Interest paid	(2,767)	(5,072)
Tax paid	2	(103)
Net Operating Cash Flows	<u>(18,443)</u>	<u>(5,436)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
- Addition in property, plant and equipment	(58)	(6,056)
- Land held for property development	(6,277)	(26)
- Proceeds from disposal of PPE	-	42
- Proceeds from disposal of other investment	-	100
Net Investing Cash Flows	<u>(6,335)</u>	<u>(5,940)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
- Conversion of warrants	2,200	1,000
- Directors' accounts	1,067	2,483
- Net of repayments of borrowings	(534)	(834)
- Proceeds from issuance of RCN	4,000	5,000
- Debt / Equity swap	17,080	-
Net Financing Cash Flows	<u>23,813</u>	<u>7,649</u>
NET CHANGES IN CASH & CASH EQUIVALENTS	(965)	(3,727)
CASH & CASH EQUIVALENTS AT THE BEGINNING OF YEAR	3,959	7,686
CASH & CASH EQUIVALENTS AT THE END OF YEAR	<u>2,994</u>	<u>3,959</u>
Cash and cash equivalents comprise of the following:		
Cash, bank balances and deposits	3,990	7,456
Bank overdraft	(996)	(3,497)
	<u>2,994</u>	<u>3,959</u>

(The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.)

TANCO HOLDINGS BERHAD

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Notes to the Interim Financial Statements For the Fourth Quarter ended 30 June 2020

A1. BASIS OF PREPARATION

The interim financial report is prepared in accordance with the requirements of paragraph 9.22, Main Market Listing Requirements (“Listing Requirements”) of the Bursa Malaysia Securities Berhad (“Bursa Securities”) and complies with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (MASB).

The interim financial report is unaudited and should be read in conjunction with the Group’s audited annual financial statements for the financial year ended 30 June 2019.

The Group has not early adopted new or revised standards and amendments to standards that have been issued but not yet effective for the Group’s accounting year beginning 1 July 2019.

The financial statements of the Group for the quarter ended 30 June 2020 are prepared in accordance with the MFRS Framework.

A2. CHANGES IN ACCOUNTING POLICIES AND PRIOR YEARS’ ADJUSTMENT

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted for the audited annual financial statements for the financial year ended 30 June 2019, except as disclosed below:

Effective for financial year beginning on or after 1 January 2019

- | | |
|------------------------|--|
| • MFRS 3 | Business Combinations |
| • MFRS 9 | Financial Instruments |
| • MFRS 11 | Joint Arrangements |
| • MFRS 16 | Leases |
| • MFRS 112 | Income Taxes |
| • MFRS 119 | Employee Benefits |
| • MFRS 123 | Borrowing Costs |
| • MFRS 128 | Investments in Associates and Joint Ventures |
| • IC Interpretation 23 | Uncertainty over Income Tax Treatments |

The adoption of these new MFRSs do not have any significant financial impact on the financial statements of the Group except for prior years’ adjustment as disclosed below.

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Prior years' adjustment

During the current financial year ended 30 June 2020, the Group had corrected an inadvertently over-recognised liabilities of RM4.8 million by way of retrospective adjustments and the effect of such adjustments is an increase in retained earnings of the Group.

Accordingly, the following accounts in prior years have been restated to reflect the effects of the above adjustments:

	As previously report RM'000	Prior year adjustment RM'000	As restated RM'000
As at 30 June 2019			

*Statements of Financial Position***Liabilities**

Other Payables, Deposits and Accruals	32,979	(4,836)	28,143
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Equity

Retained Profits	45,563	4,836	50,399
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	As previously report RM'000	Prior year adjustment RM'000	As restated RM'000
As at 1 July 2018			

*Statements of Financial Position***Liabilities**

Other Payables, Deposits and Accruals	29,935	(4,836)	25,099
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Equity

Retained Profits	61,107	4,836	65,943
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A3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the Group's audited financial statements for the financial year ended 30 June 2019 was not subject to any audit qualification.

A4. SEASONAL OR CYCLICAL FACTORS

The operation of the Group was not affected by any material significant seasonal or cyclical factors during the current financial quarter under review.

A5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

Save for the event explained under note A11, there were no unusual items for the current financial quarter under review.

A6. CHANGE IN ESTIMATES

There were no change in the estimates of amounts reported which have material effect in the current financial quarter under review.

A7. DEBT AND EQUITY SECURITIES

There was no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities in the current financial quarter under review, save as disclosed below: -

- (i) The issuance of 341,598,402 new ordinary shares resulting from the proposed debt settlement at an issue price of RM0.05 per share on 5 June 2020.
- (ii) The issuance of 5,000,000 new ordinary shares resulting from the conversion of the principal amount of Redeemable Convertible Notes ("RCN") at a conversion price of RM0.05 per share on 12 June 2020.
- (iii) The issuance of 20,000,000 new ordinary shares resulting from the conversion of the principal amount of RCN at a conversion price of RM0.05 per share on 19 June 2020.
- (iv) The issuance of 40,000,000 new ordinary shares resulting from the conversion of the principal amount of RCN at a conversion price of RM0.05 per share on 25 June 2020.
- (v) The issuance of 2,000,000 new ordinary shares resulting from the conversion of the principal amount of RCN at a conversion price of RM0.05 per share on 26 June 2020.
- (vi) The issuance of 10,000,000 new ordinary shares resulting from the conversion of the principal amount of RCN at a conversion price of RM0.05 per share on 12 August 2020.
- (vii) The issuance of 30,000,000 new ordinary shares resulting from the conversion of the principal amount of RCN at a conversion price of RM0.05 per share on 17 August 2020.

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A8. DIVIDEND PAID

No dividend has been paid for the current financial quarter under review.

A9. SEGMENTAL REPORTING

Segmental information is presented in respect of the Group's business segments. The primary format, business segments, is based upon the industry of the underlying investment.

The activities of the Group are carried out mainly in Malaysia and as such, segmental reporting by geographical location is not presented.

12 months ended 30-Jun-20	Property development/ Management RM'000	Resorts and Club Operation/ Management RM'000	Construction RM'000	Investment holding RM'000	Elimination RM'000	Consolidated RM'000
Revenue						
External sales	2,367	987	-	-	-	3,354
Inter-segment sales	636	-	-	-	(636)	-
Total revenue	<u>3,003</u>	<u>987</u>	<u>-</u>	<u>-</u>	<u>(636)</u>	<u>3,354</u>
Results						
(Loss)/Profit from operations	(8,982)	2,277	(9)	(1,528)	(5,155)	(13,397)
Finance income						127
Finance costs						(2,817)
Loss before taxation						(16,087)
Taxation						(1,053)
Loss after taxation						(17,140)
Other comprehensive loss						-
Total comprehensive loss						<u>(17,140)</u>
Other Information						
Depreciation and amortisation	649	1,706	-	14	(68)	2,301
Consolidated Statements of Financial Position						
Assets						
Segment assets	<u>297,914</u>	<u>61,335</u>	<u>-</u>	<u>224,676</u>	<u>(312,558)</u>	<u>271,367</u>
Liabilities						
Segment liabilities	<u>(225,746)</u>	<u>(61,941)</u>	<u>(1,534)</u>	<u>(33,671)</u>	<u>212,658</u>	<u>(110,234)</u>

A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There were no material change in the valuation on property, plant and equipment in the current financial quarter under review.

A11. MATERIAL EVENTS DURING THE QUARTER

On 5 March 2020, on behalf of the Board of Directors (“Board”), Mercury Securities Sdn Bhd (“Mercury Securities”) announced that the Group propose to settle the debts owing to a Director of the Group, namely Andrew Tan Jun Suan (the Group Managing Director) (“Andrew Tan” or the “Creditor”) amounting to RM17,079,920 (“Debt”) to be fully satisfied via the issuance of 341,598,402 Settlement Shares at an issue price of RM0.05 per Settlement Share (“Proposed Settlement”). The application for the listing and quotation of the Settlement Shares in respect of the Proposed Settlement was submitted to Bursa Securities on 19 March 2020.

On 9 April 2020, Bursa Securities resolved to approve the listing and quotation of 341,598,402 new Tanco Shares to be issued pursuant to the Proposed Settlement subject to conditions as set out on the Group’s announcement dated on 9 April 2020.

On 28 April 2020, Bursa Securities granted the Group an extension of time until 14 market days after the date of the eventual upliftment of the movement control order imposed by the Government of Malaysia to issue the Circular regarding the Proposed Settlement to the shareholders of the Group.

On 19 May 2020, the Company has issued the Circular to table the Proposed Settlement in the forthcoming Extraordinary General Meeting (“EGM”) on 3 June 2020. Further details on the Circular can be found on the Group’s announcement dated 19 May 2020.

On 3 June 2020, following the shareholders’ approval, all conditions precedent to the Settlement Agreement have been fulfilled and thus, the Settlement Agreement has become unconditional.

On 9 June 2020, the Proposed Settlement is deemed completed following the listing of the Settlement Shares on the Main Market of Bursa Securities.

There were no other material events during the quarter under review that have not been reflected.

A12. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD

There were no material events subsequent to the end of the interim period under review that have not been reflected.

A13. CHANGE IN THE COMPOSITION OF THE GROUP

There were no material changes to the composition of the Group during the current financial quarter under review.

A14. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

As at 30 June 2020, the Group has no other contingent assets and contingent liabilities save as disclosed below.

	RM’000
Corporate guarantees given by the Company to banks for credit facilities granted to the subsidiaries	41,485

A15. CAPITAL COMMITMENT

There were no capital commitment for the current financial quarter under review.

Bursa Securities Listing Requirements (Part A of Appendix 9B)**B1. REVIEW OF PERFORMANCE**

For the current quarter ended 30 June 2020, the Group had recorded a loss before taxation (“LBT”) of RM6.9 million as compared to LBT of RM3.1 million in the preceding year corresponding quarter ended 30 June 2019. The increase in LBT was mainly due to higher administrative expenses in the current quarter.

B2. MATERIAL CHANGE IN THE QUARTERLY RESULTS COMPARED TO THE RESULTS OF THE PRECEDING QUARTER ENDED 31 MARCH 2020

	Current Period Quarter 30/06/2020	Immediate Preceding Quarter 31/03/2020
	RM’000	RM’000
Revenue	<u>660</u>	<u>568</u>
Loss after tax	<u>(7,905)</u>	<u>(3,198)</u>

The Group recorded a revenue of RM0.6 million in the current quarter ended 30 June 2020 as compared to a revenue of RM0.5 million in the preceding quarter ended 31 March 2020. The increase in revenue during the current quarter under review is mainly due to higher revenue generated from property development and management segment and resorts and club operation and management segment.

The Group recorded a loss after taxation (“LAT”) of RM7.9 million in current quarter ended 30 June 2020 as compared to LAT of RM3.2 million in preceding quarter ended 31 March 2020 mainly resulting from a higher cost of sales and administrative expenses in the current quarter.

B3. PROSPECTS

The Covid-19 pandemic remains a major concern worldwide, with some countries experiencing alarming 2nd waves of infections. In Malaysia with the continuous efforts by our Government to contain the pandemic under the Recovery Movement Control Order (RMCO), the outlook for Q3 and Q4 of 2020 appears to be more optimistic. Coupled by the ongoing efforts by the Government to spur the domestic economy, business activities are beginning to pick up again.

Against this backdrop, the Group will continue in its efforts to seek interest and strategic collaborations from prospective JV partners, investors and operators to explore fresh and innovative recreational and hospitality property development concepts towards providing the Group with enhanced joint branding and unique development models towards further optimizing the development potential of its Dickson Bay landbank.

The Board remains positive on the Group's sustainability for 2020 but remains cautiously optimistic of the general market prospects for the remainder of 2020. Market conditions under the RMCO and beyond will be continuously assessed so that more strategic business prospects and opportunities may be identified, formulated and developed during this still most extraordinary, uncertain, challenging yet opportune of times.

TANCO HOLDINGS BERHAD

Registration No. 195801000190 (3326-K)

B4. PROFIT FORECAST

The Company did not announce any profit forecast nor profit guarantee for the current financial year under review.

B5. TAXATION

	Current Period Quarter 30/06/2020 RM'000	Current Year To Date 30/06/2020 RM'000
Income Tax		
- Current year	3	3
- Prior year	-	14
Deferred Tax		
- Current year	199	199
- Prior year	837	837
	<u>1,039</u>	<u>1,053</u>

The Group's tax rate is disproportionate to the statutory tax rate due to unabsorbed tax loss and unutilised tax allowances and deferred tax benefits of certain companies within the Group.

B6. PROFIT ON SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There was no other sale of unquoted investments or properties other than those exercised in the ordinary course of business of the Group for the quarter.

B7. QUOTED SECURITIES

a) There were no purchases or disposal of quoted securities made in this quarter.

b) Investments in Quoted Securities

Quoted shares in Malaysia, at fair value

RM'000

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B8. CORPORATE PROPOSALS

Save for the following, there are no other corporate proposals announced by the Company but not completed as at 21 August 2020, being the latest practicable date, which is not earlier than 7 days from the date of issue of this quarterly report.

RCN program

As at 21 August 2020, the Company has issued forty (40) Sub-Tranches under Tranche 1 of the RCNs amounting to RM20.0 million and eight (8) Sub-Tranches under Tranche 2 of the RCNs amounting to RM4.0 million.

Following the aforesaid issuance, RCNs of RM23.0 million were converted into a total of 442,382,364 new ordinary shares of the Company.

As at the date of this report, the status of the utilisation of the gross proceeds of RM24.0 million arising from the RCN issuance is as follow:-

Purposes	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended Timeframe for Utilisation ^
Splash Park project	79,600	11,070	Within thirty-six (36) months
Acquisition of land	5,500	5,500	Within twelve (12) months
Repayment of bank borrowings	1,000	1,000	Within twelve (12) months
Working capital	6,400	3,626	Within thirty-six (36) months
Estimated expenses in relation to the Proposals	7,500	2,804	Within thirty-six (36) months
Total	100,000	24,000	

Note:

^ The proceeds raised were utilised from the date of issuance of the respective sub-tranches of the Notes and within the estimated timeframe stated above.

B9. GROUP BORROWINGS AND DEBT SECURITIES

Total Group's borrowings as at 30 June 2020 are as follow: -

	As at 30/06/2020 RM'000
Short Term Borrowings	
Secured: -	
- Bank overdraft	996
- Hire purchase and lease liabilities	134
- Bridging loan	3,327
- Term loan	243
	<u>4,700</u>
Long Term Borrowings	
Secured: -	
- Hire purchase and lease liabilities	371
- Bridging loan	31,339
- Term loan	5,580
	<u>37,290</u>
Total	<u>41,990</u>

The above borrowings are denominated in Ringgit Malaysia (RM).

B10. OFF-BALANCE SHEET FINANCIAL INSTRUMENTS

As at 21 August 2020, being the latest practicable date, which is not earlier than 7 days from the date of issue of this quarterly report, the Group does not have any off-balance sheet financial instruments.

B11. MATERIAL LITIGATION

As at 21 August 2020, being the latest practicable date that is not earlier than 7 days from the date of issue of this quarterly report, the Group is not engaged in any material litigation except for:

Court proceedings via Originating Summons were filed by a wholly owned subsidiary of the Company via its solicitors against Pacific Trustees Bhd ("PTB") for declaratory relief to inter alia, dispute and challenge the validity and legality of the RM120,000 Dissolution Fee and the RM900,000 Disposal Fee being unilaterally imposed by PTB respectively for its fee per the dissolution of the Duta Vista Vacation Ownership ("DVVO") Scheme undertaken by the Subsidiary, and for its fee per the subsidiary's disposal of the 41 DVVO units in Duta Vista Executive Suites, with an alternate prayer for the Court to assess a fair and reasonable sum for the Dissolution Fees should the Court decide that a fee is due for PTB's works per the dissolution of the DVVO Scheme. The next trial dates for the Writ action is set on 23 to 26 August 2021.

No provision has been made for the disputed amounts as the solicitors acting for the subsidiary in the above matter are of the view that the subsidiary has a strong case against PTB.

TANCO HOLDINGS BERHAD

Registration No. 195801000190 (3326-K)

B12. DIVIDEND

There was no dividend declared during the current financial quarter under review.

B13. LOSS PER SHARE

<u>Basic</u>		Current Period Quarter <u>30/06/2020</u>	Preceding Year Corresponding Quarter <u>30/06/2019</u>	Current Year To Date <u>30/06/2020</u>	Preceding Year To Date <u>30/06/2019</u>
Net loss attributable to owners of the Company	(RM'000)	(7,905)	(2,631)	(17,140)	(15,544)
Weighted average number of ordinary shares	('000)	827,530	691,706	827,530	691,706
Basic loss per share	(Sen)	(0.96)	(0.38)	(2.07)	(2.25)

As at 30 June 2020, the Group has no potential dilutive ordinary shares. As such, there is no dilutive effect on the net loss per share of the Group for the current financial quarter under review.

By Order of the Board,

Choi Siew Fun
Company Secretary
Date: 28 August 2020