

**Tanco Holdings Berhad**

Registration No. 195801000190 (3326-K)

**Condensed Consolidated Statements of Financial Position as at 31 March 2021**

	<b>Current Year As At 31-Mar-21 (Unaudited) RM'000</b>	<b>Preceding Year As At 30-Jun-20 (Audited) RM'000</b>
<b><u>ASSETS</u></b>		
<b><u>NON-CURRENT ASSETS</u></b>		
Property, Plant and Equipment	55,665	56,128
Investment Properties	26,491	27,354
Inventories	96,391	96,405
Right-of-use assets	17,671	17,907
Other Investments	3	3
<b>TOTAL NON-CURRENT ASSETS</b>	<b>196,221</b>	<b>197,797</b>
<b><u>CURRENT ASSETS</u></b>		
Inventories	63,029	62,634
Trade Receivables	3,294	1,804
Other Receivables, Deposits and Prepayments	1,247	1,117
Contract Costs	3,981	3,996
Cash, Bank Balances and Deposits	3,922	4,020
<b>TOTAL CURRENT ASSETS</b>	<b>75,473</b>	<b>73,571</b>
<b>TOTAL ASSETS</b>	<b>271,694</b>	<b>271,368</b>

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.)

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**Condensed Consolidated Statements of Financial Position as at 31 March 2021**

	<b>Current Year As At 31-Mar-21 (Unaudited) RM'000</b>	<b>Preceding Year As At 30-Jun-20 (Audited) RM'000</b>
<b><u>EQUITY AND LIABILITIES</u></b>		
<b><u>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</u></b>		
Share Capital	81,798	76,798
Capital Reserves	50,233	50,233
RCN - Equity Component	443	40
Retained Profits	23,274	30,466
<b>TOTAL EQUITY</b>	<b>155,748</b>	<b>157,537</b>
<b><u>NON-CURRENT LIABILITIES</u></b>		
Borrowings	36,889	36,919
Lease Liabilities	309	367
Long Term Payables	6,734	6,736
Deferred Tax Liabilities	173	45
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>44,105</b>	<b>44,067</b>
<b><u>CURRENT LIABILITIES</u></b>		
Trade Payables	9,842	11,362
Other Payables, Deposits and Accruals	11,821	12,953
Contract Liabilities	34,819	33,474
Provisions For Liabilities	153	153
Borrowings	4,555	4,566
Lease Liabilities	164	138
Amount Owing To Directors	5,932	5,551
RCN - Liability Component	3,808	812
Tax Payable	747	755
<b>TOTAL CURRENT LIABILITIES</b>	<b>71,841</b>	<b>69,764</b>
<b>TOTAL LIABILITIES</b>	<b>115,946</b>	<b>113,831</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>271,694</b>	<b>271,368</b>
<b>Net Asset Per Share (RM)</b>	<b>0.1205</b>	<b>0.1898</b>

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020 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 Nine (9)-months financial period ended 31 March 2021**

(The figures have not been audited)

**31 March 2021**

	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 2020	76,798	50,233	40	30,466	157,537
Issuance of Redeemable Convertible Notes	-	-	1,079	-	1,079
Conversion of Redeemable Convertible Notes	5,000	-	(676)	-	4,324
Total comprehensive loss for the period	-	-	-	(7,192)	(7,192)
At 31 March 2021	81,798	50,233	443	23,274	155,748

**31 March 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
- Retrospective adjustments	-	-	-	2,041	2,041
Restated balance at 1 July 2019	51,877	50,233	95	47,604	149,809
Issuance of Redeemable Convertible Notes	-	-	943	-	943
Conversion of Redeemable Convertible Notes	2,750	-	(510)	-	2,240
Conversion of Warrants	2,200	-	-	-	2,200
Total comprehensive loss for the period	-	-	-	(9,235)	(9,235)
At 31 March 2020	56,827	50,233	528	38,369	145,957

(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 2020 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 Nine (9)-months Financial Period Ended 31 March 2021**

(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE YEAR	
	Current Period Quarter 31-Mar-21 RM'000	Preceding Year Corresponding Quarter 31-Mar-20 RM'000	Current Period To Date 31-Mar-21 RM'000	Preceding Year Corresponding Period 31-Mar-20 RM'000
Revenue	863	568	2,189	2,694
Cost of sales	(315)	-	(657)	(7)
<b>Gross profit</b>	548	568	1,532	2,687
Other income	417	177	620	451
Administrative expenses	(2,993)	(3,054)	(7,916)	(9,727)
<b>Operating loss</b>	(2,028)	(2,309)	(5,764)	(6,589)
Finance income	8	8	33	109
Finance costs	(761)	(883)	(1,461)	(2,741)
<b>Loss before taxation</b>	(2,781)	(3,184)	(7,192)	(9,221)
Taxation	-	(14)	-	(14)
<b>Loss for the financial period</b>	(2,781)	(3,198)	(7,192)	(9,235)
<b>Loss attributable to : -</b>				
Owners of the Company	(2,781)	(3,198)	(7,192)	(9,235)
(a) Basic (sen)	(0.22)	(0.40)	(0.56)	(1.15)
(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 2020 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 Nine (9)-months Financial Period Ended 31 March 2021**

(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE YEAR	
	Current Period Quarter	Preceding Year Corresponding Quarter	Current Period To Date	Preceding Year Corresponding Period
	31-Mar-21 RM'000	31-Mar-20 RM'000	31-Mar-21 RM'000	31-Mar-20 RM'000
<b>Loss for the financial period</b>	(2,781)	(3,198)	(7,192)	(9,235)
<b>Other comprehensive loss:</b>				
Foreign currency reserve	-	-	-	-
Total comprehensive loss for the financial period	(2,781)	(3,198)	(7,192)	(9,235)
<b>Total comprehensive loss attributable to:</b>				
Owners of the Company	(2,781)	(3,198)	(7,192)	(9,235)

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

	INDIVIDUAL PERIOD		CUMULATIVE YEAR	
	Current Period Quarter		Current Period To Date	
	31/03/2021 RM'000		31/03/2021 RM'000	
Interest income	8		33	
Other income	118		317	
Reversal of impairment loss on receivables	299		299	
Depreciation and amortisation	(535)		(1,603)	
Interest expenses	(761)		(1,461)	
Inventories written off	(15)		(15)	

(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 2020 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 Nine (9)-months Financial Period Ended 31 March 2021**

(The figures have not been audited)

	<b>9 Months Ended 31-Mar-21 RM'000</b>	<b>9 Months Ended 31-Mar-20 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(7,192)	(9,221)
Adjustment for :		
Non-operating items	3,041	4,396
Operating loss before working capital changes	<u>(4,151)</u>	<u>(4,825)</u>
Changes in Working Capital		
Net change in current assets	(2,000)	(14)
Net change in current liabilities	(1,306)	(16,442)
	<u>(7,457)</u>	<u>(21,281)</u>
Interest received	33	109
Interest paid	(1,434)	(2,738)
Tax paid	(11)	(14)
Net Operating Cash Flows	<u>(8,869)</u>	<u>(23,924)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
- Addition in property, plant and equipment	(41)	(51)
- Land held for property development	-	8
- Proceeds from disposal of PPE	4	-
Net Investing Cash Flows	<u>(37)</u>	<u>(43)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
- Conversion of warrants	-	2,200
- Directors' accounts	381	17,862
- Net of repayments of borrowings	(69)	(533)
- Proceeds from issuance of RCN	8,500	2,000
Net Financing Cash Flows	<u>8,812</u>	<u>21,529</u>
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS</b>	(94)	(2,438)
<b>CASH &amp; CASH EQUIVALENTS AT THE BEGINNING OF PERIOD</b>	3,024	3,959
<b>CASH &amp; CASH EQUIVALENTS AT THE END OF PERIOD</b>	<u>2,930</u>	<u>1,521</u>
Cash and cash equivalents comprise of the following:		
Cash, bank balances and deposits	3,922	2,519
Bank overdraft	(992)	(998)
	<u>2,930</u>	<u>1,521</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 2020 and the accompanying explanatory notes attached to the interim financial statements.)

**Notes to the Interim Financial Statements  
For the Third Quarter ended 31 March 2021**

**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 2020.

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 2020.

The financial statements of the Group for the quarter ended 31 March 2021 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 2020, except as disclosed below:

**Effective for financial year beginning on or after 1 January 2020**

- |                          |  |
|--------------------------|--|
| • Amendments to MFRS 3   | Business Combinations (Definition of a business)   |
| • Amendments to MFRS 7   | Financial Instruments: Disclosures – Interest Rate Benchmark Reform                            |
| • Amendments to MFRS 9   | Financial Instruments (Interest Rate Benchmark Reform)   |
| • Amendments to MFRS 16  | Leases : COVID-19 Related Rent Concessions (effective 1 June 2020)                             |
| • Amendments to MFRS 16  | Leases : COVID-19 Related Rent Concessions beyond 30 June 2021 (effective 1 April 2021)        |
| • Amendments to MFRS 101 | Presentation of Financial Statements (Definition of Material)                                  |
| • Amendments to MFRS 101 | Presentation of Financial Statements (Classification of Liabilities as Current or Non-current) |
| • Amendments to MFRS 108 | Accounting Policies, Changes in Accounting Estimates and Errors (Definition of Material)       |
| • Amendments to MFRS 139 | Financial Instruments: Recognition and Measurement (Interest Rate Benchmark Reform)            |

The adoption of these new MFRSs do not have any significant financial impact on the financial statements of the Group for the current quarter.

**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 2020 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 20,000,000 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 3 March 2021.
- (ii) 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 March 2021.
- (iii) 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 18 March 2021.
- (iv) The issuance of 70,000,000 new ordinary shares resulting from the conversion of the principal amount of RCN at a conversion price of RM0.05 per share on 1 April 2021.
- (v) 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 27 April 2021.
- (vi) The issuance of 16,848,750 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.05 per share on 11 May 2021.
- (vii) The issuance of 7,582,150 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.05 per share on 20 May 2021.



**TANCO HOLDINGS BERHAD**

Registration No. 195801000190 (3326-K)

**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.

9 months ended 31-Mar-21	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
<b>Revenue</b>						
External sales	1,096	1,093	-	-	-	2,189
Inter-segment sales	242	-	-	-	(242)	-
Total revenue	<u>1,338</u>	<u>1,093</u>	<u>-</u>	<u>-</u>	<u>(242)</u>	<u>2,189</u>
<b>Results</b>						
Profit/(loss) from operations	18,016	12,726	(5)	(1,175)	(35,326)	(5,764)
Finance income						33
Finance costs						<u>(1,461)</u>
Loss before taxation						(7,192)
Taxation						-
Loss after taxation						<u>(7,192)</u>
Other comprehensive loss						-
Total comprehensive loss						<u>(7,192)</u>
<b>Other Information</b>						
Depreciation and amortisation	367	1,285	-	11	(60)	1,603
<b>Consolidated Statements of Financial Position</b>						
<b>Assets</b>						
Segment assets	<u>295,564</u>	<u>59,546</u>	<u>-</u>	<u>227,543</u>	<u>(310,959)</u>	<u>271,694</u>
<b>Liabilities</b>						
Segment liabilities	<u>(200,629)</u>	<u>(51,392)</u>	<u>(1,537)</u>	<u>(30,532)</u>	<u>169,064</u>	<u>(115,026)</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**

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

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

On 7 October 2020, Palm Springs Development Sdn Bhd (a wholly owned subsidiary of World Vacation Ownership Sdn Bhd, which in turn is a wholly owned subsidiary of Tanco Holdings Berhad) had entered into a memorandum of understanding (“MOU”) to formalize a joint venture within 3 months with MyAngkasa Bina Sdn Bhd (“MyAngkasa Bina”) (a wholly-owned subsidiary of MyAngkasa Holdings Sdn Bhd, which in turn is a wholly-owned subsidiary of Angkatan Koperasi Kebangsaan Malaysia Berhad) on further development of the Splash Park Project (including but not limited to the sales, marketing and promotions of the Suites to the MyAngkasa Bina’s vast network of buyers and/ or the underwriting of such sales or the en-bloc purchase by MyAngkasa Bina). Further details on the MOU are set out in the Group’s announcement dated 7 October 2020.

On 31 December 2020, both Palm Springs Development Sdn Bhd and MyAngkasa Bina have agreed to extend the MOU Period for a further period of 3 months from 31 December 2020 (“the Extended MOU Period”) and for the definitive Agreement between their respective selves on the MOU to be signed within the Extended MOU Period. Notwithstanding the expiry of the Extended MOU Period, the parties are still desirous of proceeding with the proposed arrangement as abovesaid, and are currently finalizing the terms of the definitive Agreement as between themselves on the same. An announcement on the definitive Agreement will be made in due course upon the parties’ execution of the same.

On 1 April 2021, Genium Corporation Sdn Bhd (“Genium”) (a wholly owned subsidiary of World Vacation Ownership Sdn Bhd, which in turn is a wholly owned subsidiary of Tanco Holdings Berhad) had proposed to subscribed 728,572 new ordinary shares (“New Shares”) in Herbitec (M) Sdn Bhd (“Herbitec”) at RM0.9608 each, representing 51% of the total enlarged share capital of Herbitec at a total cash subscription price of RM700,012.00. Subsequent to the Proposed Subscription, Herbitec will become a 51% owned indirect subsidiary of the Company through Genium.

On 13 April 2021, the Proposed Subscription is completed upon issuance and allotment of the New Shares in Herbitec.

Herbitec is a private limited company incorporated in Malaysia and is involved in the research, development, manufacturing, and sales of pharmaceutical products and/or health supplements with the requisite approvals, licenses and permits from the Relevant Authorities. It is also a registered holder of the intellectual rights of these pharmaceutical/health products namely; Noden, Livarton, and Kinetic. Further details on the Proposed Subscription are set out in the Group’s announcement dated 1 April 2021.

Further to the announcement made on 20 November 2017 on the execution of the Facilitation Fund Agreement (“FFA”) by Palm Springs Development Sdn Bhd (“PSD”) (a wholly owned subsidiary of World Vacation Ownership Sdn Bhd, which in turn is a wholly owned subsidiary of Tanco Holdings Berhad) with the Government of Malaysia as represented by the Public Private Partnership Unit, Prime Minister’s Department (“the Government”) and Bank Pembangunan Malaysia Berhad (“BPMB”), a Supplemental Agreement to the FFA (“SA”) has been duly executed by PSD, the Government and BPMB on 7 April 2021 to vary the terms and conditions of the FFA. The Group does not expect any immediate financial effects to the financial year ending 30 June 2021 following the execution of SA. Further details on the SA are set out in the Group’s announcement dated 8 April 2021.

Save for the above, there were no material events subsequent to the end of the interim period under review that have not been reflected.

**TANCO HOLDINGS BERHAD**

Registration No. 195801000190 (3326-K)

**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 31 March 2021, the Group has no other contingent assets and contingent liabilities save as disclosed below.

	<b>RM'000</b>
Corporate guarantees given by the Company to banks for credit facilities granted to the subsidiaries	<u>41,444</u>

**A15. CAPITAL COMMITMENT**

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

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

For the current quarter ended 31 March 2021, the Group had recorded a loss before taxation (“LBT”) of RM2.8 million as compared to LBT of RM3.2 million in the preceding year corresponding quarter ended 31 March 2020. The decrease in LBT was mainly due to higher revenue and lower finance costs in the current quarter.

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

	<b>Current Period Quarter 31/03/2021 RM'000</b>	<b>Immediate Preceding Quarter 31/12/2020 RM'000</b>
Revenue	863	663
Loss after tax	<u>(2,781)</u>	<u>(2,472)</u>

The Group recorded a revenue of RM0.9 million in the current quarter ended 31 March 2021 as compared to a revenue of RM0.6 million in the preceding quarter ended 31 December 2020. The increase in revenue during the current quarter under review is mainly due to higher revenue generated from property development and management segment.

The Group recorded a loss after taxation (“LAT”) of RM2.8 million in current quarter ended 31 March 2021 as compared to LAT of RM2.5 million in preceding quarter ended 31 December 2020 mainly resulting from a higher administrative expenses in the current quarter.

**B3. PROSPECTS**

The COVID-19 pandemic has been and continues to remain a major concern worldwide with the economies of many countries and global businesses taking a huge hit.

Our Government has made ongoing efforts to sustain economic activities whilst balancing the need to contain the further spread of the pandemic domestically. The reinstatement of the Movement Control Order (“CMCO”) will currently run up to 7 June 2021.

The outlook for the financial year ending 30 June 2021 remains challenging, but armed with the experience from the previous MCOs, the Group is better equipped to manage the challenges of operating under these restrictions. The Group will continue to innovate and evolve our businesses in order to adapt to this new normal.

The Covid-19 vaccination program being implemented nationally is a positive sign. With the vaccination program being ramped up, we are cautiously optimistic that the economy will start the upward trend to recovery.

Against this backdrop, the Group will continue to monitor the market conditions, and to seek interest, and strategic collaborations from prospective partners, investors and operators to explore fresh and innovative business models.

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**B4. PROFIT FORECAST**

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

**B5. TAXATION**

	<b>Current Period Quarter 31/03/2021 RM'000</b>	<b>Current Year To Date 31/03/2021 RM'000</b>
Income Tax		
- Current year	-	-
- Prior year	-	-
Deferred Tax		
- Current year	-	-
- Prior year	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

**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	<b>RM'000</b> <u>3</u>
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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 20 May 2021, 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 20 May 2021, the Company has issued forty (40) Sub-Tranches under Tranche 1 of the RCNs amounting to RM20.0 million and twenty two (22) Sub-Tranches under Tranche 2 of the RCNs amounting to RM11.0 million.

Following the aforesaid issuance, RCNs of RM30.0 million were converted into a total of 582,382,364 new ordinary shares of the Company.

As at the date of this report, the status of the utilisation of the gross proceeds of RM31.0 million arising from the RCN issuance is as follow:-

<b>Purposes</b>	<b>Proposed Utilisation RM'000</b>	<b>Actual Utilisation RM'000</b>	<b>Intended Timeframe for Utilisation ^</b>
Splash Park project	79,600	16,723	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	4,475	Within thirty-six (36) months
Estimated expenses in relation to the Proposals	7,500	3,302	Within thirty-six (36) months
<b>Total</b>	<b>100,000</b>	<b>31,000</b>	

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.

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**TANCO HOLDINGS BERHAD**

Registration No. 195801000190 (3326-K)

**B9. GROUP BORROWINGS AND DEBT SECURITIES**

Total Group's borrowings as at 31 March 2021 are as follow: -

	<b>As at 31/03/2021 RM'000</b>
Short Term Borrowings	
Secured: -	
- Bank overdraft	992
- Hire purchase and lease liabilities	164
- Bridging loan	3,270
- Term loan	293
	<u>4,719</u>
Long Term Borrowings	
Secured: -	
- Hire purchase and lease liabilities	309
- Bridging loan	31,339
- Term loan	5,550
	<u>37,198</u>
<b>Total</b>	<b><u>41,917</u></b>

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

**B10. OFF-BALANCE SHEET FINANCIAL INSTRUMENTS**

As at 20 May 2021, 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 20 May 2021, 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>		<b>Current Period Quarter <u>31/03/2021</u></b>	<b>Preceding Year Corresponding Quarter <u>31/03/2020</u></b>	<b>Current Period To Date <u>31/03/2021</u></b>	<b>Preceding Period To Date <u>31/03/2020</u></b>
Net loss attributable to owners of the Company	(RM'000)	(2,781)	(3,198)	(7,192)	(9,235)
Weighted average number of ordinary shares	('000)	1,292,264	806,088	1,292,264	806,088
Basic loss per share	(Sen)	(0.22)	(0.40)	(0.56)	(1.15)

As at 31 March 2021, 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: 27 May 2021