

Tanco Holdings Berhad

Registration No. 195801000190 (3326-K)

Condensed Consolidated Statements of Financial Position as at 30 September 2021

	Current Year As At 30-Sep-21 (Unaudited) RM'000	Preceding Year As At 30-Jun-21 (Audited) RM'000
<u>ASSETS</u>		
<u>NON-CURRENT ASSETS</u>		
Property, Plant and Equipment	52,287	52,419
Investment Properties	26,381	26,669
Inventories	98,027	98,027
Right-of-use assets	17,031	17,108
Other Investments	4	3
Goodwill on Consolidation	380	380
TOTAL NON-CURRENT ASSETS	194,110	194,606
<u>CURRENT ASSETS</u>		
Inventories	65,380	65,375
Trade Receivables	1,784	1,420
Other Receivables, Deposits and Prepayments	589	570
Contract Costs	3,729	3,729
Cash, Bank Balances and Deposits	6,658	5,844
	78,140	76,938
Assets Classified as Held for Sale	3,910	3,910
TOTAL CURRENT ASSETS	82,050	80,848
TOTAL ASSETS	276,160	275,454

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 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 September 2021

	Current Year As At 30-Sep-21 (Unaudited) RM'000	Preceding Year As At 30-Jun-21 (Audited) RM'000
<u>EQUITY AND LIABILITIES</u>		
<u>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</u>		
Share Capital	98,481	92,721
Capital Reserves	50,233	50,233
RCN - Equity Component	40	40
Retained Profits	14,265	16,744
	163,019	159,738
Non-controlling Interests	276	293
TOTAL EQUITY	163,295	160,031
<u>NON-CURRENT LIABILITIES</u>		
Borrowings	26,652	26,725
Lease Liabilities	71	268
Long Term Payables	5,355	5,355
Deferred Tax Liabilities	33	33
TOTAL NON-CURRENT LIABILITIES	32,111	32,381
<u>CURRENT LIABILITIES</u>		
Trade Payables	17,023	18,159
Other Payables, Deposits and Accruals	13,380	14,064
Contract Liabilities	32,555	32,555
Provisions For Liabilities	78	78
Borrowings	14,499	15,002
Lease Liabilities	320	164
Amount Owing To Directors	1,282	1,398
RCN - Liability Component	865	865
Tax Payable	752	757
TOTAL CURRENT LIABILITIES	80,754	83,042
TOTAL LIABILITIES	112,865	115,423
TOTAL EQUITY AND LIABILITIES	276,160	275,454
Net Asset Per Share (RM)	0.0982	0.1207

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.)

Condensed Consolidated Statements of Changes in Equity for the Three (3)-months financial period ended 30 September 2021

(The figures have not been audited)

30 September 2021

	Attributable To Owners Of The Company				Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	Non-distributable		Distributable				
	Share Capital RM'000	Capital Reserve RM'000	RCN - Equity Component RM'000	Retained Profits RM'000			
At 1 July 2021	92,721	50,233	40	16,744	159,738	293	160,031
Conversion of Warrants	5,760	-	-	-	5,760	-	5,760
Total comprehensive loss for the period	-	-	-	(2,479)	(2,479)	(17)	(2,496)
At 30 September 2021	98,481	50,233	40	14,265	163,019	276	163,295

30 September 2020

	Attributable To Owners Of The Company				Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	Non-distributable		Distributable				
	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	-	157,537
Issuance of Redeemable Convertible Notes	-	-	889	-	889	-	889
Conversion of Redeemable Convertible Notes	2,000	-	(365)	-	1,635	-	1,635
Total comprehensive loss for the period	-	-	-	(1,939)	(1,939)	-	(1,939)
At 30 September 2020	78,798	50,233	564	28,527	158,122	-	158,122

(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 2021 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 Three (3)-months Financial Period Ended 30 September 2021**

(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE YEAR	
	Current Period Quarter 30-Sep-21 RM'000	Preceding Year Corresponding Quarter 30-Sep-20 RM'000	Current Period To Date 30-Sep-21 RM'000	Preceding Year Corresponding Period 30-Sep-20 RM'000
Revenue	666	663	666	663
Cost of sales	(172)	(171)	(172)	(171)
Gross profit	494	492	494	492
Other income	63	70	63	70
Administrative expenses	(2,431)	(2,499)	(2,431)	(2,499)
Operating loss	(1,874)	(1,937)	(1,874)	(1,937)
Finance income	5	16	5	16
Finance costs	(627)	(18)	(627)	(18)
Loss before taxation	(2,496)	(1,939)	(2,496)	(1,939)
Taxation	-	-	-	-
Loss for the financial period	(2,496)	(1,939)	(2,496)	(1,939)
Loss attributable to :-				
Owners of the Company	(2,479)	(1,939)	(2,479)	(1,939)
Non-controlling interests	(17)	-	(17)	-
	(2,496)	(1,939)	(2,496)	(1,939)
(a) Basic (sen)	(0.15)	(0.15)	(0.15)	(0.15)
(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 2021 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 Three (3)-months Financial Year Ended 30 September 2021**

(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE YEAR	
	Current Period Quarter 30-Sep-21 RM'000	Preceding Year Corresponding Quarter 30-Sep-20 RM'000	Current Year To Date 30-Sep-21 RM'000	Preceding Year Corresponding Period 30-Sep-20 RM'000
Loss for the financial period	(2,496)	(1,939)	(2,496)	(1,939)
Other comprehensive loss:				
Foreign currency reserve	-	-	-	-
Total comprehensive loss for the financial period	(2,496)	(1,939)	(2,496)	(1,939)
Total comprehensive loss attributable to:				
Owners of the Company	(2,479)	(1,939)	(2,479)	(1,939)
Non-controlling interests	(17)	-	(17)	-
	(2,496)	(1,939)	(2,496)	(1,939)

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

	INDIVIDUAL PERIOD	CUMULATIVE YEAR
	Current Period Quarter 30/09/2021 RM'000	Current Period To Date 30/09/2021 RM'000
Interest income	5	5
Other income	55	55
Reversal of impairment loss on receivables no longer required	8	8
Depreciation and amortisation	(512)	(512)
Interest expenses	(627)	(627)

(1) 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 2021 and the accompanying explanatory notes attached to the interim financial statements.)

Tanco Holdings Berhad

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Condensed Consolidated Statements of Cash Flows**For the Three (3)-months Financial Period Ended 30 September 2021**

(The figures have not been audited)

	3 Months Ended 30-Sep-21 RM'000	3 Months Ended 30-Sep-20 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(2,496)	(1,939)
Adjustment for :		
Non-operating items	1,126	533
Operating loss before working capital changes	<u>(1,370)</u>	<u>(1,406)</u>
Changes in Working Capital		
Net change in current assets	(380)	(136)
Net change in current liabilities	(2,422)	(3,601)
	<u>(4,172)</u>	<u>(5,143)</u>
Interest received	5	16
Interest paid	(25)	(18)
Tax paid	(5)	(3)
Net Operating Cash Flows	<u>(4,197)</u>	<u>(5,148)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
- Addition in property, plant and equipment	(16)	(6)
- Proceeds from disposal of PPE	-	4
- Changes in pledged fixed deposits	(5)	(9)
Net Investing Cash Flows	<u>(21)</u>	<u>(11)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
- Conversion of warrants	5,760	-
- Directors' accounts	(116)	(145)
- Net of repayments of borrowings	(621)	-
- Proceeds from issuance of RCN	-	5,000
Net Financing Cash Flows	<u>5,023</u>	<u>4,855</u>
NET CHANGES IN CASH & CASH EQUIVALENTS	805	(304)
CASH & CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	3,739	1,934
CASH & CASH EQUIVALENTS AT THE END OF PERIOD	<u>4,544</u>	<u>1,630</u>
Cash and cash equivalents comprise of the following:		
Cash, bank balances and deposits	6,658	3,714
Bank overdraft	(991)	(985)
	<u>5,667</u>	<u>2,729</u>
Less : Deposits pledged with licensed banks	(1,123)	(1,099)
	<u>4,544</u>	<u>1,630</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 2021 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 First Quarter ended 30 September 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 2021.

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 2021.

The financial statements of the Group for the quarter ended 30 September 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 2021, except as disclosed below:

Effective for financial year beginning on or after 1 January 2021

- Amendments to MFRS 4 Insurance Contracts (Interest Rate Benchmark Reform - Phase 2)
- Amendments to MFRS 7 Financial Instruments: Disclosures (Interest Rate Benchmark Reform - Phase 2)
- Amendments to MFRS 9 Financial Instruments (Interest Rate Benchmark Reform - Phase 2)
- Amendments to MFRS 16 Leases (Interest Rate Benchmark Reform - Phase 2)
- Amendments to MFRS 139 Financial Instruments: Recognition and Measurement (Interest Rate Benchmark Reform - Phase 2)

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 2021 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 679,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.05 per share on 8 July 2021.
- (ii) The issuance of 370,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.05 per share on 14 July 2021.
- (iii) The issuance of 2,530,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.05 per share on 21 July 2021.
- (iv) The issuance of 521,250 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.05 per share on 26 July 2021.
- (v) The issuance of 27,565,250 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.05 per share on 29 July 2021.
- (vi) The issuance of 26,859,077 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.05 per share on 4 August 2021.
- (vii) The issuance of 1,546,780 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.05 per share on 11 August 2021.
- (viii) The issuance of 896,528 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.05 per share on 13 August 2021.
- (ix) The issuance of 36,147,537 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.05 per share on 20 August 2021.
- (x) The issuance of 9,454,883 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.05 per share on 24 August 2021.
- (xi) The issuance of 426,036 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.05 per share on 25 August 2021.
- (xii) The issuance of 44,500 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.05 per share on 26 August 2021.

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A7. DEBT AND EQUITY SECURITIES (Cont'd)

- (xiii) The issuance of 3,014,715 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.05 per share on 27 August 2021.
- (xiv) The issuance of 4,588,218 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.05 per share on 30 August 2021.
- (xv) The issuance of 545,596 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.05 per share on 2 September 2021.

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.

3 months ended 30-Sep-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
Revenue						
External sales	303	360	-	3	-	666
Inter-segment sales	206	-	-	-	(206)	-
Total revenue	509	360	-	3	(206)	666
Results						
Profit/(loss) from operations	3,401	(335)	(21)	369	(5,288)	(1,874)
Finance income						5
Finance costs						(627)
Loss before taxation						(2,496)
Taxation						-
Loss after taxation						(2,496)
Other comprehensive loss						-
Total comprehensive loss						(2,496)
Other Information						
Depreciation and amortisation	279	405	-	4	(176)	512
Consolidated Statements of Financial Position						
Assets						
Segment assets	287,951	55,481	4,226	244,655	(316,153)	276,160
Liabilities						
Segment liabilities	(180,631)	(44,588)	(1,531)	(24,145)	138,815	(112,080)

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

- i) 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.

On 27 May 2021, the Group has announced that 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.

However, on 13 August 2021, the Group has announced that since there had been no agreement concluded with MyAngkasa Bina since till to date, Palm Springs Development Sdn Bhd had issued a letter dated 13 August 2021 to MyAngkasa Bina to state and confirm that the MOU and all matters related to the same have lapsed and/ or expired and have no further effect.

- ii) On 21 September 2021, Tanco Builders Sdn Bhd (“TBSB”) (a wholly owned subsidiary of Tanco Development Sdn Bhd, which in turn is a wholly owned subsidiary of Tanco Holdings Berhad) had accepted the award from Onine Alliance (M) Sdn Bhd (“OAMSB”) for the engineering, procurement, construction and completion of the proposed reclamation of land measuring approximately 120 acres at Mukim Tanjung Kling, Daerah Melaka Tengah, Melaka, ancillary to the operation of Tanjung Bruas port (“Project”) subject to the terms and conditions stated in the Letter of Award (“LOA”). Further details on the LOA are set out in the Group’s announcement dated 21 September 2021.

Further to our announcements dated 21 September 2021, the Group announces that China Construction Yangtze River (Malaysia) Sdn Bhd (“CCYRM”) has on 29 September 2021 signed with TBSB, a Letter (“LOE”) for CCRYM to undertake the engineering, procurement, construction and completion of the reclamation works announced earlier (“Project”). Further details on the LOE are set out in the Group’s announcement dated 29 September 2021.

Save for the above, there were no material events during the quarter under review that have not been reflected.

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

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

A14. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

As at 30 September 2021, 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	<u>41,151</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 30 September 2021, the Group had recorded a loss before taxation (“LBT”) of RM2.5 million as compared to LBT of RM1.9 million in the preceding year corresponding quarter ended 30 September 2020. The increase in LBT was mainly due to higher finance costs in the current quarter as a result of expiration of the moratorium granted in the preceding year corresponding quarter.

B2. MATERIAL CHANGE IN THE QUARTERLY RESULTS COMPARED TO THE RESULTS OF THE PRECEDING QUARTER ENDED 30 JUNE 2021

	Current Period Quarter 30/09/2021 RM’000	Immediate Preceding Quarter 30/06/2021 RM’000
Revenue	666	2,234
Loss after tax	<u>(2,496)</u>	<u>(6,544)</u>

The Group recorded a revenue of RM0.6 million in the current quarter ended 30 September 2021 as compared to a revenue of RM2.2 million in the preceding quarter ended 30 June 2021. The decrease in revenue during the current quarter under review is mainly due to lower revenue generated from property development and management segment.

The Group recorded a loss after taxation (“LAT”) of RM2.5 million in current quarter ended 30 September 2021 as compared to LAT of RM6.5 million in preceding quarter ended 30 June 2021 mainly resulting from a lower administrative expenses in the current quarter.

B3. PROSPECTS

Throughout these past financial periods, the Group has persevered through the many different variations of the MCO imposed to battle Covid-19. However, with the better part of 2021 spent battling Covid-19 infections, the local economy was never really allowed to recover until only recently with the increased vaccination rates among the local population being achieved and with the relaxation of restrictions arising therefrom. The battle against this pandemic is still ongoing, and with daily infection numbers still hovering above the 5000 mark, it is noted with some concern that the Health Ministry has already warned of possibly more stringent restrictions ahead.

Notwithstanding the above, it is optimistically expected that the Government will continue its efforts to sustain and grow economic activities whilst balancing the need to contain the further spread of the pandemic domestically. With this, Group is constantly preparing itself to adapt under the “new normal” environment until the pandemic is successfully brought under control, and on this note, our outlook for financial year ending 30 June 2022 is cautiously optimistic. Challenging times will often test one’s resilience, resourcefulness and determination, and yet spur greater creativity to reveal and/ or develop more business development opportunities. The Group is now much better equipped to formulate, identify, structure and/ or seize such opportunities whilst continuing to innovate and evolve our businesses in order to adapt to this new normal as compared to when Malaysia was first hit with the pandemic back in early 2020.

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B3. PROSPECTS (Cont'd)

The national Covid-19 vaccination booster dose program is also another positive sign. With the additional vaccination dose, we are hopeful for the pandemic to be brought under control sooner by enabling the maximum level of protection to be achieved, and with that, we expect that the overall economy will gain a greater positive momentum. The Group, in turn, will continue to monitor the market conditions to seek interest and strategic collaborations from prospective partners, investors and operators and to explore fresh and innovative business models whilst building-up and expanding its construction and health supplement sectors to further strengthen its future earnings.

B4. PROFIT FORECAST

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

B5. TAXATION

	Current Period Quarter 30/09/2021 RM'000	Current Year To Date 30/09/2021 RM'000
Income Tax		
- Current year	-	-
- Prior year	-	-
Deferred Tax		
- Current year	-	-
- Prior year	-	-
	<hr/>	<hr/>
	<hr/>	<hr/>

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 23 November 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 23 November 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:-

Purposes	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended Timeframe for Utilisation ^
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
Total	100,000	31,000	

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.

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B9. GROUP BORROWINGS AND DEBT SECURITIES

Total Group's borrowings as at 30 September 2021 are as follow: -

	As at 30/09/2021 RM'000
Short Term Borrowings	
Secured: -	
- Bank overdraft	991
- Hire purchase and lease liabilities	320
- Bridging loan	13,282
- Term loan	226
	<hr/>
	14,819
Long Term Borrowings	
Secured: -	
- Hire purchase and lease liabilities	71
- Bridging loan	20,955
- Term loan	5,697
	<hr/>
	26, 723
	<hr/>
Total	41,542

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

B10. OFF-BALANCE SHEET FINANCIAL INSTRUMENTS

As at 23 November 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 23 November 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. Subsequent to the case management previously held on 2 September 2021, the case is now fixed for further case management on 29 June 2022 and the trial dates for the writ action is scheduled on 11 to 12 and 30 August 2022.

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.

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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>30/09/2021</u>	Preceding Year Corresponding Quarter <u>30/09/2020</u>	Current Period To Date <u>30/09/2021</u>	Preceding Period To Date <u>30/09/2020</u>
Net loss attributable to owners of the Company	(RM'000)	(2,479)	(1,939)	(2,479)	(1,939)
Weighted average number of ordinary shares	('000)	1,659,848	1,274,017	1,659,848	1,274,017
Basic loss per share	(Sen)	(0.15)	(0.15)	(0.15)	(0.15)

As at 30 September 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: 30 November 2021