

Tanco Holdings Berhad

Registration No. 195801000190 (3326-K)

Condensed Consolidated Statements of Financial Position as at 30 September 2022

	Current Year As At 30-Sep-22 (Unaudited) RM'000	Preceding Year As At 30-Jun-22 (Audited) RM'000
<u>ASSETS</u>		
<u>NON-CURRENT ASSETS</u>		
Property, Plant and Equipment	55,055	55,204
Investment Properties	26,314	26,601
Inventories	97,982	97,982
Right-of-use assets	17,204	17,283
Other Investments	4	3
Goodwill on Consolidation	380	380
TOTAL NON-CURRENT ASSETS	196,939	197,453
<u>CURRENT ASSETS</u>		
Inventories	64,570	66,490
Trade Receivables	15,730	7,241
Other Receivables, Deposits and Prepayments	4,044	3,565
Contract Asset	4,098	1,338
Contract Costs	2,680	3,639
Cash, Bank Balances and Deposits	4,298	6,941
TOTAL CURRENT ASSETS	95,420	89,214
TOTAL ASSETS	292,359	286,667

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.)

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Registration No. 195801000190 (3326-K)

Condensed Consolidated Statements of Financial Position as at 30 September 2022

	Current Year As At 30-Sep-22 (Unaudited) RM'000	Preceding Year As At 30-Jun-22 (Audited) RM'000
<u>EQUITY AND LIABILITIES</u>		
<u>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</u>		
Share Capital	112,481	107,981
Capital Reserves	50,233	50,233
RCN - Equity Component	156	275
Retained Profits	12,292	13,560
	175,162	172,049
Non-controlling Interests	130	144
TOTAL EQUITY	175,292	172,193
<u>NON-CURRENT LIABILITIES</u>		
Borrowings	5,480	5,582
Lease Liabilities	172	191
Long Term Payables	6,916	6,916
Deferred Tax Liabilities	50	87
TOTAL NON-CURRENT LIABILITIES	12,618	12,776
<u>CURRENT LIABILITIES</u>		
Trade Payables	13,112	15,501
Other Payables, Deposits and Accruals	17,011	12,407
Contract Liabilities	31,702	31,791
Borrowings	35,061	35,500
Lease Liabilities	90	108
Amount Owing To Directors	3,540	1,113
RCN - Liability Component	2,806	4,147
Current Tax Liabilities	1,127	1,131
TOTAL CURRENT LIABILITIES	104,449	101,698
TOTAL LIABILITIES	117,067	114,474
TOTAL EQUITY AND LIABILITIES	292,359	286,667
Net Asset Per Share (RM)	0.0993	0.1025

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 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 2022

(The figures have not been audited)

30 September 2022

	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 2022	107,981	50,233	275	13,560	172,049	144	172,193
Issuance of Redeemable Convertible Notes	-	-	156	-	156	-	156
Conversion of Redeemable Convertible Notes	4,500	-	(275)	-	4,225	-	4,225
Total comprehensive loss for the period	-	-	-	(1,268)	(1,268)	(14)	(1,282)
At 30 September 2022	112,481	50,233	156	12,292	175,162	130	175,292

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
- Prior years adjustments	-	-	-	9,715	9,715	-	9,715
Restated balance at 1 July 2021	92,721	50,233	40	26,459	169,453	293	169,746
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	23,980	172,734	276	173,010

(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 2022 and the accompanying explanatory notes attached to the interim financial statements.)

Tanco Holdings Berhad

Registration No. 195801000190 (3326-K)

Condensed Consolidated Statements of Comprehensive Income**For the Three (3)-months Financial Period Ended 30 September 2022**

(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE YEAR	
	Current Period Quarter 30-Sep-22 RM'000	Preceding Year Corresponding Quarter 30-Sep-21 RM'000	Current Period To Date 30-Sep-22 RM'000	Preceding Year Corresponding Period 30-Sep-21 RM'000
Revenue	21,314	666	21,314	666
Cost of sales	(18,072)	(172)	(18,072)	(172)
Gross profit	3,242	494	3,242	494
Other income	177	63	177	63
Administrative expenses	(4,860)	(2,431)	(4,860)	(2,431)
Operating loss	(1,441)	(1,874)	(1,441)	(1,874)
Finance income	1,554	5	1,554	5
Finance costs	(1,395)	(627)	(1,395)	(627)
Loss before taxation	(1,282)	(2,496)	(1,282)	(2,496)
Taxation	-	-	-	-
Loss for the financial period	(1,282)	(2,496)	(1,282)	(2,496)
Loss attributable to :-				
Owners of the Company	(1,268)	(2,479)	(1,268)	(2,479)
Non-controlling interests	(14)	(17)	(14)	(17)
	(1,282)	(2,496)	(1,282)	(2,496)
(a) Basic (sen)	(0.07)	(0.15)	(0.07)	(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 2022 and the accompanying explanatory notes attached to the interim financial statements.)

Tanco Holdings Berhad

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Statements of Other Comprehensive Income**For the Three (3)-months Financial Period Ended 30 September 2022**

(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE YEAR	
	Current Period Quarter 30-Sep-22 RM'000	Preceding Year Corresponding Quarter 30-Sep-21 RM'000	Current Period To Date 30-Sep-22 RM'000	Preceding Year Corresponding Period 30-Sep-21 RM'000
Loss for the financial period	(1,282)	(2,496)	(1,282)	(2,496)
Other comprehensive loss:				
Foreign currency reserve	-	-	-	-
Total comprehensive loss for the financial period	(1,282)	(2,496)	(1,282)	(2,496)
Total comprehensive loss attributable to:				
Owners of the Company	(1,268)	(2,479)	(1,268)	(2,479)
Non-controlling interests	(14)	(17)	(14)	(17)
	(1,282)	(2,496)	(1,282)	(2,496)

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

	INDIVIDUAL PERIOD	CUMULATIVE YEAR
	Current Period Quarter 30/9/2022 RM'000	Current Period To Date 30/9/2022 RM'000
Interest income	1,554	1,554
Other income	34	34
Reversal of impairment loss on receivables no longer required	143	143
Depreciation and amortisation	(536)	(536)
Interest expenses	(1,395)	(1,395)
Inventories written off	(1)	(1)

(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 2022 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 Three (3)-months Financial Period Ended 30 September 2022**

(The figures have not been audited)

	3 Months Ended 30-Sep-22 RM'000	3 Months Ended 30-Sep-21 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(1,282)	(2,496)
Adjustment for :		
Non-operating items	379	1,126
Operating loss before working capital changes	(903)	(1,370)
Changes in Working Capital		
Net change in current assets	(8,850)	(380)
Net change in current liabilities	3,673	(2,422)
	(6,080)	(4,172)
Interest received	6	5
Interest paid	(1,402)	(25)
Tax paid	(4)	(5)
Net Operating Cash Flows	(7,480)	(4,197)
CASH FLOWS FROM INVESTING ACTIVITIES		
- Addition in property, plant and equipment	(22)	(16)
- Changes in pledged fixed deposits	(5)	(5)
Net Investing Cash Flows	(27)	(21)
CASH FLOWS FROM FINANCING ACTIVITIES		
- Conversion of warrants	-	5,760
- Directors' accounts	2,427	(116)
- Net of repayments of borrowings	(127)	(621)
- Proceeds from issuance of RCN	3,010	-
Net Financing Cash Flows	5,310	5,023
NET CHANGES IN CASH & CASH EQUIVALENTS	(2,197)	805
CASH & CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	4,810	3,739
CASH & CASH EQUIVALENTS AT THE END OF PERIOD	2,613	4,544
Cash and cash equivalents comprise of the following:		
Cash, bank balances and deposits	4,298	6,658
Bank overdraft	(541)	(991)
	3,757	5,667
Less : Deposits pledged with licensed banks	(1,144)	(1,123)
	2,613	4,544

(The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.)

**Notes to the Interim Financial Statements
For the First Quarter ended 30 September 2022**

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 2022.

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 2022.

The financial statements of the Group for the quarter ended 30 September 2022 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 2022, except as disclosed below:

Effective for financial year beginning on or after 1 January 2022

- | | |
|--------------------------|------------------------------------------------------------------------------------------------------------------|
| • Amendments to MFRS 1 | First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018-2020) |
| • Amendments to MFRS 3 | Business Combinations (Reference to the Conceptual Framework) |
| • Amendments to MFRS 9 | Financial Instruments (Annual Improvements to MFRS standards 2018-2020) |
| • Amendments to MFRS 16 | Leases (Annual Improvements to MFRS standards 2018-2020) |
| • Amendments to MFRS 116 | Property, Plant & Equipment (Proceeds before Intended Use) |
| • Amendments to MFRS 137 | Provisions, Contingent Liabilities & Contingent Assets (Onerous Contract – Cost of Fulfilling a Contract) |
| • Amendments to MFRS 141 | Agriculture (Annual Improvements to MFRS Standards 2018-2020) |

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

TANCO HOLDINGS BERHAD

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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 2022 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 changes 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 2,757,859 new ordinary shares resulting from the conversion of the principal amount of RCN at a conversion price of RM0.1813 per share on 7 July 2022.
- (ii) The issuance of 2,757,859 new ordinary shares resulting from the conversion of the principal amount of RCN at a conversion price of RM0.1813 per share on 9 August 2022.
- (iii) The issuance of 2,757,859 new ordinary shares resulting from the conversion of the principal amount of RCN at a conversion price of RM0.1813 per share on 17 August 2022.
- (iv) The issuance of 16,547,159 new ordinary shares resulting from the conversion of the principal amount of RCN at a conversion price of RM0.1813 per share on 19 August 2022.
- (v) The issuance of 15,625,000 new ordinary shares resulting from the conversion of the principal amount of RCN at a conversion price of RM0.1920 per share on 9 November 2022.

A8. DIVIDEND PAID

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

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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-22	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	11,761	363	9,188	2	-	21,314
Inter-segment sales	224	-	-	-	(224)	-
Total revenue	<u>11,985</u>	<u>363</u>	<u>9,188</u>	<u>2</u>	<u>(224)</u>	<u>21,314</u>
Results						
Profit/(loss) from operations	(264)	(481)	151	(476)	(371)	(1,441)
Finance income						1,554
Finance costs						<u>(1,395)</u>
Loss before taxation						(1,282)
Taxation						<u>-</u>
Loss after taxation						(1,282)
Other comprehensive loss						<u>-</u>
Total comprehensive loss						<u>(1,282)</u>
Other Information						
Depreciation and amortisation	<u>267</u>	<u>427</u>	<u>-</u>	<u>4</u>	<u>(162)</u>	<u>536</u>
Consolidated Statements of Financial Position						
Assets						
Segment assets	<u>288,690</u>	<u>54,927</u>	<u>20,766</u>	<u>263,527</u>	<u>(335,551)</u>	<u>292,359</u>
Liabilities						
Segment liabilities	<u>(180,479)</u>	<u>(36,852)</u>	<u>(9,100)</u>	<u>(29,335)</u>	<u>139,876</u>	<u>(115,890)</u>

A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

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

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A11. MATERIAL EVENTS DURING THE QUARTER

- (i) On 28 June 2022, the Board of Directors of the Company announced that the Company proposed to undertake a bonus issue of free warrants (“Warrants C”) on the basis of 1 Warrant C for every 2 existing ordinary shares in the Company held on 24 August 2022 (“Entitlement Date”) which was announced on 10 August 2022 (“Proposed Bonus Issue of Warrants”).

Subsequently, on 12 July 2022, Bursa Securities had, vide its letter approved the following:

- (i) admission to the Official List and the listing and quotation of up to 1,479,643,278 new Warrants C to be issued pursuant to the Proposed Bonus Issue of Warrants; and
- (ii) listing and quotation of up to 1,479,643,278 new Shares to be issued arising from the exercise of the new Warrants C.

The Proposed Free Warrants Issue was approved by the shareholders at the EGM held on 10 August 2022.

The Bonus Issue of Warrants has been completed following the listing and quotation of 883,303,290 Warrants C on the Main Market of Bursa Securities on 5 September 2022.

- (ii) With reference to the announcement dated 8 May 2012, 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), has secured banking facilities totaling RM77 million from Bank Kerjasama Rakyat Malaysia Berhad (“BKR”) (“the BKR Facilities”).

On 8 September 2022, the Board of Directors of Company announced that PSD has to date accepted the Bank’s offer for the proposed full and final settlement of the Facility (“the Proposed Settlement”). The Proposed Settlement is expected to be completed by 15 December 2022.

Further details on the Proposed Settlement are set out in the Group’s announcement dated 8 September 2022.

Save for the above, 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

- (i) On 21 October 2022, on behalf of the Board of Directors of the Company, Kenanga Investment Bank Berhad announced that the Company proposed to undertake a private placement of up to 176,660,700 new ordinary shares in Tanco (“Shares”) representing up to approximately 10% of the existing total number of issued Shares, to independent third party investor(s) to be identified and at an issue price to be determined and announced at a later date. Further details on the Proposed Private Placement are set out in the Group’s announcement dated 21 October 2022.

Subsequently, on 2 November 2022, Kenanga IB had announced Bursa Securities had, vide its letter dated one 1 November 2022, approved the listing of and quotation for up to 176,660,700 new Tanco Shares to be issued pursuant to the Proposed Private Placement.

Further details on the circular of Proposed Private Placement are set out in the Group’s announcement dated 9 November 2022.

A12. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD (Cont'd)

- (ii) On 25 October 2022, the Board of Directors of the Company announced that the Company had signed the Term Sheet ("Term Sheet") Between Tanco And Pertubuhan Keselamatan Sosial ("Perkeso") for the subscription in full of 100,000,000 Redeemable Preference Shares ("RPS") in the Company at RM1.00 each for RM100 million ("Proposed RPS Subscription"). Further details on the Proposed Private Placement are set out in the Group's announcement dated 25 October 2022 and the reply to Query dated 28 October 2022.

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 September 2022, 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>40,541</u>

A15. CAPITAL COMMITMENT

There were no capital commitments 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 3 months financial period ended 30 September 2022, the Group had recorded a loss before taxation ("LBT") of RM1.3 million as compared to RM2.5 million in the preceding year corresponding quarter ended 30 September 2021. The decrease in LBT was mainly attributable to higher revenue generated from property development/management and construction segment in the current period.

B2. MATERIAL CHANGE IN THE QUARTERLY RESULTS COMPARED TO THE RESULTS OF THE IMMEDIATE PRECEDING QUARTER ENDED 30 JUNE 2022

	Current Period Quarter 30/09/2022 RM'000	Immediate Preceding Quarter 30/06/2022 RM'000
Revenue	21,314	9,478
Loss after tax	(1,282)	(3,561)

The Group recorded a revenue of RM21.3 million in the current quarter ended 30 September 2022 as compared to RM9.5 million in the preceding quarter 30 June 2022. The increase in revenue during the current quarter under review is mainly attributable to higher revenue generated from property development/management and construction segment in the current period.

The Group recorded a lower loss after taxation ("LAT") of RM1.3 million as compared to RM3.6 million in preceding quarter ended 30 June 2022 mainly resulting from a higher revenue generated from property development/management and construction segment in the current period.

B3. PROSPECTS

The Malaysian economy is expected to remain resilient in 2023, with moderate inflation, whilst growth will be mainly supported by further expansion in domestic demand. The Group is optimistic and confident that post GE 15, the new Government will continue to initiate and implement positive economic growth policies to continue catalysing and enhancing local trade and the domestic economy and to further support the various local business sectors, wherein the Group will be primed to further strengthen and also expand our core businesses and execute our growth plans. Despite our nation's resilient economic outlook, the Group will remain vigilant and cautiously optimistic in managing the risks related to macroeconomic headwinds which may be caused by persistent inflation, tightening of monetary policies, geopolitical tensions, volatile commodity prices and/ or supply-related disruptions which have not fully recovered.

B4. PROFIT FORECAST

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

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B5. TAXATION

	Current Period Quarter 30/09/2022 RM'000	Current Year To Date 30/09/2022 RM'000
Income Tax		
- Current year	-	-
- Prior year	-	-
Deferred Tax		
- Current year	-	-
- Prior year	-	-
	<hr/>	<hr/>
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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 22 November 2022, 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 22 November 2022, the Company has issued forty (40) Sub-Tranches under Tranche 1 of the RCNs amounting to RM20.0 million, forty (40) Sub-Tranches under Tranche 2 of the RCNs amounting to RM20.0 million and fourteen (14) Sub-Tranches under Tranche 3 of the RCNs amounting to RM7.0 million.

Following the aforesaid issuance, RCNs of RM47 million were converted into a total of 691,929,145 new ordinary shares of the Company.

As at the date of this report, the status of the utilisation of the gross proceeds of RM47 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	31,803	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	4,222	Within thirty-six (36) months
Total	100,000	47,000	

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 2022 are as follow: -

	As at 30/09/2022 RM'000
Short Term Borrowings	
Secured: -	
- Bank overdraft	541
- Hire purchase and lease liabilities	90
- Bridging loan	34,237
- Term loan	283
	<u>35,151</u>
Long Term Borrowings	
Secured: -	
- Hire purchase and lease liabilities	172
- Term loan	5,480
	<u>5,652</u>
Total	<u>40,803</u>

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

B10. OFF-BALANCE SHEET FINANCIAL INSTRUMENTS

As at 22 November 2022 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 22 November 2022, 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 case management date is now fixed on 30 November 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 Year Quarter <u>30/09/2022</u>	Preceding Year Corresponding Quarter <u>30/09/2021</u>	Current Year To Date <u>30/09/2022</u>	Preceding Year To Date <u>30/09/2021</u>
Net loss attributable to owners of the Company	(RM'000)	(1,268)	(2,479)	(1,268)	(2,479)
Weighted average number of ordinary shares	('000)	1,763,691	1,659,848	1,763,691	1,659,848
Basic loss per share	(Sen)	(0.07)	(0.15)	(0.07)	(0.15)

As at 30 September 2022, 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: 29 November 2022