

**Tanco Holdings Berhad**

Registration No. 195801000190 (3326-K)

**Condensed Consolidated Statements of Financial Position as at 31 December 2022**

	<b>Current Year As At 31-Dec-22 (Unaudited) RM'000</b>	<b>Preceding Year As At 30-Jun-22 (Audited) RM'000</b>
<b><u>ASSETS</u></b>		
<b><u>NON-CURRENT ASSETS</u></b>		
Property, Plant and Equipment	54,895	55,204
Investment Properties	26,026	26,601
Inventories	97,634	97,982
Right-of-use assets	17,126	17,283
Other Investments	3	3
Goodwill on Consolidation	380	380
<b>TOTAL NON-CURRENT ASSETS</b>	<b>196,064</b>	<b>197,453</b>
<b><u>CURRENT ASSETS</u></b>		
Inventories	57,915	66,490
Trade Receivables	34,164	7,241
Other Receivables, Deposits and Prepayments	3,458	3,565
Contract Asset	1,658	1,338
Contract Costs	335	3,639
Cash, Bank Balances and Deposits	8,971	6,941
<b>TOTAL CURRENT ASSETS</b>	<b>106,501</b>	<b>89,214</b>
<b>TOTAL ASSETS</b>	<b>302,565</b>	<b>286,667</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 2022 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 31 December 2022**

	<b>Current Year As At 31-Dec-22 (Unaudited) RM'000</b>	<b>Preceding Year As At 30-Jun-22 (Audited) RM'000</b>
<b><u>EQUITY AND LIABILITIES</u></b>		
<b><u>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</u></b>		
Share Capital	115,481	107,981
Capital Reserves	50,233	50,233
RCN - Equity Component	367	275
Retained Profits	24,061	13,560
	190,142	172,049
Non-controlling Interests	114	144
<b>TOTAL EQUITY</b>	190,256	172,193
<b><u>NON-CURRENT LIABILITIES</u></b>		
Borrowings	5,377	5,582
Lease Liabilities	153	191
Long Term Payables	6,916	6,916
Deferred Tax Liabilities	116	87
<b>TOTAL NON-CURRENT LIABILITIES</b>	12,562	12,776
<b><u>CURRENT LIABILITIES</u></b>		
Trade Payables	22,380	15,501
Other Payables, Deposits and Accruals	14,139	12,407
Contract Liabilities	21,237	31,791
Borrowings	25,471	35,500
Lease Liabilities	79	108
Amount Owing To Directors	5,800	1,113
RCN - Liability Component	9,518	4,147
Current Tax Liabilities	1,123	1,131
<b>TOTAL CURRENT LIABILITIES</b>	99,747	101,698
<b>TOTAL LIABILITIES</b>	112,309	114,474
<b>TOTAL EQUITY AND LIABILITIES</b>	302,565	286,667
<b>Net Asset Per Share (RM)</b>	0.1072	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 Six (6)-months financial period ended 31 December 2022**

(The figures have not been audited)

**31 December 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	-	-	523	-	523	-	523
Conversion of Redeemable Convertible Notes	7,500	-	(431)	-	7,069	-	7,069
Total comprehensive profit for the period	-	-	-	10,501	10,501	(30)	10,471
At 31 December 2022	115,481	50,233	367	24,061	190,142	114	190,256

**31 December 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	-	-	-	(5,310)	(5,310)	(48)	(5,358)
At 31 December 2021	98,481	50,233	40	21,149	169,903	245	170,148

(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 Six (6)-months Financial Period Ended 31 December 2022**  
(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE YEAR	
	Current Period Quarter  31-Dec-22 RM'000	Preceding Year Corresponding Quarter 31-Dec-21 RM'000	Current Period To Date  31-Dec-22 RM'000	Preceding Year Corresponding Period 31-Dec-21 RM'000
Revenue	29,716	1,041	51,030	1,707
Cost of sales	(21,459)	(538)	(39,531)	(710)
<b>Gross profit</b>	<b>8,257</b>	<b>503</b>	<b>11,499</b>	<b>997</b>
Other income	3,562	104	3,739	167
Administrative expenses	(6,378)	(2,842)	(11,238)	(5,273)
<b>Operating profit/(loss)</b>	<b>5,441</b>	<b>(2,235)</b>	<b>4,000</b>	<b>(4,109)</b>
Finance income	6,410	6	7,964	11
Finance costs	(98)	(633)	(1,493)	(1,260)
<b>Profit/(Loss) before taxation</b>	<b>11,753</b>	<b>(2,862)</b>	<b>10,471</b>	<b>(5,358)</b>
Taxation	-	-	-	-
<b>Profit/(Loss) for the financial period</b>	<b>11,753</b>	<b>(2,862)</b>	<b>10,471</b>	<b>(5,358)</b>
<b>Profit/(Loss) attributable to :-</b>				
Owners of the Company	11,769	(2,831)	10,501	(5,310)
Non-controlling interests	(16)	(31)	(30)	(48)
	<b>11,753</b>	<b>(2,862)</b>	<b>10,471</b>	<b>(5,358)</b>
(a) Basic (sen)	0.66	(0.17)	0.59	(0.32)
(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**

Registration No. 195801000190 (3326-K)

**Statements of Other Comprehensive Income****For the Six (6)-months Financial Period Ended 31 December 2022**

(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE YEAR	
	Current Period Quarter 31-Dec-22 RM'000	Preceding Year Corresponding Quarter 31-Dec-21 RM'000	Current Period To Date 31-Dec-22 RM'000	Preceding Year Corresponding Period 31-Dec-21 RM'000
<b>Profit/(Loss) for the financial period</b>	11,753	(2,862)	10,471	(5,358)
<b>Other comprehensive profit/(loss):</b>				
Foreign currency reserve	-	-	-	-
Total comprehensive profit/(loss) for the financial period	11,753	(2,862)	10,471	(5,358)
<b>Total comprehensive profit/(loss) attributable to:</b>				
Owners of the Company	11,769	(2,831)	10,501	(5,310)
Non-controlling interests	(16)	(31)	(30)	(48)
	11,753	(2,862)	10,471	(5,358)

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

	INDIVIDUAL PERIOD	CUMULATIVE YEAR
	Current Period Quarter 31/12/2022 RM'000	Current Period To Date 31/12/2022 RM'000
Interest income	6,410	7,964
Other income	1,688	1,722
Reversal of impairment loss on receivables no longer required	1,874	2,017
Bad debts written off	(5)	(5)
Depreciation and amortisation	(533)	(1,069)
Interest expenses	(98)	(1,493)
Inventories written off	-	(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 Six (6)-months Financial Period Ended 31 December 2022**

(The figures have not been audited)

	<b>6 Months Ended 31-Dec-22 RM'000</b>	<b>6 Months Ended 31-Dec-21 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	10,471	(5,358)
Adjustment for :		
Non-operating items	(5,396)	2,264
Operating loss before working capital changes	<u>5,075</u>	<u>(3,094)</u>
Changes in Working Capital		
Net change in current assets	(14,915)	(1,024)
Net change in current liabilities	6,008	(4,433)
	<u>(3,832)</u>	<u>(8,551)</u>
Interest received	13	11
Interest paid	(1,498)	(55)
Tax paid	(8)	(9)
Net Operating Cash Flows	<u>(5,325)</u>	<u>(8,604)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Addition in property, plant and equipment	(28)	(31)
Changes in pledged fixed deposits	(10)	(10)
Net Investing Cash Flows	<u>(38)</u>	<u>(41)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Conversion of warrants	-	5,760
Directors' accounts	4,687	(60)
Net of repayments of borrowings	(10,301)	(732)
Proceeds from issuance of RCN	12,997	-
Net Financing Cash Flows	<u>7,383</u>	<u>4,968</u>
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS</b>	<b>2,020</b>	<b>(3,677)</b>
<b>CASH &amp; CASH EQUIVALENTS AT THE BEGINNING OF PERIOD</b>	<b>4,810</b>	<b>3,739</b>
<b>CASH &amp; CASH EQUIVALENTS AT THE END OF PERIOD</b>	<b><u>6,830</u></b>	<b><u>62</u></b>
Cash and cash equivalents comprise of the following:		
Cash, bank balances and deposits	8,971	2,177
Bank overdraft	(992)	(987)
	<u>7,979</u>	<u>1,190</u>
Less : Deposits pledged with licensed banks	(1,149)	(1,128)
	<u>6,830</u>	<u>62</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 2022 and the accompanying explanatory notes attached to the interim financial statements.)

## TANCO HOLDINGS BERHAD

Registration No. 195801000190 (3326-K)

### Notes to the Interim Financial Statements For the Second Quarter ended 31 December 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 31 December 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 Contracts – Cost of Fulfilling a Contract)
- Amendments to MFRS 141 Agriculture (Annual Improvements to MFRS Standards 2018-2020)

##### Effective for financial year beginning on or after 1 January 2023

- Amendments to MFRS 17 Insurance Contracts  
Initial Application of MFRS 17 and MFRS 9—Comparative Information
- Amendments to MFRS 112 Income Taxes (Deferred Tax related to Assets and Liabilities arising from a Single Transaction)

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 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.
- (ii) The issuance of 36,403,349 new ordinary shares resulting from the conversion of the principal amount of RCN at a conversion price of RM0.2747 per share on 14 February 2023.

**A8. DIVIDEND PAID**

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



**TANCO HOLDINGS BERHAD**

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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.

<b>6 months ended 31-Dec-22</b>	<b>Property development/ Management RM'000</b>	<b>Resorts and Club Operation/ Management RM'000</b>	<b>Construction RM'000</b>	<b>Investment holding RM'000</b>	<b>Elimination RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>						
External sales	28,268	726	22,029	7	-	51,030
Inter-segment sales	449	-	195	-	(644)	-
Total revenue	<u>28,717</u>	<u>726</u>	<u>22,224</u>	<u>7</u>	<u>(644)</u>	<u>51,030</u>
<b>Results</b>						
Profit/(loss) from operations	6,560	(917)	316	(1,496)	(463)	4,000
Finance income						7,964
Finance costs						(1,493)
Loss before taxation						<u>10,471</u>
Taxation						-
Loss after taxation						<u>10,471</u>
Other comprehensive loss						-
Total comprehensive loss						<u>10,471</u>
<b>Other Information</b>						
Depreciation and amortisation	530	856	-	7	(324)	1,069
<b>Consolidated Statements of Financial Position</b>						
<b>Assets</b>						
Segment assets	<u>292,531</u>	<u>55,801</u>	<u>23,298</u>	<u>300,595</u>	<u>(369,660)</u>	<u>302,565</u>
<b>Liabilities</b>						
Segment liabilities	<u>(163,606)</u>	<u>(36,856)</u>	<u>(11,466)</u>	<u>(38,670)</u>	<u>139,528</u>	<u>(111,070)</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.

**A11. MATERIAL EVENTS DURING THE QUARTER**

- (i) On 21 October 2022, on behalf of the Board of Directors of the Company, Kenanga Investment Bank Berhad ("Kenanga IB") 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 that Bursa Securities had, vide its letter dated 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.

- (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 RPS Subscription are set out in the Group's announcement dated 25 October 2022 and the reply to Query dated 28 October 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 7 February 2023, Palm Springs Resort Management Berhad ("PSRMB") (a subsidiary of Tanco Properties Sdn Bhd, which in turn is an indirect wholly-owned subsidiary of Tanco Holdings Berhad) entered into a share sale agreement ("SSA") with Gplex Properties Sdn Bhd ("GPSB"), being the vendor for the proposed acquisition of 250,500 ordinary shares in GPSB representing 50.1% of the entire equity interest of GPSB for a total purchase consideration of RM20,000,000 ("Purchase Consideration") to be fully satisfied via cash ("Proposed Acquisition"). Subsequent to the Proposed Acquisition, GPSB will become a 50.1% owned indirect subsidiary of the Company through PSRMB.

GPSB is a private limited company incorporated in Malaysia and is principally engaged in business as investment holding and business consulting. Further details on the agreements Proposed Acquisition are set out in the Group's announcement dated 7 February 2023.

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

**TANCO HOLDINGS BERHAD**

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**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 December 2022, 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>30,848</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 6 months financial period ended 31 December 2022, the Group had recorded a profit before taxation (“PBT”) of RM10.5 million as compared to a loss before taxation (“LBT”) RM5.4 million in the preceding year corresponding quarter ended 31 December 2021. The increase in PBT 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 SEPTEMBER 2022**

	<b>Current Period Quarter 31/12/2022 RM’000</b>	<b>Immediate Preceding Quarter 30/09/2022 RM’000</b>
Revenue	29,716	21,314
Profit/(Loss) after tax	<u>11,753</u>	<u>(1,282)</u>

The Group recorded a revenue of RM29.7 million in the current quarter ended 31 December 2022 as compared to RM21.3 million in the preceding quarter 30 September 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 profit after taxation (“PAT”) of RM11.8 million in current quarter as compared to a loss after taxation (“LAT”) of RM1.3 million in preceding quarter ended 30 September 2022 mainly resulting from a higher revenue generated from property development/management and construction segment, and a higher finance income 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.

**TANCO HOLDINGS BERHAD**

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**B5. TAXATION**

	<b>Current Period Quarter 31/12/2022 RM'000</b>	<b>Current Year To Date 31/12/2022 RM'000</b>
Income Tax		
- Current year	-	-
- Prior year	-	-
Deferred Tax		
- Current year	-	-
- Prior year	-	-
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	<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**3

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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 15 February 2023, being the latest practicable date (“LPD”), which is not earlier than 7 days from the date of issue of this quarterly report.

(i) RCN program

As at 15 February 2023, 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, forty (40) Sub-Tranches under Tranche 3 of the RCNs amounting to RM20.0 million and twelve (12) Sub-Tranches under Tranche 4 of the RCNs amounting to RM12.0 million.

Following the aforesaid issuance, RCNs of RM57 million were converted into a total of 728,332,494 new ordinary shares of the Company.

As at the date of this report, the status of the utilisation of the gross proceeds of RM72 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	55,433	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	5,592	Within thirty-six (36) months
<b>Total</b>	<b>100,000</b>	<b>72,000</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.

**(ii) Private placement**

On 21 October 2022, the Company announced to undertake a private placement of up to 176,660,700 new ordinary shares (“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.

On 2 November 2022, Bursa Securities had, vide its letter dated 1 November 2022, approved the listing of and quotation for up to 176,660,700 new Shares to be issued pursuant to the Proposed Private Placement, subject to conditions.

As at LPD, the Company has not issued any Shares pursuant to the Private Placement.

**B9. GROUP BORROWINGS AND DEBT SECURITIES**

Total Group’s borrowings as at 31 December 2022 are as follow: -

	<b>As at 31/12/2022 RM’000</b>
Short Term Borrowings	
Secured: -	
- Bank overdraft	992
- Hire purchase and lease liabilities	79
- Bridging loan	24,181
- Term loan	298
	<u>25,550</u>
Long Term Borrowings	
Secured: -	
- Hire purchase and lease liabilities	153
- Term loan	5,377
	<u>5,530</u>
<b>Total</b>	<u><b>31,080</b></u>

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

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

As at 15 February 2023 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.

**TANCO HOLDINGS BERHAD**

Registration No. 195801000190 (3326-K)

**B11. MATERIAL LITIGATION**

As at 15 February 2023, 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 trial dates have been fixed on 28 April 2023, 15, 19, and 26 May 2023.

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.

**B12. DIVIDEND**

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

**B13. LOSS PER SHARE**

<u>Basic</u>		<b>Current Year</b>	<b>Preceding Year</b>	<b>Current</b>	<b>Preceding Year</b>
		<b>Quarter</b>	<b>Corresponding</b>	<b>Year To Date</b>	<b>To Date</b>
		<b><u>31/12/2022</u></b>	<b><u>31/12/2021</u></b>	<b><u>31/12/2022</u></b>	<b><u>31/12/2021</u></b>
Net loss attributable to owners of the Company	(RM'000)	11,769	(2,831)	10,501	(5,310)
Weighted average number of ordinary shares	('000)	1,773,708	1,659,848	1,773,708	1,659,848
Basic loss per share	(Sen)	0.66	(0.17)	0.59	(0.32)

As at 31 December 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: 22 February 2023