

Tanco Holdings Berhad

Registration No. 195801000190 (3326-K)

Condensed Consolidated Statements of Financial Position as at 30 September 2024

	Current Period As At 30-Sep-24 (Unaudited) RM'000	Preceding Year As At 30-Jun-24 (Audited) RM'000
<u>ASSETS</u>		
<u>NON-CURRENT ASSETS</u>		
Property, Plant and Equipment	127,154	121,005
Investment Properties	31,274	35,063
Investment in an associate	15,000	15,000
Inventories	107,512	110,532
Intangible Assets	527	527
Other Investments	3	3
Long Term Receivables	34,334	34,334
Goodwill on Consolidation	18,870	18,870
TOTAL NON-CURRENT ASSETS	334,674	335,334
<u>CURRENT ASSETS</u>		
Inventories	54,201	52,692
Trade Receivables	56,433	90,125
Other Receivables, Deposits and Prepayments	10,000	11,309
Contract Assets	12,691	12,260
Contract Costs	1,049	1,588
Tax Recoverable	336	273
Cash, Bank Balances and Deposits	7,305	14,916
TOTAL CURRENT ASSETS	142,015	183,163
TOTAL ASSETS	476,689	518,497

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 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 2024

	Current Period As At 30-Sep-24 (Unaudited) RM'000	Preceding Year As At 30-Jun-24 (Audited) RM'000
<u>EQUITY AND LIABILITIES</u>		
<u>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</u>		
Share Capital	233,381	209,409
Capital Reserves	50,233	50,233
Retained Profits	44,084	44,035
	327,698	303,677
Non-controlling Interests	8,841	7,494
TOTAL EQUITY	336,539	311,171
<u>NON-CURRENT LIABILITIES</u>		
Borrowings	7,580	7,697
Lease Liabilities	32,394	28,982
Long Term Payables	748	748
Deferred Tax Liabilities	142	142
TOTAL NON-CURRENT LIABILITIES	40,864	37,569
<u>CURRENT LIABILITIES</u>		
Trade Payables	30,352	68,559
Other Payables, Deposits and Accruals	36,184	48,920
Contract Liabilities	21,485	31,135
Provisions For Liabilities	1,356	973
Borrowings	385	1,369
Lease Liabilities	5,228	2,738
Amount Owing To Directors	1,339	11,635
Current Tax Liabilities	2,957	4,428
TOTAL CURRENT LIABILITIES	99,286	169,757
TOTAL LIABILITIES	140,150	207,326
TOTAL EQUITY AND LIABILITIES	476,689	518,497
Net Asset Per Share (RM)	0.1516	0.1501

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 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 Three (3)-months financial period ended 30 September 2024

(The figures have not been audited)

30 September 2024

	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 2024	209,409	50,233	-	44,035	303,677	7,494	311,171
Conversion of Warrants	23,972	-	-	-	23,972	-	23,972
Total comprehensive profit for the year	-	-	-	49	49	1,347	1,396
At 30 September 2024	233,381	50,233	-	44,084	327,698	8,841	336,539

30 September 2023

	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 2023	156,331	50,233	153	32,093	238,810	3,659	242,469
Conversion of Redeemable Convertible Notes	5,000	-	(153)	-	4,847	-	4,847
Conversion of Warrants	14,905	-	-	-	14,905	-	14,905
Total comprehensive profit for the year	-	-	-	212	212	599	811
At 30 September 2023	176,236	50,233	-	32,305	258,774	4,258	263,032

(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 2024 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 2024**

(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE YEAR	
	Current Period Quarter 30-Sep-24 RM'000	Preceding Year Corresponding Quarter 30-Sep-23 RM'000	Current Period To Date 30-Sep-24 RM'000	Preceding Year Corresponding Period 30-Sep-23 RM'000
Revenue	19,636	26,302	19,636	26,302
Cost of sales	(14,400)	(19,450)	(14,400)	(19,450)
Gross profit	5,236	6,852	5,236	6,852
Other income	2,192	1,264	2,192	1,264
Net allowance of impairment losses on financial instruments	2,661	181	2,661	181
Administrative expenses	(7,374)	(6,688)	(7,374)	(6,688)
Operating profit	2,715	1,609	2,715	1,609
Finance income	47	15	47	15
Finance costs	(490)	(128)	(490)	(128)
Profit before taxation	2,272	1,496	2,272	1,496
Taxation	(876)	(685)	(876)	(685)
Profit for the financial period	1,396	811	1,396	811
Profit attributable to : -				
Owners of the Company	49	212	49	212
Non-controlling interests	1,347	599	1,347	599
	1,396	811	1,396	811
(a) Basic (sen)	0.00	0.01	0.00	0.01
(b) Diluted (sen)	0.00	0.01	0.00	0.01

(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 2024 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 2024**

(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE YEAR	
	Current Period Quarter 30-Sep-24 RM'000	Preceding Year Corresponding Quarter 30-Sep-23 RM'000	Current Period To Date 30-Sep-24 RM'000	Preceding Year Corresponding Period 30-Sep-23 RM'000
Profit for the financial period	1,396	811	1,396	811
Total comprehensive profit attributable to:				
Owners of the Company	49	212	49	212
Non-controlling interests	1,347	599	1,347	599
	1,396	811	1,396	811

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

	INDIVIDUAL PERIOD	CUMULATIVE YEAR
	Current Period Quarter 30/9/2024 RM'000	Current Period To Date 30/9/2024 RM'000
Interest income	47	47
Other income	2,190	2,190
Reversal of impairment loss on receivables no longer required	2,816	2,816
Waiver of debts	2	2
Bad debts written off	(3)	(3)
Depreciation and amortisation	(1,831)	(1,831)
Impairment loss on receivables	(155)	(155)
Interest expenses	(490)	(490)

(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 2024 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 2024**

(The figures have not been audited)

	3 Months Ended 30-Sep-24 RM'000	3 Months Ended 30-Sep-23 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,272	1,496
Adjustment for :		
Non-operating items	11,959	893
Operating profit before working capital changes	<u>14,231</u>	<u>2,389</u>
Changes in Working Capital		
Net change in current assets	33,801	9,828
Net change in current liabilities	(60,229)	(12,451)
	<u>(12,197)</u>	<u>(234)</u>
Interest received	47	15
Interest paid	(434)	(93)
Tax paid	(2,409)	(329)
Net Operating Cash Flows	<u>(14,993)</u>	<u>(641)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition in property, plant and equipment	(5,532)	(438)
Addition in investment properties	-	(81)
Changes in pledged fixed deposits	3	51
Net Investing Cash Flows	<u>(5,529)</u>	<u>(468)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Conversion of warrants	23,972	14,905
Directors' accounts	(10,296)	(4,285)
Net of repayments of borrowings	229	(8,494)
Net Financing Cash Flows	<u>13,905</u>	<u>2,126</u>
NET CHANGES IN CASH & CASH EQUIVALENTS	(6,617)	1,017
CASH & CASH EQUIVALENTS AT THE BEGINNING OF YEAR	12,586	6,755
CASH & CASH EQUIVALENTS AT THE END OF YEAR	<u>5,969</u>	<u>7,772</u>
Cash and cash equivalents comprise of the following:		
Cash, bank balances and deposits	7,305	8,937
	<u>7,305</u>	<u>8,937</u>
Less : Deposits pledged with licensed banks	(1,336)	(1,165)
	<u>5,969</u>	<u>7,772</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 2024 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 2024

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 2024.

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 2024.

The financial statements of the Group for the quarter ended 30 September 2024 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 2024, except as disclosed below:

Effective for financial year beginning on or after 1 January 2024

- Amendments to MFRS 7 Financial Instruments: Disclosures (Supplier Finance Arrangements)
- Amendments to MFRS 16 Leases (Lease Liability in a Sale and Leaseback)
- Amendments to MFRS 101 Presentation of Financial Statements (Non-current Liabilities with Covenants)
- Amendments to MFRS 107 Statement of Cash Flows (Supplier Finance Arrangements)

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 2024 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 3,035,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 1 Jul 2024.
- (ii) The issuance of 540,400 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 3 Jul 2024.
- (iii) The issuance of 13,413,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 10 Jul 2024.
- (iv) The issuance of 11,510,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 12 Jul 2024.
- (v) The issuance of 465,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 15 Jul 2024.
- (vi) The issuance of 1,473,200 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 18 Jul 2024.
- (vii) The issuance of 4,506,100 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 22 Jul 2024.
- (viii) The issuance of 488,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 25 Jul 2024.
- (ix) The issuance of 2,338,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 26 Jul 2024.
- (x) The issuance of 2,293,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 29 Jul 2024.
- (xi) The issuance of 340,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 30 Jul 2024.
- (xii) The issuance of 3,282,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 31 Jul 2024.

A7. DEBT AND EQUITY SECURITIES (Cont'd)

- (xiii) The issuance of 3,685,200 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 1 Aug 2024.
- (xiv) The issuance of 3,583,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 2 Aug 2024.
- (xv) The issuance of 1,720,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 5 Aug 2024.
- (xvi) The issuance of 4,328,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 6 Aug 2024.
- (xvii) The issuance of 792,700 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 7 Aug 2024.
- (xviii) The issuance of 618,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 8 Aug 2024.
- (xix) The issuance of 727,500 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 9 Aug 2024.
- (xx) The issuance of 3,340,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 13 Aug 2024.
- (xxi) The issuance of 494,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 15 Aug 2024.
- (xxii) The issuance of 2,335,600 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 16 Aug 2024.
- (xxiii) The issuance of 254,300 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 19 Aug 2024.
- (xxiv) The issuance of 410,300 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 20 Aug 2024.
- (xxv) The issuance of 263,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 22 Aug 2024.
- (xxvi) The issuance of 2,373,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 27 Aug 2024.
- (xxvii) The issuance of 133,500 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 28 Aug 2024.
- (xxviii) The issuance of 160,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 30 Aug 2024.
- (xxix) The issuance of 2,086,500 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 3 Sep 2024.

A7. DEBT AND EQUITY SECURITIES (Cont'd)

- (xxx) The issuance of 91,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 4 Sep 2024.
- (xxxix) The issuance of 2,102,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 9 Sep 2024.
- (xxxixii) The issuance of 33,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 12 Sep 2024.
- (xxxixiii) The issuance of 2,055,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 19 Sep 2024.
- (xxxixiv) The issuance of 2,060,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 26 Sep 2024.
- (xxxixv) The issuance of 2,042,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 2 Oct 2024.
- (xxxixvi) The issuance of 40,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 4 Oct 2024.
- (xxxixvii) The issuance of 2,045,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 9 Oct 2024.
- (xxxixviii) The issuance of 60,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 14 Oct 2024.
- (xxxixix) The issuance of 1,040,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 22 Oct 2024.
- (xli) The issuance of 59,400 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 13 Nov 2024.
- (xlii) The issuance of 1,065,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 15 Nov 2024.
- (xliii) The issuance of 3,270,000 new ordinary shares resulting from the exercise of warrants at an exercise price of RM0.31 per share on 20 Nov 2024.

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	Property development/ Management	Resorts and Club Operation/ Management	Construction	Investment holding	Business consulting services	Elimination	Consolidated
30-Sep-24	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External sales	2,643	725	9,277	7	6,984	-	19,636
Inter-segment sales	224	-	1	-	-	(225)	-
Total revenue	<u>2,867</u>	<u>725</u>	<u>9,278</u>	<u>7</u>	<u>6,984</u>	<u>(225)</u>	<u>19,636</u>
Results							
Profit/(loss) from operations	(2,654)	(233)	2,214	(1,312)	3,765	935	2,715
Finance income							47
Finance costs							(490)
Profit before taxation							<u>2,272</u>
Taxation							(876)
Profit after taxation							<u>1,396</u>
Other comprehensive income							-
Total comprehensive income							<u>1,396</u>
Other Information							
Depreciation and amortisation	1,788	433	1	4	67	(462)	1,831
Consolidated Statements of Financial Position							
Assets							
Segment assets	<u>351,034</u>	<u>117,233</u>	<u>44,959</u>	<u>410,221</u>	<u>41,801</u>	<u>(488,895)</u>	<u>476,353</u>
Liabilities							
Segment liabilities	<u>(147,557)</u>	<u>(54,685)</u>	<u>(34,335)</u>	<u>(27,839)</u>	<u>(22,225)</u>	<u>149,590</u>	<u>(137,051)</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 29 July 2024, with reference and further to the announcement dated 23 August 2023 on the Research Services Agreement between Universiti Malaya (“UM”) and Herbitec (M) Sdn. Bhd. (“Herbitec”), an indirect subsidiary of Tanco, the Board of Directors of Tanco wishes to announce on the progress and timelines of the ongoing Study “NODEN FOR AMELIORATION OF SYMPTOMS OF DENGUE” as updated by UM.

Further details on the updated timelines are set out in the Group’s announcement dated 29 July 2024.

- (ii) On 29 August 2024, with reference and further to the announcement dated 6 June 2024 on the Memorandum of Understanding (“MOU”) with CCCC Dredging Group Co., Ltd. (“CDC”) to establish a framework of cooperation for the design and implementation of the proposed development of a Smart AI Container Port by Midports Holdings Sdn Bhd (“MHSB”) at Port Dickson, Negeri Sembilan (“the Proposed Port Project”), the Board of Directors of Tanco wishes to inform that parties are still in discussions on the port design. Aside from this, there are no new major developments on the said MOU.

- (iii) On 27 September 2024, with reference and further to the announcement dated 15 January 2024 on the approval-in-principle being granted for the Proposed Port Project, the Board of Directors of Tanco wishes to announce that MHSB (a 79%-owned subsidiary of Tanco) had received the approval letter from Jabatan Laut Malaysia/ Malaysia Marine Department (“MMD”) notifying that the Marine Risk Assessment (MRA) Evaluation Committee Panel (“Committee”) has accepted the MRA Study for the Proposed Port Project report by MHSB (“the MRA Report”) and accordingly, that MMD approves and grants Permission for Activity to MHSB with certain conditions on the development and operations of the Proposed Port Project.

Further details on the conditions are set out in the Group’s announcement dated 27 September 2024.

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 1 October 2024, with reference and further to the announcement dated 15 January 2024 and 27 September 2024 respectively on the approval-in-principle and the Permission for Activity being approved and granted for the Proposed Port Project, the Board of Directors of Tanco wishes to announce that Midports Holdings Sdn Bhd (a 79%-owned subsidiary of Tanco) (“MHSB”) had on late 30 September 2024 received the full and unconditional approval letter (“Approval Letter”) from Jabatan Laut Malaysia/ Malaysia Marine Department (“MMD”) notifying that the Marine Risk Assessment (MRA) Evaluation Committee Panel has accepted the “Marine Risk Assessment (MRA) for Development and Marine Activity of Smart AI Container Port at Port Dickson, Negeri Sembilan” report by MHSB (“the MRA Report”) and accordingly, that MMD approves and grants Permission for all marine activities and to develop and build the new Smart AI Container Port to MHSB per the Proposed Port Project.

The Approval Letter supersedes the previous approval letter from MMD dated 27 September 2024 and the conditions stated therein.

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

- (ii) On 11 October 2024, with reference and further to the announcement dated 15 January 2024, 27 September 2024 and 1 October 2024 on the approvals received on the Project, the Board of Directors of Tanco wishes to announce that Midports had entered into a Memorandum of Agreement (“MOA”) with CCCC Dredging Southeast Asia Sdn. Bhd. (Registration No. 201901041364 (1350694-X)) (“CDSA”).

Further details on the MOA are set out in the Group’s announcement dated 11 October 2024.

- (iii) On 14 October 2024, The Board of Directors of Tanco wishes to announce that Tanco Land Sdn Bhd (“TLSB”), an indirect subsidiary of Tanco, had received the signed copies of the Joint Venture Cum Shareholders Agreement (“JVA”) countersigned by Menteri Besar Negeri Sembilan (Pemerbadanan) (“MBINS”).

Further details on the JVA are set out in the Group’s announcement dated 14 October 2024.

- (iv) On 1 November 2024, with reference and further to the announcement dated 27 February 2024 pertaining to the Proposed Joint Venture, the Board of Directors of Tanco wishes to announce that the joint venture company (“JVC”), namely, MBINS Ventures Sdn. Bhd. (“MBINS Ventures”) has been incorporated with an issued share capital of RM100.00 divided into 100 ordinary shares (“the Incorporation”).

Save for the above, 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 2024, 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	5,019

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A15. CAPITAL COMMITMENTS

Capital commitments refer to the purchase of property, plant and equipment or investment property, in which appropriate disclosures are required to be made in terms of amounts approved but not contracted for; and amount contracted but not provided for in the financial statements.

Capital commitments of the Group as at 30 Sep 2024 are as follows:

	Total RM'000
Contracted but not provided for:	
- Property, Plant and Equipment	14,800
Authorised but not contracted for:	
- Property, Plant and Equipment	5,913
Total capital commitments	<u>20,713</u>

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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 2024, the Group had recorded a profit before taxation (“PBT”) of RM2.27 million as compared to a profit before taxation (“PBT”) RM1.50 million in the preceding year corresponding quarter ended 30 September 2023. The increase in PBT was mainly attributable to higher revenue generated from business consulting services and resorts and club operation segment in the current period.

B2. MATERIAL CHANGE IN THE QUARTERLY RESULTS COMPARED TO THE RESULTS OF THE IMMEDIATE PRECEDING QUARTER ENDED 30 JUNE 2024

	Current Period Quarter 30/09/2024 RM’000	Immediate Preceding Quarter 30/06/2024 RM’000
Revenue	19,636	76,672
Profit after tax	1,396	12,852

The Group recorded a revenue of RM19.63 million in the current quarter ended 30 September 2024 as compared to RM76.67 million in the preceding quarter 30 June 2024. The decrease in revenue during the current quarter under review is mainly due to lower revenue generated from property development and management segment and construction segment in current quarter.

The Group recorded a lower profit after taxation (“PAT”) of RM1.39 million in current quarter as compared to RM12.85 million in preceding quarter ended 30 June 2024. The decrease in PAT is mainly resulting from a lower contribution from property development and management segment in the current quarter.

B3. PROSPECTS

The Malaysian economy is expected to remain resilient in the final quarter of 2024 and appears optimistic for 2025, with a mix of opportunities and challenges ahead, according to the Malaysian Institute of Economic Research (MIER). Domestic demand, exports, investor confidence, inflation are expected to align with the easing global inflation trend, while political stability and MADANI Economy framework will continue to support economic growth.

Within this encouraging environment, the Group is confident that its various business sectors will continue to grow and contribute positively to the Group, with the ongoing projects of our Property segment completing and becoming operational soon and with a few more collaborative projects in discussion, with the ongoing works and more opportunities for contracts for our Construction segment, and with the ongoing clinical trials to evaluate the efficacy of our Pharmaceutical segment Noden™ product against Dengue.

Barring any unforeseen circumstances, the Group will be primed to further strengthen and also expand our core businesses.

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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

	Current Period Quarter 30/09/2024 RM'000	Current Year To Date 30/09/2024 RM'000
Income Tax		
- Current year	<u>876</u>	<u>876</u>
	<u>876</u>	<u>876</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

RM'0003**B8. CORPORATE PROPOSALS**

There are no other corporate proposals announced by the Company as at 21 November 2024, being the latest practicable date ("LPD"), which is not earlier than 7 days from the date of issue of this quarterly report.

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B9. GROUP BORROWINGS AND DEBT SECURITIES

Total Group's borrowings as at 30 September 2024 are as follow: -

	← Secured →			Total RM'000
	Lease liabilities RM'000	Hire purchase payables RM'000	Term loans RM'000	
Current liabilities				
Due in 1 year or less	5,096	132	385	5,613
Non – current liabilities				
Due in more than 1 year but not more than 5 years	24,949	502	1,837	27,288
Due in more than 5 years	6,720	223	5,743	12,686
	<u>31,669</u>	<u>725</u>	<u>7,580</u>	<u>39,974</u>
	<u>36,765</u>	<u>857</u>	<u>7,965</u>	<u>45,587</u>

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

B10. OFF-BALANCE SHEET FINANCIAL INSTRUMENTS

As at 21 November 2024, being the latest practicable date, which is not earlier than 7 days from the date of issue of this quarterly report, the Group does not have any off-balance sheet financial instruments.

B11. MATERIAL LITIGATION

As at 21 November 2024, 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 High Court had on 19 May 2023 granted an order to transfer the matter to the Kuala Lumpur Sessions Court. The case is now fixed for case management on 9 May 2025, and trial on 16, 17 and 18 June 2025 at the Kuala Lumpur Sessions Court.

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. PROFIT PER SHARE

		Current Period Quarter <u>30/09/2024</u>	Preceding Year Corresponding Quarter <u>30/09/2023</u>	Current Period To Date <u>30/09/2024</u>	Preceding Year To Date <u>30/09/2023</u>
<u>Basic & Diluted profit per share</u>					
Net profit attributable to owners of the Company	(RM'000)	49	212	49	212
Weighted average number of ordinary shares	('000)	2,161,092	1,975,188	2,161,092	1,975,188
Basic profit per share	(Sen)	0.00	0.01	0.00	0.01
Weighted average number of ordinary shares with effect of dilution of warrants	('000)	2,744,714	2,743,151	2,744,714	2,743,151
Diluted profit per share	(Sen)	0.00	0.01	0.00	0.01

By Order of the Board,

Choi Siew Fun
Company Secretary
Date: 28 November 2024