



TANCO
HOLDINGS BERHAD
Registration No. 195801000190 (3326-K)



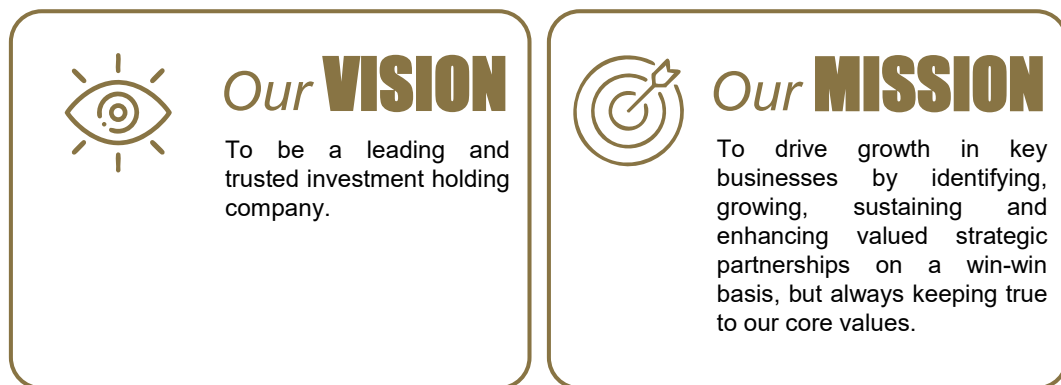
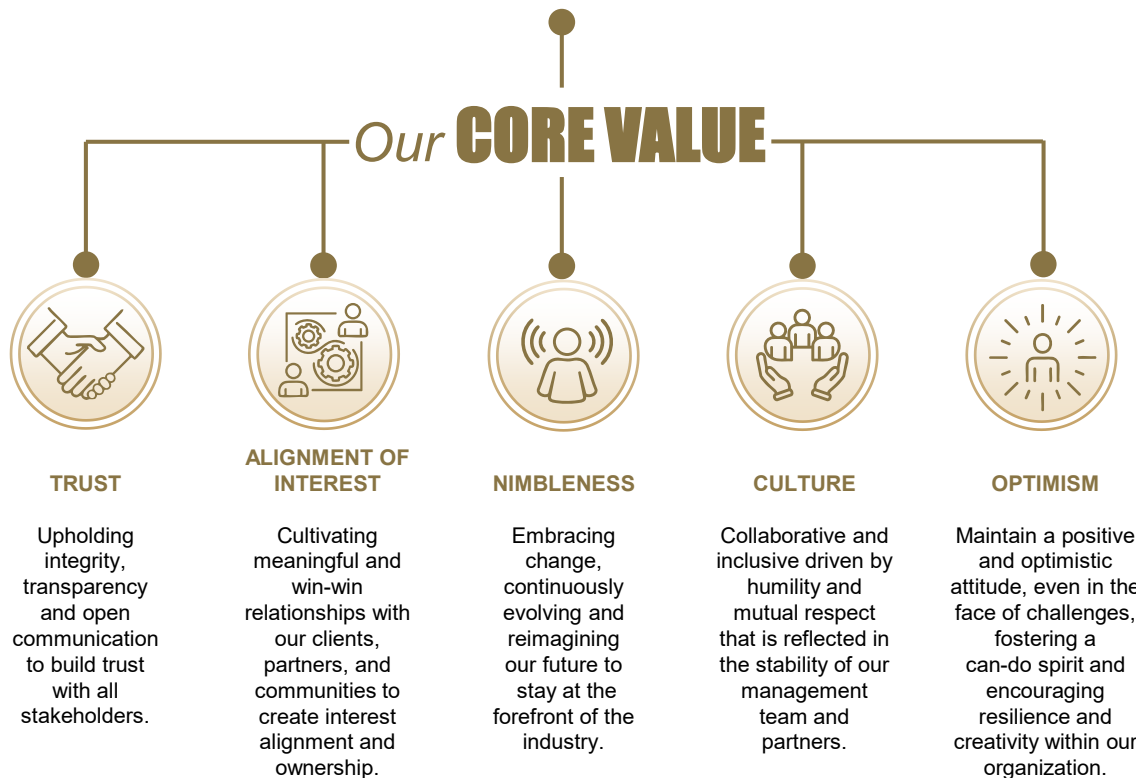
2026

ANNUAL REPORT

WHAT'S INSIDE

<p>02 Our Vision, Mission and Core Values</p> <p>03 Message from Our Group Managing Director</p> <p>05 Corporate Information</p> <p>06 Management Discussion and Analysis</p> <p>16 Financial Highlights</p> <p>17 Directors' Profile</p> <p>23 Profile of Senior Management</p> <p>26 Corporate Governance Overview Statement</p> <p>46 Nomination Committee Statement</p> <p>49 Additional Compliance Information</p> <p>52 Audit Committee Report</p> <p>57 Statement on Risk Management and Internal Control</p> <p>63 Directors' Responsibility Statement for the Audited Financial Statements</p>	<p>64 Directors' Report</p> <p>70 Statements of Financial Position</p> <p>72 Statements of Profit or Loss and Other Comprehensive Income</p> <p>73 Consolidated Statement of Changes in Equity</p> <p>74 Statement of Changes in Equity</p> <p>75 Statements of Cash Flows</p> <p>80 Notes to the Financial Statements</p> <p>137 Statement by Directors</p> <p>138 Statutory Declaration</p> <p>139 Independent Auditors' Report</p> <p>145 List of Properties</p> <p>149 Analysis of Shareholdings</p> <p>151 Substantial Shareholders</p> <p>152 Statement of Directors' Interests</p> <p>153 Notice of Annual General Meeting</p> <p>Form of Proxy</p>
<p>67TH ANNUAL GENERAL MEETING</p> <p>DATE : 9 December 2026 (Wednesday)</p> <p>TIME : 11.00 a.m.</p> <p>VENUE : Dewan Dato' Haji Abdul Samad, Dickson Bay, Batu 13, KM 21, Jalan Pantai Mukim Pasir Panjang, 71250 Port Dickson, Negeri Sembilan, Malaysia</p>	<p>ONLINE DOWNLOAD</p>  <ol style="list-style-type: none"> 1. Annual Report 2026 2. Sustainability Statement 2026 3. Corporate Governance Report 2026 4. Circular to Shareholders 5. Statement to Shareholders 6. Notice of 67th AGM 7. Form of Proxy 8. Administrative Guide for the 67th AGM 9. Requisition Form <p>Please scan the above QR Code for the above documents of the Company, which are also available at www.tancoholdings.com/investor-relations/#shareholder-meetings.</p>

OUR VISION, MISSION & CORE VALUES



MESSAGE FROM OUR GROUP MANAGING DIRECTOR

"Dear Valued Shareholders,

On behalf of the Board of Directors ("the Board"), I am pleased to report on the performance and progress of Tanco Holdings Berhad ("Tanco" or "the Company") and its subsidiaries (collectively, "the Group") for the financial year from 1 July 2025 to 30 June 2026 ("FY2026").



During the year, we advanced our infrastructure and property development initiatives while continuing to serve customers through our construction, building materials, business consulting and hospitality operations. These businesses form the foundation of our growth as we prepare for the next stage of development.

Our core values of Trust, Alignment of Interest, Nimbleness, Culture and Optimism continue to guide our decisions and relationships. As we expand our portfolio and work with new partners, we recognise the importance of clear accountability and fulfilling our commitments to shareholders, customers and communities."

Performance And Financial Discipline

We recorded revenue of RM160.81 million for FY2026, an increase of 25.2% over the financial year from 1 July 2024 to 30 June 2025 ("FY2025"). Profit before tax declined to RM7.38 million from RM15.58 million, while profit after tax was RM4.21 million compared with RM11.96 million.

Profit attributable to owners of the Company amounted to RM0.90 million compared with RM7.88 million. Although business activity increased, profitability was lower, reflecting the challenge of converting revenue growth into stronger earnings.

We recognise the pressure on construction and materials margins and the impact of accounting adjustments on the year's earnings. Looking ahead, we remain focused on improving profitability and cash generation while matching investment commitments to the Group's financial capacity. As our development pipeline progresses, we must balance the funding needs of new projects with the requirements of our existing operations.

Advancing The Container Port And The Port Dickson Ecosystem

The proposed Smart Artificial Intelligence Container Port in Port Dickson ("Midports") remains a key part of our long-term strategy. During FY2026, we advanced the project's commercial arrangements with Menteri Besar Negeri Sembilan (Pemerbadanan) ("MBINS") and related entities.

We also entered into an engineering heads of agreement ("HOA") with CCCC Dredging Southeast Asia Sdn. Bhd. ("CDSA") and an entrusted operational management agreement with Ocean Bridge International Ports Management Co., Ltd. ("Ocean Bridge"). Planning permission was received in March 2026, followed by the adoption of a Port Development Concession model in April.

We are pleased to report that, after the financial year end, Midports received further plan approvals and its groundbreaking ceremony was held on 14 July 2026. These milestones support the next stage of development. The announced operating target of 2029 to 2030 remains subject to the completion of construction, regulatory requirements and financing arrangements.

Our Port Dickson strategy brings together the proposed port, industrial and logistics activities, property development, and hospitality. The proposed first phase land acquisition for the Port Dickson Free Zone ("PDFZ") supports this approach.

We intend to progress each component in line with its commercial requirements, approvals, and funding. The proposed financial assistance for PDFZ comprises a framework to support acquisition and development, with the financing arrangements still to be established.

MESSAGE FROM OUR GROUP MANAGING DIRECTOR (Continued)

Supporting nearer term delivery

Our existing businesses continue to support the Group's earnings as the larger development initiatives progress. Construction activities include the Rumah Selangorku housing project in Puchong and East Coast Rail Link ("ECRL") subgrade works. Gplex Properties Sdn. Bhd. ("Gplex") provides fee-based services for real estate activities, while Quest Hotel maintains our hospitality presence in Port Dickson.

During FY2026, we progressed pre-launch preparations for Xanadu Millennium, our planned twin tower residential development in Puchong with an estimated gross development value ("GDV") of RM700 million. Following the financial year end, Xanadu Millennium was officially launched in July 2026, together with its sales gallery and show units, and recorded more than 50% take-up at launch.

This encouraging response provides an initial indication of market demand, although revenue and earnings recognition will depend on sales progress and construction milestones.

We also entered into construction collaborations and established a proposed joint venture with King Well Holdings Limited to fabricate, manufacture, supply, and sell concrete-related products in Malaysia.

These arrangements provide opportunities to expand our contracting capabilities and strengthen the supply chain supporting our development projects. Individual investments remain subject to their feasibility, commercial terms, and approvals.

We are also exploring a collaboration with China Mobile International Limited ("CMI") for a data centre with a 50 megawatt information technology ("IT") load in Port Dickson. Separately, our Noden programme remains at the clinical research stage.

We will assess further investment in these initiatives against their development progress, commercial prospects and regulatory requirements.

Governance people and outlook

In September 2025, we separated the Audit and Risk Management Committee into the Audit Committee ("AC") and the Risk Management and Sustainability Committee ("RMSC"). This structure provides dedicated oversight of financial reporting and audit, and of enterprise risks and sustainability.

We recognise that governance and management reporting must keep pace with the scale and complexity of our investments.

Our near-term priorities are the performance of our existing businesses and the progress of our residential development pipeline.

Over the medium term, we intend to advance our industrial and materials initiatives as their approvals, commercial arrangements, and funding are established. Midports remains a long-term development, with its contribution dependent on construction, commissioning, and cargo demand.

On behalf of the Board, I thank our employees, shareholders, customers, business partners and the communities in which we operate for their continued support. We remain committed to responsible delivery and the creation of long-term shareholder value. As we move forward, we will maintain our focus on operational performance, financial discipline and the execution of our development plans.

DATO' SRI ANDREW TAN JUN SUAN

Group Managing Director
Tanco Holdings Berhad



CORPORATE INFORMATION

BOARD OF DIRECTORS

**DATO' DR. MOHD. AMINUDDIN
BIN MOHD. ROUSE**

Non-Independent Non-Executive Chairman

DATO' SRI ANDREW TAN JUN SUAN

Group Managing Director

DATUK RASHIDI BIN HASBULLAH

Independent Non-Executive Director

DATO' MARTINI BINTI OSMAN

Independent Non-Executive Director

DATUK CHRISTOPHER TAN KHOON SUAN

Group Executive Director

KOAY GHEE TEONG

Executive Director

WONG JEE SENG

Independent Non-Executive Director

**SYAFINAZ MERICAN
BINTI ISAHAK MERICAN**

Independent Non-Executive Director

AZIZAH BINTI MOHD YATIM

Independent Non-Executive Director

AUDIT COMMITTEE	Wong Jee Seng (Chairman) Datuk Rashidi bin Hasbullah Dato' Martini binti Osman
NOMINATION COMMITTEE	Datuk Rashidi bin Hasbullah (Chairman) Dato' Martini binti Osman Syafinaz Merican binti Isahak Merican
REMUNERATION COMMITTEE	Dato' Martini binti Osman (Chairperson) Datuk Rashidi bin Hasbullah Syafinaz Merican binti Isahak Merican
RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE	Syafinaz Merican binti Isahak Merican (Chairperson) Datuk Rashidi bin Hasbullah Datuk Christopher Tan Khoon Suan

COMPANY SECRETARY

Choi Siew Fun
SSM PC No. 201908001479
MAICSA 0877848

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Website: www.tancoholdings.com
E-mail: corporate@tancoholdings.com

SHARE REGISTRAR

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Registration No. 199601006647 (378993-D)
11th Floor, Menara Symphony,
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46200 Petaling Jaya,
Selangor Darul Ehsan, Malaysia.
Tel: +6(03) 7890 4700 Fax: +6(03) 7890 4670
Email: bsr.helpdesk@boardroomlimited.com

AUDITORS

KPMG PLT
Chartered Accountants

PRINCIPAL BANKERS

CIMB Islamic Bank Berhad
Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad, Malaysia
Stock Name: Tanco
Stock Code : 2429

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF THE YEAR



Tanco Holdings Berhad (“Tanco” or “the Company”) and its subsidiaries (collectively, “the Group”) recorded revenue of RM160.81 million for the financial year ended 30 June 2026 (“FY2026”), an increase of 25.2% from the preceding year. Profit before tax (“PBT”) was RM7.38 million and profit after tax (“PAT”) was RM4.21 million, of which RM0.90 million was attributable to owners of the Company.

The year broadened the Group’s operating presence and advanced its development programme. Quest Hotel Midports Port Dickson commenced operations in July 2025, preparations for Xanadu Millennium led to its official launch after year-end, and the Midports Smart AI Container Port (“Midports”) project secured a series of commercial and regulatory milestones. These activities extend the portfolio across residential development, hospitality and the proposed port and industrial facilities in Port Dickson.

BUSINESS OVERVIEW

Tanco is an investment holding company listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Securities”). Our operating businesses span property development and management, construction and building materials, resorts and hospitality, business consulting and property financing. The Group also has development interests in port and industrial infrastructure, alongside exploratory digital infrastructure and pharmaceutical research.

Port Dickson is a common base for our property and hospitality assets and the proposed Midports and Port Dickson Free Zone (“PDFZ”) developments. Xanadu Millennium extends our residential development activities in Puchong. Construction and materials capabilities support the delivery of projects, while property services and financing complement the wider portfolio.

Operating Structure

Tanco Builders Sdn. Bhd. (“Tanco Builders”) and Tanco Supplies Sdn. Bhd. (“Tanco Supplies”) provide construction and materials capabilities. BizCredit Sdn. Bhd. (“BizCredit”) undertakes property financing. Gplex Properties Sdn. Bhd. (“Gplex Properties”) is a subsidiary involved in investment holding and business consulting. Gplex Realty Sdn. Bhd. (“Gplex Realty”) is an associate engaged in real estate agency. The associate’s contribution is recognised through the Group’s share of its results rather than the consolidation of its revenue. Herbitec (M) Sdn. Bhd. (“Herbitec”) undertakes herbal-product activities and research associated with Noden.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

BUSINESS OVERVIEW (Continued)

Operating Structure (Continued)



The portfolio contains businesses at different stages of development. Construction, consulting and hospitality generate revenue through their existing activities. Property development depends on sales and construction progress. Midports and the proposed PDFZ require substantial development expenditure before their intended operating income can emerge. This mix makes the timing of receipts and expenditure an important consideration throughout the Group's financial review.

OPERATING ENVIRONMENT

Global Economy and Trade

The World Trade Organization ("WTO") estimated that world merchandise trade volumes rose by 4.6% in 2025, supported by technology-related demand and the front-loading of imports. Its March 2026 baseline forecast anticipated further growth of 1.9% in 2026, with trade-policy and energy-price uncertainty influencing the outlook.

For maritime infrastructure, the longer-term outlook remains relevant to the Group's proposed Midports development. The United Nations Conference on Trade and Development ("UNCTAD") projected in September 2025 that seaborne trade would grow by an average of 2.0% annually over 2026 to 2030, with containerised trade expanding by 2.3%. Its review highlighted the importance of efficient and resilient port infrastructure. These trends are relevant to Midports' planned focus on automation and smart-port technologies.

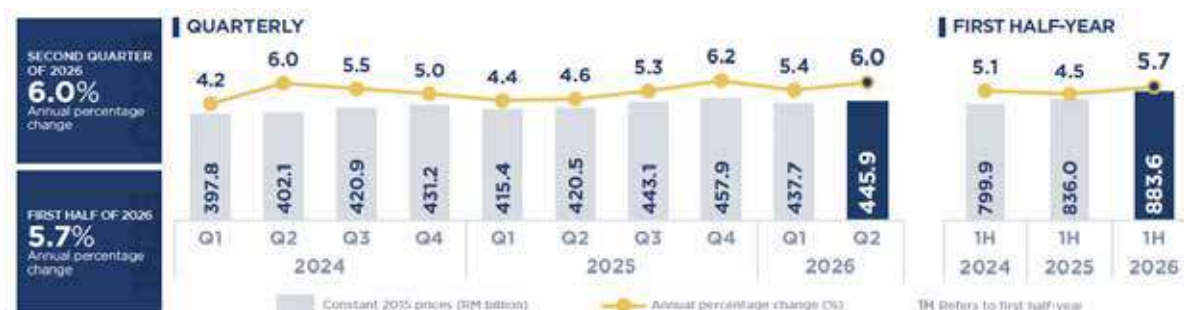
Economic and Financing Conditions

Malaysia's economy expanded by 5.2% in calendar 2025. Growth continued into the second half of Tanco's financial year, with real gross domestic product ("GDP") increasing by 5.4% and 6.0% year-on-year in the first and second quarters of calendar 2026, respectively.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

OPERATING ENVIRONMENT (Continued)

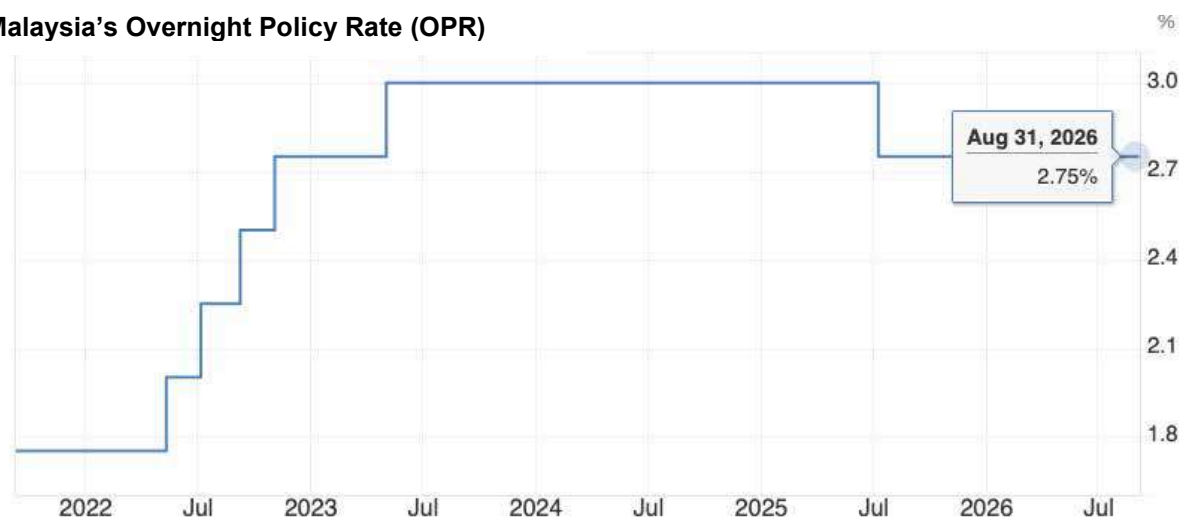
GDP Performance



Source: Ministry of Economy, Department of Statistics Malaysia ("DOSM")

Domestic demand remained supportive, with stronger exports also contributing in the second quarter. Average headline inflation was 1.6% in the first quarter and 1.9% in the second quarter of 2026.

Malaysia's Overnight Policy Rate (OPR)



Source: Trading Economics

Bank Negara Malaysia ("BNM") reduced the Overnight Policy Rate ("OPR") by 25 basis points to 2.75% on 9 July 2025 and maintained that rate for the remainder of our financial year. The reduction supported financing conditions for households and businesses. For the Group, access to credit, mortgage affordability and the cost of working capital remained relevant to residential demand and project execution.

Property Construction and Tourism

Construction-sector output grew by 12.2% in 2025. The value of construction work done increased by 8.7% to RM94.3 billion in the first half of 2026, a slower pace than the corresponding period of 2025. This sustained activity provided opportunities for contractors and materials suppliers, while competition, procurement costs and payment terms continued to influence the returns available on individual contracts.

The residential market remained sensitive to affordability. The Malaysian House Price Index rose by 0.9% year-on-year in the first half of 2026, according to the National Property Information Centre ("NAPIC"). Product positioning, selling prices and access to end-financing therefore remained important to the launch and take-up of new developments, including Xanadu Millennium.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

OPERATING ENVIRONMENT (Continued)

Property Construction And Tourism (Continued)

Tourism conditions were supportive of the Group's new hotel operations. The Department of Statistics Malaysia ("DOSM") reported domestic tourism expenditure of RM32.8 billion in the second quarter of 2026, up 12.3% year-on-year. The Visit Malaysia 2026 campaign began in January 2026. For Quest Hotel Midports Port Dickson, the opportunity was to establish its position in the local leisure and business market during its first financial year of operation.

STRATEGY AND EXECUTION

Our development activity during FY2026 centered on extending the property and construction portfolio and advancing the commercial framework for Port Dickson's larger infrastructure projects. The opening of Quest Hotel Midports Port Dickson in July 2025 added an operating hospitality asset. Preparations for Xanadu Millennium continued ahead of its July 2026 launch. At Midports, the Group entered arrangements for engineering works and operational management, secured planning permission and revised the concession framework.

The proposed PDFZ is planned to create industrial and logistics facilities alongside Midports. The 2026 concrete-products joint venture agreement offers a further potential extension of the supply chain, subject to its conditions and implementation.

As the portfolio develops, disciplined capital allocation will remain important. Construction margins and collections support the cash available for reinvestment, while property sales and the pace of delivery influence the timing of development receipts. Progress on the larger projects will need to be matched with financing arrangements and expenditure commitments appropriate to each phase.

The pace of expansion will also depend on specialist resources and counterparties. Marine construction, terminal operations and digital infrastructure require capabilities beyond conventional property development. Agreements signed during the year establish parts of that operating framework. Their commercial value will depend on the fulfilment of conditions, delivery of the agreed work and the development of a viable customer base.

FINANCIAL PERFORMANCE

Key Financial Performance

1) Revenue and Profitability

Revenue rose by RM32.35 million, or 25.2%, to RM160.81 million. Construction contributed RM26.42 million of the increase and property development and management added RM6.84 million. Construction remained the largest source of external revenue, accounting for 71.6% of the Group total.

Revenue surged by 25.2% in FY2026



MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

FINANCIAL PERFORMANCE (Continued)

Key Financial Performance (Continued)

1) Revenue and Profitability (Continued)

Gross profit was RM23.97 million compared with RM31.12 million in FY2025, and the gross margin narrowed to 14.90% from 24.23%. The Group attributed the reduction in profitability principally to lower margins on Rumah Selangorku construction and construction-materials trading. This change in margin outweighed the benefit of higher revenue.

Other income increased by RM9.23 million to RM14.93 million and included RM13.28 million of investment-property impairment reversals. Profit before tax was RM7.38 million.

2) Business Segment and Operational Review



Tanco Holdings Berhad delivered a resilient and strategically progressive performance across the financial year, anchored by the steady execution of its core operating segments. Each division played a distinct and complementary role in driving the Group's overall progress, following a structured flow that bridges foundational operations with commercial and lifestyle expansion.

Construction and materials activities served as the primary operational engine of the Group. This division was supported by the continued execution of major national transport and infrastructure projects such as the East Coast Rail Link subgrade works alongside the successful advancement of affordable housing delivery and strategic material partnerships.

Building upon this strong construction baseline, the Property Development division advanced key residential and commercial milestones. This was highlighted by major residential initiatives such as the official launch of new developments in Puchong, as well as ongoing asset optimization and planning within the broader real estate and hospitality portfolio.

Complementing these physical developments, the Business Consulting Services division provided specialized advisory and project management solutions. These services enabled clients to navigate market complexities, optimize asset positioning, and support seamless transaction execution and strategic growth.

Rounding out the portfolio, the Resorts and Club Operations division contributed distinct operational capacity and leisure experiences. The ongoing performance and active market engagement of the hospitality portfolio further broadened the Group's commercial reach and customer base.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

FINANCIAL PERFORMANCE (Continued)

Key Financial Performance (Continued)

2) Business Segment and Operational Review (Continued)

Looking ahead, Tanco is strategically positioned to capture emerging opportunities through transformative, large-scale infrastructure and industrial developments. The progression of the Midports Smart AI Container Port and the Port Dickson Free Zone under the Malaysia Vision Valley 2.0 framework exemplifies this forward-looking vision. The following sections explore these key operating divisions, financial positions, and major strategic projects in detail.

Property Development and Management

Xanadu Millennium was the principal residential development initiative highlighted during the year. Located in Puchong, the project comprises 1,245 residential units on approximately 5.66 acres, with an estimated gross development value ("GDV") of RM700 million. Preparations during FY2026 led to the official launch in July 2026. Approximately half of the units were reported booked at the launch, providing an encouraging initial indication of demand after the financial year-end.

At the 27 August 2026 update, the Group was preparing for the commencement of Xanadu's construction works. Its contribution will follow contracted sales, construction progress and the applicable revenue-recognition requirements. Sales conversion, collections and the cost of completing the project will determine the earnings and cash generated over its development period.

In Port Dickson, Splash Park Suites Tower 2 was completed in 2025 and houses Quest Hotel Midports Port Dickson. The Group's published property pipeline also includes the proposed Splash Park Suites Tower 3, with an estimated GDV of approximately RM150 million. The timing of further launches will depend on demand, approvals and the capital required for delivery.

Construction and Building Materials

Construction and materials activities continued to provide a substantial base of turnover. At the year-end update, the Rumah Selangorku affordable housing project in Puchong was approaching completion of its main building works, while subgrade works for the East Coast Rail Link ("ECRL") continued to progress. The combination of contracting and materials supply supports the delivery of existing work and provides capabilities relevant to the Group's development pipeline.

Business development during FY2026 also included a consortium framework with China Civil Engineering Construction Corporation ("CCECC") on 1 October 2025 to pursue Malaysian transport-infrastructure engineering, procurement and construction ("EPC") and financing opportunities.

On 11 May 2026, Tanco Precast Industries Sdn. Bhd. ("Tanco Precast") entered into a joint venture cum shareholders agreement with King Well Holdings Limited ("King Well") for a concrete-related products business in Malaysia. The proposed venture extends the Group's interests in building materials, with implementation subject to the agreement's conditions and the establishment of the business.

Resorts and Hospitality

Quest Hotel Midports Port Dickson opened and commenced its operations on 8 July 2025, early in FY2026. The property is managed by Archipelago International. Its opening added operating capacity to the Group's Port Dickson portfolio and broadened the use of the completed Splash Park development. Leisure visitors, family stays and business travel provide its immediate addressable market; future industrial and port activity could expand the local demand base as those developments progress.

In its year-end update, the Group reported an improvement in hotel revenue and operating performance and described its engagement with tour operators and other market participants to broaden the customer base and improve occupancy. The annual external revenue and operating result for the broader resorts and club operation and management segment are set out in the segment table above.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

FINANCIAL PERFORMANCE (Continued)

Key Financial Performance (Continued)

2) Business Segment and Operational Review (Continued)

Business Consulting and Property Financing

Gplex Properties provides professional business consulting and real estate advisory services, assisting clients with market navigation and asset positioning. Operating alongside it, Bizcredit delivers property financing solutions designed to support capital access and transaction execution.

Together, the two entities complement each other by connecting property advisory with practical financing support. This integration allows the Group to offer a more streamlined and practical experience for clients navigating the real estate market.

3) Balance Sheet and Financial Position



Total assets increased by RM51.53 million to RM567.78 million at 30 June 2026. Total equity rose to RM386.57 million, including RM371.69 million attributable to owners. The expansion in the asset base included higher property, plant and equipment, investment properties and receivables.

Total liabilities increased to RM181.21 million. In line with that, total equity increased by RM20.34 million to RM386.57 million. Equity attributable to owners was RM371.69 million, while net assets per share were RM0.0606 compared with RM0.0663 at the preceding year-end.

Working Capital and Asset Composition

Current trade receivables increased by RM20.79 million to RM76.99 million, while other receivables, deposits and prepayments rose by RM13.86 million to RM23.68 million. Contract assets were broadly unchanged at RM12.15 million.

These balances, together with RM59.48 million of current inventories, account for much of the capital employed in day-to-day development and contracting activity. Trade payables rose to RM75.72 million from RM59.60 million, providing part of the working-capital funding. Conversion of receivables and inventories into receipts remains important to funding operations.

Net working capital increased to RM54.97 million from RM42.50 million, and the current ratio improved to 1.45 times from 1.39 times. The ratio measures current assets against current liabilities, including assets such as inventories and receivables that convert to cash over time. Cash and bank balances including deposits were RM4.65 million, of which RM1.66 million was pledged, so the timing of collections continues to matter alongside the positive working-capital balance.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

DEVELOPMENT PROJECTS AND SUBSEQUENT EVENTS

Midports Smart AI Container Port

Midports is being developed through Midports Holdings Sdn. Bhd. ("Midports"), a 79%-owned subsidiary of Tanco Holdings Berhad. The proposed facility in Port Dickson is designed to incorporate advanced automated terminal systems and smart-port technologies. FY2026 marked a pivotal period of regulatory finalization, commercial arrangement, and physical progress:



- 8 December 2025 (following the agreement signed on 6 December 2025): Tanco Builders entered into a Heads of Agreement with CCCC Dredging Southeast Asia Sdn. Bhd. for proposed engineering, procurement, and construction (EPC) works for the seaport component, setting a maximum indicative works-package value of RM3.53 billion, subject to final design, costing and terms.
- 2 March 2026: Announced planning permission approval following a letter dated 25 February 2026 from Majlis Perbandaran Port Dickson (MPPD).
- 23 April 2026: Midports, MBINS Ventures Sdn. Bhd., and Menteri Besar Negeri Sembilan (Pemerbadanan) (MBINS) signed a supplemental Heads of Agreement (HOA) transitioning the project structure into a port development concession model.
- 7 July 2026: Secured official Building Plan (Pelan Bangunan) approval from MPPD, paving the way for construction works.

The project's momentum was underscored by an official groundbreaking ceremony, officiated by the Prime Minister and the Minister of Transport.

Port Dickson Free Zone (PDFZ)

Complementing the smart container port, the proposed Port Dickson Free Zone (PDFZ) is designed to accommodate industrial factories, logistics warehouses, and complementary trade infrastructure.

On 29 May 2026, Tanco announced a proposed land acquisition to drive the development of the zone.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

DEVELOPMENT PROJECTS AND SUBSEQUENT EVENTS (Continued)

Integration under Malaysia Vision Valley 2.0 (MVV 2.0)

Both Midports and PDFZ form core strategic components of the broader Malaysia Vision Valley 2.0 development plan. By integrating an AI-driven smart container port with a dedicated free industrial and logistics zone, this synergy aims to streamline regional supply chains, accelerate cargo handling efficiency, attract high-value foreign and domestic investments, and reinforce Malaysia's position as a premier international logistics hub.

Healthcare

The Group's nutraceutical activities focused on brand awareness and market reach for existing products including Livarton, Kinetic and Noden. Herbitec also undertakes research with Universiti Malaya into Noden's potential use against dengue. The herbal-products business provides the current commercial base, while development of the dengue indication remains subject to clinical evidence and the applicable regulatory process.

PRINCIPAL RISKS AND OPERATING RESILIENCE

The Group's principal exposures arise from the timing of project expenditure and collections, the profitability of contract delivery and the development requirements of the larger infrastructure projects. These exposures vary across the portfolio. The established businesses depend on customer demand and operating execution, while the port, free zone and exploratory ventures introduce longer-term funding, approval and counterparty requirements.

Principal exposures and their implications:-

Exposure	Financial or operating implication
Liquidity and funding	Receipts may follow expenditure on construction, property and development works. Delayed collections or refinancing would constrain the pace of expenditure and increase financing requirements.
Margins and delivery	Tender pricing, materials costs, labour availability and changes in project scope affect contract returns. Delays can defer revenue, increase completion costs and postpone cash receipts.
Receivables and credit	Construction certification, customer payment and the recoverability of financing receivables affect cash conversion and potential impairment charges.
Property and hospitality demand	Residential affordability and take-up influence development receipts. Hotel occupancy, room rates and operating costs determine the returns from the new hospitality capacity.
Major project execution	Midports and PDFZ depend on definitive contractual terms, approvals, financing and commercially viable demand. Unmet conditions or delays can change the development timetable and capital requirement.
Counterparties and procurement	Performance by partners, contractors and suppliers affects delivery. Foreign-currency procurement or contractual obligations, where applicable, can create exchange-rate exposure.
Environment safety and technology	Marine and construction works require compliance with environmental and safety conditions. Planned automation and digital infrastructure add system-reliability, cybersecurity and specialist-skills requirements.
Pharmaceutical research	Clinical outcomes, regulatory requirements and commercial viability determine the progress and value of the Noden research programme.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

ADDITIONAL DISCLOSURE

Bursa Securities issued unusual-market-activity queries on 20 April and 8 June 2026. In its responses, the Company stated that it was not aware of new or material corporate developments that had not already been announced which could explain the trading activity.

In its 15 June 2026 continuity statement, the Company said that the volatility had not affected its fundamental operations, contractual obligations or announced projects, and that no development projects had been cancelled or suspended because of the trading activity. These statements reflected the Company's assessment at that date.

PROSPECTS AND OUTLOOK

The Group enters FY2027 with a broader operating base following Quest Hotel Midports Port Dickson's opening and Xanadu Millennium's launch. Construction, materials and consulting remain central to near-term revenue. Xanadu offers an opportunity to build contracted sales and future development contribution, while the hotel can build on its first year of trading.

The external outlook remains supportive of continued activity. In September 2026, BNM expected Malaysian GDP growth of around 5% for calendar 2026. The International Monetary Fund ("IMF") projected global growth of 3.0% in 2026 and 3.4% in 2027 in its July update. Both assessments were published after our year-end, with geopolitical developments and cost pressures remaining relevant to demand and investment.

Midports and the proposed PDFZ offer longer-term expansion opportunities. The next phase centres on financing, detailed agreements and physical delivery, building on the milestones achieved. Improved margins and collections in existing businesses would strengthen the funding base for this programme. Phased execution and sound project economics remain important to translating the expanded portfolio into earnings and cash generation.



FINANCIAL HIGHLIGHTS

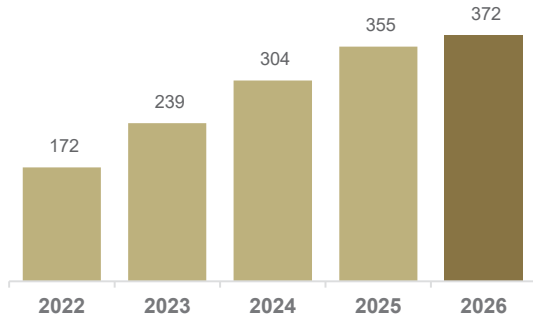
		FINANCIAL YEAR ENDED 30 JUNE				
GROUP		FY2022	FY2023	FY2024 (Restated)	FY2025	FY2026
Revenue	RM'mn	14	94	174	128	161
Profit/(Loss) before tax	RM'mn	(13)	22	18	16	7
Profit/(Loss) after tax attributable to owners of the Company	RM'mn	(13)	19	12	8	1
Total assets	RM'mn	287	419	498	516	568
Total liabilities	RM'mn	114	176	187	150	181
Share Capital	RM'mn	108	156	209	253	355
Equity attributable to owners of the Company	RM'mn	172	239	304	355	372
Return on total shareholders' equity	%	(7.49)	7.76	3.92	2.22	0.27
Basic earnings/(loss) per share ⁽¹⁾	Sen	(0.27)	0.38	0.23	0.15	0.02
Gearing ratio	Times	0.24	0.08	0.03	0.06	0.10
Net assets per share	RM	0.10	0.12	0.15	0.07	0.06

Note:

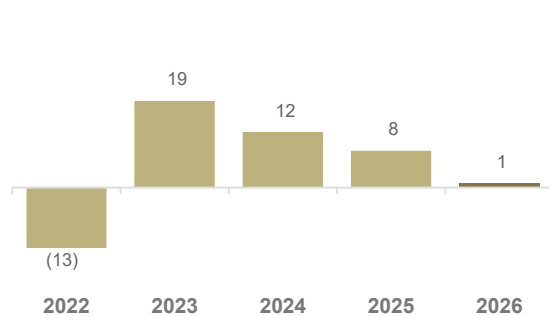
(1) For comparative purpose, the basic earnings/(loss) per share had been adjusted to reflect the bonus issue on the basis of 7 bonus shares from 5 existing shares which was completed on 5 April 2025.



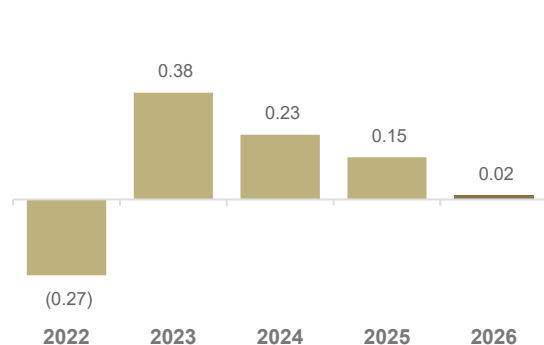
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM'mn)



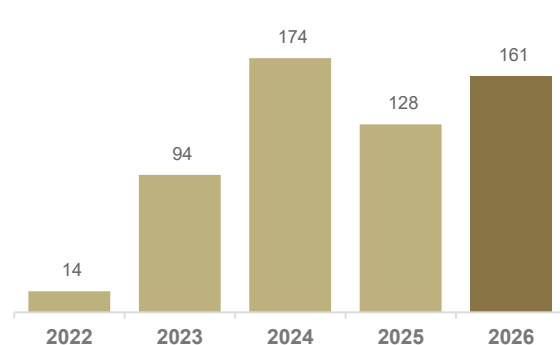
PROFIT/(LOSS) AFTER TAX ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM'mn)



BASIC EARNINGS/(LOSS) PER SHARE (SEN)



REVENUE (RM'mn)



DIRECTORS' PROFILE

DATO' DR. MOHD. AMINUDDIN BIN MOHD. ROUSE <i>Non-Independent Non-Executive Chairman</i>	NATIONALITY	AGE	GENDER
	Malaysian	81	Male

Dato' Dr. Mohd. Aminuddin bin Mohd. Rouse, was appointed to the Board as an Independent Non-Executive Director on 20 October 1997. On 2 July 2018, he was re-designated as Independent Non-Executive Chairman and subsequently to Non-Independent Non-Executive Chairman of Tanco Holdings Berhad ("Tanco") on 30 May 2023.

He obtained his Bachelor of Science (Honours) in Biochemistry from the University of Malaya in 1969 and his PhD in Agricultural Chemistry from the University of Adelaide in 1974. He began his career as the Head and lecturer at the Department of Biochemistry and Microbiology before becoming the professor of Biochemistry and Deputy Dean at Universiti Pertanian Malaysia in 1977.

Prior to joining Berjaya Group Berhad as the Group Director in 1994, he was the Director of Manufacturing and Agribusiness for Guthrie Berhad Group. He was the Group Chief Executive Officer of Konsortium Perkapalan Berhad cum President and Chief Executive Officer of PSNL Berhad. In November 1997, he assumed the position of Executive Chairman, Indah Water Konsortium Sdn. Bhd. and was President and Chief Executive Officer of Malaysian Technology Development Corporation Sdn. Bhd. He retired as a Director from Konsortium Logistics Berhad in 2007.

He does not have any other directorship in public companies and listed issuers.

He does not have any family relationship with any other directors and/or major shareholders of Tanco. He does not have any conflict of interest with Tanco. He does not have any convictions for offences (excluding traffic offences) in the past 5 years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2026.

He attended four (4) out of the five (5) Board Meetings held during the financial year ended 30 June 2026.

DATO' SRI ANDREW TAN JUN SUAN <i>Group Managing Director</i>	NATIONALITY	AGE	GENDER
	Malaysian	46	Male

Dato' Sri Andrew Tan Jun Suan, was appointed to the Board as Executive Director on 22 November 2007. On 18 March 2015, he was appointed as the Group Managing Director of Tanco.

He graduated from the University of Melbourne, Australia, with a degree in Commerce in 2002. He joined Tanco in year 2005 as Business Development Director.

His directorships in other unlisted public companies are Tanco Club Berhad and Tanco Resorts Berhad.

He is the brother of Datuk Christopher Tan Khoon Suan and Mr. Edwin Tan Kium Suan, a director of Tanco subsidiaries. Save as aforesaid, he does not have any family relationship with any other directors and/or major shareholders of Tanco. He does not have any conflict of interest with Tanco other than the recurrent related party transactions as disclosed and approved in the annual general meeting. He does not have any convictions for offences (excluding traffic offences) in the past 5 years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2026.

He attended four (4) out of the five (5) Board Meetings held during the financial year ended 30 June 2026.

DIRECTORS' PROFILE (Continued)

DATUK RASHIDI BIN HASBULLAH <i>Independent Non-Executive Director</i>	NATIONALITY	AGE	GENDER
	Malaysian	67	Male

Datuk Rashidi bin Hasbullah, was appointed to the Board as an Independent Non-Executive Director on 1 September 2019. He is the Chairman of the Nomination Committee of Tanco. He is also members of the Audit Committee, the Risk Management and Sustainability Committee as well as the Remuneration Committee of Tanco.

He graduated from the Mississippi State University, Starkville, Mississippi, United States of America with a Bachelor of Science Degree in Food Science, Nutrition and Dietetics in 1987. He later obtained his Master in Tourism at the Central Michigan University, United States of America in 2004 and then enrolled in the Oxford Advanced Leadership Management Program at the University of Oxford, United Kingdom in 2012.

He has vast experience in the Tourism Industry since 1996 when joining the Ministry of Tourism, Arts and Culture Malaysia ("MOTAC") as an Assistant Secretary at the Tourism Development Division after completing his Diploma in Public Management Program from the National Institute of Public Administration (INTAN) in 1996 until his last position held as Secretary General of MOTAC in February 2019. During the 23 years in MOTAC, he was promoted in several positions at different divisions making him very well versed and experienced in Tourism Industrial Development policies. He was also involved directly in implementing of Malaysia Tourism Transformation Plan (2010 - 2020), drafting the Malaysia Tourism Strategic Plan (2020 - 2050) and Malaysia Culture Policy (2020 - 2030) during his tenure as Deputy Secretary General and Secretary General. Besides tourism, he has a substantial amount of experience in culture sector which is very important to link it with tourism to promote Malaysia.

He does not have any other directorship in public companies and listed issuers.

He does not have any family relationship with any other directors and/or major shareholders of Tanco. He does not have any conflict of interest with Tanco. He does not have any convictions for offences (excluding traffic offences) in the past 5 years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2026.

He attended all five (5) Board Meetings held during the financial year ended 30 June 2026.

DIRECTORS' PROFILE (Continued)

DATO' MARTINI BINTI OSMAN <i>Independent Non-Executive Director</i>	NATIONALITY	AGE	GENDER
	Malaysian	74	Female

Dato' Martini binti Osman, was appointed to the Board as an Independent Non-Executive Director on 17 December 2021. She is the Chairperson of the Remuneration Committee of Tanco. She is also members of the Audit Committee and the Nomination Committee of Tanco.

She graduated from the University of Science Malaysia with a Bachelor of Social Sciences (Hons) (Urban Studies) in 1975. She later obtained her Masters in Public Administration (Human Resource) in 1984 from the University of Pittsburgh, Pennsylvania, United States of America.

She has vast experience in the fields of credit delivery, human resource trainings and corporate communications. She had served with Bank Pertanian Malaysia (now known as Agrobank) for 34 years since 1975 and had held the position as Senior Manager at the regional and branch offices of Agrobank until she retired as the President/Chief Executive Officer of Agrobank in 2009.

Upon her retirement, she served as the Chairman of the committee for supervision and monitoring of Syarikat Jaminan Pembiayaan Perniagaan Berhad, a company wholly-owned by the Minister of Finance, Malaysia from 2009 to 2018.

She does not have any other directorship in public companies and listed issuers.

She does not have any family relationship with any other directors and/or major shareholders of Tanco. She does not have any conflict of interest with Tanco. She does not have any convictions for offences (excluding traffic offences) in the past 5 years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2026.

She attended all five (5) Board Meetings held during the financial year ended 30 June 2026.

DATUK CHRISTOPHER TAN KHOON SUAN <i>Group Executive Director</i>	NATIONALITY	AGE	GENDER
	Malaysian	40	Male

Datuk Christopher Tan Khoon Suan, was appointed to the Board as Executive Director on 1 September 2019. He was subsequently promoted to Group Executive Director in March 2025. He is also a member of the Risk Management and Sustainability Committee of Tanco.

He graduated from the University of Melbourne, Australia, with a degree in Commerce in 2006. Prior to joining Tanco, he worked in Hong Leong Bank Berhad, Treasury in 2008 and has great experience in financing, servicing corporate clients on market trends and investments. He joined Tanco in 2013 and has since been actively involved in marketing and development of Tanco Group of Companies ("Group") current and future projects, providing direction and assistance to the Group regarding related projects development.

His directorships in other unlisted public companies are Palm Springs Resort Berhad, Palm Springs Resort Management Berhad, Tanco Club Berhad and Tanco Resorts Berhad.

He is the brother of Dato' Sri Andrew Tan Jun Suan and Mr. Edwin Tan Kium Suan, a director of Tanco subsidiaries. Save as aforesaid, he does not have any family relationship with any other directors and/or major shareholders of Tanco. He does not have any conflict of interest with Tanco other than the recurrent related party transactions as disclosed and approved in the annual general meeting. He does not have any convictions for offences (excluding traffic offences) in the past 5 years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2026.

He attended all five (5) Board Meetings held during the financial year ended 30 June 2026.

DIRECTORS' PROFILE (Continued)

KOAY GHEE TEONG <i>Executive Director</i>	NATIONALITY	AGE	GENDER
	Malaysian	57	Male

Mr. Koay Ghee Teong, was appointed to the Board as Executive Director on 6 September 2012.

He graduated with an Honours Degree in Law from the University of Leicester, United Kingdom in 1991 and after a brief stint in the banking industry, he was called to the Malaysian Bar in 1994 and went into active legal practice as an advocate and solicitor before joining Tanco in December 2000. Within the Tanco Group, he holds positions as Head of Group Legal Affairs and as Chief Executive Officer of Tanco Resorts Berhad ("TRB") as well as directorships in various other Tanco subsidiaries. He has also been involved in the Group's restructuring and corporate planning exercises, and also assists to oversee the Company Secretarial department, the Sales Administration department and the Property Management department within the Tanco Group.

He also holds directorships in other unlisted public companies namely Palm Springs Resort Berhad, Palm Springs Resort Management Berhad, Tanco Club Berhad and Tanco Resorts Berhad.

He does not have any family relationship with any other directors and/or major shareholders of Tanco. He does not have any conflict of interest with Tanco. He does not have any convictions for offences (excluding traffic offences) in the past 5 years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2026.

He attended four (4) out of the five (5) Board Meetings held during the financial year ended 30 June 2026.

WONG JEE SENG <i>Independent Non-Executive Director</i>	NATIONALITY	AGE	GENDER
	Malaysian	65	Male

Mr. Wong Jee Seng, was appointed to the Board as an Independent Non-Executive Director on 29 March 2023. He is also the Chairman of the Audit Committee of Tanco.

He is professionally qualified as a Chartered Management Accountant, United Kingdom, since 1990 with more than twenty (20) years of senior management experiences in various banking divisions covering treasury, finance, risk, capital and balance sheet management, corporate strategy and retail banking financial solutions. He has previously held positions as Head of Finance, Head of Risk Chief Operating Officer in Public Bank Berhad and Executive Vice President in Ambank (M) Berhad.

He developed and deployed a range of strategies in varying markets and market conditions: capital raising both in equity and debt locally and internationally, exponential growth in sales and market share, formulated key business, financial reengineering in capital management and merger and acquisition and fund management.

Currently, he is also a Director of P.A. Resources Berhad and Speedy Best Holdings Berhad.

He does not have any family relationship with any other directors and/or major shareholders of Tanco. He does not have any conflict of interest with Tanco. He does not have any convictions for offences (excluding traffic offences) in the past 5 years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2026.

He attended all five (5) Board Meetings held during the financial year ended 30 June 2026.

DIRECTORS' PROFILE (Continued)

SYAFINAZ MERICAN BINTI ISAHAK MERICAN <i>Independent Non-Executive Director</i>	NATIONALITY	AGE	GENDER
	Malaysian	53	Female

Puan Syafinaz Merican binti Isahak Merican, was appointed to the Board as an Independent Non-Executive Director on 29 March 2023. She is the Chairperson of the Risk Management and Sustainability Committee of Tanco. She is also members of the Nomination Committee and the Remuneration Committee of Tanco.

She is a global professional across multiple industries including asset management, business advisory, corporate finance, and luxury retail with main work experiences in Malaysia, Lebanon, the United Arab Emirates and Singapore.

She began her career in 1996 as a Consultant of Financial Advisory Services at PricewaterhouseCoopers (PwC) Kuala Lumpur, where she specialised in regional and local corporate finance work covering corporate and debt restructuring, independent business review, dispute analysis and investigation, merger and acquisition, privatisation, risk, regulation & compliance management, valuation and strategy validation and other consulting services. She graduated from University of Nebraska-Lincoln, USA with a Bachelor of Science in Business Administration - International Business in the same year.

In 2003, as the Founding Director and General Manager of Patchi Malaysia, she launched the world renowned brand in Kuala Lumpur, where she was instrumental in obtaining and developing the luxurious franchise for the Malaysian market and the brand's further expansion into Asia.

After relocating to Dubai the same year, she took on the role as Corporate Advisor to the Chairman of Dragoni International LLC, a contracting company involved in many prestigious projects in the middle east including for EMAAR Properties, an Emirati multinational real estate development public joint-stock company where she performed strategic management to enhance the company's performance and value for target DEPA PLC, a public listed global interior contracting and solutions company on the Dubai NASDAQ, who eventually acquired the company as its majority shareholder.

She serves as a Director on funds managed by Fairshore Asset Management (FAMCO) since 2017, a Monetary Authority of Singapore (MAS) Regulated Investment Manager based in Singapore – with a Capital Markets Services License. FAMCO manages multiple fund platforms with various investment strategies. It has vast experience in alternative credit and asset management and bespoke wealth planning and structuring developed from their team's decades of investment banking and asset management backgrounds.

In February 2024, Puan Syafinaz has been appointed as an Independent Non-Executive Director to Vizier Asset Management Company Limited, an authorised Investment Management Company regulated by the Abu Dhabi Global Market (ADGM) based in Abu Dhabi, the United Arab Emirates. This establishment is strategic to undertake opportunities in the logistics, commodities, manufacturing, real estate, and infrastructure sectors with a preference for investments in Central Asia, Southeast Asia and the Gulf Cooperation Countries (GCC).

She does not have any other directorship in public companies and listed issuers.

She does not have any family relationship with any other directors and/or major shareholders of Tanco. She does not have any conflict of interest with Tanco. She does not have any convictions for offences (excluding traffic offences) in the past 5 years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2026.

She attended all five (5) Board Meetings held during the financial year ended 30 June 2026.

DIRECTORS' PROFILE (Continued)

AZIZAH BINTI MOHD YATIM <i>Independent Non-Executive Director</i>	NATIONALITY	AGE	GENDER
	Malaysian	62	Female

Puan Azizah binti Mohd Yatim, was appointed to the Board as an Independent Non-Executive Director on 18 September 2026. She has over 30 years of experience in the financial services industry, from banking to stock broking.

She holds a Master of Business Administration in Marketing Management from the University of Wales, United Kingdom, in 2001. She is also a Certified Financial Planner accredited by the Financial Planning Association of Malaysia. She has completed various executive education programmes, including the Executive Education programme on Making Corporate Boards More Effective at Harvard Business School in Boston, the Global Banking Leaders Programme by Asian Banking School in collaboration with Bayes Business School in London, and the Executive Leadership Certificate Programme conducted by the Asia School of Business in collaboration with the Massachusetts Institute of Technology Sloan School of Management.

She retired as the Chief Executive Officer of CGS International Securities Malaysia Sdn. Bhd. (CGS previously known as CGS- CIMB) and she was also board members for various companies under CGS International Group. Prior to that, she served as Head of New Clients & Business Development at Maybank Investment Bank ("MIB"). Before joining MIB, she was an Independent Non-Executive Director at Philip Capital Management Sdn. Bhd. and a Non-Executive Director of KAF Equities Sdn. Bhd. (previously known as KAF Seagroatt & Campbell Securities Sdn. Bhd.). Before joining the board members, she was attached to KAF Equities Sdn. Bhd. as an Executive Director, Head of Dealing.

During her stint in CGS, Puan Azizah was appointed as an Industry Director for Capital Markets of Financial Markets Ombudsman Service (FMOS) which is under the purview of Bank Negara Malaysia and the Securities Commission Malaysia in 2025 to 8 July 2026. Prior to that she has served as a Non-Executive Independent Director of Ombudsman for Financial Services (OFS) since October 2024 till December 2024.

She is also active with the Association of the Stockbroking Companies Malaysia ("ASCM"), where she was appointed as a Committee Member of ASCM on 2 August 2023 and as Treasurer on 12 December 2023. Subsequently, she was elected as Secretary of ASCM in January 2025. On 26 April 2024, Puan Azizah was appointed by International Islamic University Malaysia Holdings Sdn. Bhd. as a member of Industry Advisory Council. She is also a member of the Institute of Corporate Directors Malaysia and the Women Leadership Foundation.

Currently, she serves as an Independent Non-Executive Director of Timberwell Berhad. She is also an Independent Board of Director and a member of the Investment Committee with Franklin Templeton GSC Asset Management Sdn. Bhd.

She does not have any family relationship with any other directors and/or major shareholders of Tanco. She does not have any conflict of interest with Tanco. She does not have any convictions for offences (excluding traffic offences) in the past 5 years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2026.

She was appointed to the Board after the financial year ended on 30 June 2026 and, accordingly, did not attend any Board Meetings during the said financial year.

PROFILE OF SENIOR MANAGEMENT

DATUK LEE CHENG BING <i>Executive Director of Tanco Properties Sdn. Bhd.</i>	NATIONALITY	AGE	GENDER
	Malaysian	54	Male

Datuk Lee Cheng Bing, was appointed to the Board of Tanco Properties Sdn. Bhd. on 1 December 2022 as Executive Director. He obtained his professional qualification in Building Economics & Project Management (B.Sc., Hons.) from Universiti Sains Malaysia (USM) Penang in 1997.

Throughout his extensive experiences in Property Development Industry (domestic and international markets) over the past 29 years, Datuk Lee is well equipped with various technical skills on design planning, project management, and property developments.

Notable projects undertaken by Datuk Lee include Privatisation Schemes, Smart AI Container Port & Integrated Industrial Park Developments Township & International Resorts, Island Reclamations, Hotel and Shopping Malls.

He does not have any directorship in public companies and listed issuer.

He does not have any family relationship with any directors and/or major shareholders of Tanco. He does not have any conflict of interest with Tanco. He does not have any convictions for offences (excluding traffic offences) in the past five (5) years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2026.

DATUK CHOO EWE CHUEN <i>Managing Director of Tanco Builders Sdn. Bhd. and Director of Tanco Supplies Sdn. Bhd.</i>	NATIONALITY	AGE	GENDER
	Malaysian	49	Male

Datuk Choo Ewe Chuen, was appointed to the Board of Tanco Builders Sdn. Bhd. on 1 June 2022 as Managing Director. He is also a Director of Tanco Supplies Sdn. Bhd. Datuk Choo is responsible for overseeing the business units of Tanco Builders Sdn. Bhd. and Tanco Supplies Sdn. Bhd.

He graduated from the University of Melbourne, Australia, with a double degree in Bachelor of Laws and Engineering in 2003. After graduation, he practiced law as a solicitor in Melbourne.

Subsequently, he joined BHP Billiton as corporate lawyer before starting his own investment firm. He was actively involved in various industries including construction, property development and corporate mergers and acquisitions. He joined Tanco Group in year 2021 as an advisor and has been actively involved in the Tanco Group's corporate exercises.

He does not have any directorship in public companies and listed issuer.

He does not have any family relationship with any other directors and/or major shareholders of Tanco. He does not have any conflict of interest with Tanco. He does not have any convictions for offences (excluding traffic offences) in the past five (5) years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2026.

PROFILE OF SENIOR MANAGEMENT (Continued)

EDWIN TAN KIUM SUAN <i>Executive Director of Tanco Builders Sdn. Bhd. and Director of Tanco Supplies Sdn. Bhd.</i>	NATIONALITY	AGE	GENDER
	Malaysian	31	Male

Mr. Edwin Tan Kium Suan, was appointed to the Board of Tanco Builders Sdn. Bhd. ("TBSB") and Tanco Supplies Sdn. Bhd. respectively on 11 October 2021. Subsequently, he was appointed as an Executive Director of TBSB on 1 June 2022.

He graduated from the Royal Melbourne Institute of Technology (RMIT), Australia, with a degree in Bachelor of Business (Financial Planning) in 2019. Prior to joining Tanco, he worked in a private limited company as an Operation Director in January 2020. His role was to provide direction and assistance regarding mining operation application, pre tender and responsible for export materials. He joined Tanco Group in March 2021 and has since been actively involved in current and future projects of Tanco Group.

His directorships in unlisted public companies are Tanco Club Berhad and Tanco Resorts Berhad.

He is the brother of Dato' Sri Andrew Tan Jun Suan and Datuk Christopher Tan Khoon Suan. Save as aforesaid, he does not have any family relationship with any other directors and/or major shareholders of Tanco. He does not have any conflict of interest with Tanco other than the recurrent related party transactions as disclosed and approved in the annual general meeting. He does not have any convictions for offences (excluding traffic offences) in the past five (5) years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2026.

COLLIN CHIN KOK MENG <i>Corporate Strategy and Sustainability Director</i>	NATIONALITY	AGE	GENDER
	Malaysian	51	Male

Mr. Collin Chin Kok Meng, holds the position of Corporate Strategy and Sustainability Director of Tanco since 1 March 2025.

He graduated from the University of Melbourne, Australia, with a degree in Bachelor of Commerce (Accounting & Finance) in 1997.

He has more than 25 years of experience across corporate strategy, investment, business development, corporate finance, business transformation and commercial leadership. He began his career with the Renong/UEM Group of Companies and subsequently held senior roles with Digi Telecommunications, Celcom Axiata Berhad and Maxis Berhad, primarily within their enterprise and business segments, where his responsibilities spanned strategic planning, business development, nationwide sales management, performance management and business transformation.

He joined Tanco Group in September 2021, supporting the Group Managing Director on strategic initiatives and investment-related projects, before being promoted to Group Investment Director on 1 June 2022, overseeing new investment opportunities across the Group.

In his current role, he supports the Group's corporate strategy and strategic initiatives while advancing the integration of sustainability considerations into the Group's governance, strategic planning and long-term value creation.

He does not have any directorship in public companies and listed issuer.

He does not have any family relationship with any directors and/or major shareholders of Tanco. He does not have any conflict of interest with Tanco. He does not have any convictions for offences (excluding traffic offences) in the past five (5) years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2026.

PROFILE OF SENIOR MANAGEMENT (Continued)

TAN PIK HOOI <i>Finance Director</i>	NATIONALITY	AGE	GENDER
	Malaysian	48	Female

Madam Tan Pik Hooi, holds the position of Finance Director of Tanco since 1 March 2025. She joined Tanco on 4 December 2023 as the Corporate Strategy and Business Development Director prior to her current position.

She graduated from the University of Malaya with a Bachelor of Accountancy (Hons) in 2001. She is a member of the Malaysian Institute of Accountants (MIA) and is also a fellow member of the Association of Chartered Certified Accountants (ACCA).

She began her career in audit and business advisory services from big four accounting firms and has extensive exposure in multinational and public listed companies. She held senior finance and management roles, including experience as a financial controller, with responsibilities spanning finance, taxation and logistics operations. Prior to joining Tanco, she was involved in strategy development, digital transformation, programme management, business performance and operational management, internal auditing and financial due diligence across subsidiaries of Axiata Group, with exposure across South and Southeast Asia.

She does not have any directorship in public companies and listed issuer.

She does not have any family relationship with any directors and/or major shareholders of Tanco. She does not have any conflict of interest with Tanco. She does not have any convictions for offences (excluding traffic offences) in the past five (5) years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2026.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of Tanco Holdings Berhad (“Tanco” or “Company”) recognises the importance of corporate governance towards promoting business prosperity and corporate to protect and enhance shareholders’ value as well as the interest of the Company.

The Board is also committed in ensuring that the Company and its subsidiaries (“the Group”) carries out its business operations within the required standards of corporate governance as set out in the Malaysian Code on Corporate Governance 2021 (“MCCG”).

The Board is pleased to provide an overview of the corporate governance (“CG”) practices, which made reference to the three key CG principles as set out in the MCCG throughout the financial year ended 30 June 2026 (“FYE 2026”) unless otherwise stated, which are as follows:-

- (a) Principle A : Board Leadership and Effectiveness;
- (b) Principle B : Effective Audit and Risk Management; and
- (c) Principle C : Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

This CG overview statement, approved by the Board, shall be read together with the CG Report 2026 (“CG Report”) of the Company which is available on the Company’s website at www.tancoholdings.com and the website of Bursa Malaysia Securities Berhad (“Bursa Securities”) at www.bursamalaysia.com.

The CG Report provides the details on how the Company has applied each Practice, any departures thereof and the alternative measures being in place within the Company during the FYE 2026. The Board is satisfied that the Company has substantially complied with the MCCG throughout the FYE 2026 save for the exceptions which are fully described in the CG Report.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

The Board’s principal activities amongst others include setting out strategic plans and policies and overseeing the investments and businesses of the Group. In fulfilling its fiduciary duties, the Board ensures that there are appropriate systems and procedures in place to identify the Group’s significant risks and implementation of appropriate internal controls and mitigation measures to manage these risks. Key matters such as approval of annual and interim results, major acquisitions and disposals, major agreements as well as review of the adequacy and integrity of the internal controls system and risk management strategies of the Group are reserved for the Board. The Group has in place financial authorisation limit for matters such as operating and capital expenditure and Standard Operating Procedures (“SOPs”) to improve efficiency and productivity among all departments within the Group.

The Board has delegated the day-to-day affairs of the Group’s business to the Group Managing Director (“GMD”) of the Company, Dato’ Sri Andrew Tan Jun Suan. The GMD, supported by the Executive Directors, will focus on the business and leads the Senior Management of the Company in making and implementing the day-to-day decisions on the business operations, managing resources and risks in pursuing the corporate objectives of the Group. The GMD may delegate appropriate functions to any member of the Senior Management reporting to the Executive Directors.

The GMD, Executive Directors and Management meet regularly to review and monitor the performance of the Group’s operating divisions. The GMD briefs the Board on the Group’s business operations and Management’s initiatives during the quarterly Board meetings.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Continued)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

I. BOARD RESPONSIBILITIES (Continued)

The Board Charter clearly spells out the following principal roles and responsibilities of the Board in enhancing effectiveness in the pursuits of corporate goals and objectives:-

- (a) review and adopt a strategic plan for the Group;
- (b) oversee the conduct of the Group's businesses to evaluate whether the businesses are being properly managed;
- (c) identify principal business risks and ensure the implementation of appropriate systems to manage these risks;
- (d) succession planning including the implementation of appropriate systems for recruitment, training and replacement of members of the Board, Board Committees and Senior Management staff;
- (e) overseeing the development and implement an investors relations programme or shareholder communication policy for the Company; and
- (f) review the adequacy and the integrity of the Group's internal control systems and management information.

Division of roles and responsibilities between the Chairman and GMD

The Board is led by Dato' Dr. Mohd. Aminuddin bin Mohd. Rouse as the Non-Independent Non-Executive Chairman and Dato' Sri Andrew Tan Jun Suan as the GMD.

There is a clear separation between the Chairman's role and the GMD to ensure a division of responsibilities and a balance of control, power and authority.

The Chairman leads and manages the Board with a keen focus on governance and compliance. In turn, the Board monitors the functions of the Board Committees in accordance with their respective terms of reference, to ensure its own effectiveness; while the GMD manages the businesses and operations of the Group and implements and develops the Board's decisions, policies and strategies.

Non-Executive Directors

The Non-Executive Directors of the Company are not involved in the day-to-day management of the Group but contribute their own particular expertise, experience and provide views from a different perspective in the development of the Group's overall business strategy. Their participation as members of the various Board Committees also contributed towards the enhancement of the corporate governance and controls of the Group.

The Independent Non-Executive Directors are essential in providing unbiased and impartial opinion, advice and judgment to ensure the interests of the Group, shareholders, employees, customers and other stakeholders in which the Group conducts its businesses are well represented and taken into account. The significant contributions of the Independent Non-Executive Directors in the decision making process are evidenced in their participation as members of the various committees of the Board.

Board Committees

The Board has established and is supported by the following Board Committees to assist the Board in the discharge of its oversight function:-

- i. Audit Committee
- ii. Nomination Committee
- iii. Remuneration Committee
- iv. Risk Management and Sustainability Committee

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Continued)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

I. BOARD RESPONSIBILITIES (Continued)

Board Committees (Continued)

The Board Committees have their roles and functions, written terms of reference and authorities defined. The Board reviews the terms of reference of the Board Committees periodically to ensure their relevance. At each Board meeting, the Chairmen of the Board Committees report to the Board on the key issues deliberated and outcome of the Board Committees meetings. Minutes of the Board Committees meetings will also be presented to the Board for notification and endorsement. The ultimate responsibility for the final decision on all matters, however, lies with the entire Board.

Company Secretary

The Board is supported by a suitably qualified, experienced and competent Company Secretary who is a Fellow member of the Malaysian Institute of Chartered Secretaries and Administrators and is also qualified under the Companies Act 2016. The Company Secretary advises the Board on issues relating to compliance with laws, rules, procedures and regulations affecting the Company and the Group. The Company Secretary attends Board and Board Committees meetings and is responsible for ensuring the meeting procedures are followed and that applicable rules and regulations are complied with. The Company Secretary also ensures that accurate and proper record of the proceedings and resolutions passed are taken and maintained in the statutory registers of the Company.

The Company Secretary has been continuously attending the necessary training programmes, conferences, seminars, briefings and/or forums so as to keep herself abreast with the current regulatory changes in laws and regulatory requirements that are relevant to her profession and enabling her to provide the necessary advisory role to the Board.

Board Meetings

Regular Board and Board Committees meetings are scheduled throughout the year to enable the Directors to plan ahead and fit the meetings into their own schedules.

In order to discharge their responsibilities effectively, the Board meet regularly on a quarterly basis. Additional or special Board meetings may be convened as and when necessary to consider and deliberate on any urgent proposals or matters under their purview and which requires the Board's expeditious review or consideration. Such meetings will enable the Board members to effectively assess the viability of the business and corporate proposals and the principal risks that may have significant impact on the Group's business or on its financial position and the mitigating factors. All Board approvals sought are supported with all the relevant information and explanations required for an informed decision to be made.

To facilitate productive and meaningful deliberations, the proceedings of the Board meetings are conducted in accordance with a structured agenda with the supply of complete and timely information to enable the Board to discharge their responsibilities effectively and for them to make informed decisions. The Board reviews and deliberates on the Group's financial performance and results, business operations, reports of the various Board Committees, corporate exercises and strategic financials and investments decisions.

In the intervals between Board meetings, any matters requiring urgent Board decisions and/or approvals will be sought via circular resolutions which are supported with all the relevant information and explanations required for an informed decision to be made.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Continued)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

I. BOARD RESPONSIBILITIES (Continued)

Time Commitment

The Board is satisfied with the level of time commitment given by the Directors and members of the Board Committees towards fulfilling their roles and responsibilities as Directors and members of the Board Committees of the Company. During FYE 2026, the numbers of meetings held and attended by the Board and Board Committee members were as follows:-

Name of Directors/Designations	No. of Meeting Attended/Meetings held in FYE 2026				
	BOARD	AC	NC	RC	RMSC
Dato' Dr. Mohd. Aminuddin bin Mohd. Rouse (Non-Independent Non-Executive Chairman)	4/5	-	-	-	-
Dato' Sri Andrew Tan Jun Suan (Group Managing Director)	4/5	-	-	-	-
Datuk Christopher Tan Khoon Suan (Group Executive Director)	5/5	-	-	-	3/3
Mr. Koay Ghee Teong (Executive Director)	4/5	-	-	-	-
Datuk Rashidi bin Hasbullah (Independent Non-Executive Director)	5/5	5/5	2/2	2/2	3/3
Dato' Martini binti Osman (Independent Non-Executive Director)	5/5	5/5	2/2	2/2	-
Mr. Wong Jee Seng (Independent Non-Executive Director)	5/5	5/5	-	-	-
Puan Syafinaz Merican binti Isahak Merican (Independent Non-Executive Director)	5/5	-	2/2	2/2	3/3
Puan Azizah binti Mohd Yatim * (Independent Non-Executive Director)	-	-	-	-	-

Notes:

BOARD	:	Board Meeting	RC	:	Remuneration Committee Meeting
AC	:	Audit Committee Meeting	RMSC	:	Risk Management and Sustainability Committee Meeting
NC	:	Nomination Committee Meeting			

* Puan Azizah binti Mohd Yatim was appointed as an Independent Non-Executive Director of the Company on 18 September 2026, subsequent to the financial year ended 30 June 2026.

All the Directors of the Company have confirmed that they do not hold more than five (5) directorships in listed issuers as required under Paragraph 15.06 of the Main Market Listing Requirements ("MMLR") of Bursa Securities.

Access to Information and Advice

The Board is supplied with relevant information and reports on financial, operational, corporate, regulatory, business development and audit matters, by way of Board reports or upon specific requests, for decisions to be made on an informed basis and for an effective discharge of the Board's responsibilities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Continued)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

I. BOARD RESPONSIBILITIES (Continued)

Access to Information and Advice (Continued)

Notices of Board/Board Committees Meetings and the relevant Board papers shall be circulated to the Directors electronically at least five (5) working days in advance before the meeting is held, except in the case of an emergency, where reasonable time would suffice. This enables the Directors to have sufficient time to solicit further explanations and/or information, where necessary, so that deliberations at the meeting are focused and constructive.

The Board papers include meeting minutes which reflects the deliberations and decisions of the Board, updates on financial, operational and corporate developments of the Group. Board papers are also presented with details on other issues that may require the Board's deliberation which inter alia, include the approval of corporate plans, acquisitions and disposals of assets that are material to the Group, major investments, changes to management and control structure of the Group.

The Chairs of the Board Committees namely the Audit Committee, Remuneration Committee, Nomination Committee and Risk Management and Sustainability Committee brief the Board on matters discussed as well as decisions taken at the meetings of their respective Board Committees.

The Board has unrestricted access to all information within the Group. All Directors are entitled to seek independent professional advice on issues whether as a full Board or in their individual capacity where they are of the opinion that professional advice is needed after having discussions with Senior Management, External Auditors and Internal Auditor, in furtherance of their duties at the Company's expense.

Board Charter

The Board is guided by a Board Charter which provides reference for directors in relation to the Boards' roles, powers, duties and functions. The Board Charter also outlines the processes and procedures to ensure the Board's and Board Committees' effectiveness and efficiency. The Board Charter comprises, amongst others, the well-defined terms of reference for the Board and its Committees.

The Board will review and update the Board Charter periodically in accordance with the needs of the Company and any new regulations that may have impact on the discharge of the Board's responsibilities. The Board Charter was reviewed and revised on 15 October 2025 and is available on the Company's website at www.tancoholdings.com.

Ethical Standards through Code of Ethics, Code of Conduct and Whistleblowing Policy

(a) Code of Ethics for Director

The Board has formalised a Code of Ethics and Conduct for its Directors which is incorporated in the Board Charter, to enhance the standard of corporate governance and promote ethical conduct of the Directors and the same is adhered to at all times.

(b) Code of Conduct and Business Ethics

The Group has established and adopted a Group Code of Conduct and Business Ethics to ensure that all employees and Directors maintain and enforce the highest standards of ethics and professional conduct in the performance of their duties and responsibilities throughout the organisation. The Code of Conduct is available on the Company's website at www.tancoholdings.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Continued)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

I. BOARD RESPONSIBILITIES (Continued)

Ethical Standards through Code of Ethics, Code of Conduct and Whistleblowing Policy (Continued)

(c) Whistleblowing Policy and Procedures

The Group acknowledges the importance of lawful and ethical behaviours in all its business activities and is committed to adhere to the values of transparency, integrity, impartiality and accountability in the conduct of its business and affairs in its workplace.

The Group has in place a Whistleblowing Policy which serves as an internal disclosing channel in relation to whistleblowing at work place to enable employees to raise genuine concerns, disclose alleged, suspected or actual wrongdoings or known improper conduct at the workplace on a confidential basis.

The Whistleblowing Policy was reviewed and revised on 15 October 2025, underlining its protection and reporting channels, is available on the Company's website at www.tancoholdings.com.

Anti-Corruption and Bribery Policy

In line with the Guidelines on Adequate Procedures pursuant to Section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009, the Board has adopted the Anti-Corruption and Bribery Policy of the Group, and the aforesaid policy was reviewed and updated on 15 October 2025.

This policy sets out the proper practices and guidance to be adhered to in relation to improper solicitation, bribery and other corrupt activities and/ or issues that may arise in the course of business and the responsibilities to comply with all applicable laws and regulations against bribery and corruption.

The Anti-Corruption and Bribery Policy can be accessed on the Company's website at www.tancoholdings.com.

Conflict of Interest Policy

The Company is committed to upholding the highest ethical standards and governance practices. All Directors, Key Senior Management, and employees are expected to act with integrity, impartiality, and professionalism, while avoiding any actual, potential or perceived conflicts of interest in carrying out their duties.

The Company has adopted a Conflict of Interest Policy, which was reviewed and revised on 27 August 2026, setting out clear processes and principles for managing and addressing actual, potential and perceived conflict of interest situations.

Sustainability Policy

The Board views its commitment to promoting sustainability in the areas of environment, social and governance aspects as part of its broader responsibility to the Group's various stakeholders and the communities in which it operates.

The Sustainability Policy was formulated to integrate sustainability principles into the strategies of the Company and its subsidiaries and to support compliance with applicable internal policies, guidelines and regulatory requirements. Heads of Departments and relevant business units are responsible for implementation within their respective areas, supported and coordinated by the Sustainability Working Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Continued)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

I. BOARD RESPONSIBILITIES (Continued)

Sustainability Policy (Continued)

The Group strives to achieve a sustainable balance between meeting its business goals, preserving the environment to sustain the ecosystem and safeguarding the welfare of its employees and the communities in which it operates. Details of the Group's efforts to promote sustainability initiatives for its employees, the environment and the communities are set out in the Sustainability Statement of this Annual Report.

The Risk Management and Sustainability Committee supports the Board in overseeing risk management and sustainability governance, including material Environmental, Social and Governance ("ESG") and climate-related risks and opportunities, relevant disclosures and performance.

The Sustainability Policy and the Sustainability Framework are available on the Company's website at www.tancoholdings.com.

II. BOARD COMPOSITION

As at the date of this Statement, the Board has nine (9) members comprising three (3) Executive Directors and five (5) Independent Non-Executive Directors and a Non-Independent Non-Executive Director/Chairman.

The present composition of the Board is in compliance with Paragraph 15.02 of the MMLR of Bursa Securities, which requires at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, to be Independent Directors. Furthermore, the Board comprises a majority of Independent Directors, which is in line with Practice 5.2 of the MCCG, which recommends that the Board comprise a majority of Independent Directors.

Based on the review of the Board's composition and assessment of individual Directors during the FYE 2026, the Directors are of the opinion that the current Board size and composition is appropriate for the scope and nature of the Group's business and operations and for facilitating effective discussions and decision making. No individual or group dominates the Board's decision making. The Board maintains an appropriate balance of expertise, skills and attributes among the Directors. This is reflected in the diversity backgrounds and competencies of the Directors. Such competencies include business, finance, accounting, banking, legal, construction, property development, tourism, luxury retail and other relevant industry knowledge and management experience and familiarity with the regulatory requirements and risk management. A brief profile of each Director is presented in the Directors' Profile section of this Annual Report.

Board Diversity

The Board acknowledges the importance of boardroom diversity in terms of age, gender, nationality, ethnicity and recognises the benefits of this diversity.

The Board also recognises that having a range of different skills, backgrounds, experience and diversity is essential to ensure a broad range of viewpoints to facilitate optimal decision making and effective governance.

The Board is of the view that while promoting boardroom diversity is essential, the normal selection criteria of a director, based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board, should remain a priority. While Board appointments continue to be based on merit, skills, experience, independence and diversity, the Company supports the objective of maintaining at least 30% female representation on the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Continued)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

II. BOARD COMPOSITION (Continued)

Board Diversity (Continued)

The Company takes diversity not only in the Boardroom but also in the workplace as it is an essential measure of good governance, critically attributing to a well-functioning organisation and sustainable development of the Company.

The Company is committed to maintaining an environment of respect for people regardless of their gender in all business dealings and achieving a work place environment free of harassment and discrimination on the basis of gender, ethnicity, nationality, religion, age or family status. The same principle is applied to the selection of potential candidates for appointment to the Board.

Following the appointment of Puan Azizah binti Mohd Yatim as an Independent Non-Executive Director of the Company on 18 September 2026, the Board comprises three (3) women Directors, namely Dato' Martini binti Osman, Puan Syafinaz Merican binti Isahak Merican and Puan Azizah binti Mohd Yatim, representing 33.3% of the total Board composition and meeting the recommendation under Practice 5.9 of the MCCG. The Sustainability Statement for FYE 2026 reports female Board representation of 25.0% as at 30 June 2026.

The Board has in place a Human Rights Policy for the Company, which incorporates diversity, equity and inclusion under a broader human rights framework and replaces the previous standalone Gender Diversity Policy. A copy of the Human Rights Policy is available on the Company's website at www.tancoholdings.com.

Succession Planning

The Board is responsible for succession planning, including establishing appropriate systems for the recruitment, training, and replacement of Board members and Key Senior Management. While the Board currently relies primarily on internal sources, including referrals from Directors and major shareholders, it remains open to considering external sources in the future to ensure a diverse pool of qualified candidates.

Director's Training

As at the date of this Statement, all Directors have attended and successfully completed the Mandatory Accreditation Programme ("MAP") Part I and Part II prescribed by MMLR of Bursa Securities except for the newly appointed Director, Puan Azizah binti Mohd Yatim, who has completed MAP Part I and is required to complete MAP Part II within 18 months from the date of her appointment, i.e. on or before 17 March 2028.

The Directors are mindful that they should also receive appropriate continuous training in order to broaden their perspectives and to keep abreast with new developments for the furtherance of their duties.

The Directors are encouraged to evaluate their own training needs on a continuous basis and to determine the relevant programmes, seminars, briefings or dialogues available that would best enable them to enhance their knowledge and contributions to the Board.

The Board is also regularly updated by the Company Secretary on the latest update/amendments to the relevant regulatory requirements relating to the discharge of the Directors' duties and responsibilities.

During the FYE 2026, the training programmes and seminars which were attended by the Directors are as follows:

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Continued)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

II. BOARD COMPOSITION (Continued)

Director's Training (Continued)

Name of Director	Training Programmes/ Seminars	Date
Dato' Dr. Mohd. Aminuddin bin Mohd. Rouse	Mastering ESG Excellence: Sustainability Governance: Framework, TCFD & KPI Finalisation	19 September 2025
Dato' Sri Andrew Tan Jun Suan	ASEAN ESG Leadership Forum: Advancing Sustainability, Enhancing Governance – Future Proofing Business	21 August 2025
	SC-IFN Business Forum & Malaysia-Oman Dialogue Session	8 – 9 September 2025
	Securities Commission Malaysia: Launch of the MY Value Up Programme (MVP)	20 April 2026
	Standing Out Against The Tide – Upholding Anti-Bribery Standards	19 May 2026
	Mastering Personal Data Protection Act 2010: A Mini Guide to Standard Compliance & Recent 2024 Amendments	19 May 2026
Datuk Christopher Tan Khoon Suan	KPMG Breakfast Talk: Property & Construction – Risk Agility for Tax & ESG	20 August 2025
	ASEAN ESG Leadership Forum: Advancing Sustainability, Enhancing Governance – Future Proofing Business	21 August 2025
	GS1 Malaysia Summit 2025 – Advancing Sustainability & Circularity	9 September 2025
	Global Chinese Economic & Technology Summit (GCET 2025) – Global Leadership & Partnership in the Age of Digital and Green Transformation	19 November 2025
	Sustainability Journey: EV Corporate Programme	28 November 2025
	Malaysia Forest Fund – Forest Conservation Certificate (FCC) Investors Forum 2026	30 March 2026
	Standing Out Against The Tide – Upholding Anti-Bribery Standards	19 May 2026
	Mastering Personal Data Protection Act 2010: A Mini Guide to Standard Compliance & Recent 2024 Amendments	19 May 2026

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Continued)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

II. BOARD COMPOSITION (Continued)

Director's Training (Continued)

Name of Director	Training Programmes/ Seminars	Date
Mr. Koay Ghee Teong	Bursa Malaysia – Strategic Oversight in Strategy Implementation: Getting Execution Right at the Board Level	28 July 2025
	Bursa Malaysia – Board Simulation: Balancing Risks & Opportunity in Sustainability Leadership	9 September 2025
	REHDA Selangor Insight Series: AI Across the Property Development Value Chain-From Planning to Property Management	7 April 2026
	Standing Out Against The Tide – Upholding Anti-Bribery Standards	19 May 2026
	Mastering Personal Data Protection Act 2010: A Mini Guide to Standard Compliance & Recent 2024 Amendments	19 May 2026
Datuk Rashidi bin Hasbullah	Mastering ESG Excellence: Sustainability Governance: Framework, TCFD & KPI Finalisation	19 September 2025
	ASEAN Fashion & Culture Diplomacy Forum	5 December 2025
	International Art Festival Asian Wisdom Women	17 April 2026
Dato' Martini binti Osman	Mastering ESG Excellence: Sustainability Governance: Framework, TCFD & KPI Finalisation	19 September 2025
Mr. Wong Jee Seng	Mastering ESG Excellence: Sustainability Governance: Framework, TCFD & KPI Finalisation	19 September 2025
Puan Syafinaz Merican binti Isahak Merican	Mastering ESG Excellence: Sustainability Governance: Framework, TCFD & KPI Finalisation	19 September 2025
	Sustainability Journey: EV Corporate Programme	28 November 2025
	Anti-Money Laundering (AML) Refresher 2026	18 February 2026

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Continued)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

II. BOARD COMPOSITION (Continued)

Nomination Committee

The Nomination Committee consists of wholly Independent Non-Executive Directors and its composition is as follows:-

<u>Members</u>	<u>Designation</u>
Datuk Rashidi bin Hasbullah	- Chairman of the Nomination Committee, Independent Non-Executive Director
Dato' Martini binti Osman	- Independent Non-Executive Director
Puan Syafinaz Merican binti Isahak Merican	- Independent Non-Executive Director

The Nomination Committee's main responsibility, amongst others, is to recommend new appointments to the Board for their approval. The other responsibilities of the Nomination Committee include making recommendations to the Board on the appointment of members of Board Committees, the review on an annual basis of the Board structure, size and composition, and assessment of the effectiveness of the Board, its Committees and the contribution of each Board. The Terms of Reference of the Nomination Committee was reviewed and revised on 27 August 2026 and is available on the Company's website at www.tancoholdings.com.

The Nomination Committee held two (2) meetings during the FYE 2026.

The activities carried out by the Nomination Committee during the FYE 2026 and up to the date of this statement are disclosed in the Nomination Committee Statement of the Annual Report 2026.

Directors' Fit and Proper Policy

The Board adopted a Directors' Fit and Proper Policy to serve as a guiding framework for the Nomination Committee and the Board in reviewing and assessing candidates for appointment to the Board as well as Directors who are seeking for re-election. The Directors' Fit and Proper Policy is available on the Company's website at www.tancoholdings.com.

Appointment to the Board

The Board delegates to the Nomination Committee the responsibility of making recommendations on any potential and suitable candidate for the appointment as a new Director. The Nomination Committee is responsible to ensure that the procedures for appointing new Directors are transparent and rigorous and that appointments are made on merits, as guided by the Company's Directors' Fit and Proper Policy.

The process for the appointment of a new Director is summarised in the sequence as follows:-

1. The candidate identified upon the recommendation by the existing Directors, management, major shareholders, independent search firms and/or other independent sources;
2. In evaluating the suitability of candidates for appointment to the Board, the Nomination Committee considers, inter-alia, the competency, experience, commitment, contribution and integrity of the candidates, and in the case of candidates proposed for appointment as Independent Non-Executive Directors, the candidates will be required to confirm compliance to the criteria of an independent director as prescribed in the MMLR of Bursa Securities;
3. Recommendation shall then be made by the Nomination Committee to the Board. This also includes recommendation for appointment as a member of the various Board Committees, where necessary; and

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Continued)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

II. BOARD COMPOSITION (Continued)

Appointment to the Board (Continued)

4. Decision to be made by the Board on the proposed new appointment, including appointment to the various Board Committees.

As at the date of this Statement, the Nomination Committee had assessed a candidate for new appointment as an Independent Non-Executive Director of the Company based on the candidate's professional qualification, relevant experience, knowledge and expertise as well as criteria set in the Company's Directors' Fit and Proper Policy, i.e. character and integrity, experience and competence, time and commitment. The candidate has completed the declaration of fit and proper in accordance with the Directors' Fit and Proper Policy. Based on the declaration made, the Nomination Committee was satisfied that the candidate met the fit and proper criteria and subsequently made recommendation to the Board for the appointment as new Independent Non-Executive Director of the Company.

Based on the recommendation of the Nomination Committee, the Board had, on 18 September 2026, appointed Puan Azizah binti Mohd Yatim as an Independent Non-Executive Director of the Company. Her qualifications, relevant experience and expertise in various industries, including banking, stockbroking and asset management, are expected to further strengthen the skills, experience and expertise of the Board.

Annual Assessment

The Board, through its Nomination Committee, reviews annually the effectiveness of the Board and Board Committees as well as the performance of individual directors. The evaluation involves individual Directors and Board Committee members completing separate evaluation questionnaires regarding the processes of the Board and its Committees, their effectiveness and where improvements could be considered. Please refer to the Nomination Committee Statement which discloses how the assessment was carried out and its outcome reported to the Board.

Re-election of Directors

The Nomination Committee also conducted an assessment of the Directors who are subject to retirement at the forthcoming Annual General Meeting ("AGM") in accordance with the provisions of the Constitution of the Company and the relevant provisions of the Companies Act 2016.

The Company's Constitution provides that a director appointed during the year is required to retire and seek election by shareholders at the following AGM immediately after their appointment. The Clauses also require that one third of the Directors including the Group Managing Director to retire by rotation and seek re-election at each AGM and that each Director shall submit himself/herself for re-election once every three (3) years. The assessment details on the retirement of Directors by rotation are disclosed in the Nomination Committee Statement of this Annual Report.

Tenure of Independent Directors

The Company has adopted an Independent Director Tenure Policy ("the Policy") which limits the tenure of an Independent Director to a cumulative term of not more than twelve (12) years from the date of first appointment, in compliance with the definition of an independent director under the MMLR of Bursa Securities. Upon completion of the twelfth (12th) year, an Independent Director may continue to serve on the Board as a Non-Independent Non-Executive Director.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Continued)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

II. BOARD COMPOSITION (Continued)

Tenure of Independent Directors (Continued)

The Policy also states that an Independent Director who has served on the Board for a cumulative term limit of nine (9) years may be retained as an Independent Director, subject to annual shareholders' approval through a two-tier voting process. The Board must provide justification and an assessment of the director's independence and contribution. This is in line with the recommended Practice 5.3 of the MCCG for retention of Independent Directors beyond the cumulative term limit of nine (9) years.

As at the date of this Statement, none of the Independent Non-Executive Directors of the Company have served the Board for a cumulative term of nine (9) years.

Senior Independent Non-Executive Director

Datuk Rashidi bin Hasbullah has been identified as the Senior Independent Non-Executive Director, to whom all concerns may be conveyed.

III. REMUNERATION

The Remuneration Committee consists of three (3) Independent Non-Executive Directors and its composition is as follows:

<u>Members</u>	<u>Designation</u>
Dato' Martini binti Osman	- Chairperson of the Remuneration Committee, Independent Non-Executive Director
Datuk Rashidi bin Hasbullah	- Independent Non-Executive Director
Puan Syafinaz Merican binti Isahak Merican	- Independent Non-Executive Director

The Terms of Reference of the Remuneration Committee, which was reviewed and revised on 28 August 2025, is available on the Company's website at www.tancoholdings.com.

The Remuneration Committee held two (2) meetings during the FYE 2026.

The Board has adopted a Remuneration Policy and Procedures to support the Directors and Key Senior Management in carrying out their responsibilities and fiduciary duties in steering the Group to achieve its long-term goals and enhance shareholders' value. The Board's objective in this respect is to offer a competitive remuneration package in order to attract, motivate, retain and reward Directors and Key Senior Management who will manage and drive the Company's success. The Remuneration Policy and Procedures was reviewed and revised on 28 August 2025 and is available on the Company's website at www.tancoholdings.com.

The Board has delegated to the Remuneration Committee to implement its Remuneration Policy and Procedures. The primary function of the Remuneration Committee is to set up the policy framework and to recommend to the Board on remuneration packages and other terms of employment of the Executive Directors. The remuneration of Executive Directors is determined at levels which enables the Company to attract and retain Directors with the relevant experience and expertise to manage the business of the Group effectively.

The remuneration of Key Senior Management is determined at a level which enables the Company to attract, develop and retain high performing and talented individual with the relevant experience, level of expertise and level of responsibilities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Continued)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

III. REMUNERATION (Continued)

Both the remuneration of Executive Directors and Key Senior Management are structured to link rewards to the achievement of individual and corporate performance.

The Remuneration Committee is also responsible to review the remuneration packages of the Non-Executive Directors of the Company and thereafter recommend to the Board for their consideration with the Director concerned abstaining from deliberations and voting on the decision in respect of his/her individual remuneration package. The Board recommended the level of remuneration should reflect the experience and the level of responsibilities undertaken by each Non-Executive Director. The Board will then recommend the yearly Directors' fees and other benefits payable to Non-Executive Directors to the shareholders for approval at the AGM in accordance with Section 230(1) of the Companies Act 2016.

In addition to the above, the Company has taken up a Directors' and Officers' Liability ("D&O") insurance for coverage of the Directors' defence costs and legal representation expenses incurred by the Directors concerned should any action be brought against them for their actions as Director of the Company and/or its subsidiaries. Nevertheless, the D&O insurance does not indemnify a director if he is proven to have acted fraudulently or dishonestly or for any intentional breach of the law.

None of the Executive Directors have received fees or salary related benefits from the Company during the FYE 2026. The details of Directors' remuneration as at 30 June 2026 paid or payable by the Company and its subsidiary companies for the FYE 2026 on named basis are as follows:

Company Level

Non-Executive Director						
Name of Director	Directors' Fees (RM)	Allowances (RM)	Salaries (RM)	Benefits-in-kind (RM)	Other Emoluments (RM)	Total (RM)
Dato' Dr. Mohd. Aminuddin bin Mohd. Rouse	80,031	4,500	-	-	-	84,531
Datuk Rashidi bin Hasbullah	46,016	10,000	-	-	-	56,016
Dato' Martini binti Osman	46,016	8,500	-	-	-	54,516
Mr. Wong Jee Seng	46,016	8,000	-	-	-	54,016
Puan Syafinaz Merican binti Isahak Merican	46,016	7,000	-	-	-	53,016
Puan Azizah binti Mohd Yatim (Appointed on 18 September 2026)	-	-	-	-	-	-
Total	264,095	38,000	-	-	-	302,095

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Continued)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

III. REMUNERATION (Continued)

Group Level (Company and Subsidiary)

Executive Director						
Name of Director	Directors' Fees (RM)	Allowances (RM)	Salaries (RM)	Benefits-in-kind (RM)	Other Emoluments (RM)	Total (RM)
Dato' Sri Andrew Tan Jun Suan	-	-	616,000	30,200	75,313	721,513
Datuk Christopher Tan Khoon Suan	-	5,400	304,000	18,348	38,305	366,053
Mr. Koay Ghee Teong	-	25,600	288,000	7,600	37,465	358,665
Madam Chew Shen Hoay (Resigned on 15 October 2025)	-	16,920	235,000	3,523	31,401	286,844
Total	-	47,920	1,443,000	59,671	182,484	1,733,075

Non-Executive Director						
Name of Director	Directors' Fees (RM)	Allowances (RM)	Salaries (RM)	Benefits-in-kind (RM)	Other Emoluments (RM)	Total (RM)
Dato' Dr. Mohd. Aminuddin bin Mohd. Rouse	80,031	4,500	-	-	-	84,531
Datuk Rashidi bin Hasbullah	46,016	10,000	-	-	-	56,016
Dato' Martini binti Osman	46,016	8,500	-	-	-	54,516
Mr. Wong Jee Seng	46,016	8,000	-	-	-	54,016
Puan Syafinaz Merican binti Isahak Merican	46,016	7,000	-	-	-	53,016
Puan Azizah binti Mohd Yatim (Appointed on 18 September 2026)	-	-	-	-	-	-
Total	264,095	38,000	-	-	-	302,095

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Continued)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

III. REMUNERATION (Continued)

Senior Management Remuneration

The Company has opted not to disclose on a named basis for the Senior Management's remuneration in bands of RM50,000, taking into consideration the confidentiality and sensitivity of individual remuneration packages as well as the competitive market for talent within the Group's business.

As an alternative, details of the remuneration of the top five (5) Senior Management of the Group (including salary, benefits in-kind and other emoluments) for the FYE 2026 are disclosed on an aggregate basis and in each successive bands of RM50,000 as follows:-

Range of Remuneration	Number of Senior Management
RM500,001 to RM550,000	1
RM400,001 to RM450,000	1
RM350,001 to RM400,000	1
RM300,001 to RM350,000	1
RM150,001 to RM200,000	1

PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT COMMITTEE

The Board is responsible for ensuring that the quarterly financial reports and annual audited financial statements of the Company present a balanced and clear assessment of the Company's financial position, performance and prospects, and comply with the applicable financial reporting standards.

The Audit Committee ("AC") assists the Board in reviewing the Group's financial reporting process and the accuracy of its financial results, as well as scrutinising information for disclosure to ensure reliability and compliance with the applicable financial reporting standards. The AC reviews the unaudited quarterly financial reports and annual audited financial statements of the Company prior to recommendation of the same to the Board for approval and submission to Bursa Securities.

In addition, the AC assists the Board in reviewing matters relating to conflict of interest situations and related party transactions.

For the FYE 2026, no conflict of interest disclosures was reported to the AC, except for the Recurrent Related Party Transactions ("RRPTs") which will be tabled to the shareholders for approval at the forthcoming Sixty-Seventh (67th) AGM of the Company to seek the renewal of shareholders' mandate for RRPTs of a revenue or trading nature, as contained in the Circular to Shareholders.

The AC is chaired by an Independent Non-Executive Director who is distinct from the Chairman of the Board. All members of the AC are financially literate, with one (1) of the members of the AC is a Chartered Management Accountant.

The current AC comprises three (3) members, all of whom are Independent Non-Executive Directors. The AC has incorporated in its terms of reference a requirement for a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Continued)

PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT (Continued)

I. AUDIT COMMITTEE (Continued)

The internal audit function of the Company is outsourced to S F Chang Corporate Services Sdn. Bhd., which is independent and free from any relationships or conflicts of interest that could impair its objectivity and independence. The Internal Auditor reports to the AC and provides independent assurance on the adequacy and effective of the Group's system of internal control.

The membership of the AC, meeting and attendance, summary of work of AC and summary of work of the internal audit function are set out in the AC Report section of this Annual Report.

The Terms of Reference of the AC was reviewed and revised on 15 October 2025 and is available on the Company's website at www.tancoholdings.com.

None of the members of the Board were former key audit partners and notwithstanding that in order to uphold the utmost independence, the Board has no intention to appoint any former key audit partner as a member of the Board.

Assessment of Suitability and Independence of External Auditors

The Board maintains a transparent and professional relationship with the External Auditors through the AC. Under the existing practice, the AC invites External Auditors to attend its meetings at least twice a year to discuss their audit plan and their audit findings on the Company's yearly financial statements. In addition, the AC will also have private meetings with the External Auditors without the presence of the Executive Directors and Senior Management to enable exchange of views on issues requiring attention.

The AC has adopted an External Auditors Policy which outlines the policies and procedures for the AC to govern the assessment and to monitor the External Auditors.

For the FYE 2026, the AC conducted an annual assessment of the suitability and independence of the External Auditors.

Both the AC and Board have considered the external auditors' performance and independence for the FYE 2026. Based on the assessment, the AC and the Board were satisfied that the External Auditors remained objective and independent of the Company.

In addition, the External Auditors have confirmed to the AC that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements. The External Auditors are also required to declare their independence annually to the AC as specified by the By-Laws issued by the Malaysian Institute of Accountants and they have provided the declaration in their annual Audit Plan and Audit Status Report presented to the AC of the Company.

Upon completion of the said assessment, the AC was satisfied with Messrs. KPMG PLT's technical competency and audit independence during the FYE 2026.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Continued)

PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT (Continued)

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Risk Management and Sustainability Committee (“RMSC”)

The RMSC comprises a majority of Independent Non-Executive Directors and its members are as follows:

<u>Members</u>	<u>Designation</u>
Puan Syafinaz Merican binti Isahak Merican	- Chairperson of the RMSC, Independent Non-Executive Director
Datuk Rashidi bin Hasbullah	- Independent Non-Executive Director
Datuk Christopher Tan Khoon Suan	- Group Executive Director

The Board adopted the Terms of Reference of the RMSC on 15 October 2025, a copy of which is available on the Company’s website at www.tancoholdings.com.

The RMSC had convened three (3) meetings during the FYE 2026.

The RMSC is entrusted by the Board with reviewing the Group’s risk management framework and system of internal control and supporting the Board’s oversight of sustainability governance, including material ESG and climate-related risks and opportunities, relevant disclosures and performance. The Directors remain responsible for ensuring that an effective system of internal control supports effective and efficient operations, internal financial controls, compliance with applicable laws and regulations, and adherence to internal procedures and guidelines.

While acknowledging their responsibility for the system of internal control, the Directors are aware that such a system is designed to manage rather than eliminate risks and therefore cannot provide an absolute assurance against material misstatement or loss.

The Board delegates authority to the RMSC to oversee matters relating to anti-corruption and bribery and to ensure that robust policies and procedures are in place to uphold the Group’s zero-tolerance stance against corruption. Corruption risk has been embedded in the Group’s risk register and incorporated into its annual risk assessment to facilitate continuous monitoring and effective mitigation.

As proper risk management is a significant component of a sound system of internal control, the Group has also put in place risk management process to help the Board in identifying, evaluating and managing risks. The implementation and maintenance of the risk management process is carried out by the RMSC of the Group.

Details pertaining to the Group’s internal control system and its effectiveness are set out in the Statement on Risk Management and Internal Control of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Continued)

PRINCIPLE C : INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIPS WITH STAKEHOLDERS

I. COMMUNICATION WITH STAKEHOLDERS

The Board ensures that all material information and corporate disclosures are discussed with the Management prior to dissemination to ensure compliance with MMLR of Bursa Securities. In deciding on the necessary disclosures and announcements, the Board is also guided by Bursa Securities' corporate disclosure guides as published by Bursa Securities from time to time.

The Board has established a Corporate Disclosure Policy. This policy provides a framework for the Board and the management to communicate effectively with the Company's shareholders, investors, stakeholders, external parties and the general public.

The Board is committed to achieve timely and high-quality disclosure in accordance with the spirit, intention and purpose of the applicable regulatory requirements.

The Board has adopted the following measures with regard to communication with the Company's stakeholders:-

(i) Announcements to Bursa Securities

Material information, updates and periodic financial reports are published on a timely basis through announcements to Bursa Securities. Shareholders and investors can obtain the Company's latest announcements such as quarterly financial results and the distribution of annual reports and circulars in the website of Bursa Securities at www.bursamalaysia.com.

(ii) Corporate Website

A corporate website at www.tancoholdings.com is maintained and the said website contains relevant information on the Group's activities, financial results, major strategic development and other matters affecting stakeholders' interests for the shareholders, potential investors, suppliers and the general public.

(iii) Annual Reports

The Company's Annual Reports to the shareholders remain the central means of communicating to the shareholders, amongst others, the Company's operations, activities and performance for the past financial year end as well as the status of compliance with applicable rules and regulations.

(iv) AGMs

The AGM is the principal forum for dialogue and communication with shareholders.

(v) Investor Relations

Shareholders and other interested parties are welcome to contact the Company should they have any comments, questions or concerns, by writing in, via telephone, facsimile or email, details of which are as follows:-

Address	:	No. 1, Jalan Bandar 1, Pusat Bandar Puchong, 47160 Puchong, Selangor Darul Ehsan
Telephone No.	:	+6(03) 8070 8288
Fax No.	:	+6(03) 8070 8299
Email address	:	corporate@tancoholdings.com

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Continued)

PRINCIPLE C : INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIPS WITH STAKEHOLDERS (Continued)

II. CONDUCT OF GENERAL MEETINGS

The AGM provides an opportunity for shareholders to seek clarification on matters pertaining to the Group and to gain a better understanding of the Group's activities and performance. Shareholders are encouraged to actively participate in AGMs by raising questions and providing feedback to the Board and Senior Management.

At the last AGM held on 10 December 2025, the members of the Board, Chairs of the AC, Nomination Committee, Remuneration Committee and RMSC, as well as the Senior Management, the External Auditors and the Solicitors, were present to facilitate shareholder engagement and provide clear and meaningful responses to shareholders' concerns and queries.

The notice of AGM, together with the Annual Report and other relevant AGM documents, was made available electronically on the Company's website at least twenty-eight (28) days prior to the meeting date. This provides shareholders with sufficient time to make arrangements to attend the Company's AGM or appoint proxies to attend and vote on their behalf. The notice of AGM was accompanied by explanatory notes, where appropriate, to provide shareholders with relevant information on the proposed resolutions. In addition, a notification letter was sent to shareholders informing them of the availability of these documents on the Company's website, whilst encouraging the use of digital documents in line with the Company's commitment to environmental sustainability.

In line with paragraph 8.29A of the MMLR of Bursa Securities on the requirement for poll voting for any resolution set out in the notice of general meetings, poll voting was used to facilitate the voting process for resolutions tabled at the 66th AGM held on 10 December 2025. An independent scrutineer was appointed to verify the poll results and the outcome of the said AGM was announced to Bursa Securities on the same day. The minutes of the said AGM were also made available on the Company's website within thirty (30) business days after the meeting.

If a shareholder is unable to attend, speak and vote at the General Meetings, the Company allows him/her to appoint any person, who may but need not be a member of the Company, to be his/her proxy. A proxy appointed to attend, speak and vote at the General Meetings shall have the same rights as the shareholders to attend, speak and vote at the General Meetings.

Pursuant to the MMLR of Bursa Securities, all public listed companies are required to hold their general meeting either physically or in a hybrid manner with effect from 1 March 2025. Accordingly, the Company's forthcoming 67th AGM is scheduled to be held physically on 9 December 2026, allowing shareholders, proxy(ies) and corporate representative(s) to attend in person to engage directly with the Board and raise any questions or concerns.

This CG Overview Statement was approved by the Board of Directors of the Company on 22 October 2026.

NOMINATION COMMITTEE STATEMENT

1. COMPOSITION

The Nomination Committee ("NC") comprises wholly Independent Non-Executive Directors and its composition is as follows:-

<u>Members</u>	<u>Designation</u>
Datuk Rashidi bin Hasbullah	- Chairman of the NC, Independent Non-Executive Director
Dato' Martini binti Osman	- Independent Non-Executive Director
Puan Syafinaz Merican binti Isahak Merican	- Independent Non-Executive Director

2. ATTENDANCE

During the financial year ended 30 June 2026 ("FYE 2026"), the NC held two (2) meetings which were held on 28 August 2025 and 15 October 2025 respectively. The details of attendance of each member of the NC held during the financial year are as follows:-

<u>Name</u>	<u>Attendance</u>
Datuk Rashidi bin Hasbullah	2/2
Dato' Martini binti Osman	2/2
Puan Syafinaz Merican binti Isahak Merican	2/2

3. SUMMARY OF ACTIVITIES OF THE NC

Summary of the activities during the FYE 2026 and up to the date of this statement are as follows:-

Annual Assessment

The NC conducted an annual review of the evaluation of performance of the Directors (or "Board") and the Board Committees. The Directors have completed the following performance evaluation ("Performance Evaluation") which involves:

- (i) the effectiveness of the Board as a whole and of the Committees of the Board;
- (ii) the character, experience, integrity, competence, time commitment and other qualities of each Director;
- (iii) mix of skills and experience of each individual Director, including core competencies of the Non-Executive Directors;
- (iv) Environmental, Social and Governance ("ESG") or Sustainability;
- (v) level of independence of Directors; and
- (vi) controls and compliance on Senior Management.

Following the Performance Evaluation, the results were compiled and analysed by the Company Secretary and presented at Board and Board Committees meetings. The responses from the evaluation process indicated that the Board is well balanced, the size of the Board is adequate for the Group and the Board has the relevant knowledge relating to the Group's businesses. The Directors believe Board meetings are well organised, efficiently run and all relevant aspects of the Group's businesses are dealt with thoroughly by the Board and its various committees which have all discharged their responsibilities adequately. The individual Directors have also met the standards expected of them, with each making strong contributions, generally and through the knowledge derived from their specialised areas of expertise, qualifications, skills and experience.

NOMINATION COMMITTEE STATEMENT (Continued)

3. SUMMARY OF ACTIVITIES OF THE NC (Continued)

Annual Assessment (Continued)

All the Directors have also demonstrated willingness to devote time and effort to the affairs of the Company while acting in good faith and with integrity at all times.

The NC also concluded that each Independent Director has fulfilled the independence criteria set out in the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and they continue to demonstrate their independence through their engagement in meetings, providing objective challenge to the Management and bringing independent judgment to decisions taken by the Board.

Based on the Performance Evaluation, the NC also concluded that the effectiveness of controls and compliance on Senior Management are deemed appropriate and effective and that the Board together with the Senior Management have discharged their roles and responsibilities in addressing the Company’s material sustainability risks and opportunities.

Re-election of Directors

NC had reviewed and carried out an assessment of the Directors who are subject to retirement by rotation at the forthcoming Sixty-Seventh Annual General Meeting (“67th AGM”) of the Company to be held on 9 December 2026 in accordance with Clause 114 of the Company’s Constitution, and had recommended the re-election of Mr. Koay Ghee Teong, Mr. Wong Jee Seng and Puan Syafinaz Merican binti Isahak Merican (“Retiring Directors”) who being eligible to be re-elected, have individually indicated their willingness to be re-elected. It assesses and evaluates the Retiring Directors individually based on the following criteria and was satisfied with the Retiring Directors’ performance and contributions to the Board and they have discharged their responsibilities effectively. They also possess relevant qualification, knowledge and experience which complement the Board’s competencies:-

- a. Fit and proper assessment;
- b. Contribution and performance;
- c. Calibre and personality; and
- d. Independence Self-Assessment of the Independent Non-Executive Director, where relevant.

Term of office and performance of the Audit Committee (“AC”)

During the FYE 2026, the NC also reviewed and assessed the term of office and performance of the AC and each of its members based on the quality and composition; skills and competencies; and meeting administration and conduct. Following the evaluation, the NC concluded that the AC and each of its members have been effective in discharging their responsibilities and carried out their duties in accordance with the terms of reference of the AC. The NC is also satisfied with the overall skills and competencies and performance of each of its members, and had recommended the continuation of the existing members in the AC for the Board’s approval.

Appointment of New Independent Non-Executive Director

On 18 September 2026, the NC assessed Puan Azizah binti Mohd Yatim (“Puan Azizah”), a candidate for appointment as an Independent Non-Executive Director of the Company, taking into consideration her professional qualifications, relevant experience, knowledge and expertise, as well as the criteria set out in the Company’s Directors’ Fit and Proper Policy, namely character and integrity, experience and competence, and time and commitment.

Puan Azizah had completed the Fit and Proper Declaration in accordance with the Company’s Directors’ Fit and Proper Policy. Based on the declaration made and the NC’s assessment, the NC was satisfied that Puan Azizah met the fit and proper criteria and subsequently recommended her appointment as an Independent Non-Executive Director of the Company to the Board.

NOMINATION COMMITTEE STATEMENT (Continued)

3. SUMMARY OF ACTIVITIES OF THE NC (Continued)

Appointment of New Independent Non-Executive Director (Continued)

In accordance with Clause 119 of the Company's Constitution, Puan Azizah, the newly appointed Director, will retire at the conclusion of the forthcoming 67th AGM of the Company and, being eligible, has offered herself for re-election at the forthcoming 67th AGM upon the recommendation of the NC.

This Nomination Committee Statement was approved by the Board of Directors of the Company on 22 October 2026.

ADDITIONAL COMPLIANCE INFORMATION

To comply with Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the following additional information has been provided:

i) Status of Utilisation of Proceeds Raised from Corporate Proposal

The Company did not undertake any corporate proposals during FYE 2026.

ii) Material Contract

There were no material contracts entered into by the Company and its subsidiary companies, involving the interest of the Directors and major shareholders up to the date of this report.

iii) Recurrent Related Party Transactions ("RRPTs") of a Revenue or Trading Nature

At the Sixty-Sixth Annual General Meeting of the Company held on 10 December 2025, the Company obtained a mandate from the shareholders to renew the Company and its subsidiaries' authority to enter into RRPTs of a revenue or trading nature with related parties.

In accordance with Section 3.1.5 of Practice Note No. 12 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the details of RRPTs conducted during FYE 2026 pursuant to the shareholders' mandate are disclosed as follows:

Transacting parties		Types of Recurrent Transactions	Interested Related Parties	Transacted amount during the FYE 2026 (RM'000)
Company/ Subsidiaries	Related Party			
Tanco Supplies Sdn. Bhd. ("TSSB")	Halaman Mantap Sdn. Bhd. ("HMSB")	Supply of various products, construction and/or building materials by HMSB to TSSB	Interested Directors and/or interested major shareholders of Tanco Group and/or persons connected to them as disclosed in the Circular to Shareholders dated 30 October 2025	17

ADDITIONAL COMPLIANCE INFORMATION (Continued)**iv) Disclosure Of Financial Data for Shariah Screening**

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the following financial data is disclosed for the purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(A) Group Total Income and Total Assets

		Group	
		2026	2025
Total Income	Remarks	RM'000	RM'000
Revenue		160,813	128,461
Finance income	Interest Income	284	256
Other Income		14,933	5,702
Share of result of associate		296	629
Total		176,326	135,048
Total Assets		567,780	516,252

(B) Business Activities

		Group	
		2026	2025
Shariah Non-Compliant Activities	Remarks	RM'000	RM'000
Rental income	Conventional account	482	738
Interest income		3,158	3,136
Total		3,640	3,874

ADDITIONAL COMPLIANCE INFORMATION (Continued)

iv) Disclosure Of Financial Data for Shariah Screening (Continued)

(C) Component of Financial Position

(i) Cash components

	Group			
	Islamic Account/ Instruments		Conventional Account Instruments	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Deposits with licensed banks	1,260	2,228	440	522
Cash at bank (exclude cash in hand)	150	200	2,803	8,738
Total	1,410	2,428	3,243	9,260

* Amount in cash in hand is negligible.

(ii) Debt components

	Group			
	Islamic Financing		Conventional Borrowing	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
<u>Current</u>				
Term loans	478	447	1,132	19
Revolving credits	-	1,028	-	-
Hire purchase payables	111	26	185	142
Bank overdrafts	1,018	1,130	-	-
<u>Non- Current</u>				
Term loans	5,884	6,342	9,529	817
Revolving credits	-	-	17,611	9,060
Hire purchase payables	890	195	626	627
Total	8,381	9,168	29,083	10,665

AUDIT COMMITTEE REPORT

The Board of Directors ("Board") of Tanco Holdings Berhad ("the Company") is pleased to present the report of the Audit Committee ("AC") for the financial year ended 30 June 2026 ("FYE 2026").

Members and Meetings Attendances

<u>Members of AC</u>	<u>Designation</u>
Mr. Wong Jee Seng	- Chairman of the AC, Independent Non-Executive Director
Datuk Rashidi bin Hasbullah	- Independent Non-Executive Director
Dato' Martini binti Osman	- Independent Non-Executive Director

Terms of Reference

The Terms of Reference of the AC is available for reference on the Company's website at www.tancoholdings.com.

Meetings

During the FYE 2026, the AC held a total of five (5) meetings. The details of the attendance of each of the AC members are as follows:

<u>Name of AC member</u>	<u>Attendance</u>
Mr. Wong Jee Seng	5/5
Datuk Rashidi bin Hasbullah	5/5
Dato' Martini binti Osman	5/5

The Internal Auditors attended two (2) meetings while the External Auditors attended three (3) meetings. Separate meetings between the AC and the External Auditors were held two (2) times during the financial year under review to discuss audit feedback, amongst others, without the presence of any Executive Directors and Management of the Group. The Finance Director also attended the AC meetings, while the Group Executive Director attended the AC meetings by invitation.

There were no restrictions of resources or information to the AC that would have impaired the effective execution of the AC's responsibilities. The AC engages on a continuous basis with the Executive Directors, the Senior Management, the External Auditors and the Internal Auditors of the Group to keep abreast of issues affecting the Group.

AUDIT COMMITTEE REPORT (Continued)

Summary of Work of the AC

The work of the AC is in line with its responsibilities as set out in the Terms of Reference. The following summary sets out the work of the AC during the financial year under review in discharging its functions and duties and how the AC met its responsibilities.

Financial Reporting

The AC reviewed the Quarterly Interim Financial Reports, which were presented by the Management, with the aim of ensuring that the Reports, inter alia, complied in accordance with Malaysian Financial Reporting Standards ("MFRS") as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and with the disclosure requirements of the Listing Requirements, the Companies Act 2016, other statutory and regulatory requirements, prior to recommending the Reports to the Board for consideration and approval, and for subsequent release to Bursa Malaysia Securities Berhad ("Bursa Securities"). The AC also sought explanations from Management on the Group's performance against the prior year's results.

The AC also reviewed the Annual Audited Financial Statements, which were presented by the Management, with the External Auditors, with the aim of ensuring that the Statements, inter alia, complied with the disclosure requirements of the approved MFRS Accounting Standards, the IFRS Accounting Standards, the Companies Act 2016, the Listing Requirements and other statutory and regulatory requirements, and to resolve any contentious issues, if any, prior to recommending the Statements to the Board for consideration and approval, and for subsequent release to Bursa Securities and for dispatch to the shareholders of the Company.

External Audit

During the financial year under review, the AC carried out the following activities:

- Reviewed the External Audit Plan, scope and nature of statutory audit of the Group's financial statements prior to the commencement of audit;
- Reviewed the External Audit Reports and the significant findings of the External Auditors' examination on the financial statements of the Group;
- Reviewed the External Auditors' recommendations and management responses on matters for control improvements;
- Reviewed and discussed the impact of new and proposed changes in MFRS Accounting Standards, IFRS Accounting Standards and other new developments in financial reporting with the External Auditors;
- Reviewed the suitability of the External Auditors for re-appointment through a performance and independence checklist which had been adopted by the AC, taking into consideration amongst others, their independence, performance, competence, experience of audit team assigned, provision of non-audit services and audit fees;
- Reviewed the quarterly and annual financial results of the Company and the Group prior to submission to the Board of Directors for consideration and approval;
- Reviewed the Annual Audited Financial Statements of the Company and of the Group prior to submission to the Board of Directors for consideration and approval;
- Reviewed the Circular to Shareholders to seek for shareholders' mandate for related party transactions entered into by the Company and by the Group;
- Reviewed the Share Buy-Back Statement to seek for shareholders' mandate in relation to the share buy-back authority for the Company to purchase its own shares; and
- Reviewed the disclosure Statements on compliance of the Malaysian Code on Corporate Governance, Board's responsibility on the Annual Audited Financial Statements and the state of internal control and other relevant documents for publication in the Company's Annual Report.

AUDIT COMMITTEE REPORT (Continued)

Internal Audit

The AC recognises the importance of the internal audit function and the need for it to be independent of Management in order to carry out its function effectively. During the financial year, the Group's internal audit function was outsourced to S F Chang Corporate Services Sdn. Bhd., an independent professional firm, which reports directly to the AC.

The internal audit function assists the AC in reviewing and monitoring the adequacy, effectiveness and integrity of the Group's internal control system in identifying and managing principal risks, ensuring compliance with the law and regulations, preserving the quality of assets and the integrity of the management information system and consequently determining the future requirements for the internal control system.

Internal Audit Function

The principal role of the internal audit function is to undertake, on a prioritised approach, an independent and systematic assessment of the Group's system of internal controls as established by Management in addressing the principal business risks faced by the Group, weaknesses and areas that required improvement, including the recommendations thereof and action plans agreed to be deployed by Management to address the issues raised, were highlighted by the independent internal audit function by way of internal audit reports issued to the AC.

The internal audit function conducted its work based on an annual internal audit plan which was tabled before, and approved by, the AC. The activities and work carried out by the internal audit function are set out below:

(i) Conduct of Internal Audit

The internal audit function adopted a risk-based approach in identifying specific areas and processes to be covered. Issues relating to control deficiencies and areas for improvements including the relevant recommendations to address the issues noted, were highlighted in an internal audit report and furnished to the AC.

The Internal Audit Plan covers the key functional areas and business activities of the major subsidiaries of the Group. The internal audit function is involved in carrying out:

- A review on the effectiveness and efficiency of the governance, risk management and internal control processes;
- A systematic analysis of business processes and associated controls;
- Ad-hoc reviews of other areas where there is a concern that affects financial reporting or a threat on safeguarding of the Company's assets;
- Review of compliance framework and specific compliance issues; and
- Value-added recommendation.

(ii) Follow-up Internal Audit Report

The internal audit function also performed a follow-up on the status of Management agreed action plans on recommendations raised in previous cycles of internal audits. A follow-up report was issued to highlight those issues that had yet to be fully addressed by Management, including specific timelines for those outstanding matters to be resolved.

Report issued by the internal audit function for the financial year under review was tabled at AC meeting. Management was present at such meeting to provide pertinent clarification or additional information to address questions raised by AC members pertaining to matters raised by the internal audit function. The internal audit review also evolves with the changing risk profiles and adds value to the business, as well as assisting with improving business efficiency performance. The internal audit approach broadly inquiry, analyse and review of the internal audit areas.

AUDIT COMMITTEE REPORT (Continued)

Internal Audit Function (Continued)

The Internal Auditors conducted one (1) review during the financial year. At the AC meeting, the Internal Auditors presented their Internal Audit Review Report to the Committee for review and discussion with Management. The Internal Audit Review Report highlighted the Internal Auditors' review and findings on the Group's compliance with the established internal policies and procedures, their assessment of the magnitude of the Internal Auditors' recommendations on the corrective actions to overcome the weaknesses and Management's comments and agreed actions thereon. The Internal Auditors reported their follow-up findings and highlighted any non-actions by Management in subsequent AC meetings.

In all internal audit review, the Internal Auditors have reported that the internal control system of the Group is generally in place with minimum control issues.

The AC is satisfied with the results of the internal audit review during the financial year. None of the findings has resulted in any material losses that would require separate disclosure in this Report and the AC has reported the same to the Board of Directors.

For the FYE 2026, the AC evaluated the overall contribution and performance of the Internal Auditor and was satisfied the Internal Auditor had discharged its functions and responsibilities effectively and had been provided with adequate resources to carry out its works.

The total cost incurred for the outsourced internal audit function of the Group for the financial year ended 30 June 2026 was RM9,000 (2025: RM9,000).

Assessment of Independence and Performance

To support the AC's assessment of their independence, the External Auditors have confirmed to the AC that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements. The External Auditors namely, KPMG PLT ("KPMG") are required to declare their independence annually to the AC as specified by the By-Laws issued by the Malaysian Institute of Accountants. The External Auditors have provided the declaration in their annual Audit Plan and Audit Status Report presented to the AC of the Company.

The AC also ensures that the External Auditors are independent of the activities they audit and will review the contracts for provision of non-audit services by the External Auditors and its affiliates. The recurring non-audit services were in respect of the annual review of the Statement on Risk Management and Internal Control as well as the provision of Malaysian Business Reporting System services for the FYE 2026.

The amount of audit and non-audit fees paid or payable to the External Auditors and its affiliates by the Company and Group in the FYE 2026 are set out below:-

	Group (RM)	Company (RM)
Audit and non-audit fees (a)	442,020	122,400
Non-audit fees (b)	28,020	12,400
Percentage (%) of total non-audit fees over total fees (b)/(a)	6.3%	10.1%

In considering the nature and scope of non-audit fees, the AC was satisfied that they were not likely to create any conflict or impair the independence and objective of the External Auditors.

Upon completion of the assessment, the AC will recommend the re-appointment of KPMG as External Auditors of the Company to the Board. The proposed appointment will be subject to shareholders' approval at the AGM.

AUDIT COMMITTEE REPORT (Continued)

Risk Management

The Risk Management and Sustainability Committee (“RMSC”) reviewed the Risk Management Policy, Risk Management Framework, Enterprise Risk Assessment, sustainability governance, including material Environmental, Social and Governance (ESG) and climate-related risks and opportunities, and the Group’s Risk Registry as well as the ongoing identification, evaluation and management of the significant risks affecting the Group during the FYE 2026, as reported in the Statement on Risk Management and Internal Control of this Annual Report.

During the financial year under review, the RMSC also reviewed the Anti-Corruption and Bribery Policy of the Group, to ensure that it remained aligned with the prevailing regulatory requirements, as and when deemed necessary, as well as the measures implemented to prevent employees and/or associated persons from engaging in corrupt practices in relation to the Company or the Group’s business activities.

Related Party Transactions and Conflict of Interest

The AC reviewed the related party transactions (“RPT”), including the recurrent related parties transactions (“RRPTs”) of a revenue and trading nature undertaken by the Group on a quarterly basis during the financial year to ensure adherence to the Company’s RPT policy and procedures. The AC concluded that all the RRPTs were conducted on an arm’s length basis and on terms not more favourable to the related parties than those generally available to the public, and not to the detriment of the minority Shareholders of the Company. The AC also reviewed the thresholds of the RRPTs mandate obtained to ensure compliance with the Listing Requirements of Bursa Securities.

The AC is also responsible for reviewing on any potential conflict of interests (“COI”) scenario and disclosures involving directors and key senior management with the Company and its subsidiaries.

For FYE 2026, there were no RPT and COI situations brought to the attention of the AC except for the RRPTs which will be tabled to the shareholders for approval at the forthcoming Sixty-Seventh Annual General Meeting of the Company to obtain the renewal of shareholders’ mandate for RRPTs of a revenue or trading nature as contained in the Circular to Shareholders. There were neither new related party or parties nor new RRPTs for the FYE 2026.

The AC is also satisfied that the Group has in place adequate procedures and processes as to monitor, track and identify RRPTs in a timely and orderly manner. The AC conducts the review of these procedures and processes at least once in a financial year.

Based on the evaluation exercise, the Nomination Committee and the Board are satisfied that the AC has carried out its responsibility and duties in accordance with the Terms of Reference of the AC.

Conclusion

The AC is of the opinion that it has discharged its duties in accordance with Terms of Reference during the financial year, and that the Group’s Risk Management and Internal Control system has been adequate and effective.

Please refer to the Statement on Risk Management and Internal Control section in this Annual Report for more information.

This AC Report was approved by the Board on 22 October 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors (“Board”) is pleased to present this Statement on Risk Management and Internal Control for the financial year ended 30 June 2026 (“FY2026”), prepared with reference to Paragraph 15.26(b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad and Principle B of the Malaysian Code on Corporate Governance and the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies.

This Statement describes the Group’s risk management and internal control systems, the risk management processes undertaken during FY2026, and the Board’s review of the adequacy and effectiveness of these systems.

BOARD RESPONSIBILITY AND GOVERNANCE

The Board holds overall responsibility for overseeing the adequacy and effectiveness of the Group’s risk management and internal control systems. The Board is also responsible for determining the Group’s overall approach to risk management and overseeing that material risks are identified, assessed, managed and monitored in accordance with the Group’s objectives and approved policies.

In fulfilling these responsibilities, the Board is supported by the following governance structure:

Board of Directors

The Board:



approves and oversees the Group’s Enterprise Risk Management (“ERM”) Framework, Risk Management Policy and overall risk management and internal control framework;



oversees significant and emerging risks, including their alignment with the Group’s strategy and the implementation of appropriate mitigation measures; and



reviews assurance and reports from the Risk Management and Sustainability Committee (“RMSC”), Audit Committee (“AC”), Management and Internal Audit, including significant control and audit matters, and assesses the adequacy and effectiveness of the Group’s risk management and internal control systems.

The Board recognises that risk management and internal control systems are designed to manage, rather than eliminate, the risk of failure to achieve business objectives. Accordingly, such systems can provide reasonable, but not absolute, assurance against material misstatement, loss, fraud and other significant risks.

Risk Management and Sustainability Committee (“RMSC”)

The RMSC assists the Board in overseeing the Group’s enterprise-wide risk management and sustainability matters. The RMSC oversees the implementation and periodic review of the Group’s ERM Framework and Risk Management Policy, and reviews the Group’s significant risks, risk exposures and mitigation measures.

The RMSC also oversees the integration of material sustainability-related risks and opportunities into the Group’s risk management and decision-making processes, where relevant to the Group’s business and strategic objectives.

Significant risk matters, material changes in the Group’s risk profile and matters requiring Board attention are escalated to the Board through the RMSC.

The RMSC carries out its responsibilities in accordance with its Terms of Reference, as approved by the Board.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Continued)

Audit Committee (“AC”)

The AC assists the Board in overseeing the integrity of the Group’s financial reporting, the adequacy and effectiveness of its internal control framework, and the independence and effectiveness of the Internal and External Audit function.

The AC reviews Internal Audit plans and reports, significant audit findings, management’s remedial actions and matters arising from the external audit, and monitors the implementation of agreed corrective actions.

The RMSC and AC provide complementary oversight, with the RMSC focusing on enterprise-wide risk management and sustainability matters, and the AC focusing on financial reporting, internal controls and audit and assurance matters.

ENTERPRISE RISK MANAGEMENT (“ERM”) AND INTERNAL CONTROL FRAMEWORK

The Group has established an ERM Framework and Risk Management Policy, approved by the Board, which set out the governance, responsibilities and processes for identifying, assessing, managing, monitoring and reporting significant risks that may affect the achievement of the Group’s objectives.

The ERM Framework integrates risk management into the Group’s business processes and decision-making, with Management and designated risk owners responsible for identifying, assessing, managing and monitoring risks within their respective areas of responsibility.

The Group’s risk management and internal control framework comprises the following key elements:

Risk Governance and Accountability

The Board provides overall oversight of the Group’s risk management and internal control framework, supported by the RMSC and AC in accordance with their respective Terms of Reference.

The RMSC oversees enterprise-wide risk management and sustainability matters, while the AC oversees financial reporting, internal controls and audit matters.

Management is responsible for implementing the approved ERM Framework and Risk Management Policy and for maintaining appropriate risk management and internal control processes within their respective areas of responsibility.

Risk Management Team and Risk Owners

Management, supported by the Risk Management Team and designated risk owners, is responsible for applying the ERM Framework within their respective areas of responsibility. This includes identifying and assessing significant risks, maintaining relevant risk information and register, implementing appropriate mitigation measures and reporting significant risk matters to the appropriate governance level, as applicable.

Internal Audit

The Group’s Internal Audit function is outsourced to an independent professional firm to provide independent and objective assurance over selected areas of the Group’s governance, risk management and internal control processes.

The Internal Audit function adopts a risk-based approach in developing and executing its annual audit plan, which is reviewed and approved by the AC. Internal Audit reports functionally to the AC and maintains its independence from Management.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Continued)

Internal Audit (Continued)

Internal Audit findings and recommendations are reported to the AC, together with Management's responses. Follow-up reviews are undertaken, where appropriate, to monitor the implementation and closure of agreed actions.

Internal Audit therefore provides independent assurance function to the Board and AC over the Group's governance, risk management and internal control processes.

RISK MANAGEMENT PROCESS DURING FY2026

The Group's risk management process is guided by the ERM Framework and Risk Management Policy and comprises the following key elements:



Risk Classification

Risks are identified and classified in accordance with the risk classification established under the Group's ERM Framework, taking into consideration the Group's business activities, operations and strategic initiatives.



Risk Identification and Assessment

Risk assessments are conducted on an ongoing basis to identify and evaluate internal and external risks that may affect the achievement of the Group's objectives. The process includes the identification, analysis and evaluation of risks, taking into consideration their potential impact and relevant controls.



Risk Responses

Appropriate risk responses, controls and mitigation measures are identified and implemented for significant risks, with responsibility assigned to the relevant risk owners. The implementation of mitigation measures is monitored by Management.



Risk Monitoring and Reporting

Risks, controls and mitigation measures are monitored regularly, and risk registers are maintained and updated to reflect changes in the Group's risk profile.

Key risks and material changes in the Group's risk profile are reported to Management and presented to the RMSC and the Board, where applicable. During FY2026, the RMSC and Board reviewed the Group's updated risk profile and key mitigation measures as part of their oversight of the Group's risk management framework.



Training and Awareness

The Group promotes risk awareness through relevant training, communication and awareness initiatives to support the implementation of the ERM Framework across the Group.

The risk management process described above was in place during FY2026 and up to the date of approval of this Statement.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Continued)

KEY RISK AND CONTROL CONSIDERATIONS

The Group's ERM process considers risks arising from its businesses, operations and strategic initiatives, including strategic, operational, financial, project, regulatory and compliance, people and sustainability-related risks, as well as emerging risks, where relevant.

The Group's internal control framework comprises governance, operational, financial, compliance and ethical controls covering key aspects of the Group's operations, financial reporting, safeguarding of assets and compliance with applicable requirements and internal policies.



GOVERNANCE AND CONTROL ENVIRONMENT

The Group maintains an organisational structure with defined reporting lines, responsibilities and delegated authorities. The Board and Board Committees operate in accordance with their respective Terms of Reference, with matters requiring approval subject to the applicable authority limits.

The Group's Code of Business Conduct and Ethics and related policies provide guidance on ethical conduct, integrity and responsible business practices.



FINANCIAL AND OPERATIONAL CONTROLS

Key control measures include segregation of duties, delegated authority and approval limits, established policies and procedures, standard operating procedures, budgeting and planning, management reporting, procurement controls and safeguarding of assets and financial information.



COMPLIANCE AND ETHICAL CONTROLS

The Group maintains policies and mechanisms relating to business conduct, anti-bribery and anti-corruption, whistleblowing and conflicts of interest. These are supported by relevant communication and awareness initiatives.



PEOPLE AND CAPABILITY

The Group supports the implementation of its risk management and internal control processes through appropriate employee training, communication and competency development.

BOARD, RMSC AND AC REVIEW AND ASSESSMENT

The Board, supported by the RMSC and AC, reviews the Group's risk management and internal control systems through reports, information and assurance provided by Management, Internal Audit and the external auditors.

In carrying out their respective oversight responsibilities, the RMSC and AC consider, as relevant, significant risks and mitigation measures, Internal Audit findings and recommendations, significant control matters, and relevant matters arising from the external audit.

During FY2026, the consolidated risk profile, including significant risks and key mitigation measures, was presented to the RMSC and Board for annual review. The AC reviewed Internal Audit reports and significant control matters, including Management's remedial actions, as well as relevant matters arising from the external audit.

The Board considered the reports and assurance received through these oversight processes in assessing the adequacy and effectiveness of the Group's risk management and internal control systems.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Continued)

MANAGEMENT ASSURANCE

The Board has received written assurance from the Group Managing Director, Group Executive Director and Finance Director that, to the best of their knowledge and based on the established risk management and internal control processes, the Group's risk management and internal control systems have operated adequately and effectively, in all material respects, during FY2026 and up to the date of approval of this Statement.

In providing the assurance, Management considered the Group's risk management processes, internal control activities, significant risk matters and relevant Internal Audit findings arising during the financial year.

In forming its view, the Board considered the Management assurance together with relevant reports and matters reviewed by the RMSC, AC and Internal Audit, as well as relevant matters arising from the external audit.

MATERIAL JOINT VENTURES AND ASSOCIATES

The Group's risk management and internal control systems generally apply to the Company and its subsidiaries.

The Group's risk management process and internal control system does not apply to jointly controlled entities and associates where the Group does not have full management control. The Group's interests are secured through Board representation at the jointly controlled entities and associates.

REVIEW OF THIS STATEMENT BY THE EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the Annual Report of the Group for the FY2026, and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the Annual Report of the Group, in all material respects:

(a) it has not been prepared in accordance with the disclosures required by section 7 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies, or

(b) is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will, in fact, remedy the problems.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Continued)

CONCLUSION

Based on the review undertaken by the Board, supported by the RMSC and AC, and taking into consideration the reports and assurances received from Management, Internal Audit and the external auditors, the Board is of the view that the Group's risk management and internal control systems were adequate and effective, in all material respects, for FY2026 and up to the date of approval of this Statement.

The Board is not aware of any material losses, contingencies or uncertainties arising from weaknesses in the Group's risk management and internal control systems that would require separate disclosure in this Annual Report.

Where areas for improvement have been identified, the Board has ensured that appropriate actions are being undertaken by Management and that such actions are subject to monitoring by the relevant Board Committee and/or Management, as appropriate.

The Board recognises that the Group's risk profile will continue to evolve as its businesses and strategic initiatives develop. The Board will continue to oversee the Group's risk management and internal control systems, including their ongoing enhancement in response to changes in the Group's business, operating environment and strategic objectives.

This Statement was approved by the Board of Directors on 23 October 2026.

DIRECTORS' RESPONSIBILITY STATEMENT FOR THE AUDITED FINANCIAL STATEMENTS

In accordance with the requirements in Paragraph 15.26(a) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Board of Directors are required to issue a statement explaining their responsibility for preparing the annual audited financial statements.

The Directors are responsible to ensure that the financial statements give a true and fair view of the state of affairs of the Group and of the Company as at the end of each financial year, and of the results and cash flows of the Group and of the Company for that year then ended.

The Directors consider that in preparing the financial statements:

- The Group and the Company have used appropriate accounting policies that are consistently applied;
- Reasonable and prudent judgments and estimates have been made; and
- All applicable approved accounting standards in Malaysia have been adhered to.

The Directors are responsible for ensuring that the Company maintains accounting records that disclose with reasonable accuracy the financial position of the Group and of the Company, and that the financial statements comply with regulatory requirements.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and of the Company and to prevent and detect fraud and other irregularities.

The Board is also assisted by the Audit Committee in the discharge of its duties on financial reporting and ensuring that the Group maintains a proper financial reporting process and a high-quality financial reporting. A full Audit Committee Report detailing its composition, and a summary of activities and work during the financial year is disclosed in this Annual Report.

This statement was approved by the Board of Directors on 23 October 2026.

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2026.

Principal activities

The Company is principally engaged in investment holding whilst the principal activities of the subsidiaries are as stated in Note 4 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

Ultimate holding company

The Directors regard TJN Capital Sdn. Bhd., a company incorporated in Malaysia, as the ultimate holding company.

Subsidiaries

The details of the Company's subsidiaries are disclosed in Note 4 to the financial statements.

Results

	Group RM'000	Company RM'000
Net profit for the year attributable to:		
Owners of the Company	897	22,031
Non-controlling interests	<u>3,308</u>	<u>-</u>
	<u>4,205</u>	<u>22,031</u>

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year.

Dividends

No dividend was paid during the financial year and the Directors do not recommend any dividend to be paid for the financial year under review.

DIRECTORS' REPORT (Continued)

Directors

Directors who served during the financial year until the date of this report are:

Dato' Dr. Mohd. Aminuddin bin Mohd. Rouse*
 Dato' Sri Andrew Tan Jun Suan*
 Datuk Rashidi bin Hasbullah
 Dato' Martini binti Osman
 Datuk Christopher Tan Khoon Suan*
 Koay Ghee Teong*
 Wong Jee Seng
 Syafinaz Merican binti Isahak Merican
 Azizah binti Mohd Yatim (Appointed on 18 September 2026)
 Chew Shen Hoay* (Resigned on 15 October 2025)

* *Directors of the Company and certain subsidiaries*

Other than as stated above, the names of the Directors of the subsidiaries of the Company in office during the financial year until the date of this report are:

Antony Tan Yee Koon
 Edwin Tan Kium Suan
 Ghazita binti Mohd Ghazali
 Datuk Lee Cheng Bing
 Datuk Liang Tian Kiat
 Sherman Lam Yuen Suen
 Datuk Choo Ewe Chuen
 Chao Miew San
 Datuk Seri Chuah Lim Leng
 Liang Tian Jing
 Dato' Mohd Zafir bin Ibrahim
 Dato' Seri Utama Haji Aminuddin bin Harun (Resigned on 29 September 2026)

Directors' interests in shares

The interests and deemed interests in the shares and warrants of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end as recorded in the Register of Directors' Shareholdings are as follows:

	At 1.7.2025	Number of ordinary shares		At 30.6.2026
		Bought/ Exercised	Sold	
Interests in the ultimate holding company, TJN Capital Sdn. Bhd.:				
Direct interests:				
- Dato' Sri Andrew Tan Jun Suan	7,025	-	-	7,025
- Datuk Christopher Tan Khoon Suan	585	-	-	585
Interests in the Company:				
Direct interests:				
- Dato' Sri Andrew Tan Jun Suan	909,929,540	2,217,173,752	(1,928,953,600)	1,198,149,692
Deemed interests:				
- Dato' Sri Andrew Tan Jun Suan*	2,090,541,752	109,599,600	(172,440,300)	2,027,701,052

DIRECTORS' REPORT (Continued)

Directors' interests in shares (continued)

	At 1.7.2025	Bought	Number of warrants 2022/2025# Sold/ Exercised/ Expired	At 30.6.2026
Interests in the Company:				
Direct interests:				
- Dato' Sri Andrew Tan Jun Suan	18,600,124	145,811,528	(164,411,652)	-
Deemed interests:				
- Dato' Sri Andrew Tan Jun Suan*	129,701,528	-	(129,701,528)	-

* *Deemed interested by virtue of his interest in TJN Capital Sdn. Bhd. and Millennium Land Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.*

Warrants 2022/2025 expired on 25 August 2025 and were removed from the official list of Bursa Malaysia Securities Berhad on 26 August 2025.

By virtue of his interests in the shares of the Company and pursuant to Section 8 of the Companies Act 2016 in Malaysia, Dato' Sri Andrew Tan Jun Suan is deemed interested in the shares of the subsidiaries during the financial year to the extent that the Company has an interest.

None of the other Directors holding office at 30 June 2026 had any interest in the shares and warrants of the Company and of its related corporations during the financial year.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than the purchase of development properties by certain Directors of the Company.

The Directors' benefits paid to or receivable by Directors of the Company in respect of the financial year ended 30 June 2026 are as follows:

	From the Company RM'000	From subsidiary companies RM'000
Directors of the Company:		
Fees	264	-
Salaries and allowance	38	1,443
Contributions to Employees Provident Fund	-	177
Other emoluments	-	53
Benefits-in-kind	-	60
	<u>302</u>	<u>1,733</u>

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REPORT (Continued)

Issue of shares and debentures

During the financial year, the Company issued 784,754,573 new ordinary shares pursuant to the exercise of warrants at an issue price of RM0.13 per share.

There were no other changes in the issued and paid-up capital of the Company during the financial year and no debentures were issued by the Company during the financial year.

Warrants

The Company had on 5 September 2022 issued 883,303,290 free warrants on the basis of 1 warrant for every 2 existing ordinary shares. The warrants are constituted by a Deed Poll dated 18 August 2022. The exercise price was initially fixed at RM0.31 per warrant and was subsequently adjusted to RM0.13 per warrant with effect from 8 April 2025, pursuant to the bonus issue of 7 bonus shares for every 5 existing ordinary shares of the Company, in accordance with the provisions of the Deed Poll.

Any free warrants not exercised during the Exercised Period will thereafter lapse and become null and void and cease to be exercisable. The warrants 2022/2025 have lapsed and expired on 25 August 2025.

As at 30 June 2026, the total number of warrants 2022/2025 that remained unexercised were as follows:

	Number of warrants 2022/2025			At 30.6.2026
	At 1.7.2025	Exercised	Expired	
Warrants 2022/2025	1,252,853,377	(784,754,573)	(468,098,804)	-

The salient terms of warrants 2022/2025 are disclosed in Note 14 to the financial statements.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Indemnity and insurance costs

During the financial year, the total amount of indemnity coverage and insurance premium paid for the Directors and Officers of the Company were RM20,000,000 and RM47,350, respectively. All the premiums were paid by the Company. There was no indemnity given to or insurance effected for auditors of the Company during the financial year.

Subsequent events

- 1) On 10 July 2026, Midports Holdings Sdn. Bhd. ("MHSB"), a subsidiary of the Group, had received the Certificate of Approval from Majlis Perbandaran Port Dickson approving the Building Plan, Earthworks Plan, Road and Drainage Plan and Street Lighting Plan in relation to the proposed development of a Smart AI Container Port at Port Dickson, Negeri Sembilan ("Port Project").
- 2) On 14 July 2026, MHSB had entered into a Memorandum of Understanding with SPG Qingdao Port Group Co., Ltd., a third party, in relation to the proposed Port Project and the potential fundraising activities in relation thereto.

DIRECTORS' REPORT (Continued)

Subsequent events (continued)

- 3) On 14 July 2026, Tanco Supplies Sdn. Bhd., a subsidiary of the Group, had entered into a Memorandum of Agreement with Halaman Mantap Sdn. Bhd., a related party, pertaining to the supply of armour rocks to support the reclamation works of the proposed Port Project.
- 4) On 20 October 2026, the Company incorporated a subsidiary, Natural Cove Sdn. Bhd. ("NCSB") with a paid-up capital of RM100. The Company subscribed for 79 ordinary shares in NCSB for a total cash consideration of RM79. The intended principal activities are investment holding, business management consultancy services and port, harbours and piers operation services.

Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- (i) all known bad debts have been written off and adequate provision made for doubtful debts; and
- (ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- (i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts, in the Group and in the Company inadequate to any substantial extent; or
- (ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading; or
- (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report:

- (i) the Group created a charge over its freehold land, subsequent to the end of the financial year, which secures the liabilities of the associate of the Group; and
- (ii) there does not exist any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, other than as disclosed in the financial statements, the financial performance of the Group and of the Company for the financial year ended 30 June 2026 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

DIRECTORS' REPORT (Continued)

Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration of KPMG PLT for the Group and the Company during the financial year are RM424,000 and RM120,000 respectively.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

.....
Dato' Sri Andrew Tan Jun Suan
Director

.....
Datuk Christopher Tan Khoon Suan
Director

Puchong, Selangor

Date: 23 October 2026

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Assets					
Property, plant and equipment	2	155,862	148,004	412	426
Investment properties	3	42,975	30,222	-	-
Investments in subsidiaries	4	-	-	366,876	331,984
Investment in an associate	5	15,974	15,678	-	-
Inventories	6	107,559	107,513	-	-
Intangible assets	7	18,870	19,397	-	-
Deferred tax assets	8	540	397	-	-
Other investments	9	3	3	3	3
Trade and other receivables	10	48,081	44,885	-	-
Total non-current assets		<u>389,864</u>	<u>366,099</u>	<u>367,291</u>	<u>332,413</u>
Inventories	6	59,476	59,799	-	-
Trade and other receivables	10	100,670	66,020	22,485	18,538
Current tax assets		828	214	-	-
Contract assets	11	12,146	12,104	-	-
Contract costs	11	143	328	-	-
Cash and bank balances	12	4,653	11,688	409	2,634
Total current assets		<u>177,916</u>	<u>150,153</u>	<u>22,894</u>	<u>21,172</u>
Total assets		<u><u>567,780</u></u>	<u><u>516,252</u></u>	<u><u>390,185</u></u>	<u><u>353,585</u></u>

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2026 (Continued)

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Equity					
Share capital	13	354,534	252,516	354,534	252,516
Treasury shares	13	(85,891)	-	(85,891)	-
Capital reserve	13	50,233	50,233	50,233	50,233
Retained earnings		52,813	51,916	66,468	44,437
Equity attributable to owners of the Company		371,689	354,665	385,344	347,186
Non-controlling interests		14,877	11,569	-	-
Total equity		386,566	366,234	385,344	347,186
Liabilities					
Loans and borrowings	15	34,540	17,041	-	-
Lease liabilities		20,789	23,794	-	-
Trade and other payables	16	2,645	918	-	-
Deferred tax liabilities	8	292	614	-	-
Total non-current liabilities		58,266	42,367	-	-
Loans and borrowings	15	2,924	2,792	-	1,028
Lease liabilities		6,891	5,730	-	-
Provisions	17	257	257	-	-
Trade and other payables	16	108,540	93,963	4,841	5,371
Contract liabilities	11	1,574	1,601	-	-
Current tax liabilities		2,762	3,308	-	-
Total current liabilities		122,948	107,651	4,841	6,399
Total liabilities		181,214	150,018	4,841	6,399
Total equity and liabilities		567,780	516,252	390,185	353,585

The notes on pages 80 to 136 are an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2026

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Revenue	18	160,813	128,461	24,069	-
Cost of sales	19	(136,847)	(97,338)	-	-
Gross profit		23,966	31,123	24,069	-
Other income		14,933	5,702	109	-
Administrative expenses		(30,214)	(25,879)	(1,781)	(3,618)
Net gains/(losses) on impairment of financial instruments	21	808	6,121	(366)	(1,534)
Results from operating activities		9,493	17,067	22,031	(5,152)
Finance income		284	256	27	39
Finance costs	20	(2,691)	(2,374)	(27)	(28)
Share of profit of equity-accounted associate, net of tax		296	629	-	-
Profit/(Loss) before tax	21	7,382	15,578	22,031	(5,141)
Tax expense	23	(3,177)	(3,622)	-	-
Net profit/(loss) and total comprehensive income/(loss) for the year		<u>4,205</u>	<u>11,956</u>	<u>22,031</u>	<u>(5,141)</u>
Net profit/(loss) attributable to:					
Owners of the Company		897	7,881	22,031	(5,141)
Non-controlling interests		<u>3,308</u>	<u>4,075</u>	-	-
Net profit/(loss) for the year		<u>4,205</u>	<u>11,956</u>	<u>22,031</u>	<u>(5,141)</u>
Total comprehensive income/ (loss) attributable to:					
Owners of the Company		897	7,881	22,031	(5,141)
Non-controlling interests		<u>3,308</u>	<u>4,075</u>	-	-
Total comprehensive income/ (loss) for the year		<u>4,205</u>	<u>11,956</u>	<u>22,031</u>	<u>(5,141)</u>
Basic earnings per ordinary share (sen)	24	<u>0.02</u>	<u>0.15</u>		
Diluted earnings per ordinary share (sen)	24	<u>0.02</u>	<u>0.12</u>		

The notes on pages 80 to 136 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2026

		<----- Attributable to owners of the Company ----->					
		<----- Non-distributable ----->			> Distributable		
		Share capital RM'000	Treasury shares RM'000	Capital reserve RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000
	Note						Total equity RM'000
Group							
At 1 July 2024		209,409	-	50,233	44,035	303,677	7,494
Net profit and total comprehensive income for the year		-	-	-	7,881	7,881	4,075
<i>Contributions by owners of the Company</i>							
- Issuance of shares pursuant to warrants exercised	13	43,107	-	-	-	43,107	-
Total transactions with owners of the Company		43,107	-	-	-	43,107	-
At 30 June 2025/1 July 2025		252,516	-	50,233	51,916	354,665	11,569
Net profit and total comprehensive income for the year		-	-	-	897	897	3,308
<i>Contributions by and distributions to owners of the Company</i>							
- Issuance of shares pursuant to warrants exercised	13	102,018	-	-	-	102,018	-
- Purchase of treasury shares	13	-	(85,891)	-	-	(85,891)	-
Total transactions with owners of the Company		102,018	(85,891)	-	-	16,127	-
At 30 June 2026		354,534	(85,891)	50,233	52,813	371,689	14,877
	Note 13	Note 13	Note 13	Note 13			

The notes on pages 80 to 136 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2026

	Note	<-----Attributable to owners of the Company----->				
		<-----Non-distributable----->		> Distributable		
		Share capital RM'000	Treasury shares RM'000	Capital reserve RM'000	Retained earnings RM'000	Total equity RM'000
Company						
At 1 July 2024		209,409	-	50,233	49,578	309,220
Net loss and total comprehensive loss for the year		-	-	-	(5,141)	(5,141)
<i>Contributions by owners of the Company</i>						
- Issuance of shares pursuant to warrants exercised	13	43,107	-	-	-	43,107
Total transactions with owners of the Company		43,107	-	-	-	43,107
At 30 June 2025/1 July 2025		252,516	-	50,233	44,437	347,186
Net profit and total comprehensive income for the year		-	-	-	22,031	22,031
<i>Contributions by and distributions to owners of the Company</i>						
- Issuance of shares pursuant to warrants exercised	13	102,018	-	-	-	102,018
- Purchase of treasury shares	13	-	(85,891)	-	-	(85,891)
Total transactions with owners of the Company		102,018	(85,891)	-	-	16,127
At 30 June 2026		354,534	(85,891)	50,233	66,468	385,344
		Note 13	Note 13	Note 13		

The notes on pages 80 to 136 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2026

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
Profit/(Loss) before tax	7,382	15,578	22,031	(5,141)
Adjustments for:				
Impairment loss/(Reversal of impairment loss) on:				
- amount due from subsidiaries	-	-	366	1,534
- trade and other receivables	(808)	(6,121)	-	-
Depreciation of:				
- investment properties	1,202	1,202	-	-
- property, plant and equipment	4,894	1,046	14	15
- right-of-use assets	4,682	4,951	-	-
Dividend income	-	-	(24,069)	-
Interest expense	2,691	2,374	27	28
Interest income	(284)	(256)	(27)	(39)
Reversal of provision for liquidated ascertained damages	-	(716)	-	-
Property, plant and equipment written off	7	11	-	-
Bad debts written off	-	109	-	-
Loss on disposal of property, plant and equipment	43	83	-	-
Gain on derecognition of lease	(102)	(553)	-	-
(Reversal of impairment loss)/ Impairment loss on investment properties	(13,283)	150	-	-
Impairment loss on intangible assets	527	-	-	-
Reversal of impairment loss on property, plant and equipment	(11)	-	-	-
(Reversal of impairment loss)/ Impairment loss on investments in subsidiaries	-	-	(84)	834
Share of profit of equity-accounted associate, net of tax	(296)	(629)	-	-
Operating profit/(loss) before changes in working capital	<u>6,644</u>	<u>17,229</u>	<u>(1,742)</u>	<u>(2,769)</u>

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2026 (Continued)

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash flows from operating activities (continued)					
Operating profit/(loss) before changes in working capital		6,644	17,229	(1,742)	(2,769)
Changes in working capital:					
Inventories		1,107	(18,817)	-	-
Trade and other receivables		(37,038)	11,759	6	(1)
Contract assets		(42)	156	-	-
Contract costs		185	1,260	-	-
Trade and other payables		13,214	(25,737)	(3,895)	(1,026)
Contract liabilities		(27)	(1,728)	-	-
Cash used in operations		(15,957)	(15,878)	(5,631)	(3,796)
Tax paid		(4,802)	(4,608)	-	-
Net cash used in operating activities		(20,759)	(20,486)	(5,631)	(3,796)
Cash flows from investing activities					
Purchase of property, plant and equipment	(ii)	(12,767)	(20,327)	-	-
Purchase of investment property		(672)	-	-	-
Proceeds from disposal of property, plant and equipment		269	70	-	-
Advances to subsidiaries		-	-	(15,058)	(24,604)
Subscription of shares in an associate		-	(49)	-	-
Interest received		284	256	27	39
Net cash used in investing activities		(12,886)	(20,050)	(15,031)	(24,565)

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2026 (Continued)

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash flows from financing activities					
Drawdown of term loans		10,802	-	-	-
Repayment of term loans		(1,404)	(450)	-	-
Drawdown of revolving credit		8,551	10,088	-	1,028
Repayment of revolving credit		(1,028)	-	(1,028)	-
Payment of lease liabilities		(5,417)	(3,464)	-	-
Repayment of hire purchase		(478)	(148)	-	-
Advances from/(repaid to) subsidiaries		-	-	2,555	(8,835)
Advances from/(repaid to) Directors		3,090	(9,590)	810	(11,780)
Proceeds from exercise of warrants		102,018	43,107	102,018	43,107
Purchase of treasury shares		(85,891)	-	(85,891)	-
Decrease/(Increase) in pledged deposits		959	(1,040)	1,000	(1,000)
Interest paid		(3,521)	(2,374)	(27)	(28)
Net cash from financing activities		<u>27,681</u>	<u>36,129</u>	<u>19,437</u>	<u>22,492</u>
Net decrease in cash and cash equivalents		(5,964)	(4,407)	(1,225)	(5,869)
Cash and cash equivalents at beginning of the year		<u>7,939</u>	<u>12,346</u>	<u>1,634</u>	<u>7,503</u>
Cash and cash equivalents at end of the year	(i)	<u><u>1,975</u></u>	<u><u>7,939</u></u>	<u><u>409</u></u>	<u><u>1,634</u></u>

(i) Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash and bank balances	12	2,953	8,938	409	1,634
Deposit placed with licensed banks	12	1,700	2,750	-	1,000
Bank overdrafts	15	<u>(1,018)</u>	<u>(1,130)</u>	<u>-</u>	<u>-</u>
		3,635	10,558	409	2,634
Less: Deposits pledged	12	<u>(1,660)</u>	<u>(2,619)</u>	<u>-</u>	<u>(1,000)</u>
		<u><u>1,975</u></u>	<u><u>7,939</u></u>	<u><u>409</u></u>	<u><u>1,634</u></u>

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2026 (Continued)

(ii) Purchase of property, plant and equipment

	Group	
	2026 RM'000	2025 RM'000
Paid in cash	12,767	20,327
Hire purchase payables	1,300	655
In the form of lease liabilities	3,682	1,659
	<u>17,749</u>	<u>22,641</u>

(iii) Cash outflows for leases as a lessee

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Included in cash flows from operating activities:				
Payment relating to short-term leases	(322)	(416)	(36)	(72)
Included in cash flows from financing activities:				
Interest paid in relation to lease liabilities	(1,177)	(1,230)	-	-
Payment of lease liabilities	(5,417)	(3,464)	-	-
Total cash outflows for leases	<u>(6,916)</u>	<u>(5,110)</u>	<u>(36)</u>	<u>(72)</u>

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2026 (Continued)

(iv) Reconciliation between movements of liabilities to cash flows arising from financing activities

Group	At 1.7.2024 RM'000	Net changes from financing cash flows RM'000	Additions and derecognition RM'000	At 30.6.2025/ 1.7.2025 RM'000	Net changes from financing cash flows RM'000	Additions and derecognition RM'000	At 30.6.2026 RM'000
Lease liabilities	31,237	(3,464)	1,751	29,524	(5,417)	3,573	27,680
Term loans	8,075	(450)	-	7,625	9,398	-	17,023
Hire purchase payables	483	(148)	655	990	(478)	1,300	1,812
Revolving credit	-	10,088	-	10,088	7,523	-	17,611
Amount due to Directors	11,635	(9,590)	-	2,045	3,090	-	5,135
	51,430	(3,564)	2,406	50,272	14,116	4,873	69,261

Company	At 1.7.2024 RM'000	Net changes from financing cash flows RM'000	At 30.6.2025/ 1.7.2025 RM'000	Net changes from financing cash flows RM'000	At 30.6.2026 RM'000
Revolving credit	-	1,028	1,028	(1,028)	-
Amount due to subsidiaries	8,835	(8,835)	-	2,555	2,555
Amount due to Directors	12,780	(11,780)	1,000	810	1,810
	21,615	(19,587)	2,028	2,337	4,365

The notes on pages 80 to 136 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Tanco Holdings Berhad (“the Company”) is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The address of its principal place of business and registered office of the Company is as follows:

No. 1, Jalan Bandar 1
Pusat Bandar Puchong
47160 Puchong
Selangor Darul Ehsan

The consolidated financial statements of the Company as at and for the financial year ended 30 June 2026 comprise the Company and its subsidiaries (together referred to as “the Group” and individually referred to as “Group entities”) and the Group’s interest in an associate. The consolidated financial statements of the Company as at and for the financial year ended 30 June 2026 do not include other entities.

The Company is principally engaged in investment holding whilst the principal activities of the subsidiaries are as stated in Note 4 to the financial statements.

The Company is a subsidiary of TJN Capital Sdn. Bhd., a company incorporated in Malaysia, and regarded by the Directors as the Company’s ultimate holding company during the financial year and until the date of this report.

These financial statements were authorised for issue by the Board of Directors on 23 October 2026.

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Group and the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board (“MFRS Accounting Standards”), IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued but have not been adopted by the Group and the Company:

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
 - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
 - Amendments to MFRS 7, *Financial Instruments: Disclosures*
 - Amendments to MFRS 9, *Financial Instruments*
 - Amendments to MFRS 10, *Consolidated Financial Statements*
 - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures – Amendments to the Fair Value Option for Investments in Associates and Joint Ventures*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2029

- MFRS 20, *Regulatory Assets and Regulatory Liabilities*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments, where applicable:

- from the annual period beginning on 1 July 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026; and
- from the annual period beginning on 1 July 2027 for the accounting standards and amendments that are effective for annual periods beginning on or after 1 January 2027.

The Group and the Company do not plan to apply MFRS 20, *Regulatory Assets and Regulatory Liabilities* that is effective for annual periods beginning on or after 1 January 2029 as it is not applicable to the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

The initial application of the abovementioned accounting standards, interpretations and amendments is not expected to have any material financial impact to the current period and prior period financial statements of the Group and the Company, except as mentioned below:

MFRS 18, *Presentation and Disclosure in Financial Statements*

MFRS 18 will replace MFRS 101, *Presentation of Financial Statements* and applies for annual periods beginning on or after 1 January 2027. The new accounting standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal.
- Management-defined performance measures ("MPMs") are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group and the Company are currently assessing the impact of adopting MFRS 18.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following item, which is measured based on the measurement basis stated below:

Items	Measurement basis
Other investments – fair value through profit or loss	Fair value

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1. Basis of preparation (continued)

(c) Functional and presentation currencies

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the followings notes:

- Notes 2 and 3 – measurement of the recoverable amounts of property, plant and equipment and investment properties
- Note 2.2 – extension options and incremental borrowing rate in relation to leases entered into during the year
- Note 4 – measurement of the recoverable amounts of investments in subsidiaries
- Note 6 – measurement of net realisable value for inventories
- Note 7 – measurement of the recoverable amounts of cash-generating units

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. Property, plant and equipment

Group	Freehold land and buildings RM'000	Leasehold buildings RM'000	Furniture and fittings RM'000	Office equipment RM'000	Maintenance equipment RM'000	Resort operations (Note 2.1) RM'000	Motor vehicles RM'000	Construction work-in-progress RM'000	Right-of-use assets (Note 2.2) RM'000	Total RM'000
Cost										
At 1 July 2024	44,537	1,927	1,752	1,350	313	86,658	1,290	14,919	53,706	206,452
Additions	1,313	-	42	505	-	-	726	18,396	1,659	22,641
Disposals	(159)	-	-	-	-	-	-	-	-	(159)
Written off	-	-	-	(34)	-	-	-	-	-	(34)
Lease derecognition	-	-	-	-	-	-	-	-	(7,424)	(7,424)
Transfer from investment properties (Note 3)	-	-	-	-	-	-	-	3,489	-	3,489
Transfer from inventories	13,729	-	-	-	-	-	-	-	-	13,729
At 30 June 2025/1 July 2025	59,420	1,927	1,794	1,821	313	86,658	2,016	36,804	47,941	238,694
Additions	1,289	-	1,093	397	-	-	1,362	9,926	3,682	17,749
Disposals	-	-	(13)	(8)	-	-	(639)	-	-	(660)
Written off	(12)	-	(6)	-	-	-	-	-	-	(18)
Lease derecognition	-	-	-	-	-	-	-	-	(10)	(10)
Transfer	22,707	-	11,643	1,567	-	-	-	(35,917)	-	-
At 30 June 2026	83,404	1,927	14,511	3,777	313	86,658	2,739	10,813	51,613	255,755

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. Property, plant and equipment (continued)

Group	Freehold land and buildings RM'000	Leasehold buildings RM'000	Furniture and fittings RM'000	Office equipment RM'000	Maintenance equipment RM'000	Resort operations (Note 2.1) RM'000	Motor vehicles RM'000	Construction work-in- progress RM'000	Right-of- use assets (Note 2.2) RM'000	Total RM'000
Accumulated depreciation At 1 July 2024	4,345	1,927	446	859	313	30,299	907	-	5,864	44,960
Depreciation for the year	402	-	77	136	-	320	111	-	4,951	5,997
Disposals	(6)	-	-	-	-	-	-	-	-	(6)
Written off	-	-	-	(23)	-	-	-	-	-	(23)
Lease derecognition	-	-	-	-	-	-	-	-	(725)	(725)
At 30 June 2025/ 1 July 2025	4,741	1,927	523	972	313	30,619	1,018	-	10,090	50,203
Depreciation for the year	1,889	-	2,301	206	-	320	178	-	4,682	9,576
Disposals	-	-	(7)	(6)	-	-	(335)	-	-	(348)
Written off	(7)	-	(4)	-	-	-	-	-	-	(11)
Lease derecognition	-	-	-	-	-	-	-	-	(3)	(3)
At 30 June 2026	6,623	1,927	2,813	1,172	313	30,939	861	-	14,769	59,417

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. Property, plant and equipment (continued)

Group	Freehold land and buildings RM'000	Leasehold buildings RM'000	Furniture and fittings RM'000	Office equipment RM'000	Maintenance equipment RM'000	Resort operations (Note 2.1) RM'000	Motor vehicles RM'000	Construction work-in- progress RM'000	Right-of- use assets (Note 2.2) RM'000	Total RM'000
Accumulated impairment losses										
At 1 July 2024/ 30 June 2025/ 1 July 2025	-	-	-	-	-	40,487	-	-	-	40,487
Reversal of impairment loss for the year	-	-	-	-	-	(11)	-	-	-	(11)
At 30 June 2026	-	-	-	-	-	40,476	-	-	-	40,476
Carrying amounts										
At 1 July 2024	40,192	-	1,306	491	-	15,872	383	14,919	47,842	121,005
At 30 June 2025/ 1 July 2025	54,679	-	1,271	849	-	15,552	998	36,804	37,851	148,004
At 30 June 2026	76,781	-	11,698	2,605	-	15,243	1,878	10,813	36,844	155,862

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. Property, plant and equipment (continued)

Company	Freehold buildings RM'000
Cost	
At 1 July 2024/30 June 2025/1 July 2025/30 June 2026	<u>722</u>
Accumulated depreciation	
At 1 July 2024	281
Depreciation for the year	<u>15</u>
At 30 June 2025/1 July 2025	296
Depreciation for the year	<u>14</u>
At 30 June 2026	<u>310</u>
Carrying amounts	
At 1 July 2024	<u>441</u>
At 30 June 2025/1 July 2025	<u>426</u>
At 30 June 2026	<u>412</u>

2.1 Analysis of resort operations

Group	Leasehold land, golf course and club village RM'000	Rights in resort properties RM'000	Construction work-in-progress – Marina club RM'000	Motor vehicles RM'000	Total RM'000
Cost					
At 1 July 2024/30 June 2025/ 1 July 2025/30 June 2026	<u>22,966</u>	<u>22,562</u>	<u>40,434</u>	<u>696</u>	<u>86,658</u>
Accumulated depreciation					
At 1 July 2024	7,041	22,562	-	696	30,299
Depreciation for the year	<u>320</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>320</u>
At 30 June 2025/1 July 2025	7,361	22,562	-	696	30,619
Depreciation for the year	<u>320</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>320</u>
At 30 June 2026	<u>7,681</u>	<u>22,562</u>	<u>-</u>	<u>696</u>	<u>30,939</u>
Accumulated impairment losses					
At 1 July 2024/30 June 2025/ 1 July 2025	53	-	40,434	-	40,487
Reversal of impairment loss for the year	<u>(11)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11)</u>
At 30 June 2026	<u>42</u>	<u>-</u>	<u>40,434</u>	<u>-</u>	<u>40,476</u>
Carrying amounts					
At 1 July 2024	<u>15,872</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,872</u>
At 30 June 2025/1 July 2025	<u>15,552</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,552</u>
At 30 June 2026	<u>15,243</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,243</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. Property, plant and equipment (continued)

2.2 Analysis of right-of-use assets

Group	Leasehold land RM'000	Leasehold land golf course and club village RM'000	Buildings RM'000	Office equipment RM'000	Total RM'000
Carrying amounts					
At 1 July 2024	2,197	14,472	31,173	-	47,842
Addition	-	-	1,659	-	1,659
Derecognition*	-	-	(6,699)	-	(6,699)
Depreciation for the year	(63)	(209)	(4,679)	-	(4,951)
At 30 June 2025/ 1 July 2025	2,134	14,263	21,454	-	37,851
Addition	-	-	3,546	136	3,682
Derecognition*	-	-	(7)	-	(7)
Depreciation for the year	(63)	(209)	(4,360)	(50)	(4,682)
At 30 June 2026	2,071	14,054	20,633	86	36,844

* Derecognition of the right-of-use assets is a result of early termination of leases.

- (i) The Group leases land and buildings for their resort operation site. The leases for operation site generally have remaining lease terms between 28 to 91 years (2025: 29 to 92 years).
- (ii) Right-of-use buildings represent hotel units leased by the Group for business operations with lease period of 3 – 6 years (2025: 3 – 6 years).

Extension options

Certain leases of buildings contain extension options exercisable by the Group up to 3 years before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control. The potential future lease payments not included in lease liabilities (discounted) are RM19,022,000 (2025: RM17,177,000). These potential future lease payments have not been recognised as the leases are related to a relatively new operation that is still in its gestation period.

Significant judgements and assumptions in relation to leases

The Group assesses at lease commencement by applying significant judgement whether it is reasonably certain to exercise the extension options. Group entities consider all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

The Group also applied judgement and assumptions in determining the incremental borrowing rate of the respective leases. Group entities first determine the closest available borrowing rates before using significant judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. Property, plant and equipment (continued)

2.3 Security

The net carrying amounts of property, plant and equipment pledged as security for banking facilities granted to the subsidiaries as disclosed in Note 15 are as follows:

	Group	
	2026	2025
	RM'000	RM'000
Freehold land and buildings	<u>9,750</u>	<u>8,327</u>

2.4 Significant judgements and assumptions in relation to valuation

In prior years, the Group has impaired certain property, plant and equipment to their fair value less cost to sell. The fair value less cost to sell is based on fair value determined by the Directors with reference to the market valuation performed by an external independent valuer less estimated cost to sell. The fair value of these assets is arrived at using comparable method and the depreciated replacement cost method of valuation by reference to similar properties in the locality and adjusting for location, terrain, size, present market trends and other differences, where applicable.

2.5 Material accounting policy information

(a) Recognition and measurement

Items of property, plant and equipment (including right-of-use assets) are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. Property, plant and equipment (continued)

2.5 Material accounting policy information (continued)

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:

- | | |
|---|----------------------------------|
| • Freehold buildings | 25 – 50 years |
| • Leasehold land and buildings,
golf club and club village | Over lease term of 30 – 99 years |
| • Furniture and fittings | 5 – 10 years |
| • Office equipment | 5 – 10 years |
| • Maintenance equipment | 5 – 10 years |
| • Rights in resort properties | 50 years |
| • Motor vehicles | 5 – 10 years |

(c) Lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(d) Recognition exemption

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. Investment properties

	Group	
	2026 RM'000	2025 RM'000
Cost		
At 1 July	59,985	63,474
Addition	672	-
Transfer to property, plant and equipment (Note 2)	-	(3,489)
At 30 June	<u>60,657</u>	<u>59,985</u>
Accumulated depreciation		
At 1 July	15,089	13,887
Depreciation for the year	<u>1,202</u>	<u>1,202</u>
At 30 June	<u>16,291</u>	<u>15,089</u>
Accumulated impairment losses		
At 1 July	14,674	14,524
Impairment loss for the year	-	150
Reversal of impairment loss for the year	<u>(13,283)</u>	<u>-</u>
At 30 June	<u>1,391</u>	<u>14,674</u>
Carrying amounts		
At 1 July	<u>30,222</u>	<u>35,063</u>
At 30 June	<u>42,975</u>	<u>30,222</u>

3.1 Nature of leasing activities

Investment properties comprise of a number of commercial properties that are leased to third parties. Some of the leases contain an initial non-cancellable period of 1 year, with annual rents for subsequent renewals indexed to consumer prices. The Group does not charge variable lease payments that do not depend on an index or rate.

3.2 Reversal of impairment loss

During the financial year, the Group recognised a reversal of impairment loss of RM13,283,000 (2025: Nil) in respect of certain residential properties. The reversal arose from an increase in the market value of the underlying properties, resulting in their recoverable amount, determined based on fair value less cost to sell, exceeding their carrying amount at the reporting date.

The fair value less cost to sell is based on fair value determined by the Directors with reference to the market valuation performed by an external independent valuer less estimated cost to sell. The fair value is within level 3 of the fair value hierarchy and is arrived at using comparable method and the depreciated replacement cost method of valuation by reference to similar properties in the locality and adjusting for location, terrain, size, present market trends and other differences, where applicable. The key assumption used in estimating the fair values is the price per square foot of comparable properties.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. Investment properties (continued)

3.3 Fair value information

Fair value of investment properties is categorised as follows:

Group	2026 Level 3 RM'000	2025 Level 3 RM'000
Asset for which fair value is disclosed		
Freehold land and buildings	<u>50,145</u>	<u>34,060</u>

The fair value of investment properties is determined by the Directors with reference to the valuation performed by an external independent valuer, having recognised professional qualifications and recent experience in the location and category of the property being valued.

There are no Level 1 and Level 2 investment properties or transfers between fair value hierarchy during the financial year ended 30 June 2026 or 30 June 2025.

Level 3 fair value

The estimated fair values of investment properties were arrived at using the comparable method of valuation. The value of the land is arrived at by reference to similar land in the locality and adjusting for location, terrain, size, present market trends and other differences, where applicable. The value of the building is estimated by obtaining an asset in the similar locality and adjusted for location and accessibility, tenure, size and condition, where applicable. The significant unobservable inputs used in the valuation are price per square foot.

Highest and best use

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

3.4 Revenue/expenses recognised in profit or loss in relation to investment properties

	Group	
	2026 RM'000	2025 RM'000
Rental income	87	78
Direct operating expenses		
- income generating investment properties	(135)	(141)
- non-income generating investment properties	<u>(71)</u>	<u>(70)</u>

3.5 Security

Investment properties with total carrying amount of RM2,699,000 (2025: RM2,078,000) has been pledged as security for borrowings granted to the Group as disclosed in Note 15.

3.6 Material accounting policy information

Recognition and measurement

Investment properties are stated at cost less any accumulated depreciation and any accumulated impairment losses, consistent with the material accounting policy information for property, plant and equipment as stated in Note 2.5.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. Investments in subsidiaries

	Note	Company 2026 RM'000	2025 RM'000
Unquoted shares - At cost		120,002	120,002
Less: Impairment loss		(78,738)	(78,738)
		<u>41,264</u>	<u>41,264</u>
Quasi loans	4.1	332,819	298,011
Less: Impairment loss	4.2	(7,207)	(7,291)
		<u>325,612</u>	<u>290,720</u>
		<u>366,876</u>	<u>331,984</u>

Details of the subsidiaries, which are all incorporated and have their principal place of businesses in Malaysia, are as follows:

Name of entity	Principal activities	Effective ownership interest and voting interest	
		2026 %	2025 %
Point Resort Club Sdn. Bhd. [#]	Investment holding	100	100
Popular Elegance (M) Sdn. Bhd. [#]	Investment holding	100	100
Midports Holdings Sdn. Bhd.	Port operations, carrier haulage and transportation, logistics, property investment and port development	79	79
Splash Park Sdn. Bhd.	Provision of hotel and hospitality services and property management services	100	100
Tanco Development Sdn. Bhd.	Property development	100	100
World Vacation Ownership Sdn. Bhd.	Provision of consultancy services and investment holding	100	100
Medan Melati Sdn. Bhd. [#]	Investment holding	100	100
Tanco Power Sdn. Bhd. [#]	Operation of generation facilities that produces electric energy, transmission, distribution and sales of electricity and construction of power plant.	100	100
Subsidiary of Midports Holdings Sdn. Bhd.			
MBINS Ventures Sdn. Bhd. (Note 4.3)	Property investment	63.2	63.2
Subsidiary of Splash Park Sdn. Bhd.			
DB Spa Villas Management Sdn. Bhd. [#]	Property and resort management	100	100

NOTES TO THE FINANCIAL STATEMENTS (Continued)**4. Investments in subsidiaries (continued)**

Name of entity	Principal activities	Effective ownership interest and voting interest	
		2026 %	2025 %
Subsidiaries of Tanco Development Sdn. Bhd.			
Tanco Builders Sdn. Bhd.	Contracting and building works	100	100
Tanco Dot Com Sdn. Bhd. [#]	Development and operations of data centres, artificial intelligence development and programming and information technology related solutions	100	100
Subsidiaries of Tanco Builders Sdn. Bhd.			
Tanco Supplies Sdn. Bhd.	Installation and trading of construction materials	100	100
Tanco Designs Sdn. Bhd. [#]	Interior design, furnishing and renovation works	100	100
Subsidiary of Tanco Supplies Sdn. Bhd.			
Terra Silvis Sdn. Bhd. [#] (Note 4.3 and 4.4)	Installation and trading of construction materials	100	95
Tanco Precast Industries Sdn. Bhd. [™] (Note 4.3)	Fabrication, manufacturing, supply and sales of various concrete products and investment holding	100	-
Subsidiaries of World Vacation Ownership Sdn. Bhd.			
Tanco Resorts Berhad	Investment holding, and the management and operation of resorts and of vacation ownership interval and point based schemes	100	100
BizCredit Sdn. Bhd.	Money lending business	100	100
Palm Springs Development Sdn. Bhd.	Property development and property investment	100	100
Palm Springs Resort (MM2H) Sdn. Bhd. [#]	Provide services in relation to Malaysia My Second Home Programme	100	100
Tanco Properties Sdn. Bhd.	Property development and property investment	100	100
Genium Corporation Sdn. Bhd.	General agent	100	100
Tanco Assets Sdn. Bhd. [#] (Note 4.3)	Property investment, property management services and letting of properties	100	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. Investments in subsidiaries (continued)

Name of entity	Principal activities	Effective ownership interest and voting interest	
		2026 %	2025 %
Subsidiary of Genium Corporation Sdn. Bhd.			
Herbitec (M) Sdn. Bhd.@	Research and sales of pharmaceutical products	72.6	72.6
Subsidiary of Herbitec (M) Sdn. Bhd.			
Herbitec Marketing Sdn. Bhd.	Sales and marketing of pharmaceutical products	72.6	72.6
Subsidiaries of Palm Springs Development Sdn. Bhd.			
Palm Springs Club Sdn. Bhd. #	Investment holding	100	100
Regal Resort Sdn. Bhd. #	Property development	100	100
Subsidiary of Palm Springs Club Sdn. Bhd.			
Palm Springs Resort Berhad	Operator of golf and marina clubs	100^^	100
Subsidiaries of Tanco Properties Sdn. Bhd.			
Tanco Land Sdn. Bhd. #	Property investment	80	80
Palm Springs Resort Management Berhad*	Property investment	100	100
Subsidiary of Tanco Land Sdn. Bhd.			
PDFZ Sdn. Bhd. (Note 4.3)	Property development and property investment	64	64
Subsidiary of Palm Springs Resort Management Berhad			
Gplex Properties Sdn. Bhd. (“GPSB”)#	Investment holding and business consulting	50.1	50.1
Subsidiaries of Tanco Resorts Berhad			
Palm Springs Leisure Sdn. Bhd. ^	Property and resort management	100	100
Tanco Enterprise Sdn. Bhd. #	Property investment and general trading	100	100
Tanco Club Berhad #	Club operator	100	100
Tanco Lake Resorts Sdn. Bhd. #	Resort operator	100	100
Tanco Recreational Holdings Sdn. Bhd. #	Property management	100	100

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. Investments in subsidiaries (continued)

- * The effective equity interest held in Palm Springs Resort Management Berhad is 100% whereby 85.7% is held by Tanco Properties Sdn. Bhd. and the remaining 14.3% is held by the Company.
 - ^ The effective equity interest held in Palm Springs Leisure Sdn. Bhd. is 100% whereby 97.5% is held by Tanco Resorts Berhad and the remaining 2.5% is held by the Company.
 - ^^ The effective equity interest held in Palm Springs Resort Berhad is 100% whereby 86.2% is held by Palm Springs Club Sdn. Bhd. and the remaining 13.8% is held by Palm Springs Development Sdn. Bhd.
 - @ The effective equity interest held in Herbitec (M) Sdn. Bhd. is 72.6% whereby 51% is held by Genium Corporation Sdn. Bhd. and the remaining 21.6% is held by the Company.
 - # Audited by firms other than KPMG PLT.
 - π Auditors yet to be appointed.
- 4.1 Quasi loans represent advances and payments made on behalf, of which there is no term of repayment and the settlement is neither planned nor likely to occur in the foreseeable future. These amounts are, in substance, a part of the Company's net investments in the subsidiaries.

- 4.2 The movement in the impairment losses for quasi loans are as follows:

	Company	
	2026	2025
	RM'000	RM'000
At 1 July	7,291	6,457
Impairment loss for the year	24	834
Reversal of impairment loss for the year	(108)	-
At 30 June	<u>7,207</u>	<u>7,291</u>

The impairment and reversal of impairment of investments in subsidiaries and quasi loans have been recognised during the year in respect of loss-making subsidiaries to adjust the carrying value to its recoverable amount determined based on fair value less cost of disposal of the subsidiaries' assets. The fair value is within level 3 of the fair value hierarchy and is arrived at using comparable method and the depreciated replacement cost method of valuation by reference to similar properties in the locality and adjusting for location, terrain, size, present market trends and other differences, where applicable. The key assumption used in estimating the fair values is the price per square foot of comparable properties.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. Investments in subsidiaries (continued)

4.3 Incorporation of subsidiaries

2026

On 6 November 2025, World Vacation Ownership Sdn. Bhd. ("WVOSB") incorporated a subsidiary, Tanco Assets Sdn. Bhd. ("TASB") with a paid-up capital of RM100. WVOSB subscribed for 100 ordinary shares in TASB for a total cash consideration of RM100.

On 4 May 2026, Tanco Supplies Sdn. Bhd. ("TSSB") incorporated a subsidiary, Tanco Precast Industries Sdn. Bhd. ("TPISB") with a paid-up capital of RM100. TSSB subscribed for 100 ordinary shares in TPISB for a total cash consideration of RM100.

2025

On 1 November 2024, Midports Holdings Sdn. Bhd. ("MHSB") incorporated a subsidiary, MBINS Ventures Sdn. Bhd. ("MVSB") with a paid-up capital of RM100. MHSB subscribed for 80 ordinary shares in MVSB for a total cash consideration of RM80.

On 19 February 2025, Tanco Land Sdn. Bhd. ("TLSB") incorporated a subsidiary, PDFZ Sdn. Bhd. ("PDFZ") with a paid-up capital of RM100. TLSB subscribed for 80 ordinary shares in PDFZ for a total cash consideration of RM80.

On 8 May 2025, Tanco Supplies Sdn. Bhd. ("TSSB") incorporated a subsidiary, Terra Silvis Sdn. Bhd. ("Terra") with a paid-up capital of RM100. TSSB subscribed for 95 ordinary shares in Terra for a total cash consideration of RM95.

4.4 Changes in ownership interests in subsidiaries

2026

On 30 June 2026, TSSB acquired the remaining 5% equity interest representing 5 ordinary shares in Terra for a total cash consideration of RM5, resulting in TSSB's equity interest in Terra increasing to 100%.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. Investments in subsidiaries (continued)

4.5 Non-controlling interest in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

	GPSB RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
2026			
NCI percentage of ownership interest and voting interest	49.9%		
Carrying amount of NCI	14,830	47	14,877
Profit/(Loss) allocated to NCI	3,438	(130)	3,308
2025			
NCI percentage of ownership interest and voting interest	49.9%		
Carrying amount of NCI	11,392	177	11,569
Profit/(Loss) allocated to NCI	4,166	(91)	4,075

	GPSB	
	2026 RM'000	2025 RM'000
Summarised financial information before intra-group elimination		
As at 30 June		
Non-current assets	19,828	20,184
Current assets	28,173	23,763
Non-current liabilities	(5,488)	(3,738)
Current liabilities	(12,793)	(17,379)
Net assets	29,720	22,830
Year ended 30 June		
Revenue	25,224	25,847
Net profit and total comprehensive income for the year	6,890	8,350
Cash flows (used in)/from operating activities	(655)	4,580
Cash flows used in investing activities	(491)	(440)
Cash flows from/(used in) financing activities	1,302	(3,885)
Net increase in cash and cash equivalents	156	255

4.6 Material accounting policy information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. Investment in an associate

	Group	
	2026 RM'000	2025 RM'000
At cost:		
Ordinary shares	49	49
Redeemable Convertible Preference Shares	15,000	15,000
	15,049	15,049
Share of post-acquisition reserves	925	629
	15,974	15,678

Details of the associate are as follows:

Details of the associate are as follows:				
Name of entity	Principal place of business/Country of incorporation	Nature of the relationship	Effective ownership interest and voting interest	
			2026 %	2025 %
Held by Gplex Properties Sdn. Bhd.				
Gplex Realty Sdn. Bhd. #	Malaysia	Real estate agency and is a strategic business partner of the Group in marketing of properties	24.5	24.5

Audited by a firm other than KPMG PLT.

5.1 Subscription of Redeemable Convertible Preference Shares ("RCPS") in Gplex Realty Sdn. Bhd. ("GRSB")

On 1 April 2024, GRSB issued 25,000,000 new RCPS at a price of RM1.00 per share. Gplex Properties Sdn. Bhd. ("GPSB"), a subsidiary of the Group, subscribed for 15,000,000 of the new RCPS for a total consideration of RM15,000,000.

Salient features of the RCPS are as follows:

- (i) the tenure of the RCPS shall be 5 years from the full payment of the value of the RCPS ("Commencement Date") and mature on the day falling on the 5th year from the commencement date ("Maturity Date");

GRSB shall have the option to extend the date of redemption beyond the expiry of the tenure ("Extended Tenure") subject to 3 months prior written notice and mutually agreed by the RCPS holder;

- (ii) GRSB has the sole and absolute discretion to decide whether to declare any non-cumulative preferential dividend ("Dividend Payment") throughout the RCPS tenure at the rate of not more than 4% per annum multiplied by the total subscription price for RCPS in proportion to the RCPS holdings;
- (iii) the redemption price is RM1.05 per RCPS plus any declared but unpaid dividends;
- (iv) if GRSB fails to redeem the RCPS within the period, the RCPS holders may elect to revoke the redemption notice and convert the outstanding RCPS held into new Ordinary Shares or continue holding the RCPS. The Conversion ratio shall be 11 new ordinary shares of the GRSB for every 10 RCPS held. No cash is payable by the RCPS holder upon conversion of the RCPS into ordinary shares; and

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. Investment in an associate (continued)

5.1 Subscription of Redeemable Convertible Preference Shares ("RCPS") in Gplex Realty Sdn. Bhd. ("GRSB") (continued)

Salient features of the RCPS are as follows (continued):

- (v) The RCPS holders shall not be entitled to attend and vote at general meetings of the GRSB, except for matters as stated below:
- during the period as the dividend of RCPS or any part remains in arrears and unpaid for more than 6 months after payment date;
 - creation of further shares ranking in any respect in priority to or pari passu with the RCPS;
 - meeting includes for the liquidation, dissolution or winding up of the Company;
 - proposal to effect any scheme of arrangement; and,
 - other circumstances as may be expressly provided under the law from time to time in respect of preference shares.

5.2 Summarised financial information of associate

The following table summarises the information of the Group's associate, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associate.

	2026 RM'000	2025 RM'000
Group		
As at 30 June		
Non-current assets	6,973	7,205
Current assets	76,276	80,245
Non-current liabilities	(13,841)	(6,591)
Current liabilities	(57,613)	(69,668)
Net assets	11,795	11,191
Year ended 30 June		
Revenue	89,017	88,910
Net profit and total comprehensive income for the year	604	1,612
Reconciliation of net assets to carrying amount as at 30 June		
Net assets of associate	11,795	11,191
Less: RCPS subscribed by GPSB	(15,000)	(15,000)
Net liabilities of associate attributed to the Group	(3,205)	(3,809)
Group's share of net liabilities	(1,570)	(1,866)
Goodwill	2,544	2,544
RCPS subscribed by GPSB	15,000	15,000
Carrying amount in the statement of financial position	15,974	15,678

5.3 Material accounting policy information

Investment in an associate is measured in the Company's statement of financial position at cost less any impairment losses.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. Inventories

	Group	
	2026 RM'000	2025 RM'000
Non-current		
At cost		
Properties held for development	105,892	105,846
At net realisable value		
Properties held for development	1,667	1,667
Total non-current inventories	107,559	107,513
Current		
At cost		
Properties under development	24,027	20,490
Completed properties	13,016	17,673
Trading goods	319	119
Finished goods	159	115
	37,521	38,397
At net realisable value		
Completed properties	21,955	21,402
Total current inventories	59,476	59,799
Total inventories	167,035	167,312
Recognised in profit or loss:		
Inventories recognised as cost of sales	61,244	54,691

6.1 Significant judgements and assumptions in relation to valuation

Net realisable value for certain properties held for development and completed properties are based on fair value determined by the Directors with reference to the valuation performed by an external independent valuer less estimated cost to sell. The fair values of the properties held for development and completed properties are arrived at using comparable method by reference to similar properties in the locality and adjusting for location, terrain, size, present market trends and other differences, where applicable.

6.2 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value.

Properties held for development

Properties held for development consists of land where development activities are not expected to be completed within the normal operating cycle. Cost includes cost of land and attributable development expenditures.

Properties held for development will be reclassified to properties under development when development work is expected to be completed within the normal operating cycle.

Properties under development and completed properties

Properties under development consists of the cost of land and all costs that are directly attributable to development activities that can be allocated on a reasonable basis to such activities, including common costs.

The cost of unsold completed properties is determined on a specific identification basis.

NOTES TO THE FINANCIAL STATEMENTS (Continued)**6. Inventories (continued)****6.2 Material accounting policy information (continued)**Trading and finished goods

Cost, which is determined on the first-in, first-out basis, consists of the invoiced value of goods purchased and other costs specifically incurred in bringing the goods to their present location and condition.

7. Intangible assets

Group	Goodwill on	Development	Total
Cost	consolidation	costs	
	RM'000	RM'000	RM'000
At 1 July 2024/30 June 2025/1 July 2025/ 30 June 2026	19,250	527	19,777
Accumulated impairment loss			
At 1 July 2024/30 June 2025/1 July 2025	380	-	380
Impairment loss for the year	-	527	527
At 30 June 2026	380	527	907
Carrying amounts			
At 1 July 2024/30 June 2025/1 July 2025	18,870	527	19,397
At 30 June 2026	18,870	-	18,870

7.1 Impairment testing for cash-generating units containing goodwill

For the purpose of impairment testing, goodwill acquired through business combinations is allocated to cash generating units ("CGUs") which are also reportable operating segments, which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The aggregate carrying amounts of goodwill allocated to the CGUs are as follows:

	Group	
	2026	2025
	RM'000	RM'000
Gplex Properties Sdn. Bhd. (CGU 1)		
At 1 July/30 June	18,870	18,870

The recoverable amount of CGU has been determined based on value-in-use calculations using cash flows projection from forecast approved by management covering a five-year period.

CGU 1

Goodwill on consolidation arose from the acquisition of Gplex Properties Sdn. Bhd. ("GPSB"). GPSB is identified as a single cash generating unit ("CGU 1").

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. Intangible assets (continued)

7.1 Impairment testing for cash-generating units containing goodwill (continued)

CGU 1 (continued)

Key assumptions used in the calculation of recoverable amounts are discount rates, terminal value, revenue growth rate and expenses growth rate. The values assigned to the above key assumptions represent management's assessment of future trends of the business and the industry, and are based on both external sources and internal sources (historical data).

- Cash flows were projected based on industry trends and internal business plan. Management believes that the 5-year forecast period together with its estimated terminal value (with no growth) derived from projecting operations beyond year 5, was justified due to the long-term nature of business consulting services.
- Revenue growth rates were estimated to range from 6% to 15% (2025: 4% to 7%) per annum for the 5-year forecast period.
- Expenses growth rates were estimated to range from 6% to 25% (2025: 4% to 10%) per annum for the 5-year forecast period.
- A pre-tax discount rate of 15.38% (2025: 17.14%) was applied in determining the recoverable amount of the CGU based on an industry weighted average cost of capital, which reflects the risk relating to business consulting services.

Sensitivity analysis was performed on the cash flow projections in 2026 based on the following criteria:

- 1% decrease in revenue growth rate will result in a decrease of recoverable amount by RM11,590,000 with impairment loss of RM2,575,000; and
- 1% increase in discount rate will result in a decrease in recoverable amount by RM5,361,000 with no impairment loss.

CGU 2

Goodwill on consolidation arose from the acquisition of Herbitec (M) Sdn. Bhd. ("Herbitec"). Herbitec is identified as a single cash generating unit ("CGU 2").

The goodwill relating to CGU 2 have been fully impaired in prior years.

7.2 Development costs

Development costs comprise expenditure incurred on supplement product development where it is reasonably anticipated that the costs will be recovered through future commercial activities. The development costs are fully impaired during the current financial year.

7.3 Material accounting policy information

Recognition and measurement

Goodwill arising on business combinations is measured at cost less any accumulated impairment losses.

Development costs with finite useful lives and are measured at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation of development costs will commence when the asset is available for use.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. Deferred tax assets/(liabilities)

Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

Group	Assets		Liabilities		Net	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Property, plant and equipment	-	-	(294)	(250)	(294)	(250)
Provisions	431	421	-	-	431	421
Other items	111	-	-	(388)	111	(388)
Tax assets/(liabilities)	542	421	(294)	(638)	248	(217)
Set-off of tax	(2)	(24)	2	24	-	-
Net tax assets/(liabilities)	540	397	(292)	(614)	248	(217)

Movement in temporary differences during the year

Group	At 1.7.2024 RM'000	Recognised in profit or loss (Note 23) RM'000	At 30.6.2025/ 1.7.2025 RM'000	Recognised in profit or loss (Note 23) RM'000	At 30.6.2026 RM'000
Property, plant and equipment	(142)	(108)	(250)	(44)	(294)
Provisions	-	421	421	10	431
Other items	-	(388)	(388)	499	111
	(142)	(75)	(217)	465	248

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Provisions	1,116	1,140	-	-
Unabsorbed capital allowances	864	777	161	161
Unutilised tax losses	94,408	80,371	4,153	4,153
Others	5,365	4,829	-	-
	101,753	87,117	4,314	4,314

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. Deferred tax assets/(liabilities) (continued)

Unrecognised deferred tax assets (continued)

Deferred tax assets have not been recognised because it is not probable that future taxable profit will be available against which the Group and the Company can utilise the benefits therefrom. Unutilised tax losses can be carried forward for a maximum of ten consecutive years of assessment whilst unabsorbed capital allowances do not expire under the current tax legislation.

The unutilised tax losses will expire in the following year of assessments:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Year of assessment				
2028	71,144	69,530	4,153	4,153
2029	5,474	5,474	-	-
2030	100	100	-	-
2031	653	653	-	-
2032	2,828	2,828	-	-
2033	239	239	-	-
2034	849	849	-	-
2035	698	698	-	-
2036	12,423	-	-	-
	<u>94,408</u>	<u>80,371</u>	<u>4,153</u>	<u>4,153</u>

9. Other investments

	Group and Company	
	2026 RM'000	2025 RM'000
Fair value through profit or loss		
- Quoted shares in Malaysia	<u>3</u>	<u>3</u>
Market value of quoted shares	<u>3</u>	<u>3</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. Trade and other receivables

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Non-current					
Trade					
Trade receivables	10.1	48,081	44,885	-	-
Current					
Trade					
Trade receivables	10.1	65,319	48,347	-	-
Less: Impairment loss		(11,519)	(14,058)	-	-
		53,800	34,289	-	-
Amount due from an associate	10.2	23,189	21,907	-	-
		76,989	56,196	-	-
Non-trade					
Other receivables		8,246	6,541	-	-
Less: Impairment loss		(3,434)	(4,950)	-	-
		4,812	1,591	-	-
Amount due from subsidiaries	10.3	-	-	25,999	21,680
Less: Impairment loss		-	-	(3,522)	(3,156)
		-	-	22,477	18,524
Amount due from an associate	10.3	193	-	-	-
Advance payments to suppliers		3,670	4,617	1	-
Deposits		2,011	1,629	2	8
Prepayments		12,995	1,987	5	6
		23,681	9,824	22,485	18,538
		100,670	66,020	22,485	18,538
		148,751	110,905	22,485	18,538

10.1 Included in trade receivables is RM49,923,000 (2025: RM46,209,000) which bears interest at 2.50% to 4.00% (2025: 2.50% to 4.00%), representing loan receivables from property purchasers and loans extended to a corporate borrower. The loan receivables are recoverable by monthly instalment schemes for periods ranging from 60 to 300 months (2025: 60 to 300 months). These loan receivables are arising from loans extended by a subsidiary with money lending business.

Included in trade receivables is RM8,185,000 (2025: RM5,530,000) relating to retention sum receivable for construction work-in-progress.

The remaining trade receivables are non-interest bearing and are subject to normal credit terms offered by the Group ranging from 30 to 90 days (2025: 30 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

10.2 The trade amount due from an associate is unsecured and subject to credit terms.

10.3 The non-trade amounts due from subsidiaries and an associate are unsecured, interest free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. Contracts with customers

11.1 Contract assets/(liabilities)

	Group	
	2026 RM'000	2025 RM'000
Contract assets relating to:		
- Construction and installation contracts	10,752	11,242
- Project management consultant	1,394	862
	<u>12,146</u>	<u>12,104</u>
Contract liabilities relating to:		
- Property development contracts	<u>(1,574)</u>	<u>(1,601)</u>

Contract assets

The contract assets primarily relate to the Group's rights to consideration for construction and installation work completed and goods delivered but not yet billed at the reporting date, subject to certification of the milestone achieved for billing.

Contract liabilities

The contract liabilities primarily relate to the advance consideration received from customers and liquidated ascertained damages for property development contracts. For advance consideration received, the contract liabilities are expected to be recognised as revenue when control of the properties transfers to the purchasers.

11.2 Contract costs

Costs to obtain contracts relate to incremental sales commission fees paid to intermediaries as a result of obtaining properties sales contracts with customers.

These costs are amortised when the related revenue are recognised. In the current financial year, amortisation amounting to RM351,000 (2025: RM2,024,000) was recognised as part of administrative expenses. There was no impairment loss in relation to the costs capitalised.

12. Cash and bank balances

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash and bank balances	2,953	8,938	409	1,634
Deposits placed with licensed banks	<u>1,700</u>	<u>2,750</u>	<u>-</u>	<u>1,000</u>
	<u>4,653</u>	<u>11,688</u>	<u>409</u>	<u>2,634</u>

Included in the deposits placed with licensed banks of the Group and the Company are RM1,660,000 (2025: RM2,619,000) and Nil (2025: RM1,000,000) respectively, of deposits pledged to financial institutions as security for credit facilities granted to the Group as disclosed in Note 15.

NOTES TO THE FINANCIAL STATEMENTS (Continued)**13. Capital and reserves****Share capital**

	Number of shares 2026 '000	Group and Company Amount 2026 RM'000	Number of shares 2025 '000	Amount 2025 RM'000
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares				
At 1 July	5,349,258	252,516	2,089,928	209,409
Issuance of shares pursuant to:				
- Exercise of warrants	784,755	102,018	166,063	43,107
- Bonus issue	-	-	3,093,267	-
At 30 June	<u>6,134,013</u>	<u>354,534</u>	<u>5,349,258</u>	<u>252,516</u>

13.1 Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

During the financial year ended 30 June 2026, the Company issued 784,754,573 new ordinary shares pursuant to the exercise of warrants at an issue price of RM0.13 per share.

The above new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

13.2 Treasury shares

Treasury shares comprises cost of acquisition of the Company's own shares. At 30 June 2026, the Group held 108,541,300 (2025: Nil) of the Company's own shares.

13.3 Capital reserve

The balance represents the reduction of the Company's par value of its ordinary shares from RM0.20 to RM0.05 by way of cancellation of RM0.15 of the par value of every ordinary share of RM0.20 each, prior to 31 January 2017 (effective date of Companies Act 2016).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. Warrants

Warrants 2022/2025

On 5 September 2022, a total of 883,303,290 free warrants with an exercise price of RM0.31 per warrant and a 3-year tenure ("Warrants") were listed on the Main Market of Bursa Malaysia Securities Berhad. The exercise price was set at a 17.16% premium to the 5-day volume weighted average share price of Tanco Shares of RM0.2646.

On 8 April 2025, following the bonus issue of shares, 757,964,120 Additional Warrants were issued and the exercise price of the Warrants was adjusted from RM0.31 to RM0.13 per warrant.

The salient terms of the warrants were as follows:

- (i) entitled its registered holders to subscribe for 1 new ordinary share at the exercise price during the exercise period;
- (ii) the exercise price was RM0.31 per warrant (before 8 April 2025) and RM0.13 per warrant (after 8 April 2025) subject to adjustments in accordance with the provisions of the Deed Poll executed; and
- (iii) the warrants may be exercised at any time for a period of 3 years commencing on and including 26 August 2022 being the date of issue of the warrants ("exercise period"). Warrants that were not exercised during the exercise period will thereafter lapse and cease to be valid for any purpose.

The exercise period of the warrants 2022/2025 expired on 25 August 2025.

The movement of the Company's warrants during the financial year are as follows:

	Number of warrants (Units'000)	
	2026	2025
At 1 July	1,252,853	660,952
Issuance of warrants during the financial year	-	757,964
Exercised during the financial year	(784,754)	(166,063)
Expired during the financial year	(468,099)	-
At 30 June	-	1,252,853

15. Loans and borrowings

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Non-current					
Term loans	15.1	15,413	7,159	-	-
Hire purchase payables		1,516	822	-	-
Revolving credit	15.2	17,611	9,060	-	-
		34,540	17,041	-	-
Current					
Term loans	15.1	1,610	466	-	-
Hire purchase payables		296	168	-	-
Revolving credit	15.2	-	1,028	-	1,028
Bank overdrafts	15.3	1,018	1,130	-	-
		2,924	2,792	-	1,028
		37,464	19,833	-	1,028

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. Loans and borrowings (continued)

15.1 Term loans

Term loans of the Group are secured and supported by the following:

- (i) Facilities agreements;
- (ii) First legal charge over property, plant and equipment (Note 2.3);
- (iii) First legal charge over investment properties (Note 3.4)
- (iv) Pledged deposit (Note 12);
- (v) Corporate guarantee by the Company;
- (vi) Corporate guarantee by the corporate shareholder of a subsidiary;
- (vii) Joint and several guarantee by the Directors and a third party; and
- (viii) First party legal assignment for rental proceeds.
- (ix) Assignment over the rights and interest to the proceeds payable from the Entrepreneur Protection Assurance Policy for all monies owing or payable under the facility.

15.2 Revolving credit

Revolving credit 1

Revolving credit of the Company of RM1.028 million in 2025 was secured by pledged deposit of the Company (Note 12).

Revolving credit 2

Revolving credit of a subsidiary of RM17,611 million (2025: RM9.060 million) is secured and supported as follows:

- (i) Fixed charge over a property owned by the third-party joint venture partner of Palm Springs Development Sdn. Bhd., a subsidiary of the Group; and
- (ii) Corporate guarantee by the Company.

15.3 Bank overdraft

Bank overdraft of RM0.881 million (2025: RM0.993 million) is secured by fixed deposits of the Group and corporate guarantee by the Company.

Bank overdraft of RM0.137 million (2025: RM0.137 million) is secured and supported as follows:

- (i) Investment properties (Note 3.4) and pledged deposit of a subsidiary (Note 12); and
- (ii) Joint and several guarantee by the Directors and a third party of the subsidiary.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

16. Trade and other payables

	Note	Group		Company	
		2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
Non-current					
Non-trade					
Other payables	16.1	2,645	918	-	-
Current					
Trade					
Trade payables	16.2	75,716	59,597	-	-
Non-trade					
Other payables		22,235	28,370	353	4,248
Deposits		519	489	-	-
Accrued expenses		4,610	3,462	123	123
Amount due to Directors	16.3	5,135	2,045	1,810	1,000
Amount due to a subsidiary	16.4	-	-	2,555	-
Amount due to an associate	16.4	325	-	-	-
		32,824	34,366	4,841	5,371
		108,540	93,963	4,841	5,371
		111,185	94,881	4,841	5,371

16.1 Included in non-current other payables are RM748,000 (2025: RM748,000) relating to sums payable to members upon expiry of their golf memberships in year 2093.

16.2 Trade payables are non-interest bearing and the normal credit terms granted to the Group range from 30 to 120 days (2025: 30 to 120 days).

16.3 The amount due to Directors is unsecured, interest free and repayable on demand.

16.4 The amounts due to a subsidiary and an associate are unsecured, interest free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. Provisions

Group	Liquidated ascertained damages RM'000
At 1 July 2024	973
Provisions reversed during the year	(716)
At 30 June 2025/1 July 2025/30 June 2026	<u>257</u>

Provision for liquidated ascertained damages in relation to construction projects is estimated based on the terms of contracts with customers.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

18. Revenue

	Group	
	2026 RM'000	2025 RM'000
Revenue from contracts with customers		
Sales of development properties	6,438	8,314
Income from annual subscriptions fee, clubs, resort and hotel operations	9,349	746
Construction and installation	57,554	35,746
Business and project consulting services	26,106	26,708
Sales of goods	57,726	53,073
	<u>157,173</u>	<u>124,587</u>
Other revenue		
Rental income	482	738
Interest income	3,158	3,136
	<u>3,640</u>	<u>3,874</u>
Total revenue	<u>160,813</u>	<u>128,461</u>
Timing of recognition		
At a point in time	64,220	61,387
Over time	92,953	63,200
	<u>157,173</u>	<u>124,587</u>
	Company	
	2026 RM'000	2025 RM'000
Other revenue		
Dividend income	<u>24,069</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

18. Revenue (continued)

18.1 Transaction price allocated to the remaining performance obligation

The following table shows revenue from performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date. The disclosure is only providing information for contracts that have a duration of more than one year.

Group 2026	2027 RM'000	2028 RM'000	Total RM'000
Revenue from construction contracts	35,857	-	-
2025	2026 RM'000	2027 RM'000	Total RM'000
Revenue from construction contracts	59,455	25,735	85,190

The above revenue does not include variable consideration unless certified by the main customers.

The Group applies the following practical expedients:

- exemption on disclosure of information on remaining performance obligations that have original expected durations of one year or less.
- exemption not to adjust the promised amount of consideration for the effects of a significant financing component when the period between the transfer of a promised good or service to a customer and when the customer pays for that good or service is one year or less.

18.2 Nature of goods and services

Sales of development properties

Property development

Revenue is recognised over time if it creates an asset with no alternative use to the Group, and the Group has an enforceable right to payment for performance completed to date.

Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of a performance obligation is determined by the proportion of property development costs incurred for work performed to date bear to the estimated total property development costs (an input method). Significant payment terms granted to credit customers are credit period of 30 days from invoice date. There are no other variable element in consideration and no other obligation for returns or refunds. Defect liability period of 24 calendar months shall commence from the date of handing over vacant possession of the properties.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

18. Revenue (continued)

18.2 Nature of goods and services (continued)

Sales of development properties (continued)

Sale of completed properties

Revenue is recognised at a point in time when the control of the properties has been transferred to the customers i.e. upon delivery to purchasers, and it is probable that the Group will collect the consideration to which it will be entitled to in exchange for the completed properties sold. Significant payment terms granted to credit customers are credit period of 30 days from invoice date. There are no other variable element in consideration and no other obligation for returns or refunds.

Income from annual subscriptions fee, clubs, resort and hotel operation

Revenue is recognised over time as the customer receives and uses the benefits simultaneously. This is determined based on time elapsed (output method). Significant payment terms granted to credit customers are credit period of 30 days from invoice date. There are no other variable element in consideration and no other obligation for returns or refunds.

Construction and installation

Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of a performance obligation is determined by the proportion of construction and installation costs incurred for work performed to date bear to the estimated total construction and installation costs (an input method). Significant payment terms granted to credit customers are credit period of 30 days from invoice date. There are no other variable element in consideration and no other obligation for returns or refunds. Defect liability period of 24 calendar months shall commence from certificate of practical completion/certificate of completion and compliance as per construction contracts.

Business and project consulting services

Revenue is recognised over time as and when the services are performed or when the customer consumes the services. Significant payment terms granted to credit customers are credit period of 30 days from invoice date. There are no other variable element in consideration and no other obligation for returns or refunds.

Sales of goods

Revenue from sale of manufactured pharmaceutical products and construction materials are recognised at a point in time when control of the products has been transferred, being when the customer accepts the delivery of the goods. Significant payment terms granted to credit customers are credit period of 30 to 90 days from invoice date. There are no other variable element in consideration and no other obligation for returns or refunds.

Dividend income

Revenue is recognised at a point in time on the date that the Company's right to receive payment is established.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

19. Cost of sales

	Note	Group	
		2026 RM'000	2025 RM'000
Cost of development properties		3,482	2,839
Cost of construction and installation		51,432	31,767
Business and project consulting services		13,698	14,066
Purchase of materials		56,733	51,852
Rental operation costs		980	1,182
Hotel operation costs		10,522	4,426
Cost capitalised to inventories	19.1	-	(8,794)
		<u>136,847</u>	<u>97,338</u>

19.1 In 2025, certain property development costs previously recognised in cost of sales relating to a development project were capitalised to inventories following the completion of the development project where the Group reviewed the estimates relating to allocation of cost to completed properties. The capitalisation reduced cost of sales and increased inventories by RM8,794,000.

20. Finance costs

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Interest expense on financial liabilities that are not fair value through profit or loss:				
- term loans	1,078	375	-	-
- bank overdraft	82	55	-	-
- hire purchase	58	49	-	-
- revolving credit	1,039	28	27	28
- others	87	637	-	-
Interest expenses on lease liabilities	<u>1,177</u>	<u>1,230</u>	<u>-</u>	<u>-</u>
	<u>3,521</u>	<u>2,374</u>	<u>27</u>	<u>28</u>
Recognised in profit or loss	2,691	2,374	-	-
Interest expense on financial liabilities that are not fair value through profit or loss capitalised into qualifying assets:				
- inventories	<u>830</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>3,521</u>	<u>2,374</u>	<u>27</u>	<u>28</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

21. Profit/(Loss) before tax

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Profit/(Loss) before tax is arrived at after charging/(crediting):				
Auditors' remuneration				
Audit fees:				
- KPMG PLT	414	402	110	110
- Other auditors	61	206	-	-
Non-audit fees:				
- KPMG PLT	10	10	10	10
- Affiliates of KPMG PLT	18	-	2	-
	<u>493</u>	<u>618</u>	<u>122</u>	<u>120</u>
Material expenses/(income)				
Bad debts written off	-	109	-	-
Depreciation of:				
- investment properties	1,202	1,202	-	-
- property, plant and equipment	4,894	1,046	14	15
- right-of-use assets	4,682	4,951	-	-
Employee benefit expenses	12,130	11,047	302	237
Interest income	(284)	(256)	(27)	(39)
Loss on disposal of property, plant and equipment	43	83	-	-
(Reversal of impairment loss)/ Impairment loss on investments in subsidiaries	-	-	(84)	834
Property, plant and equipment written off	7	11	-	-
Reversal of provision for liquidated ascertained damages	-	(716)	-	-
(Reversal of impairment loss)/ Impairment loss on investment properties	(13,283)	150	-	-
Impairment loss on intangible assets	527	-	-	-
Reversal of impairment loss on property, plant and equipment	(11)	-	-	-
	<u>(11)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenses/(Income) arising from leases				
Expenses relating to short-term leases	322	416	36	72
Gain on derecognition of lease	(102)	(553)	-	-
Rental income	(569)	(816)	-	-
	<u>(349)</u>	<u>(953)</u>	<u>36</u>	<u>72</u>
Net (gains)/losses on impairment of financial instruments				
(Reversal of impairment loss)/Impairment loss on:				
- amount due from subsidiaries	-	-	366	1,534
- trade and other receivables	(808)	(6,121)	-	-
	<u>(808)</u>	<u>(6,121)</u>	<u>366</u>	<u>1,534</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

22. Employee benefit expenses

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Employee benefit expenses (including key management personnel):				
Salaries, allowances and bonuses	10,273	8,926	302	237
Contributions to Employees Provident Fund	1,290	1,032	-	-
Others	567	1,089	-	-
	<u>12,130</u>	<u>11,047</u>	<u>302</u>	<u>237</u>

23. Tax expense

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Current tax expense				
Current year	3,656	3,323	-	-
(Over)/Under provision in prior years	(14)	224	-	-
	<u>3,642</u>	<u>3,547</u>	<u>-</u>	<u>-</u>
Deferred tax expense				
Origination and reversal of temporary differences	355	192	-	-
Over provision in prior years	(820)	(117)	-	-
	<u>(465)</u>	<u>75</u>	<u>-</u>	<u>-</u>
Total tax expense	<u>3,177</u>	<u>3,622</u>	<u>-</u>	<u>-</u>

Reconciliation of tax expense

Profit/(Loss) before tax	<u>7,382</u>	<u>15,578</u>	<u>22,031</u>	<u>(5,141)</u>
Income tax calculated using Malaysian tax rate of 24%	1,772	3,739	5,287	(1,234)
Tax exempt income	(3,949)	-	(5,802)	(16)
Non-deductible expenses	2,746	997	515	1,250
Tax accounted for share of profit of equity-accounted associate	(71)	(151)	-	-
Changes in unrecognised deferred tax assets	3,513	(1,070)	-	-
(Over)/Under provision in prior years	<u>(834)</u>	<u>107</u>	<u>-</u>	<u>-</u>
	<u>3,177</u>	<u>3,622</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

24. Earnings per ordinary share

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share is based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	Group	
	2026 RM'000	2025 RM'000
Profit for the year attributable to owners of the Company	<u>897</u>	<u>7,881</u>
	'000	'000
Weighted average number of ordinary shares (basic):		
At 1 July	5,282,814	5,183,195
Add: Effect of issuance of shares	<u>662,534</u>	<u>99,619</u>
At 30 June	<u>5,945,348</u>	<u>5,282,814</u>
	Sen	Sen
Basic earnings per ordinary share	<u>0.02</u>	<u>0.15</u>

Diluted earnings per ordinary share

The calculation of diluted earnings per ordinary share is based on profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

	Group	
	2026 RM'000	2025 RM'000
Profit for the year attributable to owners of the Company	<u>897</u>	<u>7,881</u>
	'000	'000
Weighted average number of ordinary shares in issue	5,945,348	5,282,814
Effect of dilution of warrants	<u>-</u>	<u>1,252,853</u>
Weighted average number of ordinary shares for diluted earnings per share	<u>5,945,348</u>	<u>6,535,667</u>
	Sen	Sen
Diluted earnings per ordinary share	<u>0.02</u>	<u>0.12</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

25. Operating segments

The Group has five reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately. For each of the strategic business units, the Chief Operating Decision Maker ("CODM") reviews internal management reports at least on a quarterly basis.

Geographical segments

The activities of the Group are carried out in Malaysia, as such, segmental reporting by geographical location is not presented.

Business segments

The Group's reportable segments are as follows:

- Property development/management
- Resorts and club operation/management
- Construction and installation
- Investment holding
- Business consulting services

Segment profit

Performance is measured based on segment profit before tax, interest and share of profit of equity-accounted associate, as included in the internal management reports that are reviewed by the CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operates within these industries.

Segment assets

The total of segment asset is measured based on all assets (including goodwill) of a segment, as included in the internal management reports that are reviewed by the CODM.

Segment liabilities

The total of segment liabilities is measured based on all liabilities of a segment, as included in the internal management reports that are reviewed by the CODM.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

25. Operating segments (continued)

Group 2026	Property development/ management RM'000	Resorts and club operation/ management RM'000	Construction and installation RM'000	Investment holding RM'000	Business consulting services RM'000	Elimination RM'000	Total RM'000
Segment revenue							
Revenue from external customers	16,059	4,286	115,214	30	25,224	-	160,813
Inter-segment revenue	990	-	6,176	24,075	-	(31,241)	-
	17,049	4,286	121,390	24,105	25,224	(31,241)	160,813
Segment profit/(loss)	(12,516)	13,515	4,406	(3,236)	9,797	(2,473)	9,493
Included in the measure of segment profit/(loss) are:							
Depreciation and amortisation	(8,665)	(1,711)	(53)	(17)	(347)	15	(10,778)
Property, plant and equipment written off	-	-	-	-	(7)	-	(7)
Loss on disposal of property, plant and equipment	-	-	-	-	(43)	-	(43)
Reversal of impairment loss on investment properties	-	13,283	-	-	-	-	13,283
Impairment loss on intangible assets	-	-	-	(527)	-	-	(527)
Net gains on impairment of financial instruments	588	220	-	-	-	-	808
Share of profit of equity-accounted associate, net of tax	-	-	-	-	296	-	296
Not included in the measure of segment profit but provided to CODM:							
Finance costs	(2,609)	(72)	(333)	(27)	(548)	898	(2,691)
Finance income	34	20	14	27	189	-	284
Tax expense	(201)	244	(804)	-	(2,416)	-	(3,177)
Segment assets	372,646	147,377	85,757	454,347	48,518	(540,865)	567,780
Segment liabilities	(173,202)	(59,694)	(68,925)	(44,255)	(19,969)	184,831	(181,214)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

25. Operating segments (continued)

	Property development/ management RM'000	Resorts and club operation/ management RM'000	Construction and installation RM'000	Investment holding RM'000	Business consulting services RM'000	Elimination RM'000	Total RM'000
Group 2025							
Segment revenue							
Revenue from external customers	9,223	4,572	88,791	28	25,847	-	128,461
Inter-segment revenue	913	-	-	-	-	(913)	-
	10,136	4,572	88,791	28	25,847	(913)	128,461
Segment profit/(loss)	2,671	499	5,465	(5,519)	10,421	3,530	17,067
Included in the measure of segment profit/(loss) are:							
Depreciation and amortisation	(5,547)	(1,714)	(5)	(15)	(328)	410	(7,199)
Property, plant and equipment written off	-	-	-	-	(11)	-	(11)
Bad debts written off	-	(109)	-	-	-	-	(109)
Loss on disposal of property, plant and equipment	(83)	-	-	-	-	-	(83)
Net gains/(losses) on impairment of financial instruments	3,490	(107)	2,738	-	-	-	6,121
Share of profit of equity-accounted associate, net of tax	-	-	-	-	629	-	629
Not included in the measure of segment profit but provided to CODM:							
Finance costs	(2,556)	(72)	(392)	(28)	(184)	858	(2,374)
Finance income	96	18	17	39	147	(61)	256
Tax expense	(75)	(637)	(247)	-	(2,663)	-	(3,622)
Segment assets	370,964	124,867	59,752	430,901	44,180	(514,412)	516,252
Segment liabilities	(157,658)	(57,290)	(46,217)	(33,534)	(21,208)	165,889	(150,018)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

25. Operating segments (continued)

Major customers

The following are major customers with revenue equal or more than 10% of the Group's total revenue:

		Revenue	
Segment		2026 RM'000	2025 RM'000
Customer A	Business consulting services	25,224	25,847
Customer B	Construction and installation	19,921	26,654
Customer C	Construction and installation	<u>52,299</u>	<u>22,109</u>

26. Financial instruments

26.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised under MFRS 9 as follows:

- (a) Amortised cost ("AC")
- (b) Fair value through profit or loss ("FVTPL")

	Carrying amount RM'000	AC RM'000	FVTPL RM'000
2026			
Group			
Financial assets			
Other investments	3	-	3
Trade and other receivables*	132,086	132,086	-
Cash and bank balances	4,653	4,653	-
	<u>136,742</u>	<u>136,739</u>	<u>3</u>
Financial liabilities			
Loans and borrowings	(37,464)	(37,464)	-
Trade and other payables	(111,185)	(111,185)	-
	<u>(148,649)</u>	<u>(148,649)</u>	<u>-</u>
Company			
Financial assets			
Other investments	3	-	3
Trade and other receivables*	22,479	22,479	-
Cash and bank balances	409	409	-
	<u>22,891</u>	<u>22,888</u>	<u>3</u>
Financial liabilities			
Trade and other payables	<u>(4,841)</u>	<u>(4,841)</u>	<u>-</u>

* Excluding advance payments to suppliers and prepayments.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

26. Financial instruments (continued)

26.1 Categories of financial instruments (continued)

	Carrying amount RM'000	AC RM'000	FVTPL RM'000
2025			
Group			
Financial assets			
Other investments	3	-	3
Trade and other receivables*	104,301	104,301	-
Cash and bank balances	11,688	11,688	-
	<u>115,992</u>	<u>115,989</u>	<u>3</u>
Financial liabilities			
Loans and borrowings	(19,833)	(19,833)	-
Trade and other payables	(94,881)	(94,881)	-
	<u>(114,714)</u>	<u>(114,714)</u>	<u>-</u>
Company			
Financial assets			
Other investments	3	-	3
Trade and other receivables*	18,532	18,532	-
Cash and bank balances	2,634	2,634	-
	<u>21,169</u>	<u>21,166</u>	<u>3</u>
Financial liabilities			
Loans and borrowings	(1,028)	(1,028)	-
Trade and other payables	(5,371)	(5,371)	-
	<u>(6,399)</u>	<u>(6,399)</u>	<u>-</u>

* Excluding advance payments to suppliers and prepayments.

26.2 Net gains and losses arising from financial instruments

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Net gains/(losses) on:				
Financial assets at AC	1,092	6,268	(339)	(1,495)
Financial liabilities at AC	<u>(1,514)</u>	<u>(1,144)</u>	<u>(27)</u>	<u>(28)</u>
	<u>(422)</u>	<u>5,124</u>	<u>(366)</u>	<u>(1,523)</u>

26.3 Financial risk management

The Group and the Company have exposure to the following risks from their use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

NOTES TO THE FINANCIAL STATEMENTS (Continued)

26. Financial instruments (continued)

26.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers and other receivables. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries. There are no significant changes as compared to prior periods.

Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally financial guarantees given by banks, shareholders or directors of customers are obtained, and credit evaluations are performed on customers requiring credit over a certain amount.

At each reporting date, the Group or the Company assesses whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or fully) when there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by the carrying amounts in the statements of financial position.

The Group receives financial guarantees given by banks, shareholders or directors of customers in managing exposure to credit risks.

In respect of trade receivables from sale of properties, the Group mitigates its credit risk by retaining legal title to all properties sold until the full contracted sales value is settled.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are measured at their realisable values. The Group uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 120 days, which are deemed to have higher credit risk, are monitored individually.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

26. Financial instruments (continued)

26.4 Credit risk (continued)

Trade receivables and contract assets (continued)

Credit risk concentration profile

The Group monitors concentration of credit risk by analysing the revenue contribution of their customers. At the reporting date, the Group has significant concentration of credit risk in the form of outstanding balance due from 6 customers (2025: 7 customers) representing 58% (2025: 57%) of the total receivables.

Recognition and measurement of impairment losses

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances.

The Group adopts the simplified approach and assesses ECLs of trade receivables on an individual basis. Consistent with the debt recovery process, invoices which are past due more than 120 days will be considered as credit impaired unless individual credit assessment indicate otherwise.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets which are grouped together as they are expected to have similar risk nature.

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net carrying amount RM'000
2026			
Trade receivables			
Current (not past due)	110,077	-	110,077
Past due 1 – 30 days	11,640	-	11,640
Past due 31 – 60 days	1,035	-	1,035
Past due 61 – 90 days	694	-	694
Past due 91 – 120 days	41	-	41
Past due more than 120 days	1,583	-	1,583
Credit impaired	11,519	(11,519)	-
	136,589	(11,519)	125,070
Contract assets			
Current	12,146	-	12,146
	148,735	(11,519)	137,216

NOTES TO THE FINANCIAL STATEMENTS (Continued)

26. Financial instruments (continued)

26.4 Credit risk (continued)

Trade receivables and contract assets (continued)

Recognition and measurement of impairment losses (continued)

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net carrying amount RM'000
2025			
Trade receivables			
Current (not past due)	85,617	-	85,617
Past due 1 - 30 days	10,674	-	10,674
Past due 31 - 60 days	2,305	-	2,305
Past due 61 - 90 days	1,025	-	1,025
Past due 91 - 120 days	613	-	613
Past due more than 120 days	847	-	847
Credit impaired	14,058	(14,058)	-
	115,139	(14,058)	101,081
Contract assets			
Current	12,104	-	12,104
	127,243	(14,058)	113,185

The movement in the allowance for impairment in respect of trade receivables and contract assets during the year is as follows:

	Loss allowance	
Group	2026 RM'000	2025 RM'000
At 1 July	14,058	20,179
Net remeasurement of loss allowance	(608)	(6,121)
Amounts written off	(1,931)	-
At 30 June	11,519	14,058

Other receivables and deposits

Credit risks on other receivables are mainly arising receivables from third parties and associate, and deposits paid for office buildings and fixtures rented. These deposits will be received at the end of each lease terms. The Group and the Company manage the credit risk together with the leasing arrangement.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

26. Financial instruments (continued)

26.4 Credit risk (continued)

Other receivables and deposits (continued)

The following table provides information about the exposure and ECLs for other receivables.

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net carrying amount RM'000
2026			
Low credit risk	4,812	-	4,812
Credit impaired	3,434	(3,434)	-
	<u>8,246</u>	<u>(3,434)</u>	<u>4,812</u>
2025			
Low credit risk	1,591	-	1,591
Credit impaired	4,950	(4,950)	-
	<u>6,541</u>	<u>(4,950)</u>	<u>1,591</u>

The movement in the allowance for impairment in respect of other receivables during the year is as follows:

Group	Loss allowance	
	2026 RM'000	2025 RM'000
At 1 July	4,950	4,950
Net remeasurement of loss allowance	(200)	-
Amounts written off	<u>(1,316)</u>	<u>-</u>
At 30 June	<u>3,434</u>	<u>4,950</u>

Cash and cash equivalents and deposits with licensed banks

The cash and cash equivalents and deposits are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Group provides unsecured financial guarantees to banks in respect of banking facilities granted to the associate. The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Group and the Company monitor the ability of the subsidiaries and associate to service their loans on an individual basis.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

26. Financial instruments (continued)

26.4 Credit risk (continued)

Financial guarantees (continued)

Exposure to credit risk, credit quality and collateral

The Group's maximum exposure to credit risk amounts to RM5,703,000 (2025: Nil), while the Company's maximum exposure to credit risk amounts to RM24,403,000 (2025: RM14,773,000), representing the outstanding banking facilities of the associate and subsidiaries, respectively, as at the end of the reporting period.

The financial guarantees are provided as credit enhancements to the associate's and subsidiaries' secured banking facilities.

Recognition and measurement of impairment loss

The Group and the Company assumes that there is a significant increase in credit risk when the associate's or the subsidiaries' financial position deteriorates significantly. The Group and the Company consider a financial guarantee to be credit impaired when:

- The associate or the subsidiaries are unlikely to repay their credit obligations to the banks in full; or
- The associate or the subsidiaries are continuously loss making and are having deficit in shareholders' funds.

The Group and the Company determine the probability of default of the guaranteed loans individually using internal information available.

As at the end of the reporting period, there was no indication that the associate or the subsidiaries would default on repayment.

Amounts due from subsidiaries and associate

Risk management objectives, policies and processes for managing the risk

The Group provides unsecured advances to an associate. The Company provides unsecured advances to its subsidiaries. The Group and the Company monitor the ability of the subsidiaries and associate to repay the advances on an individual basis.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

Recognition and measurement of impairment loss

The Group and the Company assume that there is a significant increase in credit risk when the subsidiaries' and associate's financial positions deteriorate significantly. The Group and the Company consider amounts due from subsidiaries and associate to be credit impaired when:

- The subsidiaries and associate are unlikely to repay their advances to the Group and the Company in full; or
- The subsidiaries and associate are continuously loss making and are having deficit in shareholders' funds.

The Group and the Company determine the probability of default of these advances individually using internal information available.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

26. Financial instruments (continued)

26.4 Credit risk (continued)

Amounts due from subsidiaries and associate (continued)

Recognition and measurement of impairment loss (continued)

The following table provides information about the exposure to credit risk and ECLs for amounts due from subsidiaries and associate:

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net carrying amount RM'000
2026			
Low credit risk	193	-	193
Company			
2026			
Low credit risk	22,477	-	22,477
Credit impaired	3,522	(3,522)	-
	25,999	(3,522)	22,477
2025			
Low credit risk	18,524	-	18,524
Credit impaired	3,156	(3,156)	-
	21,680	(3,156)	18,524

The movement in the allowance for impairment in respect of amount due from subsidiaries during the year is as follows:

	Loss allowance	
	2026 RM'000	2025 RM'000
Company		
At 1 July	3,156	1,622
Net remeasurement of loss allowance	366	1,534
At 30 June	3,522	3,156

26.5 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from their various payables, loans and borrowings.

The Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that they will have sufficient liquidity to meet their liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

26. Financial instruments (continued)

26.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM'000	Contractual interest/ Discount rates %	Contractual cash flows RM'000	Under 1 year RM'000	1- 5 years RM'000	More than 5 years RM'000
Group						
2026						
<i>Non-derivative financial liabilities</i>						
Trade and other payables	111,185	-	111,185	108,540	1,897	748
Hire purchase payables	1,812	2.13 - 3.40	2,169	336	1,291	542
Term loans	17,023	4.24 - 12.00	21,066	3,719	10,950	6,397
Revolving credit	17,611	5.53 - 5.58	20,712	1,008	19,704	-
Bank overdrafts	1,018	6.89 - 8.35	1,018	1,018	-	-
Lease liabilities	27,680	5.15 - 5.53	31,986	8,140	23,846	-
Financial guarantees	-	-	5,703	5,703	-	-
	<u>176,329</u>		<u>193,839</u>	<u>128,464</u>	<u>57,688</u>	<u>7,687</u>
2025						
<i>Non-derivative financial liabilities</i>						
Trade and other payables	94,881	-	94,881	93,963	170	748
Hire purchase payables	990	3.20 - 6.34	1,150	215	720	215
Term loans	7,625	3.85 - 5.35	10,975	824	3,296	6,855
Revolving credit	10,088	5.53 - 5.86	12,064	1,586	10,478	-
Bank overdrafts	1,130	8.60	1,130	1,130	-	-
Lease liabilities	29,524	5.15	34,342	6,685	25,769	1,888
	<u>144,238</u>		<u>154,542</u>	<u>104,403</u>	<u>40,433</u>	<u>9,706</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

26. Financial instruments (continued)

26.5 Liquidity risk (continued)

Maturity analysis (continued)

	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000
Company				
2026				
<i>Non-derivative financial liabilities</i>				
Trade and other payables	4,841	-	4,841	4,841
Financial guarantees	-	-	24,403	24,403
	<u>4,841</u>		<u>29,244</u>	<u>29,244</u>
2025				
<i>Non-derivative financial liabilities</i>				
Revolving credit	1,028	5.53	1,055	1,055
Trade and other payables	5,371	-	5,371	5,371
Financial guarantees	-	-	14,773	14,773
	<u>6,399</u>		<u>21,199</u>	<u>21,199</u>

26.6 Market risk

Market risk is the risk that changes in market prices, such as interest rates and other prices that will affect the Group's financial position or cash flows.

26.6.1 Interest rate risk

The Group's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Investments in equity securities and short-term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The Group does not hedge its interest rate exposure and management monitors these exposures on an ongoing basis.

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

NOTES TO THE FINANCIAL STATEMENTS (Continued)

26. Financial instruments (continued)

26.6 Market risk (continued)

26.6.1 Interest rate risk (continued)

Exposure to interest rate risk (continued)

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Fixed rate instruments				
Financial assets	51,623	48,959	-	1,000
Financial liabilities	(1,812)	(2,018)	-	(1,028)
Lease liabilities	(27,680)	(29,524)	-	-
	<u>22,131</u>	<u>17,417</u>	<u>-</u>	<u>(28)</u>
Floating rate instruments				
Financial liabilities	<u>(35,652)</u>	<u>(17,815)</u>	<u>-</u>	<u>-</u>

Interest rate risk sensitivity analysis

(a) Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

The exposure to interest rate risk arising from fixed rate instruments is not material, and hence, sensitivity analysis is not presented.

(b) Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points ("bp") in interest rates at the end of the reporting year would have (decreased)/increased pre-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit or loss			
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
	2026	2026	2025	2025
	RM'000	RM'000	RM'000	RM'000
Group				
Floating rate instruments	<u>(357)</u>	<u>357</u>	<u>(178)</u>	<u>178</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

26. Financial instruments (continued)

26.7 Fair value information

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments. Accordingly, the fair values and fair value hierarchy levels have not been presented for these instruments.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

Group	Fair value of financial instruments carried at fair value Level 1 RM'000	Fair value of financial instruments not carried at fair value Level 3 RM'000	Total fair value RM'000	Carrying amount RM'000
2026				
Financial assets				
Other investments	3	-	3	3
Long term receivables	-	48,081	48,081	48,081
	<u>3</u>	<u>48,081</u>	<u>48,084</u>	<u>48,084</u>
Financial liabilities				
Long term payables	-	(2,645)	(2,645)	(2,645)
Hire purchase payables	-	(1,721)	(1,721)	(1,812)
Revolving credit	-	(17,611)	(17,611)	(17,611)
Term loans	-	(17,023)	(17,023)	(17,023)
	<u>-</u>	<u>(39,000)</u>	<u>(39,000)</u>	<u>(39,091)</u>
2025				
Financial assets				
Other investments	3	-	3	3
Long term receivables	-	44,885	44,885	44,885
	<u>3</u>	<u>44,885</u>	<u>44,888</u>	<u>44,888</u>
Financial liabilities				
Long term payables	-	(918)	(918)	(918)
Hire purchase payables	-	(941)	(941)	(990)
Revolving credit	-	(10,088)	(10,088)	(10,088)
Term loans	-	(7,625)	(7,625)	(7,625)
	<u>-</u>	<u>(19,572)</u>	<u>(19,572)</u>	<u>(19,621)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

26. Financial instruments (continued)

26.7 Fair value information (continued)

Level 3 fair value

Level 3 fair value is estimated using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table shows the valuation techniques used in determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used
Long term receivables and payables, term loans, hire purchase payables, revolving credit	Discounted cash flows using a rate based on the current market rate of borrowing of the Group at the reporting date.

27. Capital management

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal gearing ratio that complies with debt covenants and regulatory requirements.

The gearing ratios at 30 June 2026 and 30 June 2025 were as follows:-

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Loan and borrowings (Note 15)	<u>37,464</u>	<u>19,833</u>	<u>-</u>	<u>1,028</u>
Total equity attributable to owners of the Company	<u>371,689</u>	<u>354,665</u>	<u>385,344</u>	<u>347,186</u>
Debt-to-equity ratios	<u>0.10</u>	<u>0.06</u>	<u>0.00</u>	<u>0.00</u>

28. Capital commitments

	Group	
	2026 RM'000	2025 RM'000
Property, plant and equipment Contracted but not provided for	<u>3,932</u>	<u>5,767</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

29. Related parties

Significant related party transactions

Related party transactions have been entered into in the normal course of business. The significant related party transactions of the Group and the Company are shown below. The balances related to the below transactions are shown in Notes 10 and 16.

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
A. Subsidiary				
Rental expense	-	-	(36)	(72)
Dividend income	-	-	24,069	-
B. Related companies				
Purchase of goods	-	(453)	-	-
C. Associate				
Management fee income	25,224	25,847	-	-
Sales commission expense	(351)	(2,024)	-	-
D. Key management personnel				
Compensation				
Directors of the Company				
Fees	(264)	(204)	(264)	(204)
Salaries and allowance	(1,481)	(1,461)	(38)	(33)
Contributions to Employees				
Provident Fund	(177)	(177)	-	-
Other emoluments	(53)	(79)	-	-
Benefits-in-kind	(60)	(47)	-	-
	(2,035)	(1,968)	(302)	(237)
Other key management personnel				
Salaries and allowance	(1,580)	(1,164)	-	-
Contributions to Employees				
Provident Fund	(160)	(142)	-	-
Other emoluments	(7)	(217)	-	-
Benefits-in-kind	(51)	(52)	-	-
	(3,833)	(3,543)	-	-
Other transactions				
Sales of development properties	492	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

30. Subsequent events

- 1) On 10 July 2026, Midports Holdings Sdn. Bhd. ("MHSB"), a subsidiary of the Group, had received the Certificate of Approval from Majlis Perbandaran Port Dickson approving the Building Plan, Earthworks Plan, Road and Drainage Plan and Street Lighting Plan in relation to the proposed development of a Smart AI Container Port at Port Dickson, Negeri Sembilan ("Port Project").
- 2) On 14 July 2026, MHSB, had entered into a Memorandum of Understanding with SPG Qingdao Port Group Co., Ltd., a third party, in relation to the proposed Port Project and the potential fundraising activities in relation thereto.
- 3) On 14 July 2026, Tanco Supplies Sdn. Bhd., a subsidiary of the Group, had entered into a Memorandum of Agreement with Halaman Mantap Sdn. Bhd., a related party, pertaining to the supply of armour rocks to support the reclamation works of the proposed Port Project.
- 4) On 20 October 2026, the Company incorporated a subsidiary, Natural Cove Sdn. Bhd. ("NCSB") with a paid-up capital of RM100. The Company subscribed for 79 ordinary shares in NCSB for a total cash consideration of RM79. The intended principal activities are investment holding, business management consultancy services and port, harbours and piers operation services.

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

In the opinion of the Directors, the financial statements set out on pages 70 to 136 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

.....
Dato' Sri Andrew Tan Jun Suan
Director

.....
Datuk Christopher Tan Khoon Suan
Director

Puchong, Selangor

Date: 23 October 2026

STATUTORY DECLARATION PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, **Tan Pik Hooi**, the Officer primarily responsible for the financial management of Tanco Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 70 to 136 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Tan Pik Hooi, MIA CA 23636, at Puchong in the State of Selangor on 23 October 2026.

.....
Tan Pik Hooi

Before me:

KUMERESHUARAN GUNASEGARAN
Commissioner for Oaths
License No. B82

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TANCO HOLDINGS BERHAD

(Registration No. 195801000190 (3326-K)) (Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Tanco Holdings Berhad, which comprise the statements of financial position as at 30 June 2026 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 70 to 136.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TANCO HOLDINGS BERHAD (Continued)

(Registration No. 195801000190 (3326-K)) (Incorporated in Malaysia)

Key Audit Matters (continued)

Valuation of goodwill	
Refer to Note 7 – Intangible assets	
The key audit matter	How the matter was addressed in our audit
<p>The carrying amount of the Group's goodwill as at 30 June 2026 amounted to RM18,870,000.</p> <p>We determined valuation of goodwill as a key audit matter because the determination of the recoverable amount of goodwill requires significant judgements by the Group on the key assumptions used in the cash flow projections, such as discount rate, revenue growth rate and expense growth rate.</p>	<p>We performed the following audit procedures, among others:</p> <ul style="list-style-type: none"> • Considered the Group's determination of the cash-generating units ("CGU") based on our understanding of the operations of the Group and how the independent cash inflows were generated, against the requirements of the relevant accounting standards. • Compared prior year profit forecasts to current year actual results to assess the reliability of the prior year profit forecasts. • Tested the data used in the cash flow projections by agreeing them to the historical financial information and other relevant supporting documentation. • Assessed key assumptions used by the Group in determining recoverable amounts in accordance with the requirements of relevant accounting standards. We: <ul style="list-style-type: none"> - involved our internal valuation specialist to evaluate and develop a discount rate range using publicly available market data for comparable entities, adjusted by risk factors specific to the Group and the industry it operates in. - compared the key assumptions on revenue growth rate and expense growth rate to external sources. • Performed sensitivity analysis on the cash flow projections to changes in the key assumptions on discount rate and revenue growth rate. • Evaluated the disclosures required by relevant accounting standards, including disclosures about sensitivities and major sources of estimation uncertainty.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TANCO HOLDINGS BERHAD (Continued)

(Registration No. 195801000190 (3326-K)) (Incorporated in Malaysia)

Key Audit Matters (continued)

Valuation of property, plant and equipment and investment properties	
Refer to Note 2 – Property, plant and equipment (“PPE”) and Note 3 – Investment properties (“IP”).	
The key audit matter	How the matter was addressed in our audit
<p>The Group assesses impairment of PPE and IP whenever there are events and changes in circumstances that indicate that the carrying amount of an asset may not be recoverable.</p> <p>Certain PPE and IP were impaired in previous financial years.</p> <p>We determined valuation of PPE and IP as a key audit matter because significant judgement and estimates are involved in determining the recoverable amounts of the identified PPE and IP. The Group estimated the recoverable amount of these PPE and IP primarily based on market valuations performed by external independent valuers.</p>	<p>We performed the following audit procedures, among others:</p> <ul style="list-style-type: none"> • Considered the Group's assessment and identification of PPE and IP with impairment indicators. • Read the valuation reports issued by the external independent valuer and <ul style="list-style-type: none"> - assessed the valuation approach. - tested the data used to supporting document, such as the size of the subject properties. - evaluated the key assumptions on comparable properties used by comparing to external sources and taking into consideration of market information and industry knowledge. • Evaluated the competency, capabilities and objectivity of the external valuer which includes consideration of its qualifications and experiences.

Valuation of inventories – Properties held for development and completed properties	
Refer to Note 6 – Inventories – Properties held for development and completed properties	
The key audit matter	How the matter was addressed in our audit
<p>Included in the inventories as at 30 June 2026 are properties held for development amounting to RM107,559,000 and completed properties amounting to RM34,971,000, where certain items were written down to their net realisable value in previous financial years.</p> <p>We determined valuation of inventories relating to properties held for development and completed properties as a key audit matter because the assessment of these inventories at lower of cost and net realisable value by the Group requires significant judgement.</p>	<p>We performed the following audit procedures, among others:</p> <ul style="list-style-type: none"> • Evaluated the Group's assessment of cost against net realisable value for properties held for development and completed properties derived using the most recent selling prices for properties sold or independent valuation reports. • Read the valuation reports issued by the external independent valuer and <ul style="list-style-type: none"> - assessed the valuation approach. - tested the data used to supporting document, such as the size of the subject properties. - evaluated the key assumptions on comparable properties used by comparing to external sources and taking into consideration of market information and industry knowledge. • Evaluated the competency, capabilities and objectivity of the external valuer which includes consideration of its qualifications and experiences.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TANCO HOLDINGS BERHAD (Continued)

(Registration No. 195801000190 (3326-K)) (Incorporated in Malaysia)

Key Audit Matters (continued)

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors' report.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Directors' Report and Statement on Risk Management and Internal Control (but does not include the financial statements of the Group and of the Company and our auditors' report thereon), which we obtained prior to the date of this auditors' report, and the remaining parts of the annual report are expected to be made available to us after that date.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining parts of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Company and take appropriate actions in accordance with approved standards on auditing in Malaysia and International Standards on Auditing.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TANCO HOLDINGS BERHAD (Continued)

(Registration No. 195801000190 (3326-K)) (Incorporated in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TANCO HOLDINGS BERHAD (Continued)

(Registration No. 195801000190 (3326-K)) (Incorporated in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 4 to the financial statements.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Petaling Jaya, Selangor

Date: 23 October 2026

Foo Siak Chung
Approval Number: 03184/02/2028 J
Chartered Accountant

LIST OF PROPERTIES AS AT 30 JUNE 2026

Location	Tenure	Area (acres)	Description and Existing Use	Year of Acquisition/ Revaluation	Age of Properties	Net Book Value RM'000
13th mile of Port Dickson Pasir Panjang main road Mukim of Pasir Panjang District of Port Dickson Negeri Sembilan Darul Khusus Lot No. / P.T. No. 2677-2679, 2790, 5839-5841, 5848-5858, 5927-29, 5932-5943, 5945, 5948, 5955-5957, 5959-5961, 5964, 5965, 5968-5975, 5977-5979, 6002-6007, 6009, 6011- 6014, 6016, 6022, 6027, 6029, 6030, 6034, 6035, 6036, 6037, 6050, 6054, 8075, 20125-20130, 20175, 20176, Lot No. 5810 : Geran 75569/M1/3&4/5, Lot No. 5812 : Geran 75567/M1/3&4/6, 75567/M1/3&4/5, Lot No. 5813 : Geran 75566/M1/3&4/5, Lot No. 5814 : Geran 75565/M1/2/3, 75565/M1/3&4/5, 75565/M1/3&4/6, 75565/M1/1/1, Lot No. 5815 : Geran 75563/M1/3&4/6, 75563/M1/1/1, 75563/M1/2/3, Lot No. 5816 : Geran 75562/M1/3&4/5, Lot No. 5817 : Geran 75561/M1/3&4/5, Lot No. 5821 : Geran 75557/M1/2/3, 75557/M1/1/2, Lot No. 5822 : Geran 75556/M1/2/4, Lot No. 5823 : Geran 75555/M1/2/4, Lot No. 5826 : Geran 75552/M1/3&4/5, 75552/M1/3&4/6, Lot No. 5827 : Geran 75551/M1/3&4/5, 75551/M1/3&4/6, Lot No. 5828 : Geran 75550/M1/2/3, 75550/M1/3&4/5, 75550/M1/3&4/6, 75550/M1/2/4, Lot No. 5829 : Geran 75549/M1/2/3, 75549/M1/3&4/5, 75549/M1/3&4/6, 75549/M1/1/2, Lot 5830 : Geran 82000/M1/1/2, 82000/M1/2/4, Lot No. 5831 : Geran 81999/M1/1/2, 81999/M1/2/3, 81999/M1/2/4 Lot No. 5834 : Geran 81996/M1/1/1, 81996/M1/2/3, 81996/M1/3&4/5, 81996/M1/1/2, 81996/M1/2/4, 81996/M1/3&4/6, Lot 5835 : Geran 81995/M1/1/2, Lot No. 5836 : Geran 81994/M1/1/1, 81994/M1/3&4/5, 81994/M1/1/2, 81994/M1/3&4/6, Lot No. 5837 : Geran 81993/M1/2/3, 81993/M1/3&4/5, Lot No. 5838 : Geran 81992/M1/2/3, 81992/M1/1/2, Lot No. 5842 : Geran 81991/M1/1/1, 81991/M1/2/3, 81991/M1/3&4/5, 81991/M1/2/4, 81991/M1/3&4/6, Lot No. 5843 : Geran 81990/M1/1/1, 81990/M1/3&4/5, 81990/M1/3&4/6, 81990/M1/1/2,	Freehold with the exception of the golf course held under Lot No. 5960 and 8075 which is leasehold for 97 and 99 years to expire in the year 2093 and 2100	348.68	Comprising townhouse units, bungalow lots, golf course and other land parcels designated for various residential and resort type developments/ use located within an integrated resort development known as Dickson Bay	1993	-	240,301

LIST OF PROPERTIES AS AT 30 JUNE 2026 (Continued)

Location	Tenure	Area (acres)	Description and Existing Use	Year of Acquisition/ Revaluation	Age of Properties	Net Book Value RM'000
13th mile of Port Dickson Pasir Panjang main road Mukim of Pasir Panjang District of Port Dickson Negeri Sembilan Darul Khusus (Continued)						
Lot No. 5844 : Geran 81989/M1/1/2, 81989/M1/2/3, 81989/M1/3&4/5, 81989/M1/3&4/6, 81989/M1/2/4, Lot No. 5845 : Geran 81988/M1/3&4/5, 81988/M1/3&4/6, Lot No. 5846 : Geran 81987/M1/3&4/5, 81987/M1/3&4/6, Lot No. 5847 : Geran 81986/M1/1/1, 81986/M1/3&4/5, 81986/M1/1/2, 81986/M1/2/4, 81986/M1/3&4/6, Lot No. 5859 : Geran 81974/M1/3&4/5, Lot No. 5860 : Geran 81973/M1/3&4/5, 81973/M1/3&4/6, Lot No. 5861 : Geran 81972/M1/3&4/6, 81972/M1/2/3, Lot No. 5862 : Geran 81971/M1/3&4/5, Lot No. 5863 : Geran 81970/M1/3&4/6, Lot No. 5865 : Geran 81968/M1/2/4, Lot No. 5866 : Geran 81967/M1/2/3, 81967/M1/3&4/5, Lot No. 5867 : Geran 81966/M1/2/3, 81966/M1/3&4/6, Lot No. 5870 : Geran 81963/M1/2/3, Lot No. 5872 : Geran 81961/M1/2/4, Lot No. 5874 : Geran 81959/M1/3&4/6, Lot No. 5877 : Geran 81956/M1/2/4, 81956/M1/3&4/5, 81956/M1/3&4/6, Lot No. 5878 : Geran 81955/M1/1/1, 81955/M1/3&4/5, 81955/M1/1/2, 81955/M1/2/4, 81955/M1/3&4/6, Lot No. 5879 : Geran 81954/M1/2/4, 81954/M1/2/3, 81954/M1/3&4/5, 81954/M1/3&4/6, Lot No. 5880 : Geran 81953/M1/3&4/5, 81953/M1/3&4/6, Lot No. 5881 : Geran 81952/M1/3&4/5, 81952/M1/3&4/6, Lot No. 5882 : Geran 81951/M1/3&4/5, 81951/M1/3&4/6, 81951/M1/2/3, Lot No. 5883 : Geran 81950/M1/3&4/5, 81950/M1/3&4/6, 81950/M1/2/3, Lot No. 5884 : Geran 81949/M1/1/1, 81949/M1/3&4/5, 81949/M1/3&4/6, Lot No. 5885 : Geran 81948/M1/2/3, 81948/M1/3&4/5, 81948/M1/1/2, 81948/M1/3&4/6, 81948/M1/1/1, 81948/M1/2/4, Lot No. 5886 : Geran 81947/M1/1/1, 81947/M1/3&4/5, 81947/M1/2/4, 81947/M1/3&4/6, Lot No. 5887 : Geran 81946/M1/1/1, 81946/M1/1/2, 81946/M1/2/3, 81946/M1/2/4, 81946/M1/3&4/5, Lot No. 5888 : Geran 81945/M1/1/2, 81945/M1/3&4/5, 81945/M1/1/1, 81945/M1/3&4/6, 81945/M1/2/3, 81945/M1/2/4,						

LIST OF PROPERTIES

AS AT 30 JUNE 2026 (Continued)

Location	Tenure	Area (acres)	Description and Existing Use	Year of Acquisition/ Revaluation	Age of Properties	Net Book Value RM'000
13th mile of Port Dickson Pasir Panjang main road Mukim of Pasir Panjang District of Port Dickson Negeri Sembilan Darul Khusus (Continued) Lot No. 5889 : Geran 81944/M1/1/1, 81944/M1/2/3, 81944/M1/3&4/5, 81944/M1/1/2, 81944/M1/2/4, 81944/M1/3&4/6, Lot No. 5890 : Geran 81943/M1/2/3, 81943/M1/3&4/5, 81943/M1/1/2, 81943/M1/2/4, 81943/M1/3&4/6, Lot No. 5891 : Geran 81942/M1/3&4/5, 81942/M1/1/2, 81942/M1/2/4, 81942/M1/3&4/6,						
Mukim of Pasir Panjang District of Port Dickson Negeri Sembilan Darul Khusus H.S.(D) No. 138578 Lot No. 7941	Freehold	11.03	Land for future development located in Dickson Bay	2000	-	11,818
Mukim of Pasir Panjang District of Port Dickson Negeri Sembilan Darul Khusus Lot No. 5908-5913 : Geran 81920-81925, Lot No. 5914-5917 : Geran 81916-81919, Lot No. 5918-5922 : Geran 81911-81915	Freehold	1.82	Comprising various blocks of resort townhouses for resort type development/ use located in Dickson Bay	2002	27 years	24,253
Mukim of Pasir Panjang District of Port Dickson Negeri Sembilan Darul Khusus H.S.(D) No. 24397 P.T. No. 5483	Leasehold for 99 years to expire in the year 2101	7.99	Land designated for institution development located in Dickson Bay	2002	-	2,508
Pekan of Kinrara District of Petaling Negeri Selangor Darul Ehsan No Hakmilik 71214 Lot No. 53489	Freehold	0.11	Land and building(s) for office use	2017	27 years	7,525

LIST OF PROPERTIES AS AT 30 JUNE 2026 (Continued)

Location	Tenure	Area (acres)	Description and Existing Use	Year of Acquisition/ Revaluation	Age of Properties	Net Book Value RM'000
Mukim of Beserah District of Kuantan Pahang Darul Makmur H.S.(M) No. 1238-1243 P.T. No. 2125-2130	Freehold	1.12	Land for resort type development/ use	1998	30 years	3,035
H.S.(M) No. 5580 P.T. No. 8080	Leasehold for 99 years to expire in the year 2117	0.93		2017	-	461
Mukim and District of Hulu Terengganu Terengganu Darul Iman H.S.(D) No. 717-719 P.T. No. 35-37	Leasehold for 60 years to expire in the year 2054	172.88	Land for resort type development	1998	30 years	1,608
Mukim of Pasir Panjang District of Port Dickson Negeri Sembilan Darul Khusus H.S.(D) No. 13101 P.T. No. 2787	Freehold	10.60	Land for future development located in Dickson Bay	2019	-	5,500
Mukim of Rawang District of Gombak Negeri Selangor Darul Ehsan No Hakmilik 104304 Lot No. 18419 (Phase 56) P56A/A-4-04, P56A/A-4-09, P56A/B-G-03, P56A-G-05	Freehold	0.08	Buildings for staff quarter/ accommodation	2023	16 & 17 years	496
Mukim of Bandar Petaling Jaya District of Petaling Negeri Selangor Darul Ehsan Master Title No. PN 100252 Lot No. 72702 (Lot 49-1 & Lot 49-2)	Leasehold for 99 years to expire in the year 2089	0.07	Building for office use	2018	13 years	817
Mukim and District of Bandar Kuala Lumpur Wilayah Persekutuan Kuala Lumpur Master Title No. 80739 Lot No. 20002 Geran 80739/M1B/21/310 (T2B-20-12) Geran 80739/M1C/24/718 (T3-23-18)	Freehold	0.05	Buildings held for investments	2019	8 years	2,028
Mukim and District of Bandar Johor Bahru Lot No. 49763 Geran 622153	Freehold	0.98	Buildings held for investments	2025	-	252

ANALYSIS OF SHAREHOLDINGS AS AT 5 OCTOBER 2026

SHARE CAPITAL

No. of Issued Shares	: 6,134,012,699 (including 108,541,300 treasury shares)
Type of Securities	: Ordinary Shares
No. of Shareholders	: 16,270
Voting Rights	: One (1) vote per ordinary share

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	Percentage (%) of Shareholders	No. of Ordinary Shares Held	Percentage (%) of Ordinary Shares [^]
Less than 100	1,071	6.583	37,524	0.00
100 – 1,000	2,105	12.938	916,461	0.02
1,001 – 10,000	5,727	35.200	31,034,241	0.51
10,001 – 100,000	5,728	35.206	213,876,811	3.55
100,001 to 301,273,569*	1,637	10.061	4,636,720,890	76.95
301,273,570 and above**	2	0.012	1,142,885,472	18.97
Total	16,270	100.00	6,025,471,399	100.00

Note:

* Denote less than 5% of the total number of issued shares

** Denote 5% and above of the total number of issued shares

[^] Based on the total number of issued voting shares excluding 108,541,300 treasury shares

TOP THIRTY (30) SECURITIES ACCOUNTS HOLDERS

No.	Name of Shareholders	No. of Ordinary Shares Held	Percentage (%) of Ordinary Shares [^]
1.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for TJN Capital Sdn. Bhd.	640,200,000	10.63
2.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Andrew Tan Jun Suan	502,685,472	8.34
3.	APEX Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Andrew Tan Jun Suan (Margin)	257,795,980	4.28
4.	TJN Capital Sdn. Bhd.	225,205,455	3.74
5.	Mercsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account for TJN Capital Sdn. Bhd.	222,270,753	3.69
6.	Bandar Utama City Corporation Sdn. Bhd.	166,364,520	2.76
7.	ABB Nominee (Tempatan) Sdn. Bhd. Pledged Securities Account for Chia Yoong Yoong	153,200,000	2.54
8.	Mercsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Andrew Tan Jun Suan (AAF277)	140,213,000	2.33
9.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for TJN Capital Sdn. Bhd.	120,000,000	1.99

ANALYSIS OF SHAREHOLDINGS AS AT 5 OCTOBER 2026 (Continued)

TOP THIRTY (30) SECURITIES ACCOUNTS HOLDERS (Continued)

No.	Name of Shareholders	No. of Ordinary Shares Held	Percentage (%) of Ordinary Shares [^]
10.	RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for TJN Capital Sdn. Bhd.	112,000,000	1.86
11.	Kenanga Nominees (Tempatan) Sdn. Bhd. Exempt An For Octowill Trustees Berhad	96,000,000	1.59
12.	Earth Investment Bank Limited For EIB Asset Management PCC Limited	90,107,754	1.50
13.	TJN Capital Sdn. Bhd.	90,000,000	1.49
14.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Kerjaya Riang Sdn. Bhd. for TJN Capital Sdn. Bhd.	88,800,000	1.47
15.	RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Cher Lee Kiat	82,589,480	1.37
16.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for TJN Capital Sdn. Bhd. (7005751)	80,800,000	1.34
17.	TJN Capital Sdn. Bhd.	80,000,000	1.33
18.	Kejaya Kaya Sdn. Bhd. Pledged Securities Account for TJN Capital Sdn. Bhd.	79,559,700	1.32
19.	TA Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Andrew Tan Jun Suan	65,000,000	1.08
20.	Kenanga Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lim Nyuk Sang @ Freddy Lim	63,889,400	1.06
21.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Lim Nyuk Sang @ Freddy Lim (MQ0423)	56,241,400	0.93
22.	Kenanga Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for TJN Capital Sdn. Bhd.	56,100,000	0.93
23.	Kenanga Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Andrew Tan Jun Suan	54,020,000	0.90
24.	Tee Tiam Lee	50,000,000	0.83
25.	ABB Nominee (Tempatan) Sdn. Bhd. Pledged Securities Account for Liang Tian Kiat	48,529,900	0.81
26.	Ajiya Berhad	45,937,100	0.76
27.	Santraprise Sdn. Bhd.	45,000,000	0.75
28.	Millennium Land Sdn. Bhd.	42,000,000	0.70
29.	Kenanga Nominees (Asing) Sdn. Bhd. Lam Chang Chong	41,100,000	0.68
30.	Citigroup Nominees (Tempatan) Sdn. Bhd. Bank of Singapore Limited for Andrew Tan Jun Suan	40,000,000	0.66

Note:

[^] Based on the total number of issued voting shares excluding 108,541,300 treasury shares

SUBSTANTIAL SHAREHOLDERS AS AT 5 OCTOBER 2026

Name of Shareholders	Direct	No. of Ordinary Shares Held		
		Percentage (%)^	Indirect	Percentage (%)^
Dato' Sri Andrew Tan Jun Suan	1,209,705,392	20.077	2,033,401,052*	33.747
TJN Capital Sdn. Bhd.	1,960,930,452	32.544	-	-

Notes:

* Deemed interested by virtue of his interests in TJN Capital Sdn. Bhd. and Millennium Land Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

^ Based on the total number of issued voting shares (excluding 108,541,300 treasury shares).

STATEMENT OF DIRECTORS' INTERESTS IN THE COMPANY AND ITS RELATED CORPORATIONS AS AT 5 OCTOBER 2026 (AS PER THE REGISTER OF DIRECTORS' SECURITIES HOLDINGS)

Directors' Shareholdings in the Holding Company:-
- TJN Capital Sdn. Bhd.

Ordinary Shares

Name of Directors	Direct	No. of Ordinary Shares Held		
		Percentage (%)	Indirect	Percentage (%)
Dato' Sri Andrew Tan Jun Suan	7,025	70.250	-	-
Datuk Christopher Tan Khoon Suan	585	5.850	-	-

Directors' Shareholdings in the Company:-

Ordinary Shares

Name of Director	Direct	No. of Ordinary Shares Held		
		Percentage (%)^	Indirect	Percentage (%)^
Dato' Sri Andrew Tan Jun Suan	1,209,705,392	20.077	2,033,401,052*	33.747

Notes:

* Deemed interested by virtue of his interests in TJN Capital Sdn. Bhd. and Millennium Land Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

^ Based on the total number of issued voting shares (excluding 108,541,300 treasury shares).

Dato' Sri Andrew Tan Jun Suan is deemed to have an interest in the shares of the subsidiaries to the extent that the Company has an interest by virtue of his interests in the shares of the Company and pursuant to Section 8 of the Companies Act 2016.

Save as disclosed, none of the other Directors of the Company has any interest in the shares of the Company and its related corporations as at 5 October 2026.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Sixty-Seventh (67th) Annual General Meeting (“AGM”) of Tanco Holdings Berhad (“**THB**” or the “**Company**”) will be held at Dewan Dato’ Haji Abdul Samad, Dickson Bay, Batu 13, KM 21, Jalan Pantai Mukim Pasir Panjang, 71250 Port Dickson, Negeri Sembilan, Malaysia on Wednesday, 9 December 2026 at 11.00 a.m. for the following purposes:-

AGENDA

AS ORDINARY BUSINESS

1. To receive the audited financial statements for the financial year ended 30 June 2026 together with the Reports of the Directors and the Auditors thereon. *(Please refer to Explanatory Note 1)*

2. To re-elect the following Directors who are retiring in accordance with Clause 114 of the Company's Constitution and being eligible, have offered themselves for re-election:-
 - (i) Mr. Koay Ghee Teong *(Resolution 1)*
 - (ii) Mr. Wong Jee Seng *(Resolution 2)*
 - (iii) Puan Syafinaz Merican binti Isahak Merican *(Resolution 3)*
(Please refer to Explanatory Note 2)

3. To re-elect Puan Azizah binti Mohd Yatim who is retiring in accordance with Clause 119 of the Company's Constitution and being eligible, has offered herself for re-election. *(Resolution 4)*
(Please refer to Explanatory Note 2)

4. To approve the payment of Director's fee amounting to RM13,273.00 to Puan Azizah binti Mohd Yatim for the period from 18 September 2026 until the forthcoming 67th AGM of the Company. *(Resolution 5)*
(Please refer to Explanatory Note 3)

5. To approve the payment of Directors' fees of up to RM370,500.00 to the Non-Executive Directors of the Company for the period from 10 December 2026 until the next AGM of the Company to be held in 2027. *(Resolution 6)*
(Please refer to Explanatory Note 3)

6. To approve the payment of benefits payable (excluding Directors' fees) up to an amount of RM126,000.00 to the Non-Executive Directors of the Company for the period from 10 December 2026 until the next AGM of the Company to be held in 2027. *(Resolution 7)*
(Please refer to Explanatory Note 3)

7. To re-appoint Messrs. KPMG PLT as Auditors of the Company to hold office until the conclusion of the next AGM of the Company, and to authorise the Directors to fix their remuneration. *(Resolution 8)*
(Please refer to Explanatory Note 4)

NOTICE OF ANNUAL GENERAL MEETING (Continued)

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolutions with or without modifications:-

8. Ordinary Resolution

- Approval for issuance of new ordinary shares pursuant to Section 75 and Section 76 of the Companies Act 2016

"THAT subject always to the Companies Act 2016 ("**the Act**"), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Constitution of the Company and approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered and authorised, pursuant to Section 75 and Section 76 of the Act to issue and allot new ordinary shares in the Company from time to time at such price and upon such terms and conditions and for such purposes and to such person/persons or party/parties whomsoever as the Directors may, in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company at the time of issue AND THAT the Directors be and are hereby also empowered to obtain approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares to be issued AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company;

(Resolution 9)
(Please refer to
Explanatory Note 5)

AND THAT pursuant to Section 85 of the Act to be read together with Clause 13(1) of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Section 75 and Section 76 of the Act."

9. Ordinary Resolution

- Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Renewal of Shareholders' Mandate")

"THAT, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and/or its subsidiaries ("**Tanco Group**") to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.3.3 of the Circular to Shareholders dated 30 October 2026 ("**Circular**") with the related parties listed in Section 2.3.2 of the Circular which transactions are necessary for the day-to-day operations, in the ordinary course of business of Tanco Group and are carried out at arm's length basis on normal commercial terms of Tanco Group on terms not more favourable to the related parties than those generally available to the public and are not, in the Company's opinion, detrimental of the minority shareholders of the Company;

(Resolution 10)
(Please refer to
Explanatory Note 6)

NOTICE OF ANNUAL GENERAL MEETING (Continued)

AS SPECIAL BUSINESS (continued)

To consider and if thought fit, to pass the following Ordinary Resolutions with or without modifications:- (continued)

9. Ordinary Resolution

- Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Renewal of Shareholders' Mandate") (continued)

THAT such authority shall commence immediately upon the passing of this resolution and shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting ("**AGM**") of the Company, at which time the said authority shall lapse, unless renewed by a resolution passed at that meeting; or
- (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("**the Act**") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier;

AND THAT, the Directors and/or any of them be and are hereby authorised to do all acts, deeds, things and execute all necessary documents as may consider necessary and expedient in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted under relevant authorities to deal with all matters in relation thereto and to take such steps and do all acts and things in any manner as they may deem necessary and expedient to implement, finalise and give full effect to the Proposed Renewal of Shareholders' Mandate as contemplated and/or authorised by this resolution."

10. Ordinary Resolution

- Proposed Renewal of Share Buy-Back Authority of up to 10% of the total number of issued shares of the Company ("Proposed Renewal of Share Buy-Back Authority")

"THAT, subject always to the provision of Companies Act 2016 ("**the Act**"), the Constitution, the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and/or any other applicable laws, rules and regulations and guidelines for the time being in force and the approvals of all relevant governmental and/or regulatory authority, approval be and is hereby given to the Company, to purchase such number of ordinary shares in the Company ("**Company Shares**") as may be determined by the Directors of the Company from time to time through Bursa Securities as the Directors may deem fit, necessary and expedient in the interest of the Company, provided that:

Resolution 11)
(Please refer to
Explanatory Note 7)

NOTICE OF ANNUAL GENERAL MEETING (Continued)

AS SPECIAL BUSINESS (continued)

To consider and if thought fit, to pass the following Ordinary Resolutions with or without modifications:- (continued)

10. Ordinary Resolution

- Proposed Renewal of Share Buy-Back Authority of up to 10% of the total number of issued shares of the Company ("Proposed Renewal of Share Buy-Back Authority") (continued)

- (i) the maximum aggregate number of Company Shares which may be purchased and/or held by the Company as treasury shares shall not exceed ten percent (10%) of the total number of issued shares of the Company at any point in time of the said purchase(s); and
- (ii) the maximum funds to be allocated by the Company for the purpose of purchasing Company Shares shall not exceed the total retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements of the Company (where applicable) available at the time of the purchase(s).

THAT the authority conferred by this resolution will commence immediately upon passing of this resolution and shall continue to be in force until:

- (i) the conclusion of the next Annual General Meeting ("**AGM**") at which time the said authority shall lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (iii) the authority is revoked or varied by an ordinary resolution passed by the shareholders in a general meeting,

whichever occurs first.

THAT upon completion of the purchase of Company Shares by the Company, the Directors of the Company be and are hereby authorised to deal with the Company Shares purchased in their absolute discretion in the following manner:

- (i) cancel the Company Shares so purchased; or
- (ii) retain all or part of the Company Shares so purchased as treasury shares for distribution as shares dividends to shareholders and/or resell on the market of Bursa Securities in accordance with the relevant rules of Bursa Securities and/or transferred for the purposes of an employees' share scheme and/or transferred as purchase consideration and/or cancelled subsequently; or
- (iii) retain part of the Company Shares so purchased as treasury shares and cancel the remainder of the Company Shares; or
- (iv) deal with the Company Shares so purchased in any other manner as may be permitted by the applicable laws and/or regulations in force from time to time,

and such authority to deal with the Company Shares so purchased shall continue to be valid until all such Company Shares have been dealt with by the Directors of the Company.

NOTICE OF ANNUAL GENERAL MEETING (Continued)

AS SPECIAL BUSINESS (continued)

To consider and if thought fit, to pass the following Ordinary Resolutions with or without modifications:- (continued)

10. **Ordinary Resolution**

- **Proposed Renewal of Share Buy-Back Authority of up to 10% of the total number of issued shares of the Company ("Proposed Renewal of Share Buy-Back Authority") (continued)**

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary and enter into any instrument, agreements or arrangements with any party or parties to implement, finalise and give full effect to the aforementioned purchase of Company Shares by the Company with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time or as the Directors may in their discretion, deem necessary and to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company."

11. To transact any other business for which due notice shall have been given in accordance with the Company's Constitution and the Act.

By Order of the Board

Choi Siew Fun
SSM PC No. 201908001479
MAICSA 0877848
Company Secretary

Puchong, Selangor Darul Ehsan
30 October 2026

NOTICE OF ANNUAL GENERAL MEETING (Continued)

NOTES:-

A. Proxy and Entitlement of Attendance

- (i) Only members whose names appear on the Record of Depositors as at 2 December 2026 shall be eligible to attend, speak and vote at the AGM, or to appoint proxy(ies) in his/her stead, or in the case of a corporation, a duly authorised representative to attend, speak and/or vote in its stead.
- (ii) A member entitled to attend, speak and vote at the AGM is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead. A proxy may, but need not, be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend, speak and vote at the AGM shall have the same rights as the member to speak at the AGM.
- (iii) A member may appoint up to two (2) proxies to attend, speak and vote at the same AGM. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
- (iv) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. In such instance, the member shall specify the securities account number for each appointment.
- (v) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect to the omnibus account.
- (vi) The instrument appointing a proxy or proxies shall be signed by the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- (vii) For a proxy to be valid, the Form of Proxy duly completed and signed must be deposited at the Company's Registered Office at No. 1, Jalan Bandar 1, Pusat Bandar Puchong, 47160 Puchong, Selangor Darul Ehsan, Malaysia or alternatively submitted electronically via BoardRoom Smart Investors Online Portal at <https://investor.boardroomlimited.com> (please refer to the Administrative Guide for further information on electronic submission) not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.

B. Poll Voting

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), all the Resolutions set out in this Notice will be put to vote by poll.

EXPLANATORY NOTES:-

1. Agenda 1 - Audited Financial Statements

This agenda is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is not put forward for voting.

2. Ordinary Resolutions 1, 2, 3 and 4 - Re-election of Directors

Clause 114 of the Company's Constitution provides that one-third (1/3rd) of the Directors of the Company for the time being shall retire from office at each AGM of the Company and that all Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election. Mr. Koay Ghee Teong, Mr. Wong Jee Seng and Puan Syafinaz Merican binti Isahak Merican are standing for re-election as Directors and being eligible, have offered themselves for re-election.

NOTICE OF ANNUAL GENERAL MEETING (Continued)

EXPLANATORY NOTES:- (continued)

2. Ordinary Resolutions 1, 2, 3 and 4 - Re-election of Directors (continued)

Clause 119 of the Company's Constitution provides that any Director appointed by the Board shall hold office only until the conclusion of the next following AGM and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting. Puan Azizah binti Mohd Yatim who was appointed as an Independent Non-Executive Director on 18 September 2026, is standing for re-election and being eligible, has offered herself for re-election.

In determining the eligibility of the Directors to stand for re-election at the forthcoming 67th AGM of the Company, the Nomination Committee, guided by the requirements of Paragraph 2.20A of the Listing Requirements of Bursa Securities and Practice 6.1 of the Malaysian Code on Corporate Governance, has recommended Mr. Koay Ghee Teong, Mr. Wong Jee Seng and Puan Syafinaz Merican binti Isahak Merican for re-election as Directors of the Company pursuant to Clause 114 of the Company's Constitution and Puan Azizah binti Mohd Yatim for re-election as Director of the Company pursuant to Clause 119 of the Company's Constitution (collectively referred to as "**Retiring Directors**"). The Nomination Committee has conducted a separate assessment which includes the following and was satisfied with the Retiring Directors' performance and contributions to the Board and they have discharged their responsibilities effectively. They also possess relevant qualification, knowledge and experience which complement the Board's competencies:-

- a. Fit and proper assessment;
- b. Contribution and performance;
- c. Calibre and personality; and
- d. Independence Self-Assessment of the Independent Non-Executive Director, where relevant.

Therefore, the Board recommended that the same be tabled to the shareholders of the Company for approval at the forthcoming 67th AGM of the Company under Resolutions 1, 2, 3 and 4 respectively. The evaluation criteria adopted as well as the process of assessment by the Nomination Committee have been duly elaborated in the Nomination Committee Statement of the Annual Report 2026. The Retiring Directors were able to meet the Board's expectations in terms of experience, expertise, integrity, competency, participation, and contribution. Each Retiring Director demonstrates a commitment to the role and has sufficient time to meet their commitment to the Company. The Retiring Directors had consented to their re-election and abstained from deliberations and voting in relation to their individual re-election at the Nomination Committee meeting and Board meeting respectively.

Any Director referred to in Ordinary Resolutions 1 to 4 who is a shareholder of the Company will abstain from voting on the resolution in respect of his/her re-election as a Director at the 67th AGM.

The profiles of the Retiring Directors are set out in the Directors' Profile section of the Annual Report 2026.

3. Ordinary Resolutions 5, 6 and 7 - Payment of Directors' fees and benefits payable (excluding Directors' fees) to Non-Executive Directors

In accordance with Section 230(1) of the Act, the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval shall be sought at this 67th AGM for the payment of Directors' fees and benefits payable to the Non-Executive Directors of the Company under Resolutions 5, 6 and 7.

NOTICE OF ANNUAL GENERAL MEETING (Continued)

EXPLANATORY NOTES:- (continued)

3. Ordinary Resolutions 5, 6 and 7 - Payment of Directors' fees and benefits payable (excluding Directors' fees) to Non-Executive Directors (continued)

(i) Ordinary Resolution 5 – Payment of Director's fee to Puan Azizah binti Mohd Yatim

Following the appointment of Puan Azizah binti Mohd Yatim as an Independent Non-Executive Director of the Company with effect from 18 September 2026, the Director's fee payable to Puan Azizah binti Mohd Yatim was pro-rated from 18 September 2026 (Date of Appointment) until the forthcoming 67th AGM of the Company.

(ii) Ordinary Resolution 6 - Payment of Directors' fees to Non-Executive Directors of the Company

The quantum of the Directors' fees for each of the Non-Executive Director is the same as the previous financial year ended 30 June 2025, there is no revision to the proposed fees. The proposed fees to be paid to the Non-Executive Directors is based on the following fees structure:

	<u>RM (per annum)</u>
Chairman of the Board	96,000.00
Member of the Board	54,000.00

The proposed Ordinary Resolution 6, if passed, will authorise the payment of the aforesaid Directors' fees to the Non-Executive Directors of the Company on a monthly basis.

(iii) Ordinary Resolution 7 - Payment of benefits payable (excluding Directors' fees) to Non-Executive Directors of the Company

The Company is seeking for shareholders' approval for payment of Directors' benefits (excluding Directors' fees) to the Non-Executive Directors of the Company which comprises of meeting attendance allowances of RM500.00 per meeting for attending the Board and Board Committees meetings and other benefits up to an amount of RM126,000.00 for the period from 10 December 2026 until the next AGM of the Company to be held in 2027 as follows:-

	<u>RM</u>
Directors' meeting attendance allowances	77,500.00
Directors' other benefits	48,500.00
Total	126,000.00

In determining the estimated Directors' benefits payable (excluding Directors' fees) to the Non-Executive Directors of the Company, the Board considered various factors including the number of scheduled meetings for the Board, Board Committees and general meetings of the Company, assuming full attendance by all of the Non-Executive Directors. The anticipated amount of Directors' benefits payable (excluding Directors' fees) also caters for unforeseen circumstances i.e. the appointment of additional Directors, additional unscheduled Board meetings and/or the formation of additional Board Committees.

The Board is of the view that it is just and equitable for the Non-Executive Directors to be paid the Directors' benefits (excluding Directors' fees), particularly after they have discharged their responsibilities and rendered their services to the Company.

In the event, where the payment of Directors' fees and benefits payable (excluding Directors' fees) during the above period exceeded the estimated amount sought at this 67th AGM, a shareholders' approval will be sought at the next AGM.

NOTICE OF ANNUAL GENERAL MEETING (Continued)

EXPLANATORY NOTES:- (continued)

4. Ordinary Resolution 8 - Re-appointment of Auditors

The Board, through the Audit Committee, had reviewed and was satisfied with the performance and independence of Messrs. KPMG PLT during the financial year under review. The Board has therefore recommended the re-appointment of Messrs. KPMG PLT as external auditors of the Company for the financial year ending 30 June 2027.

5. Ordinary Resolution 9 - Approval for issuance of new ordinary shares pursuant to Section 75 and Section 76 of the Act

The proposed Ordinary Resolution 9, if passed, will renew the authority given to the Directors of the Company, from the date of the forthcoming 67th AGM, to issue and allot new ordinary shares in the Company up to and not exceeding in total ten percent (10%) of the total number of issued shares of the Company for the time being, for such purposes as they consider would be in the interest of the Company ("**General Mandate**"). This renewed General Mandate, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.

As at the date of this notice, the Company has not issued any new shares under the General Mandate, which was approved at the 66th AGM held on 10 December 2025, and which will lapse at the conclusion of the 67th AGM. A renewal of this General Mandate is being sought at the 67th AGM under the proposed Ordinary Resolution 9.

The renewed General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding current and/or future investment project(s), working capital and/or acquisition(s) and thereby reducing administrative time and costs associated with the convening of additional shareholders meeting(s).

6. Ordinary Resolution 10 - Proposed Renewal of Shareholders' Mandate

The proposed Ordinary Resolution 10, if passed, will give the mandate for Tanco Group to enter into recurrent related party transactions of a revenue or trading nature with the related parties, which are necessary for its day-to-day operations and undertaken at arm's length, subject to the transactions being carried out in the ordinary course of business and on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company. This renewed mandate, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.

Please refer to the Circular to Shareholders dated 30 October 2026 for further information.

7. Ordinary Resolution 11 - Proposed Renewal of Share Buy-Back Authority

The proposed Ordinary Resolution 11, if passed, will empower the Directors to exercise the power of the Company to purchase the Company Shares of not more than ten percent (10%) of the total number of issued shares of the Company at any time within the time stipulated by utilising the funds allocated which shall not exceed the total retained profits of the Company.

This authority, unless revoked or varied by the Company at a general meeting, shall continue to be in full force until the conclusion of the next AGM.

Please refer to the Share Buy-Back Statement to Shareholders dated 30 October 2026 for further information.

NOTICE OF ANNUAL GENERAL MEETING (Continued)

STATEMENT ACCOMPANYING THE NOTICE OF AGM PURSUANT TO PARAGRAPH 8.27(2) OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

- There are no individuals who are standing for election as Directors at the forthcoming 67th AGM of the Company.
- Details of the General Mandate to issue securities in the Company pursuant to Sections 75 and 76 of the Act are set out in Explanatory Note 5 of the Notice of this meeting.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company:-

- (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof) and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the **"Purposes"**);
- (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

**TANCO HOLDINGS BERHAD**Registration No. 195801000190 (3326-K)
(Incorporated In Malaysia)

登高集團

FORM OF PROXY

No. of Shares Held	CDS Account No.	Member's Contact No.

*I/We
(FULL NAME IN BLOCK LETTERS)

(*NRIC No./Passport No./Company Registration No.)

of
(EMAIL ADDRESS & FULL RESIDENTIAL ADDRESS)

being a member/members of **TANCO HOLDINGS BERHAD**, do hereby appoint

..... (*NRIC No./Passport No.)
(FULL NAME IN BLOCK LETTERS)

of
(EMAIL ADDRESS & FULL RESIDENTIAL ADDRESS)

*and/*or failing him/her, (*NRIC No./Passport No.)
(FULL NAME IN BLOCK LETTERS)

of
(EMAIL ADDRESS & FULL RESIDENTIAL ADDRESS)

or failing him/her, THE CHAIRMAN OF THE MEETING as *my/our proxy to attend, speak and vote for *me/us on *my/our behalf at the Sixty-Seventh (67th) Annual General Meeting ("**AGM**") of the Company to be held at Dewan Dato' Haji Abdul Samad, Dickson Bay, Batu 13, KM 21, Jalan Pantai Mukim Pasir Panjang, 71250 Port Dickson, Negeri Sembilan, Malaysia on Wednesday, 9 December 2026 at 11.00 a.m. and at any adjournment thereof, on the following resolutions referred to in the Notice of 67th AGM. *My/our proxy is to vote as indicated below:-

No.	Agenda	Resolutions	For	Against
1.	Re-elect Mr. Koay Ghee Teong as Director	Resolution 1		
2.	Re-elect Mr. Wong Jee Seng as Director	Resolution 2		
3.	Re-elect Puan Syafinaz Merican binti Isahak Merican as Director	Resolution 3		
4.	Re-elect Puan Azizah binti Mohd Yatim as Director	Resolution 4		
5.	Payment of Director's fee to Puan Azizah binti Mohd Yatim for the period from 18 September 2026 until the forthcoming 67 th AGM of the Company	Resolution 5		
6.	Payment of Directors' fees to the Non-Executive Directors of the Company for the period from 10 December 2026 until the next AGM of the Company to be held in 2027	Resolution 6		
7.	Payment of benefits payable (excluding Directors' fees) to the Non-Executive Directors of the Company for the period from 10 December 2026 until the next AGM of the Company to be held in 2027	Resolution 7		
8.	Re-appointment of Auditors and authorise the Directors to fix their remuneration	Resolution 8		
9.	Approval for issuance of new ordinary shares pursuant to Section 75 and Section 76 of the Companies Act 2016	Resolution 9		
10.	Approval for the proposed renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature	Resolution 10		
11.	Approval for the proposed renewal of Share Buy-Back Authority	Resolution 11		

Please indicate with an 'X' in the appropriate spaces as to how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he/she thinks fit, or at his/her discretion, abstain from voting.

For appointment of two (2) proxies, no. of shares and percentage of shareholdings to be represented by the proxies:-		
No.	No. of shares	Percentage
Proxy 1		
Proxy 2		
Total		100%

Dated this _____ day of _____ 2026.

* Strike out whichever not applicable

Signature(s) of Member(s) / Common Seal

NOTES:

- (i) Only members whose names appear on the Record of Depositors as at 2 December 2026 shall be eligible to attend, speak and vote at the AGM or to appoint proxy(ies) in his/her stead, or in the case of a corporation, a duly authorised representative to attend, speak and/or vote in its stead.
- (ii) A member entitled to attend, speak and vote at the AGM is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead. A proxy may, but need not, be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend, speak and vote at the AGM shall have the same rights as the member to speak at the AGM.
- (iii) A member may appoint up to two (2) proxies to attend, participate, speak and vote at the same AGM. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
- (iv) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**"), it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. In such instance, the member shall specify the securities account number for each appointment.
- (v) Where a member of the Company is an exempt authorised nominee as defined under SICDA which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect to the omnibus account.
- (vi) The instrument appointing a proxy or proxies shall be signed by the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- (vii) For a proxy to be valid, the Form of Proxy duly completed and signed must be deposited at the Company's Registered Office at No. 1, Jalan Bandar 1, Pusat Bandar Puchong, 47160 Puchong, Selangor Darul Ehsan, or via electronic means through the BoardRoom Smart Investors Online Portal at <https://investor.boardroomlimited.com> (please refer to the Administrative Guide for further information on electronic submission) not less than 48 hours before the time set for holding the AGM or any adjournment thereof.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of 67th AGM dated 30 October 2026.

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The Company Secretary
TANCO HOLDINGS BERHAD
Registration No. 195801000190 (3326-K)
No. 1, Jalan Bandar 1,
Pusat Bandar Puchong,
47160 Puchong,
Selangor Darul Ehsan

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TANCO
HOLDINGS BERHAD

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