ASX ANNOUNCEMENT 29 July 2022

Appendix 4C and Quarterly Activities Report

The Board of Directors of TTA Holdings Limited (ASX: TTA or "Company") releases its cash flow report (Appendix 4C) for the quarter ending 30 June 2022 ("the quarter") and provides an update on activities during the quarter.

QUARTERLY ACTIVITIES REPORT

Principal Activities

The principal activity of the Company in the course of the quarter was the distribution of TEAC branded audio and visual consumer electronics products in Australia. There have been no significant changes in the principal activities of the Company during the quarter.

Summary of revenue and expenditure incurred

For the June quarter, sales revenue of $109.9k was lower than the previous quarter; ($177.9K in Mar 2022). Stock purchased arrived last week of June 2022.

Of the cash outflow of $1.8 million for the quarter ended June 2022, $1.5 million was full payment to suppliers for Smart TVs and other audio products.

Inventory on hand increased from $0.37 million in March 2022 to $2.04 million in the reporting period. For the past four months, E-commerce system specialists were engaged to install and implement the system. To date, system upgrades and enhancements are an ongoing process. TEAC products are currently marketed to various online digital platforms in addition to the TEAC website store. The new business model adopted by the Company began trading on 1 July 2022.

Related party payments made during the quarter

The payments to, or to an associate of, a related party of the Company during the quarter amounted to $95k which consists of the shipment inspection fee, restructure fee, and Director fees.

The release of this announcement was authorised by the Board of Directors of the Company.

About TTA HOLDINGS LIMITED

TTA HOLDINGS LIMITED (ASX: TTA) is a company incorporated and domiciled in Australia. The operating subsidiary of the Company is solely TEAC Australia Pty Ltd that has been around since 1978. The main activity is wholesale of Consumer Electronic products.

TEAC continues to focus on lifestyle Digital Audio products targeting the younger, youth, and millennial market segment. TEAC introduced the innovative premium TEAC QLED 4k UHD Smart television and is the first Premium AV brand to introduce the Smart Android DVD combo LED Television targeting the 12V "Caravan" market segment. These TVs come equipped with DVB-S Satellite connectivity, wide viewing angle, and Bluetooth.

For further enquiries please contact:
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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

TTA HOLDINGS LIMITED

ABN	**Quarter ended ("current quarter")**
18 110 475 799	30 June 2022

Consolidated statement of cash flows		**Current quarter $A '000**	**Year to date (3 months) $A '000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	282	282
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(1,492)	(1,492)
	(c) advertising and marketing	(26)	(26)
	(d) leased assets	(21)	(21)
	(e) staff costs	(134)	(134)
	(f) administration and corporate costs	(118)	(118)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	30	30
1.5	Interest and other costs of finance paid	(7)	(7)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (Cost of staff re-structuring)	(27)	(27)
1.9	**Net cash from / (used in) operating activities**	**(1,513)**	**(1,513)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**-**	**-**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	- -	- -
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**-**	**-**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,993	1,993
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,513)	(1,513)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**480**	**480**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	479	1,993
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (petty cash)	1	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**480**	**1,993**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	95
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7.	Financing facilities *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	Total facility amount at quarter end $A'000	Amount drawn at quarter end $A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	**-**	**-**

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

There was no Finance Facility contracted for the quarter ended 30 June 2022

8.	Estimated cash available for future operating activities	$A
8.1	Net cash from / (used in) operating activities (Item 1.9)	(1,513)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	480
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	480
8.5	**Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**	0.32

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Reply: No. The negative cash of $1.51million was the result of the settlement of $1.4million to overseas suppliers for stocks that had arrived in June 2022. With the current inventory level of $2.04 million, the next stock purchase is forecasted at the beginning of the 4th Quarter.

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Reply: The Group will review the E-Commerce trading by the end of September. Funds inflow is sufficient once the sales forecast of $2.5 million for the period July to December 2022 is achieved.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Reply: Yes. The new Smart TVs have the latest features which are competitive with the other brands; the operating costs have been reduced in this quarter. Also, refer to reply 8.6.1

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 29 July 2022

Authorised by: The Board of TTA Holdings Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.