

All terms and abbreviations used herein shall have the same meanings as those defined in the "Definitions" section of this Abridged Prospectus unless stated otherwise.

No securities will be allotted or issued based on this Abridged Prospectus after 6 months from the date of this Abridged Prospectus.

THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, PLEASE CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.

All enquiries concerning the Rights Issue with Warrants should be addressed to our Share Registrar, Johan Management Services Sdn Bhd at 11th Floor, Wisma E&C, No. 2 Lorong Dungun Kiri, Damansara Heights, 50490 Kuala Lumpur, Malaysia (Tel. No. +603-2092 1858/ +6010-526 5490).

This Abridged Prospectus has been registered by the SC. The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue with Warrants or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Abridged Prospectus. The SC has not, in any way, considered the merits of the Rights Issue with Warrants. A copy of this Abridged Prospectus, together with the NPA and RSF (collectively, the "Documents") has also been lodged with the Registrar of Companies who takes no responsibility for the contents of the Documents.

The approval from our shareholders for the Rights Issue with Warrants was obtained at our EGM held on 31 May 2021. Approval has been obtained from Bursa Securities via its letter dated 10 May 2021 for the admission of the Warrants to the Official List of Bursa Securities, listing and quotation of the Rights Shares and Warrants to be issued pursuant to the Rights Issue with Warrants and the new Johan Shares to be issued arising from the exercise of the Warrants, on the Main Market of Bursa Securities. However, this is not an indication that Bursa Securities recommends the Rights Issue with Warrants, and shall not be taken as an indication of the merits of the Rights Issue with Warrants. Bursa Securities does not take any responsibility for the correctness of statements made or opinions expressed in this Abridged Prospectus. The listing and quotation of all the said new securities will commence after, amongst others, the receipt of confirmation from Bursa Depository that all the CDS Accounts of our successful Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) have been duly credited and notices of allotment have been despatched to them.

The Documents are only despatched to the Entitled Shareholders whose names appear in our Record of Depositors and who have provided our Share Registrar with a registered address in Malaysia not later than 5.00 p.m. on Monday, 28 June 2021. The Documents are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue with Warrants complies with the laws of any countries or jurisdiction other than the laws of Malaysia. Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) who are residents in countries or jurisdiction other than Malaysia should therefore immediately consult their legal advisers and/ or other professional advisers as to whether the acceptance and/ or renunciation (as the case may be) of all or any part of their entitlements to the Rights Shares with Warrants would result in a contravention of any laws of such countries or jurisdictions. Such Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) should note the additional terms and restrictions as set out in **Section 12.11** of this Abridged Prospectus. Neither we, UOBKH nor any other professional advisers shall accept any responsibility or liability in the event that any acceptance and/ or renunciation (as the case may be) of the entitlements to the Rights Shares with Warrants made by the Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable), application for the Excess Rights Shares with Warrants or the subscription, offer, sale, resale, pledge or other transfer of the new securities arising from the Rights Issue with Warrants made by any of the Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) are or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions.

The SC is not liable for any non-disclosure on our part and takes no responsibility for the contents of this Abridged Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Abridged Prospectus.

FOR INFORMATION CONCERNING RISK FACTORS WHICH YOU SHOULD CONSIDER, PLEASE REFER TO SECTION 8 OF THIS ABRIDGED PROSPECTUS.

Johan Holdings Berhad

Registration No. 192001000038 (314-K)
(Incorporated in Malaysia)

RENOUNCEABLE RIGHTS ISSUE OF 389,342,813 NEW ORDINARY SHARES IN JOHAN HOLDINGS BERHAD ("JOHAN") ("JOHAN SHARE(S)") ("RIGHTS SHARES") ON THE BASIS OF 1 RIGHTS SHARE FOR EVERY 2 EXISTING JOHAN SHARES HELD AS AT 5.00 P.M. ON MONDAY, 28 JUNE 2021 TOGETHER WITH 389,342,813 FREE DETACHABLE WARRANTS IN JOHAN ("WARRANT(S)") ON THE BASIS OF 1 WARRANT FOR EVERY 1 RIGHTS SHARE SUBSCRIBED FOR AT AN ISSUE PRICE OF RM0.10 PER RIGHTS SHARE ("RIGHTS ISSUE WITH WARRANTS")

Principal Adviser and Underwriter

UOBKayHian

UOB Kay Hian Securities (M) Sdn Bhd

Registration No. 199001003423 (194990-K)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT DATES AND TIME:-

Entitlement Date	: Monday, 28 June 2021 at 5.00 p.m.
Last date and time for sale of Provisional Rights Shares with Warrants	: Monday, 5 July 2021 at 5.00 p.m.
Last date and time for transfer of Provisional Rights Shares with Warrants	: Wednesday, 7 July 2021 at 4.30 p.m.
Last date and time for acceptance and payment	: Tuesday, 13 July 2021 at 5.00 p.m.
Last date and time for excess application and payment	: Tuesday, 13 July 2021 at 5.00 p.m.

This Abridged Prospectus is dated 28 June 2021

All terms and abbreviations used herein shall have the same meanings as those defined in the "Definitions" section of this Abridged Prospectus unless stated otherwise.

RESPONSIBILITY STATEMENTS

OUR DIRECTORS HAVE SEEN AND APPROVED ALL THE DOCUMENTATION RELATING TO THE RIGHTS ISSUE WITH WARRANTS. THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION. HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THEY CONFIRM THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS WHICH, IF OMITTED, WOULD MAKE ANY STATEMENT IN THIS ABRIDGED PROSPECTUS FALSE OR MISLEADING.

UOBKH, BEING OUR PRINCIPAL ADVISER AND UNDERWRITER FOR THE RIGHTS ISSUE WITH WARRANTS, ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS ABRIDGED PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE RIGHTS ISSUE WITH WARRANTS.

OTHER STATEMENTS

YOU SHOULD NOTE THAT YOU MAY SEEK RECOURSE UNDER SECTIONS 248, 249 AND 357 OF THE CMSA FOR BREACHES OF SECURITIES LAWS INCLUDING ANY STATEMENT IN THIS ABRIDGED PROSPECTUS THAT IS FALSE, MISLEADING, OR FROM WHICH THERE IS A MATERIAL OMISSION; OR FOR ANY MISLEADING OR DECEPTIVE ACT IN RELATION TO THIS ABRIDGED PROSPECTUS OR THE CONDUCT OF ANY OTHER PERSON IN RELATION TO OUR COMPANY.

SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE WITH WARRANTS FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA, E.G. DIRECTORS AND ADVISERS, ARE RESPONSIBLE.

THE DISTRIBUTION OF THE DOCUMENTS IS SUBJECT TO MALAYSIAN LAWS. WE AND OUR ADVISERS ARE NOT RESPONSIBLE FOR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE MALAYSIA. WE AND OUR ADVISERS HAVE NOT TAKEN ANY ACTION TO PERMIT AN OFFERING OF OUR SECURITIES BASED ON THE DOCUMENTS OR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. THE DOCUMENTS MAY NOT BE USED FOR AN OFFER TO SELL OR AN INVITATION TO BUY OUR SECURITIES IN ANY COUNTRY OR JURISDICTION OTHER THAN MALAYSIA. WE AND OUR ADVISERS REQUIRE YOU TO INFORM YOURSELF OF SUCH RESTRICTIONS AND TO OBSERVE THEM.

THE DOCUMENTS HAVE BEEN PREPARED AND PUBLISHED SOLELY FOR THE RIGHTS ISSUE WITH WARRANTS UNDER THE LAWS OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION WHICH IS NOT CONTAINED IN THESE DOCUMENTS.

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Abridged Prospectus:-

"Abridged Prospectus"	: This abridged prospectus dated 28 June 2021 in relation to the Rights Issue with Warrants
"Act"	: The Companies Act 2016, as amended from time to time and all regulations made thereunder and any re-enactment thereof
"Acquisition"	: Dynacare had on 29 March 2021 entered into a sale and purchase agreement for the acquisition of the Subject Property for a purchase consideration of RM27,300,000 to be paid to Small Medium Enterprise Development Bank Malaysia Berhad and to be satisfied entirely via cash
"Board"	: Our Board of Directors
"Bursa Depository"	: Bursa Malaysia Depository Sdn Bhd [Registration No. 198701006854 (165570-W)]
"Bursa Securities"	: Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)]
"CDS"	: Central Depository System
"CDS Account"	: A securities account established by Bursa Depository for a depositor pursuant to the SICDA and the Rules of Bursa Depository for the recording of deposits of securities and for dealings in such securities by the depositor
"Closing Date"	: Tuesday, 13 July 2021 at 5.00 p.m., being the last date and time for the acceptance of and payment for the Provisional Rights Shares with Warrants and the application and payment for the Excess Rights Shares with Warrants
"CMSA"	: Capital Markets and Services Act 2007 of Malaysia, as amended from time to time and all regulations made thereunder and any re-enactment thereof
"Corporate Exercises"	: The Rights Issue with Warrants, Acquisition, Diversification, Offer to Subscribe and Right to Execute the Works, collectively
"COVID-19"	: Coronavirus disease 2019
"Dato' Ahmad"	: Dato' Ahmad Khairummuzammil Bin Mohd Yusoff
"Deed Poll"	: The deed poll dated 3 June 2021 constituting the Warrants executed by Johan
"DCS"	: Diners Club (Singapore) Private Limited
"Director(s)"	: The director(s) of our Company and shall have the meaning given in Section 2(1) of the Act and Section 2(1) of the CMSA
"Diversification "	: Diversification of the existing principal activities of Johan Group to include the Gloves Business
"Disposal"	: Disposal of the entire equity interest in DCS for a disposal consideration of SGD103,586,103 (equivalent to approximately RM313.98 million)

DEFINITIONS (CONT'D)

"Dynacare"	:	Dynacare Sdn Bhd, a 60.0%-owned subsidiary of Johan [Registration No. 202001020224 (1376544-A)]
"Documents"	:	This Abridged Prospectus together with the NPA and RSF, collectively
"EGM"	:	Extraordinary general meeting of our Company held on 31 May 2021
"Entitled Shareholder(s)"	:	Our shareholders whose names appear in the Record of Depositors of our Company on the Entitlement Date
"Entitlement Date"	:	At 5.00 p.m. on Monday, 28 June 2021, being the time and date on which the names of our shareholders must appear in the Record of Depositors in order to be entitled to participate in the Rights Issue with Warrants
"EPS/ (LPS)"	:	Earnings per Share/ (Loss) per Share
"Excess Application"	:	Application for Excess Rights Shares with Warrants as set out in Section 12.9 of this Abridged Prospectus
"Excess Rights Shares with Warrants"	:	Rights Shares with Warrants which are not taken up or not validly taken up by the Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) by the Closing Date
"Foreign Entitled Shareholder(s)"	:	Entitled Shareholder(s) who have not provided an address in Malaysia for the service of documents to be issued for the purposes of the Rights Issue with Warrants
"FPE"	:	Financial period ended/ ending
"FYE"	:	Financial year ended/ ending
"George Kent"	:	George Kent (Malaysia) Berhad
"Gloves Business"	:	The manufacturing, sale and distribution of gloves
Gloves Manufacturing Plant	:	The manufacturing plant for the Gloves Business which will be constructed on the Subject Property
"Issue Price"	:	RM0.10, being the issue price per Rights Share
"Johan" or the "Company"	:	Johan Holdings Berhad [Registration No. 192001000038 (314-K)]
"Johan Group"	:	Johan and its subsidiaries, collectively
"Johan Share(s)" or "Share(s)"	:	Ordinary share(s) in Johan
"Listing Requirements"	:	Main Market Listing Requirements of Bursa Securities
"Letter of Offer"	:	The letter of offer dated 29 March 2021 extended to George Kent by Johan to subscribe for 40% equity interest in Dynacare at the issue price of RM1.00 per ordinary share and Johan to hold the balance 60% equity interest. The intended equity to be contributed by shareholders of Dynacare is RM100,000,000

DEFINITIONS (CONT'D)

"LPD"	:	9 June 2021, being the latest practicable date prior to the printing of this Abridged Prospectus
"LTD"	:	26 March 2021, being the last traded day of Johan Shares prior to the date of the announcement of the Rights Issue with Warrants
"Market Day(s)"	:	Any day from Mondays to Fridays (inclusive of both days) which is not a public holiday and on which Bursa Securities is open for the trading of securities
"MCO"	:	The Movement Control Order, implemented as a preventive measure by the federal government of Malaysia in response to the COVID-19 pandemic
"NA"	:	Net assets attributable to the owners of our Company
"NPA"	:	Notice of provisional allotment in relation to the Rights Issue with Warrants
"Offer to Subscribe"	:	The offer to George Kent to subscribe for 40% equity interest in Dynacare at the issue price of RM1.00 per ordinary share and Johan to hold the balance 60% equity interest pursuant to the Letter of Offer
"Official List"	:	A list specifying all securities listed on the Main Market of Bursa Securities
"PAT/ (LAT)"	:	Profit/ (Loss) after taxation
"PBT/ (LBT)"	:	Profit/ (Loss) before taxation
"Provisional Rights Shares with Warrants"	:	Rights Shares with Warrants provisionally allotted to the Entitled Shareholders
"Puan Sri Tan"	:	Puan Sri Datin Tan Swee Bee
"Record of Depositors"	:	A record of security holders provided by Bursa Depository to our Company under the Rules of Bursa Depository
"Right to Execute the Works"	:	Dynacare to award the Right to George Kent to build the gloves manufacturing plant and the installation of machinery for a contract sum of approximately RM624,100,000 plus or minus 10% (excluding sales and service tax)
"Rights Issue with Warrants"	:	Renounceable rights issue of 389,342,813 Rights Shares on the basis of 1 Rights Share for every 2 existing Johan Shares held on the Entitlement Date, together with 389,342,813 Warrants on the basis of 1 Warrant for every 1 Right Share subscribed for at an issue price of RM0.10 per Rights Share
"Rights Share(s)"	:	389,342,813 new Johan Shares to be issued at the Issue Price pursuant to the Rights Issue with Warrants
"RM" and "sen"	:	Ringgit Malaysia and sen, respectively
"RSF"	:	Rights Subscription Form in relation to the Rights Issue with Warrants

DEFINITIONS (CONT'D)

"Rules"	:	Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the SC, including any amendments thereof as may be made from time to time
"Rules of Bursa Depository"	:	The Rules of Bursa Depository as issued pursuant to the SICDA, including any amendments thereof as may be made from time to time
"SC"	:	Securities Commission Malaysia
"SGD"	:	Singapore Dollars
"Share Registrar"	:	Johan Management Services Sdn Bhd [Registration No. 197901003043 (47300-V)]
"SICDA"	:	Securities Industry (Central Depositories) Act 1991, as amended from time to time and all regulations made thereunder and any re-enactment thereof
"Subject Property"	:	A parcel of industrial land with area measuring 71,980 square metres and bearing title particulars PN 296104, Lot 15528, Mukim Lumut, District of Manjung, Perak Darul Ridzuan. The Subject Property is an industrial premise consisting of 6-single storey open sided factory industrial premise, 1-single storey main office building, 1-single storey maintenance office building and ancillary buildings erected thereupon the Subject Property with an aggregate built up area of 19,965 square metres to be acquired by Dynacare pursuant to the Acquisition
"Tan Sri Tan"	:	Tan Sri Dato' Tan Kay Hock
"TERP"	:	Theoretical ex-rights price
"Undertakings"	:	The irrevocable and unconditional undertakings provided by the Undertaking Shareholders vide their respective letters dated 29 March 2021, to subscribe in full for their respective entitlements under the Rights Issue with Warrants based on their shareholdings in Johan as at 29 March 2021. The Undertaking Shareholders had, respectively, provided confirmation letter from their financial institution confirming that they have sufficient funds for the subscription of their respective entitlement under the Rights Issue with Warrants
"Underwriting Agreement"	:	The underwriting agreement dated 14 June 2021 entered into between Johan and the Underwriter
"Underwriting Arrangement"	:	The underwriting arrangement between Johan and the Underwriter, for the remaining portion of Rights Shares for which no irrevocable and unconditional undertaking has been obtained
"Undertaking Shareholders"	:	All entities jointly controlled by Tan Sri Dato' Tan Kay Hock and Puan Sri Datin Tan Swee Bee, namely, Mustika Manis Sdn Bhd, Kurnia Menang Sdn Bhd, Star Wealth Investment Limited, Kin Fai International Limited, Kwok Heng Holdings Limited and Suncrown Holdings Limited, collectively

DEFINITIONS (CONT'D)

"UOBKH" or the : UOB Kay Hian Securities (M) Sdn Bhd [Registration No. 199001003423
"Principal Adviser" or (194990-K)]
"Underwriter"

"VWAP" : Volume weighted average market price

"Warrants" : 389,342,813 free detachable warrants in Johan with a tenure of 3 years
to be issued pursuant to the Rights Issue with Warrants

All references to "our Company" in this Abridged Prospectus are to Johan and all references to "Johan Group" are to our Company and subsidiaries collectively. All references to "we", "us", "our" and "ourselves" are to our Company, and where the context requires otherwise, shall include our subsidiaries. All references to "you" and "your" in this Abridged Prospectus are made to the Entitled Shareholders and/ or, where the context otherwise requires, their renounee(s) and/ or transferee(s) (if applicable).

Words incorporating the singular shall, where applicable include the plural and vice versa. Words incorporating the masculine gender shall where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include a corporation, unless otherwise specified.

Unless otherwise stated and wherever applicable, the amounts and percentage figures represented in this Abridged Prospectus have been subject to rounding adjustments, for ease of reference. Any discrepancies between the figures shown in this Abridged Prospectus and figures published by our Company, such as quarterly reports or annual reports, are due to rounding.

Any reference in this Abridged Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day or date in this Abridged Prospectus shall be a reference to Malaysian time and date respectively, unless otherwise specified.

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ADVISERS' DIRECTORY

- COMPANY SECRETARY** : Teh Yong Fah (MACS 00400)
11th Floor, Wisma E&C
No. 2 Lorong Dungun Kiri
Damansara Heights
50490 Kuala Lumpur
- Tel. No.: 03-2092 1858
Fax. No.: 03-2092 2812
- PRINCIPAL UNDERWRITER** **ADVISER/** : UOB Kay Hian Securities (M) Sdn Bhd
Suite 19-03, 19th Floor
Menara Keck Seng
203 Jalan Bukit Bintang
55100 Kuala Lumpur
- Tel. No.: 03-2147 1900
Fax. No.: 03-2147 1950
- LEGAL ADVISER FOR THE RIGHTS ISSUE WITH WARRANTS** : Messrs Rahmat Lim & Partners
Suite 33.01 Level 33
The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
- Tel. No.: 03-2299 3888
Fax. No.: 03-2287 1616
- SHARE REGISTRAR** : Johan Management Services Sdn Bhd
11th Floor, Wisma E&C
No. 2 Lorong Dungun Kiri
Damansara Heights
50490 Kuala Lumpur
- Tel. No.: 03-2092 1858/ 010-526 5490
Fax. No.: 03-2092 2812
- STOCK EXCHANGE LISTING** : Main Market of Bursa Securities

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SUMMARY OF THE RIGHTS ISSUE WITH WARRANTS

THIS SUMMARY OF THE RIGHTS ISSUE WITH WARRANTS ONLY HIGHLIGHTS THE KEY INFORMATION FROM OTHER PARTS OF THIS ABRIDGED PROSPECTUS. IT DOES NOT CONTAIN ALL THE INFORMATION THAT MAY BE IMPORTANT TO YOU. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE WHOLE ABRIDGED PROSPECTUS.

Key information	Summary	Reference to section of this Abridged Prospectus																								
Basis of allotment and number of Rights Shares to be issued pursuant to the Rights Issue with Warrants	The Rights Issue with Warrants entails an issuance of 389,342,813 Rights Shares on the basis of 1 Rights Share for every 2 existing Johan Shares held on the Entitlement Date, together with 389,342,813 Warrants on the basis of 1 Warrant for every 1 Rights Share subscribed for by the Entitled Shareholders at an issue price of RM0.10 per Rights Share	Section 2																								
Issue price of the Rights Shares and exercise price of the Warrants	Issue price : RM0.10 per Rights Share Exercise price : RM0.25 per Warrant (payable for every 1 new Share)	Sections 2.1 and 2.2																								
Shareholders' undertakings	The Rights Issue with Warrants will be implemented based on the Undertakings and the Underwriting Arrangement. The Undertaking Shareholders collectively hold 472,451,057 Johan Shares, representing approximately 60.67% equity interest in Johan. The respective entitlements are set out as follows:-	Section 3.1																								
	<table border="1"> <thead> <tr> <th style="background-color: #e0e0e0;">Undertaking Shareholders</th> <th style="background-color: #e0e0e0;">Rights Shares to be subscribed pursuant to Undertakings No. of Rights Shares</th> <th style="background-color: #e0e0e0;">Gross proceeds raised RM</th> </tr> </thead> <tbody> <tr> <td>Mustika Manis Sdn Bhd</td> <td>116,802,713</td> <td>11,680,271</td> </tr> <tr> <td>Kurnia Menang Sdn Bhd</td> <td>37,138,306</td> <td>3,713,831</td> </tr> <tr> <td>Star Wealth Investment Limited</td> <td>35,638,508</td> <td>3,563,851</td> </tr> <tr> <td>Kin Fai International Limited</td> <td>18,711,500</td> <td>1,871,150</td> </tr> <tr> <td>Kwok Heng Holdings Limited</td> <td>12,597,000</td> <td>1,259,700</td> </tr> <tr> <td>Suncrown Holdings Limited</td> <td>15,337,500</td> <td>1,533,750</td> </tr> <tr> <td>Total</td> <td>236,225,527</td> <td>23,622,553</td> </tr> </tbody> </table>	Undertaking Shareholders	Rights Shares to be subscribed pursuant to Undertakings No. of Rights Shares	Gross proceeds raised RM	Mustika Manis Sdn Bhd	116,802,713	11,680,271	Kurnia Menang Sdn Bhd	37,138,306	3,713,831	Star Wealth Investment Limited	35,638,508	3,563,851	Kin Fai International Limited	18,711,500	1,871,150	Kwok Heng Holdings Limited	12,597,000	1,259,700	Suncrown Holdings Limited	15,337,500	1,533,750	Total	236,225,527	23,622,553	
Undertaking Shareholders	Rights Shares to be subscribed pursuant to Undertakings No. of Rights Shares	Gross proceeds raised RM																								
Mustika Manis Sdn Bhd	116,802,713	11,680,271																								
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Suncrown Holdings Limited	15,337,500	1,533,750																								
Total	236,225,527	23,622,553																								
Underwriting arrangement	We had on 14 June 2021 entered into the Underwriting Agreement with the Underwriter, UOBKH, where the underwriter will underwrite 153,117,286 Rights Shares, representing approximately 39.33% of the total Rights Shares available for subscription pursuant to the Rights Issue with Warrants at the Issue Price. The total value of the Underwritten Rights Shares amounts to approximately RM15.31 million.	Section 3.2																								
Utilisation of proceeds and timeframe for utilisation	The gross proceeds raised from the Rights Issue with Warrants will be utilised in the following manner:-	Sections 4 and 5																								
	<table border="1"> <thead> <tr> <th style="background-color: #e0e0e0;">Proposed utilisation</th> <th style="background-color: #e0e0e0;">Timeframe for utilisation from completion of the Rights Issue with Warrants</th> <th colspan="2" style="background-color: #e0e0e0;">Gross proceeds raised</th> </tr> <tr> <td></td> <td></td> <th style="background-color: #e0e0e0;">RM'000</th> <th style="background-color: #e0e0e0;">%</th> </tr> </thead> <tbody> <tr> <td>Funding for Gloves Business</td> <td>Within 24 months</td> <td>37,434</td> <td>96.15</td> </tr> <tr> <td>Estimated expenses</td> <td>Upon completion</td> <td>1,500</td> <td>3.85</td> </tr> <tr> <td>Total</td> <td></td> <td>38,934</td> <td>100.00</td> </tr> </tbody> </table> <p>In undertaking the Gloves Business, Johan Group (via Dynacare) has invited George Kent as an equity partner. As at the LPD, George Kent and Johan (being 60% shareholder of Dynacare) has common substantial shareholders (of which are ultimately held by Tan Sri Tan and Puan Sri Tan) and share common directors namely, Tan Sri Tan, Puan Sri Tan, Ooi Chin Khoon and Dato' Ahmad.</p>	Proposed utilisation	Timeframe for utilisation from completion of the Rights Issue with Warrants	Gross proceeds raised				RM'000	%	Funding for Gloves Business	Within 24 months	37,434	96.15	Estimated expenses	Upon completion	1,500	3.85	Total		38,934	100.00					
Proposed utilisation	Timeframe for utilisation from completion of the Rights Issue with Warrants	Gross proceeds raised																								
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Total		38,934	100.00																							

SUMMARY OF THE RIGHTS ISSUE WITH WARRANTS (CONT'D)

Key information	Summary	Reference to section of this Abridged Prospectus
Rationale	: (i) The Rights Issue with Warrants is undertaken to raise proceeds to be utilised in the manner as set out in Section 4 of this Abridged Prospectus; (ii) The Rights Issue with Warrants will provide the Entitled Shareholders with an opportunity to participate in our equity offering on a pro rata basis and in the prospects and future growth of Johan Group by subscribing to the Rights Shares; (iii) The Rights Issue with Warrants will strengthen Johan Group's financial position with enhanced shareholders' funds and reduced gearing level as compared to bank borrowings; and (iv) The Warrants are additional incentive for the Entitled Shareholders who subscribe for the Rights Shares.	Section 7
Risk factors	: You should consider, amongst others, the following risk factors before subscribing for or investing in the Rights Issue with Warrants:- (i) Johan Group's business and performance are mainly dependent on our ability to dedicate Johan Group's cash flow to service our debt, possibility of Johan being classified as an affected listed issuer upon completion of the Disposal as well as dependency on the key management personnel; (ii) Johan Group's Gloves Business is mainly dependent on the adverse changes in supply and demand conditions, ability to compete with the existing gloves players and entry of new gloves players, the developments in the rules and regulation of the glove industry, changes in law and tax regulations, increase in labour cost as well as changes in business and credit conditions; (iii) Johan Group does not possess any prior experience in the Gloves Business. Therefore, Johan Group may be subjected to challenges and risks arising from venturing into the Gloves Business in which we have no direct experience in ensuring the success of this new business venture; and (iv) The market price of Johan Shares as traded on Bursa Securities is influenced by, amongst others, the prevailing market sentiments, volatility of the equity markets, the outlook of the industries which we operate in as well as our financial performance. There can be no assurance that our Shares will trade at or above the issue price of the Rights Shares upon or subsequent to the listing of and quotation for the Rights Shares on the Main Market of Bursa Securities	Section 8
Procedures for application for the Rights Issue with Warrants and Excess Rights Shares with Warrants	: You may subscribe for the Provisional Rights Shares with Warrants as well as apply for Excess Application, if you choose to do so, using either RSF method or e-Subscription method. The last date and time for acceptance and payment for the Provisional Rights Shares with Warrants and the Excess Application is by 5.00 p.m. on Tuesday, 13 July 2021.	Section 12

Johan Holdings Berhad

Registration No. 192001000038 (314-K)
(Incorporated in Malaysia)

Registered Office

11th Floor, Wisma E&C
No. 2, Lorong Dungun Kiri
Damansara Heights
50490 Kuala Lumpur

28 June 2021

Board of Directors

Tan Sri Dato' Tan Kay Hock (Chairman & Chief Executive)
Puan Sri Datin Tan Swee Bee (Group Managing Director)
Tan Sri Dato' Seri Dr Ting Chew Peh (Non-Independent Non-Executive Director)
Dato' Ahmad Khairumzammil Bin Mohd Yusoff (Independent Non-Executive Director)
Ooi Teng Chew (Independent Non-Executive Director)

To: The Entitled Shareholders

Dear Sir/ Madam,

RENOUNCEABLE RIGHTS ISSUE OF 389,342,813 RIGHTS SHARES ON THE BASIS OF 1 RIGHTS SHARE FOR EVERY 2 EXISTING JOHAN SHARES HELD AS AT 5.00 P.M. ON MONDAY, 28 JUNE 2021 TOGETHER WITH 389,342,813 WARRANTS ON THE BASIS OF 1 WARRANT FOR EVERY 1 RIGHTS SHARE SUBSCRIBED FOR AT AN ISSUE PRICE OF RM0.10 PER RIGHTS SHARE

1. INTRODUCTION

On 29 March 2021, UOBKH had, on behalf of our Board, announced that we proposed to undertake the Corporate Exercises.

On 11 May 2021, UOBKH had, on behalf of our Board, announced that Bursa Securities had, vide its letter dated 10 May 2021, resolved to approve the following:-

- i. admission of the Warrants to the Official List of Bursa Securities;
- ii. listing and quotation for 389,342,813 Rights Shares and 389,342,813 Warrants pursuant to the Rights Issue with Warrants on the Main Market of Bursa Securities; and
- iii. listing and quotation for up to 389,342,813 new Johan Shares to be issued arising from the exercise of the Warrants on the Main Market of Bursa Securities,

subject to the conditions set out below:-

	Conditions	Status of compliance
a.	Johan and UOBKH must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Rights Issue with Warrants;	Johan and UOBKH will ensure compliance, where applicable
b.	Johan and UOBKH to inform Bursa Securities upon the completion of the Rights Issue with Warrants;	Johan and UOBKH will ensure compliance
c.	UOBKH to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Right Issue with Warrants is completed;	UOBKH will ensure compliance

Conditions	Status of compliance
d. UOBKH to furnish Bursa Securities with a certified true copy of the resolution passed by the shareholders approving the Rights Issue with Warrants; and	Complied, the certified true copy of the resolution passed by the shareholders approving the Rights Issue with Warrants had been submitted by UOBKH to Bursa Securities via Bursa Listing Information Network on 3 June 2021
e. Johan to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of Warrants as at the end of each quarter together with a detailed computation of listing fees payable.	Our Board and Johan will ensure compliance

On 31 May 2021, our shareholders had approved the Corporate Exercises at our EGM.

On 14 June 2021, UOBKH had, on behalf of our Board, announced the Entitlement Date and other relevant dates pertaining to the Rights Issue with Warrants.

The listing and quotation of the Rights Shares and Warrants to be issued pursuant to the Rights Issue with Warrants will commence after, amongst others, the receipt of confirmation from Bursa Depository that all the CDS Accounts of the successful applicants have been duly credited and notices of allotment have been despatched to them.

No person is authorised to give any information or to make any representation not contained in this Abridged Prospectus in connection with the Rights Issue with Warrants and if given or made, such information or representation must not be relied upon as having been authorised by us or UOBKH.

YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENT OF THIS ABRIDGED PROSPECTUS. IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.

2. DETAILS OF THE RIGHTS ISSUE WITH WARRANTS

The Rights Issue with Warrants entails an issuance of 389,342,813 Rights Shares on the basis of 1 Rights Share for every 2 existing Johan Shares held on the Entitlement Date, together with 389,342,813 Warrants at the exercise price of RM0.25 per Warrant ("**Exercise Price**") on the basis of 1 Warrant for every 1 Rights Share subscribed for by the Entitled Shareholders at an issue price of RM0.10 per Rights Share.

As at the LPD, we have an issued share capital of RM390,701,279 comprising 778,685,627 Johan Shares. Accordingly, a total of 389,342,813 Rights Shares together with 389,342,813 Warrants will be issued pursuant to the Rights Issue with Warrants.

The Rights Issue with Warrants will be undertaken on the full subscription basis to raise a total proceeds of RM38,934,281 and is structured based on the Undertakings as well as the Underwriting Arrangement. Further details on the Undertakings and the Underwriting Arrangement are set out in **Section 3** of this Abridged Prospectus.

For shareholders' information, we had on 6 July 2020, announced a private placement exercise of up to 218,031,900 new Johan Shares ("**Placement Shares**") ("**Private Placement**"). A total of 155,737,100 Placement Shares had been issued and the remaining balance to be placed out is 62,294,800 Placement Shares. Pursuant to the Rights Issue with Warrants, our Board has undertaken not to place out the remaining Placement Shares until the completion of the Rights Issue with Warrants.

The Rights Issue with Warrants is renounceable in full or in part. Accordingly, the Entitled Shareholders who renounce all or any part of their entitlements to the Rights Shares provisionally allotted to them under the Rights Issue with Warrants will simultaneously relinquish any accompanying entitlement to the Warrants. For avoidance of doubt, the Rights Shares and the Warrants are not separately renounceable. Only Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) who successfully subscribe for the Rights Shares will be entitled to the Warrants.

The Warrants will be immediately detached from the Rights Shares upon issuance and will be traded separately from the Rights Shares on the Main Market of Bursa Securities. The Warrants will be issued in registered form and constituted by the Deed Poll executed by our Company on 3 June 2021.

In determining the entitlement of the Entitled Shareholders under the Rights Issue with Warrants, fractional entitlements, if any, will be disregarded and dealt with in such a manner and on such terms and conditions as our Board in its sole and absolute discretion deem fit or expedient and in our best interests.

The Rights Shares together with Warrants which are not taken up or validly taken up shall be made available for Excess Application by the other Entitled Shareholders and/ or their renounee(s) and/ or transferee(s). Our Board intends to allocate the Excess Rights Shares with Warrants in a fair and equitable manner in accordance with the procedures set out in **Section 12.9** of this Abridged Prospectus.

The listing and quotation of the Rights Shares and Warrants will commence 2 Market Days upon the receipt by Bursa Securities of an application for quotation for these securities as specified under the Listing Requirements, which will include, amongst others, confirmation that all notice of allotments have been despatched to successful applicants, and after receipt of confirmation from Bursa Depository that all CDS Accounts of successful applicants have been duly credited with the Rights Shares and Warrants.

You will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such Provisional Rights Shares with Warrants attached to the Rights Shares into your CDS Account and the RSF to enable you to subscribe for such Provisional Rights Shares with Warrants, as well as to apply for the Excess Rights Shares with Warrants if you choose to do so. However, only Entitled Shareholders who have an address in Malaysia as stated in our Record of Depositors or who have provided our Share Registrar with an address in Malaysia in writing by Entitlement Date will receive this Abridged Prospectus together with the NPA and RSF.

2.1 Basis of determining and justification for the Issue Price

The issue price of RM0.10 per Rights Share was determined by our Board after taking into consideration, amongst others, the following:-

- i. The gross proceeds of RM38,934,281 to be raised from the Rights Issue with Warrants to meet the fund raising objectives for purposes set out in **Section 4** of this Abridged Prospectus;

- ii. The prevailing market conditions and market prices of Johan Shares. The issue price of RM0.10 per Rights Share represents a discount of approximately 31.97% to the TERP of RM0.147 (computed based on the 5-day VWAP of Johan Shares up to and including the LTD of RM0.171). In addition, the issue price of RM0.10 per Rights Share also represents the following discount to the respective TERP based on the respective VWAP of Johan Shares as follows:-

VWAP of Johan Shares up to and including the LTD	VWAP RM	TERP RM	Discount to the TERP RM	Discount to the TERP %
5-day	0.171	0.147	0.047	31.97
1-month	0.174	0.149	0.049	32.89
3-month	0.186	0.157	0.057	36.31
6-month	0.193	0.162	0.062	38.27
12-month	0.172	0.148	0.048	32.43

(Source: Bloomberg Finance Singapore L.P.)

For shareholders' information, the issue price of RM0.10 per Rights Share represents a discount of 16.87% to the TERP of RM0.1203, computed based on the 5-day VWAP of Johan Shares up to and including the LPD of RM0.1304.

- iii. The issue price of RM0.10 per Rights Share, which represents a discount of 31.97% to the TERP of RM0.147 (computed based on the 5-day VWAP of Johan Shares up to and including the LTD), was considered reasonable by our Board in terms of the discounted value and discount percentage of the issue price as it could possibly entice Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) to subscribe for their respective entitlements while allowing us to achieve the fund raising objectives of the Rights Issue with Warrants by raising proceeds of RM38,934,281.

2.2 Basis of determining and justification for exercise price of the Warrants

The Warrants attached to the Rights Shares will be issued at no cost to the Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) who subscribe for the Rights Shares.

The exercise price of the Warrants has been fixed at RM0.25 per Warrant, which represents a premium of 70.07% to the TERP of RM0.147 (computed based on the 5-day VWAP of Johan Shares up to and including the LTD). In determining the Exercise Price, our Board has taken into consideration, amongst others, the following:-

- i. the Warrants will be issued at no cost to the Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) who successfully subscribe for the Rights Shares;
- ii. the historical trading prices of Johan Shares for the past 12 months up to and including the LTD; and
- iii. the future prospects of Johan Group, specifically on the strategy to venture into the Gloves Business, which is expected to improve our Group's financial performance moving forward. Further details on the Gloves Business are set out in **Section 5** of this Abridged Prospectus.

2.3 Ranking of the Rights Shares and new Johan Shares to be issued arising from the exercise of the Warrants

The Rights Shares shall, upon allotment and issuance, rank equally in all respects with the existing Johan Shares, save and except that the Rights Shares shall not be entitled to any dividends, rights, allotments and/ or any other forms of distribution that may be declared, made or paid for which their entitlement date precedes the date of allotment and issuance of the Rights Shares.

The new Johan Shares to be issued arising from the exercise of the Warrants shall, upon allotment and issuance, rank equally in all respects with the existing Johan Shares, save and except that the new Johan Shares to be issued arising from the exercise of the Warrants shall not be entitled to any dividends, rights, allotments and/ or any other forms of distribution that may be declared, made or paid for which their entitlement date precedes the date of allotment and issuance of such new Johan Shares.

2.4 Salient terms of the Warrants

Issuer	:	Johan.
Issue size	:	389,342,813 Warrants.
Issue price	:	The Warrants are free and shall be issued at no cost to the Entitled Shareholders and/ or their renouneece(s) who successfully subscribed for the Rights Share.
Form and Denomination	:	The Warrants which are issued with the Rights Shares are immediately detachable upon issuance and will be separately traded on Bursa Securities. The Warrants will be issued in registered form and constituted by the Deed Poll.
Exercise Rights	:	Each Warrant carries the entitlement, at any time during the Exercise Period, to subscribe for one (1) new Johan Share at the Exercise Price, subject to the adjustments in accordance with the provisions of the Deed Poll.
Exercise Period	:	The Warrants may be exercised at any time within a period of 3 years commencing on and including the date of issuance of the Warrants and ending at 5.00 p.m. in Kuala Lumpur, on the date preceding the 3rd anniversary of the date of issuance, or if such day is not a day on which Bursa Securities is open for trading in securities in Malaysia (" Market Day "), then it shall be the Market Day immediately preceding the said non-Market Day. Any Warrant not exercised during the exercise period will thereafter lapse and cease to be valid.
Exercise Price	:	RM0.25
Mode of Exercise	:	The Warrant holders are required to lodge an exercise form, as prescribed in the Deed Poll, with the Company's registrar, duly completed, signed and stamped together with payment of the Exercise Price by banker's draft or cashier's order drawn on a bank operating in Malaysia or a money order or postal order issued by a post office in Malaysia or by way of online transfer in accordance with the provisions of the Deed Poll.
Mode of Transfer	:	The Warrants are transferable in the manner provided under the Deed Poll, SICDA and the Rules of Bursa Depository.
Ranking of Warrants	:	The Warrants shall as between the Warrant holders rank equally and rateably in all aspects among themselves.

Participation Rights of the holder of the Warrants	:	The Warrant holders are not entitled to any voting rights or to participate in any distribution and/or offer of further securities in the Company until and unless such Warrant holders are issued with new Shares upon exercise of the Warrants in accordance with the Deed Poll.
Ranking of New Share arising from the Exercise of Warrant	:	All the Johan Shares to be issued upon the exercise of the Warrants shall, upon allotment and issue, rank <i>pari passu</i> in all respects with the then existing Johan Shares, save and except that the new Johan Shares issued arising from the exercise of the Warrants shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that may be declared, made or paid before the date of allotment and issuance of such new Johan Shares.
Board Lots	:	For the purposes of trading on Bursa Securities, one (1) board lot of Warrants shall comprise 100 units of Warrants carrying the rights to subscribe for 100 new Johan Shares at any time during the Exercise Period, or in such denomination as determined by Bursa Securities.
Listing and quotation of the Warrants	:	The Warrants and new Johan Shares to be issued arising from the exercise of the Warrants will be listed and quoted on the Main Market of Bursa Securities.
Adjustments in the Exercise Price and/or Number of Warrants	:	The Exercise Price and/or the number of unexercised Warrants may be subject to adjustments by our Board in consultation with an approved bank or auditors in the event of any alteration in the share capital of Johan at any time during the tenure of the Warrants, whether by way of, amongst others, rights issue, bonus issue, consolidation of shares, subdivision of shares or capital distribution, in accordance with the provisions of the Deed Poll. Any adjustment to the Exercise Price will be rounded up to the nearest 1 sen.
Rights in the event of winding up, liquidation, compromise and/or arrangement	:	<p>Where a resolution has been passed for a member's voluntary winding up of the Company, or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with one or more companies, then:</p> <ol style="list-style-type: none"> a. for the purpose of such a winding-up, compromise or arrangement (other than a consolidation, amalgamation or merger in which the Company is the continuing corporation) to which the Warrant holders or some persons designated by them for such purpose by an extraordinary resolution, shall be a party, the terms of such winding-up, compromise or arrangement shall be binding on all the Warrant holders; and b. in any other case, every holder of Warrants shall be entitled at any time within six (6) weeks after the passing of such resolution for a member's voluntary winding up of the Company or within six (6) weeks after the granting of the court order approving the compromise or arrangement, by the irrevocable surrender of his/her Warrants to the Company, elect to be treated as if he/she had immediately prior to the commencement of such winding up, compromise or arrangement, exercised the exercise rights represented by such Warrants to the extent specified in the relevant exercise forms and be entitled to receive out of the assets of the Company which would be available in liquidation as if he/she had on such date been the holder of the new Johan Shares to which he/she would have been entitled to pursuant to such exercise.

All exercise rights which has not been exercised within the above six (6) weeks of either the passing of such resolution for the members' voluntary winding up or the granting of the court order for the approval of such winding-up, compromise or arrangement, as the case may be, will lapse and all the unexercised new Warrants will cease to be valid for any purpose.

Subject to the foregoing, if the Company is wound up for any reason other than a members' voluntary winding-up, all Warrants which have not been exercised at the date of the passing of such resolution shall lapse and the Warrants shall cease to be valid for any purpose.

Modifications and waiver : The Company may, without the consent of the Warrant holders but in accordance with the terms of the Deed Poll, effect any modification to the Warrants or the Deed Poll which in its opinion:

- a. is not prejudicial to the interests of the holders of the Warrants;
- b. is to correct a manifest error or to comply with the mandatory provisions of Malaysian law;
- c. is to vary or replace provisions relating to the transfer or exercise of the Warrants including the issue of Shares arising from the exercise thereof or meetings of the Warrant holders in order to facilitate trading in or the exercise of the Warrants or in connection with the book-entry (scripless) settlement system in respect of trades of the Company's securities on the Main Market of Bursa Securities, provided that such modification is not prejudicial to the interests of the Warrant holders;
- d. relates purely to administrative matters; and/or
- e. is required to correct any typographical errors.

Any such modification shall be binding on the Warrant holders and shall be notified to them in accordance with conditions of the Warrants as soon as practicable thereafter.

Subject to the above, any modification, amendment, deletion or addition to the Deed Poll may be effected only by Deed Poll, executed by the Company and expressed to be supplemental thereto, and only if it shall first have been sanctioned by an extraordinary resolution of the holders of the Warrants.

Governing Law : Laws of Malaysia

2.5 Details of other equity fund raising exercises in the past 12 months

Save for the Private Placement, we have not undertaken any other equity fund raising exercises in the past 12 months up to the LPD.

A total of 155,737,100 Placement Shares issued pursuant to the Private Placement were listed on 29 September 2020 at the issue price of RM0.063 each, raising total gross proceeds of RM9.81 million. The status of the utilisation of proceeds from the Private Placement as at the LPD is as follows:-

Details of utilisation		Timeframe for utilisation	Proceeds raised RM'000	Balance to be utilised RM'000
Business/ investment opportunities		Within 12 months from receipt of proceeds	9,651	9,651
Estimated expenses		Upon completion of the Private Placement	160	-
Total			9,811	9,651

Our Board intends to utilise the proceeds raised from the Private Placement to partially fund the financial commitment required to undertake the Gloves Business, details of which are set out in **Section 5** of this Abridged Prospectus.

3. IRREVOCABLE AND UNCONDITIONAL UNDERTAKINGS AND UNDERWRITING ARRANGEMENT

Our Board shall undertake the Rights Issue with Warrants on a full subscription basis to raise the maximum gross proceeds from the Rights Issue with Warrants amounting to RM38.93 million that will be channelled towards the proposed utilisation as set out in **Section 4** of this Abridged Prospectus.

The Rights Issue with Warrants will be implemented based on the Undertakings and the Underwriting Arrangement, further details of which are set out as follows:-

3.1 Undertakings

The Undertaking Shareholders collectively hold 472,451,057 Johan Shares, representing approximately 60.67% equity interest in Johan. A summary of the Undertakings is set out below:-

Undertaking Shareholders	Shareholdings as at the LPD		Rights Shares to be subscribed pursuant to Undertakings		Shareholdings after the Rights Issue with Warrants		Gross proceeds raised ⁴ RM
	No. of Shares	% ^{*1}	No. of Rights Shares	% ^{*2}	No. of Shares	% ^{*3}	
Mustika Manis Sdn Bhd	233,605,427	30.00	116,802,713	30.00	350,408,140	30.00	11,680,271
Kurnia Menang Sdn Bhd	74,276,613	9.54	37,138,306	9.54	111,414,919	9.54	3,713,831
Star Wealth Investment Limited	71,277,017	9.15	35,638,508	9.15	106,915,525	9.15	3,563,851
Kin Fai International Limited	37,423,000	4.81	18,711,500	4.81	56,134,500	4.81	1,871,150
Kwok Heng Holdings Limited	25,194,000	3.24	12,597,000	3.24	37,791,000	3.24	1,259,700
Suncrown Holdings Limited	30,675,000	3.94	15,337,500	3.94	46,012,500	3.94	1,533,750
Total	472,451,057	60.67	236,225,527	60.67	708,676,584	60.67	23,622,553

Notes:-

*1 Computed based on the total issued shares as at the LPD of 778,685,627 Johan Shares

*2 Computed based on 389,342,813 Rights Shares available for subscription

*3 Computed based on the total enlarged issued shares after the Rights Issue with Warrants of 1,168,028,440 Johan Shares

*4 Computed based on the Issue Price

The Undertaking Shareholders have respectively confirmed via the Undertakings that they have sufficient financial resources to fulfil their respective Undertakings. The said confirmations had been verified by UOBKH, being the principal adviser for the Rights Issue with Warrants. For shareholders' information, the Undertaking Shareholders had, respectively, provided confirmation letter from their financial institutions confirming that they have sufficient funds for the subscription of their respective entitlements under the Rights Issue with Warrants and the aggregate amount of RM23,622,553 (being the gross proceeds to be raised from the Undertaking Shareholders) will be deposited into the "**JOHAN RIGHTS SHARES ACCOUNT**". In this respect, Johan will make an announcement on Bursa Securities pertaining to the receipt of funds by Johan from the Undertaking Shareholders. For the avoidance of doubt, the Undertaking Shareholders will not be applying for any Excess Rights Shares with Warrants pursuant to the Right Issue with Warrants.

3.2 Underwriting Arrangement

We had on 14 June 2021 entered into the Underwriting Agreement with the Underwriter, UOBKH, where the underwriter will underwrite 153,117,286 Rights Shares ("**Underwritten Rights Shares**"), representing approximately 39.33% of the total Rights Shares available for subscription pursuant to the Rights Issue with Warrants at the Issue Price. The total value of the Underwritten Rights Shares amounts to approximately RM15.31 million.

The underwriting commission of 2.00% of the value of the Underwritten Rights Shares and all relevant costs in relation to the underwriting will be borne by Johan through the gross proceeds raised from the Rights Issue with Warrants, the details of which are set out in **Section 4** of this Abridged Prospectus.

The Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (excluding the Underwriter), shall be given priority and shall first be allocated all their respective entitlements and Excess Rights Shares with Warrants applied for. Upon completion of the allocation of such respective entitlements and Excess Rights Shares with Warrants to the Entitled Shareholders and/ or their renounee(s) and/ or transferee(s), the Underwriter shall then apply and be allocated for the remaining number of unsubscribed Rights Shares, if any. In the event the maximum number of Rights Shares available for subscription pursuant to the Rights Issue with Warrants are fully subscribed for by the Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (excluding the Underwriter), the Underwriter will not apply and be allocated for any Rights Shares.

As the Rights Issue with Warrants will be implemented based on the Undertakings and the Underwriting Arrangement, the Rights Issue with Warrants is not expected to give rise to any mandatory general offer obligation pursuant to the Rules.

Pursuant to Paragraph 8.02(1) of the Listing Requirements, we must ensure that at least 25% of the total listed Johan Shares are in the hands of public shareholders. For information purpose, our public shareholding spread is not expected to fall below 25% of our enlarged issued Shares after the completion of the Rights Issue with Warrants in view that the Rights Issue with Warrants is undertaken on a full subscription basis.

4. UTILISATION OF PROCEEDS

The gross proceeds raised from the Rights Issue with Warrants will be utilised in the following manner:-

Proposed utilisation	Timeframe for utilisation from completion of the Rights Issue with Warrants	Gross proceeds raised	
		RM'000	%
Funding for Gloves Business ^{*1}	Within 24 months	37,434	96.15
Estimated expenses ^{*2}	Upon completion	1,500	3.85
Total		38,934	100.00

Notes:-

*1 The proceeds will be used to partially fund the construction of the Gloves Manufacturing Plant. The plan for the Gloves Business is to install and commission up to 42 production lines within the next 24 months to manufacture examination and surgical gloves. The installation of the first production line will be carried out concurrently with the refurbishment of the factory buildings and our target is to have all the 6 lines in production by December 2021 with the 1st production line by August 2021. The remaining 36 production lines will be commissioned and operationalised in stages in 2022 and 2023.

As highlighted in **Section 5.2** of this Abridged Prospectus, from the total estimated additional financial commitment required of approximately RM652.20 million for the construction of the Gloves Manufacturing Plant and to put the Gloves Business on-stream, approximately RM391.32 million (based on our 60.0% equity interest in Dynacare) shall be funded by Johan. We intend to fund our portion of the additional financial commitment through a combination of internally generated funds, bank borrowings, proceeds to be raised from the Rights Issue with Warrants, proceeds to be raised from the Private Placement and/ or remaining proceeds from the Disposal of Land (as defined herein), the exact quantum of which has yet to be determined at this juncture as it will depend on the capital requirements and our financial condition at that point in time. Notwithstanding the foregoing and on a best estimate basis, the indicative allocation at this juncture is set out as follows:-

	RM'000	%
Internally generated funds	50,615	12.93
Bank borrowings	254,358	65.00
Proceeds from the Rights Issue with Warrants	37,434	9.57
Proceeds raised from the Private Placement	3,913	1.00
Remaining proceeds from the Disposal of Land (as defined herein)	45,000	11.50
Total	391,320	100.00

Please refer to **Section 5** of this Abridged Prospectus for further details on the Gloves Business, and the details on the additional financial commitment required for the Gloves Business are set out in **Section 5.2** of this Abridged Prospectus.

*2 The estimated expenses in relation to the Corporate Exercises amount to approximately RM1.50 million. The proceeds earmarked for such expenses shall be utilised in the following manner:-

Details of estimated expenses	RM'000
Professional fees and underwriting commission (i.e. principal adviser, legal adviser, company secretary and share registrar)	1,200
Fees payable to the relevant authorities (i.e. Bursa Securities, SC and Companies Commission of Malaysia)	100
Other incidental expenses in relation to the Corporate Exercises such as convening of the EGM, printing and advertising costs and miscellaneous expenses	200
Total	1,500

If the actual expenses are higher than budgeted, the deficit will be funded out of the portion allocated for the funding for Gloves Business. Conversely, if the actual expenses are lower than budgeted, the excess will be utilised for the Gloves Business.

Pending the utilisation of the proceeds from the Rights Issue with Warrants for the above purposes, the proceeds are intended to be placed in deposits with licensed financial institutions or short-term money market instruments as our Board may deem fit. The interest derived from the deposits with licensed financial institutions or any gain arising from the short-term money market instruments will be used as additional working capital of Johan Group.

The gross proceeds to be raised from the exercise of the Warrants is dependent on the total number of Warrants exercised during the tenure of the Warrants. As such, the exact amount to be raised from the exercise of the Warrants is not determinable at this juncture. For illustrative purposes only, the gross proceeds to be raised upon the full exercise of the Warrants based on the exercise price of RM0.25 per Warrant is set out as follows:-

No. of Warrants	389,342,813
Total gross proceeds raised assuming all outstanding Warrants are exercised (RM)	97,335,703

Such gross proceeds to be raised from the exercise of Warrants will be utilised as additional working capital to finance Johan Group's day to day operations and will be utilised within 12 months from the receipt of such proceeds. The proceeds may be utilised to finance, amongst others, employee salaries, payment to trade creditors as well as general expenses such as utilities and office expenses, the breakdown of which have not been determined at this juncture.

5. DETAILS OF THE GLOVES BUSINESS

Our Board has identified the Gloves Business as new business segment to diversify into and expand Johan Group's revenue and income stream, thereby reducing Johan Group's reliance on the hospitality and card services business.

For shareholders' information, gloves are personal protective equipment which are widely used in the healthcare, medical and foods and beverages industries. The plan for the Gloves Business is to install and commission up to 42 production lines on the Subject Property within the next 24 months to manufacture examination and surgical gloves, with an expected production capacity of approximately 12.00 billion pieces of gloves per annum. Commercial production of the first production line is expected to commence in August 2021 and subsequently, we anticipate the gloves sales to commence in September 2021 onwards. Thereafter, we anticipate a total of 6 production lines to be fully operational by December 2021 with the remaining 36 production lines be commissioned and operationalised in stages within the next 2 years (i.e. year 2022 and year 2023).

The main production equipment is the High Capacity Double Former Glove-Dipping Machine ("**Glove-Dipping Machine**") which can produce nitrile or latex powder or powder free examination, surgical gloves and specialised high risk gloves interchangeably. This provides Dynacare with the flexibility to produce the type of gloves according to market demand and orders received from customers. Nevertheless, the current focus of Dynacare will be the supply of examination and surgical gloves to local and overseas market. The Glove Dipping Machine will be supported by auxiliary systems which include, amongst others, wastewater treatment and water recycling systems, air compressors, chillers as well as lab and testing equipment.

In addition to selling the gloves locally, it is the intention of Dynacare to export the gloves to other countries, for instance, the United States of America and Europe.

The raw materials required for the Gloves Business are as follows:-

Raw Materials

- (i) **Nitrile Butadiene Rubber ("NBR")** - Carrying out testing of supply from a number of shortlisted suppliers.
- (ii) **Compounding Materials** - Testing of compounding materials with the NBR is being carried out from a number of shortlisted suppliers.
- (iii) **Other Chemicals** - Potential suppliers shortlisted and discussions will be commencing.

In undertaking the Gloves Business, Johan has intended Dynacare to carry out the Gloves Business and has offered George Kent to subscribe for 40.0% equity interest in Dynacare pursuant to the Letter of Offer to jointly undertake the Gloves Business. The remaining 60.0% equity interest in Dynacare is held by Johan. In this respect, George Kent had on 8 June 2021, obtained its shareholders' approval to subscribe for 40.0% equity interest in Dynacare.

As Johan and Dynacare do not have expertise in engineering design and construction nor the resources to undertake the construction of the Gloves Manufacturing Plant, Dynacare has then invited George Kent, which has necessary expertise, resources and track record in undertaking construction and engineering design activities for the construction of the Gloves Manufacturing Plant. For clarity, George Kent is an equity partner to Johan Group for the Gloves Business and any dealings of Dynacare with Johan and/ or George Kent shall at all times be conducted on arm's length basis. As at the LPD, George Kent and Johan (being 60% shareholder of Dynacare) has common substantial shareholders (of which are ultimately held by Tan Sri Tan and Puan Sri Tan) and share common directors namely, Tan Sri Tan, Puan Sri Tan, Ooi Chin Khoon and Dato' Ahmad. Further details on Dynacare and George Kent are set out as follows:-

a. Information on Dynacare

Dynacare was incorporated in Malaysia on 23 July 2020 as a private company limited by shares under the Act and having its registered office at 11th Floor, Wisma E&C, No. 2 Lorong Dungun Kiri, Damansara Heights, 50490 Kuala Lumpur. As at the LPD, Dynacare has yet to commence business operations and it is intended for Dynacare to carry out the Gloves Business.

As at the LPD, Dynacare has an issued share capital of RM5,000,000 comprising 5,000,000 ordinary shares in Dynacare ("**Dynacare Share(s)**") and its shareholdings are set out as follows:-

	No. of Dynacare Shares	Equity interest	RM
Johan	3,000,000	60%	3,000,000
George Kent	2,000,000	40%	2,000,000
	5,000,000	100%	5,000,000

Pursuant to the Offer to Subscribe, Johan and George Kent intend to increase the issued share capital of Dynacare up to RM100.00 million comprising up to 100,000,000 Dynacare Shares, of which 60,000,000 Dynacare Shares, representing 60.0% equity interest, are to be held by us whilst the remaining 40,000,000 Dynacare Shares, representing 40.0% equity interest, are to be held by George Kent. In addition, the equity participation ratio in Dynacare is to be maintained at all times as follows:-

Johan	60%
George Kent	40%
	100%

The subscription of Dynacare Shares by Johan and George Kent will be carried out as and when required based on the funding requirements of Dynacare for the Gloves Business. As at the LPD, Puan Sri Tan, Mr. Ooi Chin Khoon and Mr. Phoon Hee Yau are the directors of Dynacare.

b. Information on George Kent

George Kent was incorporated on 2 January 1951 and having its registered office at 11th Floor, Wisma E&C, No. 2, Lorong Dungun Kiri, Damansara Heights, 50490 Kuala Lumpur.

George Kent is a public company listed on the Main Market of Bursa Securities. The principal activities of George Kent and its subsidiaries are in the provision of construction and engineering services, in the water infrastructure, rail transportation and hospital construction industry, manufacturing and sale of metering products and solutions for residential, industrial and commercial customers. For shareholders' information, George Kent has a proven track record in delivering a variety of engineering and construction projects such as the Hospital Kuala Lipis, Ampang (AMG) Line extension project (LRT 2) as well as several water infrastructures projects.

As at the LPD, George Kent has an issued share capital of RM187.76 million comprising 563,269,065 ordinary shares (including 40,559,200 treasury shares). The substantial shareholders of George Kent and their respective shareholdings are as follows:-

	<-----Direct----->		<-----Indirect----->	
	No. of shares	% ^{*1}	No. of shares	% ^{*1}
Star Wealth Investment Limited	78,999,999	15.11	-	-
Kin Fai International Limited	26,687,499	5.11	-	-
Puan Sri Tan	43,610,247	8.34	194,137,617 ^{*2}	37.14
Tan Sri Tan	26,886,014	5.14	210,861,850 ^{*2}	40.34

Notes:-

*1 Excludes a total of 40,559,200 ordinary shares bought back by George Kent and held as treasury shares as at the LPD.

*2 Deemed interested by virtue of their 100% equity interest in Kwok Heng Holdings Ltd, Kin Fai International Limited, Suncrown Holdings Limited and Star Wealth Investment Limited, and by virtue of Section 8(4) of the Act in Johan Equities Sdn Bhd, and also shares held in each other's name

For information purpose, based on the last transacted market price of George Kent share as at the LPD of RM0.755, the market capitalisation of George Kent is approximately RM394.65 million.

As at the LPD, the Board of Directors of George Kent are as follows:-

Name	Designation
Tan Sri Tan	Non-Independent Non-Executive Director/ Chairman
Puan Sri Tan	Non-Independent Non-Executive Director
Ong Seng Pheow	Independent Non-Executive Director
Dato' Paduka (Dr.) Ir. Hj. Keizrul Bin Abdullah	Independent Non-Executive Director
Dato' Ahmad	Independent Non-Executive Director
Ooi Chin Khoon	Non-Independent Executive Director

5.1 Key management personnel

Our Board has identified experienced personnel, namely Phoon Hee Yau, Azmy A Hamid and Nancy Ng Ee Poh to lead and oversee the operations of the Gloves Business moving forward. Further details of the qualification and experience of the key management personnel are set out below:-

- i. **Phoon Hee Yau ("Mr. Phoon")**, a Malaysian aged 42, was appointed as the Director of Dynacare on 3 August 2020. He is responsible for the overall planning and development of the Gloves Business.

Mr. Phoon earned his Bachelor of Mechanical Engineering degree from Universiti Tenaga Nasional in 2000 and Master of Science Degree in Energy Systems and the Environment from the University of Strathclyde, United Kingdom in 2006 under the Chevening Scholarship Programme.

He started his career in July 2000 with Tenaga Nasional Berhad as an Engineer under Generation Planning Department where he was actively involved in the development of the power generation expansion plan for Peninsular Malaysia. He was subsequently promoted to Manager in October 2007 in the Strategic Planning and then Energy Procurement Department to conduct techno-economic feasibility studies, devise strategic plans and energy policies, and manage technical and commercial matters pertaining to the independent power producers.

In May 2010, he left Tenaga Nasional Berhad to join KNM Group Berhad as the Chief Operating Officer where he helped established its renewable energy and power business. He secured and managed turnkey engineering, procurement and construction projects in Malaysia, Sri Lanka and the United Kingdom, undertook strategic investments, secured project financing, and established multiple joint ventures and strategic collaborations with project developers and technology providers.

In March 2016, he left KNM Group Berhad and joined George Kent (Malaysia) Berhad in March 2016 as the General Manager for Strategic Planning and Business Development and assisted George Kent in securing a technology collaboration with a European company. He was also a key negotiator for a landmark license agreement with a US Fortune 500 company.

- ii. **Mr Azmy A Hamid ("Mr. Azmy")**, a Malaysian aged 48, is employed under Dynacare to operationalize the Glove Business for Johan Group.

Mr Azmy earned his Bachelor of Science in Biochemistry degree from the University of Dundee, Scotland in 1996 and earned his Advance Diploma in Business Administration from the University of Strathclyde, Glasgow, Scotland in 2016.

He started his career in 1996 with Unilever (Malaysia) Holdings Sdn Bhd as a Management Trainee mainly responsible for chemical sales in Malaysia and Singapore. He was subsequently promoted to Market Operations Manager, overseeing the marketing of oleochemical products in the Asia Pacific and Middle Eastern regions. In April 2001, he left Unilever (Malaysia) Holdings Sdn Bhd and joined Pfizer Malaysia Sdn Bhd as a Business Development and Strategic Planning Manager, where he took charge of Pfizer Malaysia and Singapore's short to medium term strategic planning and corporate business development, initiating contract manufacturing collaborations with local pharmaceutical manufacturers.

In January 2005, he left Pfizer Malaysia Sdn Bhd and joined Du Pont Malaysia Sdn Bhd as a Regional Business Development Manager in the Building Innovations Strategic Business Unit overseeing the growth of Du Pont's acrylic solid surface business. In May 2008, he left Du Pont Malaysia Sdn Bhd to set up a private company to undertake pharmaceutical manufacturing. Whilst running this outfit, he successfully delivered the ISO 13485 certification and commissioning of a surgical sutures medical device factory in Klang for a Selangor state-owned enterprise in 2016.

Prior to joining Dynacare in October 2020, Mr Azmy oversaw the operations and financial performance of a local gloves manufacturing plant, namely, SSN Medical Products Sdn Bhd with his last position as its CEO.

- iii. **Nancy Ng Ee Poh ("Ms. Nancy")**, a Malaysian, aged 53, graduated from the Chartered Institute of Management Accountants (CIMA) with a management accounting professional qualification in 1995. After her graduation, she joined Berjaya Textiles Sdn Bhd as a Management Trainee and was absorbed into Berjaya Group Bhd's Group Accounts and Budget Division as an Executive in January 1996. She subsequently left Berjaya Group Bhd and joined Prestige Ceramics Sdn Bhd ("**PCSB**") in August 2001 as a Management Accountant. She was promoted to Finance Manager in February 2008 and is responsible for overseeing the company's accounting and treasury functions, reporting to our Chief Financial Officer. She has been tasked by Johan Group to be responsible for the finance related function of the Gloves Business.

Dynacare is currently in the process of recruiting full-time management employees to complement the management team in areas such as compounding, production, engineering, quality control and quality assurance, research and development and marketing and sales to put on-stream the Gloves Business, a breakdown of which is as follows:-

Position/ role	Total
Managerial staff	25
Administrative staff	35
Technical staff (engineers and technicians)/ supervisors (quality control and research and development roles)	138
Production/ general workers	1,500
Total	1,698

Johan Group has commenced interviewing and selecting candidates for the abovementioned positions. The full time employees to be hired are based on the management's current assessment for the Gloves Business and is indicative at this juncture and the final number of employees will depend on the requirements of the Gloves Business. In recruitment of our workforce for the Gloves Business, we will first prioritise the recruitment of workforce from the local market/ Malaysian at present. Notwithstanding that, in the event that we are unable to recruit Malaysian, for instance, due to lack of specific technical skillset from the local market and/ or insufficient number of workforces from the local market and only if required, our Board may consider to recruit the foreign workforce as an alternative. Our Board is mindful with the additional costs to be borne by us and the possibility of the shortage of workforce given the current COVID-19 pandemic which has led to the imposition of MCO with travel and movement restrictions as well as closure of international borders as measures to curb the pandemic. In addition, we will ensure compliance with the relevant act, rules and regulations on recruitment and human resources.

5.2 Additional financial commitment

The Gloves Manufacturing Plant will be constructed on the Subject Property. The Subject Property currently has 6 factory buildings, a main office building and other ancillary buildings with a total built up area of 19,965 square metres that will be renovated to accommodate 42 production lines. The plan is to increase the gross floor area of the Subject Property by 26,000 square metres, which will provide the Gloves Manufacturing Plant with a total built-up area of 45,965 square metres by the integration of the existing 6 factory buildings, a main office building and other ancillary buildings (by undertaking the necessary refurbishment and renovation works) to accommodate 42 production lines and each production line is expected to yield 24 million pieces of rubber gloves per month which translate to total production of approximately 12.00 billion gloves per annum.

The construction of the Gloves Manufacturing Plant will not require major civil and structural works as the existing buildings can be refurbished to accommodate the installation of the production lines. The refurbishment of the existing factory buildings for the first production line is expected to take approximately 3 months and complete by end June 2021 while the installation of the first production line is expected to take approximately 2 months after the completion of the aforesaid refurbishment. For clarity, the refurbishment of factory building for first 6 production lines (which include utilities connection such as power, water and gas) is currently in the final stage and is expected to be completed by end June 2021 as mentioned above. Despite the outbreak of COVID-19 that led to the imposition of MCO, the aforesaid refurbishment works are still in progress and there is no change in the expected time frame for the installation and commencement of the first production which is scheduled by end of August 2021. Nonetheless, the management will monitor and keep abreast with the latest regulations and industry developments so as to ensure that proper mitigation plan is in place to address any uncertainties that Johan and/ or Dynacare may potentially face arising from the COVID-19 pandemic.

The installation of the first production line will be carried out concurrently with the refurbishment of the factory buildings and our target is to have all the 6 lines in production by December 2021 with the 1st production line by August 2021. The remaining 36 production lines will be commissioned and operationalised in stages in 2022 and 2023.

The indicative time frame for the commercialisation of the abovementioned production lines are as follows:-

Key events	Indicative time frame
Refurbishment of factory building for first 6 production lines (which include utilities connection such as power, water and gas)	Completed by end June 2021
Installation and commissioning of 1st production line	Completed by end August 2021
Installation and commissioning of all 6 production lines	Completed by December 2021
Installation and commissioning of 30 production lines	Completed by December 2022
Installation and commissioning of 6 production lines	Completed by June 2023

For shareholders' information, the production lines will be fabricated offsite with the first production line to be installed concurrently with the refurbishment of the existing factory building. Further, we are already carrying out testing of the nitrile butadiene rubber supply from a number of shortlisted suppliers and the orders will be placed once we are satisfied with the quality of the raw materials.

The estimated additional financial commitment required for the construction of the Gloves Manufacturing Plant and to put the Gloves Business on-stream is approximately RM652.20 million. The breakdown of the estimated additional financial commitment required is as follows:-

	RM'000
Capital expenditure	
- Infrastructure and utilities* ¹	213,400
- Equipment, machinery and ancillary systems* ²	410,700
- Business set up, IT systems, certifications	8,100
Total	<u>632,200</u>
Initial working capital for the Gloves Business (<i>e.g. purchase of chemicals and raw materials for production of gloves and overhead cost such as employees, office supplies and utilities charges</i>)	20,000
Grand Total	<u><u>652,200</u></u>

The above figures are based on quotation from suppliers and estimates from consultants.

Notes:-

- *1 Includes civil, structural and building works, mechanical and electrical works, wastewater treatment plant with water recycling system, solar photovoltaic system, chiller system, compressed air system as well as utility connections such as electricity, gas, water, telecommunications and sewerage systems
- *2 Includes the Glove-Dipping Machine, hand formers, compounding, storage and feeding tanks, online chlorination and scrubber systems, automation and Supervisory Control and Data Acquisition remote control systems, fully-equipped quality assurance/ quality control and research and development lab, engineering workshop and spares, office equipment and furnishing, warehouse equipment, systems and loading bay. The Glove-Dipping Machine can produce nitrile or latex powder or powder free examination, surgical gloves and specialised high risk gloves interchangeably. This provides Dynacare with the flexibility to produce the type of gloves according to market demand and orders received from customers. The design and construction works will be carried out by the main contractor. The main contractor has reached an agreement with the dipping line fabricator and the other supporting equipment are at various stages of finalisation.

The total additional financial commitment of RM652.20 million required to put the Gloves Business on-stream is to be funded through the RM100.00 million paid-up capital in Dynacare and the balance through project financing/ bank borrowings and internally generated funds from Dynacare's operations. If there is any shortfall in the operating cash flow of Dynacare to fund the additional financial commitment, shareholders will provide advances to Dynacare in the proportion of their shareholdings. On a best estimate, we expect to achieve payback on the investment incurred within 25 months from the commencement of commercial production.

For avoidance of doubt, currently Dynacare is our 60.0%-owned subsidiary hence, our financial commitment based on our equity interest in Dynacare is RM391.32 million, whilst the remaining 40.0% of the total financial commitment amounting to RM260.88 million will be borne by George Kent, being the 40.0%-held shareholder of Dynacare. The aforesaid financial commitment of RM391.32 million shall be funded by Johan through a combination of internally generated funds, proceeds from the Rights Issue with Warrants and the remaining proceeds from the Disposal of Land (as defined herein), which will be received in 3 tranches in year 2022 to 2024, as further detailed in the circular dated 10 March 2020 with respect to the Disposal of Land (as defined herein), and the exact quantum of which has yet to be determined at this juncture as it will be payable upon the capital requirements and our financial condition at that point in time.

For shareholders information, our cash and bank balances stood at approximately RM93.10 million as at the latest 12-month unaudited FPE 31 January 2021. On 27 November 2019, Johan via Prestige Ceramics Sdn Bhd (PCSB) (our wholly-owned subsidiary) had entered into a conditional sale and purchase agreement with Aspect Potential Sdn Bhd for the disposal of a parcel of freehold land by PCSB for a total disposal consideration of RM127.00 million to be satisfied via a combination of RM108.00 million in cash and RM19.00 million via payments in kind (being the transfer of 7 units of properties from Aspect Potential Sdn Bhd to PCSB with an aggregate market value of RM19.00 million) ("**Disposal of Land**").

As at the LPD, we have received cash payments of RM63.00 million and payments in kind of RM19.00 million. The remaining RM45.00 million of the disposal consideration will be received by us in the following manner:-

Timing	RM'000
a. On or before 26 November 2022 (being 36 months from the date of the sale and purchase agreement for the Disposal of Land (" Disposal SPA ").	15,000
b. On or before 26 November 2023 (being 48 months from the date of the Disposal SPA).	15,000
c. On or before 26 November 2024 (being 60 months from the date of the Disposal SPA).	15,000
	45,000

The Disposal of Land will be completed upon the receipt of all the cash payments due and payable under the Disposal SPA. Barring any unforeseen circumstances and subject to all required approvals being obtained, our Board expects the Disposal of Land to be completed by end of year 2024, after the receipt of all cash payments. As such, it is the intention of our Board to settle a portion of the additional financial commitment attributable to us via the remaining disposal consideration of RM45.00 million expected to be received over a 3-year period from 2022 to 2024. Please refer to the circular dated 10 March 2020 for further information in relation to the Disposal of Land.

6. THE DISPOSAL OF DCS WHICH MAY RESULT IN JOHAN BEING CATEGORISED AS AN AFFECTED LISTED ISSUER

On 24 December 2020, Johan Investment Private Limited ("**J IPL**"), being our wholly-owned subsidiary, entered into a conditional shares purchase agreement with Ezy Net Pte. Ltd. ("**Ezy Net**"), Candypay Holdings Pte. Ltd. and Genesis Business Holdings Pte. Ltd. ("**Genesis**") for the disposal of 4,645,256 ordinary shares of DCS, representing the entire equity interest in DCS for SGD103,586,103 (equivalent to approximately RM313.98 million).

For avoidance of doubt, our Group did not raise any fresh proceeds from the Disposal given that the disposal consideration will be offset against the excluded assets consideration of SGD18.86 million and net receivables amount of SGD84.73 million, the details of which have been set out in Section 4 of the circular dated 7 January 2021 in relation to the Disposal.

DCS is involved in the provision of charge card and credit card services, which are currently under the hospitality and card business segment of our Company, and was a major contributor to the revenue of our Group. The hospitality and card business segment is the core contributor to Johan Group's revenue, contributing approximately 98.30%, 97.84% and 98.67% of our Group's total revenue over the past 3 financial years up to the latest audited FYE 31 January 2020, respectively. Therefore, the Disposal is deemed as a major disposal pursuant to Paragraphs 10.02 and 10.11A of the Listing Requirements and post-Disposal, our Group may be classified as an affected listed issuer by Bursa Securities pursuant to Paragraph 8.03A(2) of the Listing Requirements.

As at the LPD, the Disposal is still pending with its completion with the latest update that our Group has granted an extension of time to Ezy Net up to 18 June 2021 (which has been further extended to 30 June 2021 as per the announcement made by Johan on 18 June 2021) to fulfil the conditions precedent of the Disposal. For shareholders' information, the outstanding conditions precedent of the Disposal as at the LPD are as follows:-

Conditions precedent	Status as at the LPD
i. bank statement of Genesis showing that Genesis is in possession of funds of at least SGD15,000,000 in cash as at the closing date having been provided to JIPL, certified as a true copy by a director or secretary of Genesis and in a form reasonably satisfactory to the JIPL in its discretion;	Pending receipt as the bank statement of Genesis will be furnished on the closing date as stipulated in the agreement pertaining to the Disposal dated 24 December 2020, which is expected by end June 2021
ii. the obtaining of (i) approval by Diners Club International Ltd. ("DCI"), and (ii) waiver by DCI of its right of first refusal under the network participation agreement dated 16 July 2019 between DCI and the JIPL, in each case in respect of the Disposal;	Approval from DCI obtained on 21 April 2021
iii. the obtaining of approval from the Monetary Authority of Singapore ("MAS") in respect of Ezy Net and any other person becoming a 20% controller of DCS pursuant to Section 57FD(1) of the Banking Act, Chapter 19 of Singapore;	Approval from MAS obtained on 4 June 2021
iv. the obtaining of approval by:	
a. DBS Bank Ltd., United Overseas Bank Limited and Seatown Lionfish Pte Ltd pursuant to DFS Asset Purchase Company Pte. Ltd. – 2019 Renewal Deed dated 5 September 2019 between DCS, DFS Asset Purchase Company Pte. Ltd., DBS Bank Ltd., United Overseas Bank Limited, Seatown Lionfish Pte. Ltd., Intertrust Singapore Corporate Services Pte. Ltd., DBS Trustee Limited and Yeo-Leong & Peh LLC; and	Pending receipt of approval which is expected to receive in end June 2021
b. Malayan Banking Berhad pursuant to the letter of offer dated 14 February 2017 from Malayan Banking Berhad to DCS.	Pending receipt of approval, which is expected to receive in end June 2021

The Disposal is expected to be completed by end of June 2021. Post-Disposal, given that the Disposal involves Johan disposing DCS and one of DCS' subsidiary, namely Diners Pay Pte Ltd, which collectively contributed approximately 84.05% to our Group's total revenue based on the latest audited financial statement for the FYE 31 January 2020, which is Johan's latest audited consolidated financial statement available at the point of executing the agreement pertaining to the Disposal, the Disposal is deemed as a major disposal pursuant to Paragraphs 10.02 and 10.11A of the Listing Requirements and accordingly, the Disposal may give rise to Johan being classified as an affected listed issuer by Bursa Securities pursuant to Paragraph 8.03A(2) of the Listing Requirements.

For shareholders' information, pursuant to Paragraph 8.03A(3) of the Listing Requirements, a listed issuer that triggers affected listed issuer criteria must comply with the following, failing which Bursa Securities may suspend the trading of listed securities of such listed issuer or delist the listed issuer, or both:-

- (a) immediately announce to Bursa Securities of its condition and provide such information from time to time for public release in accordance with the disclosure obligations set out in Paragraph 4.0 of Practice Note 17 of the Listing Requirements, with the necessary modifications;
- (b) regularise its condition by complying with the requirements set out in Paragraph 8.04(3) and Paragraph 5.0 of Practice Note 17 of the Listing Requirements, with the necessary modifications; and
- (c) comply with such other requirements or do such other acts or things as may be prescribed or required by Bursa Securities.

It is the intention of our Board to submit a regularisation plan based on its remaining business operations after the completion of the Disposal, if it gives rise to Johan being classified as an affected listed issuer. At this juncture, Johan is carrying out 4 business segments, namely (i) general trading activities, (ii) provision of management and secretarial services, (iii) property and operation of hotel and resort related business, and (iv) Gloves Business, which was recently approved by our shareholders on 31 May 2021 as part of the turnaround plan after the announcement on the Disposal. In the event that Bursa Securities categorises us as an affected listed issuer, pursuant to the provision of the Listing Requirements, Johan is required to submit a regularisation plan within 12 months from the date of triggering the affected listed issuer status ("**First Announcement**") to the relevant authority depending on the regularisation plan as to whether or not it will result in significant change in the business direction/ policy of Johan Group. Save for the approval required from the relevant authority, the regularisation plan is also subject to our shareholders' approval and the compliance of the conditions imposed by the relevant authority.

Therefore, there is no assurance that the regularisation plan formulated by our Group will be approved by the relevant authority and our shareholders, and that such implementation can be completed within the permitted timeframe as imposed by the relevant authority. Please refer to **Section 8.1.4** of this Abridged Prospectus for the risk associated with the affected listed issuer status.

7. RATIONALE AND JUSTIFICATION FOR THE RIGHTS ISSUE WITH WARRANTS

The Rights Issue with Warrants is undertaken to raise proceeds to be utilised in the manner as set out in **Section 4** of this Abridged Prospectus. After due consideration of the various options available as well as our capital structure, our Board is of the opinion that the Rights Issue with Warrants is the most appropriate means of raising funds for the following reasons:-

- i The Rights Issue with Warrants will involve the issuance of new Johan Shares without diluting the existing shareholders' percentage shareholdings provided that all the Entitled Shareholders subscribe in full for their respective entitlements under the Rights Issue with Warrants;
- ii The Rights Issue with Warrants will provide the Entitled Shareholders with an opportunity to participate in our equity offering on a pro rata basis and ultimately, participate in the prospects and future growth of Johan Group by subscribing to the Rights Shares; and
- iii The Rights Issue with Warrants will strengthen Johan Group's financial position with enhanced shareholders' funds and reduced gearing level as compared to bank borrowings which are expected to facilitate the continuous long-term growth and expansion plans of Johan Group as the proceeds raised from the Rights Issue with Warrants will be used to put on-stream the Gloves Business to be undertaken by Johan Group.

The Warrants have been attached to the Rights Shares to provide the Entitled Shareholders with additional incentive to subscribe for the Rights Shares. The Warrants will potentially allow the Entitled Shareholders who subscribe for the Rights Shares to benefit from the possible capital appreciation of the Warrants and increase their equity participation in Johan at a predetermined price over the tenure of the Warrants. We would also be able to raise additional proceeds as and when the Warrants are exercised.

8. RISK FACTORS

In addition to other information contained elsewhere in this Abridged Prospectus, you should consider carefully the following risk factors which may have an impact on the future performance of Johan Group before subscribing for or investing in the Rights Issue with Warrants.

8.1 Risks relating to Johan Group

8.1.1 Substantial leverage risks

As at 30 April 2021, Johan Group has total borrowings of approximately RM524.95 million, which represents a gearing ratio of 11.37 times calculated based on Johan Group's total equity of RM46.18 million as at 31 January 2021. For shareholders' information, approximately RM216.79 million or 41.30% of Johan Group's total borrowings will mature within 12 months from 30 April 2021, while the remaining RM308.16 million or 58.70% will mature after 12 months from 30 April 2021.

In order to fund our existing operations and Gloves Business, we expect to incur additional indebtedness to obtain additional financing for working capital, capital expenditure and/ or strategic acquisitions. Our indebtedness requires us to dedicate Johan Group's cash flow to service our debt, which may reduce our funds available for other business purposes and to an extent, expose us to general adverse economic or industry conditions.

8.1.2 Risk associated with the affected listed issuer status

As set out in **Section 6** of this Abridged Prospectus, Johan may be classified as an affected listed issuer upon completion of the Disposal. In the event Johan is classified as an affected listed issuer, pursuant to Paragraph 8.03A of the Listing Requirements, Johan is required to make an immediate announcement of its status upon completion of the Disposal and make relevant application to the relevant authorities within 12 months from the First Announcement.

The application involves a regularisation plan to be submitted to the SC in the event the regularisation plan will result in significant change in the business direction/ policy of Johan Group or to Bursa Securities in the event the regularisation plan will not result in significant change in the business direction/ policy of Johan Group. In addition, such regularisation plan, if approved by the relevant authority, will also be subject to our shareholders' approval and such implementation is required to be completed within the timeframe as imposed by the relevant authority.

Pursuant thereto, there is no assurance that the regularisation plan formulated by our Group will be approved by the relevant authority and our shareholders and that such implementation can be completed within the permitted timeframe as imposed by the authority. The failure of us obtaining the requisite approval(s) and/ or meeting the conditions imposed by the relevant authority may result in the trading of our securities be suspended and the continued listing status of Johan on the Main Market of Bursa Securities be affected.

8.1.3 Dependency on key management personnel

The continued performance and success of Johan Group's business and operations will depend significantly on the skills, abilities, experience, competencies and on-going efforts of our Directors, key management and qualified personnel including but not limited to our Gloves Business, hospitality, general trading and investment holding and secretarial services business. Should we fail to recruit suitable candidates to replace any such key management or qualified personnel in a timely manner, Johan Group's business and operations may be adversely affected.

Johan Group's success also depends on our ability to hire, train and retain qualified and competent personnel. The process of identifying personnel with necessary experience, capabilities and characteristics required to carry out Johan Group's projects and business strategies can be difficult, time consuming and expensive.

There may be a material adverse impact on Johan Group's business and financial performance in the event we are unable to successfully retain Johan Group's key management and qualified personnel and/ or recruit suitable candidates to replace any such key management or qualified personnel in the future.

8.1.4 Political, economic and regulatory risks

The nature of our business is subject to prevailing political, economic and regulatory circumstances in Malaysia and/ or other countries in which Johan Group has business dealings. Adverse changes in political, economic and regulatory conditions include but are not limited to unfavourable changes in inflation rates, interest rates, war, Government policies and regulations in relation to the Gloves Business, hospitality business and general trading business, terrorism, civil unrest, riots, trade war and general political uncertainty.

There is no assurance that any adverse developments in the political, economic and regulatory conditions in Malaysia and/ or other countries in which Johan Group has business dealings will not adversely affect Johan Group's business and financial performance.

8.2 Risks relating to the Gloves Business

8.2.1 Business risks

Business risks	Description
i. Adverse changes in supply and demand conditions	<p>The demand for gloves is influenced by various factors such as the growth in the healthcare services, increase in global industrial production activities and the incidence of the COVID-19 pandemic, where the need for personal protective equipment to curb the spread of infections has stoked the demand for gloves.</p> <p>As set out in Section 9.2 of this Abridged Prospectus, Malaysia's exports of goods continued to experience a positive momentum in fourth quarter of 2020 whereby rubber gloves was listed as top three Malaysia's major export products along with the increasing demand resulting from the outbreak of the COVID-19 in the said quarter. Accordingly, there is a shortage of gloves due to overwhelming demand in 2020, to spill into 2021 with the industry continuing to be in an oversold position.</p>

Business risks	Description
	<p>Notwithstanding the above, the demand and supply of gloves are largely dependent on several factors such as the overall supply of gloves, incidence and development of diseases and the development of an effective vaccine and/ or alternative forms of treatment, which may reduce the demand for gloves. Accordingly, there can be no assurance that the demand for gloves can be sustainable in the coming years and in the event there is oversupply of gloves which will result in the reduction of the average selling prices of gloves, which will eventually result in the lower revenue/ profitability from the Gloves Business.</p>
<p>ii. Competition from the existing players and entry of new players</p>	<p>Johan Group is expected to face competition risk from other gloves players from Malaysia or other countries and/ or threat of new entrants, similar to Johan.</p>
<p>iii. Introduction of new legal and environmental framework, changes in certification/ licencing jurisdiction, adverse development in global and regional trade policy and downturns in regional and/ or national economies</p>	<p>Glove industry is highly regulated with the rules and regulation from the local authority and other countries' authority, and the policies and guidelines governed by specific local and/ or national ministries.</p> <p>The developments in the rules and regulation of the glove industry and the economic, political and regulatory environment of Malaysia as well as its major trading partners, and the economics condition of the countries may affect the manner in which Dynacare carries out its operations and the market consumption.</p>
	<p>Presently, the export of gloves to foreign market is subject to various guideline and conditions imposed by authorities. Should there be any changes and developments in the aforesaid guideline and conditions, there can be no assurance that Johan Group is able to be in compliance with the new guideline and conditions and it may affect the ability for Johan Group to export our gloves products overseas which in turn, affecting our revenue for Gloves Business.</p>
<p>iv. Changes in law and tax regulations, increase in labour cost, and changes in business and credit conditions</p>	<p>Any increase in the operational costs, adverse development of the tax regulations, and changes in the requirements for credit/ financing may affect the margin of Gloves Business, and the ability of Dynacare obtaining trade lines, if required.</p>

8.2.2 Construction risk for the Gloves Manufacturing Plant

The commencement of the aforesaid construction may be interrupted and/ or delayed by more stringent movement restrictions due to continued outbreak of COVID-19 throughout Malaysia. The restrictions may cause a delay in the commencement of work, delivery of building materials, as well as approval of financing, permits and licenses. Such events will delay the commissioning of the Gloves Manufacturing Plant and may result in additional costs incurred by Dynacare and, in turn, Johan Group.

8.2.3 Financing risk

Johan Group will require funding for the additional financial commitment required for the construction of the Gloves Manufacturing Plant and working capital for the Gloves Business, details of which are set out in **Section 5.2** of this Abridged Prospectus and the additional financial commitment will be funded via internally generated funds and/ or bank borrowings. Any bank borrowings obtained will be subject to interest rate fluctuation and will require Johan Group to service periodic interest payments.

There can be no assurance that Johan Group will be able to obtain the required amount of bank borrowings and any shortfall will be required to be funded via internally generated funds. Further, there can be no assurance that Johan Group will be able to repay all of its borrowings and service all interest payments and the ability to repay the principal sum and interest payments on the bank borrowings is dependent on the Gloves Business generating sufficient cash in the future, which is subject to many external factors beyond Johan Group's control.

8.2.4 No prior experience in the Gloves Business

Johan Group is principally involved in the hospitality, trading and card services business. Given that the existing management of Johan Group does not possess any prior experience in the Gloves Business, Johan Group may be subjected to challenges and risks arising from venturing into the Gloves Business in which we have no direct experience in ensuring the success of this new business venture.

Notwithstanding the above, we intend to leverage on the combined experiences of the key management and other personnel, including new recruits for the planning, development and operations of the Gloves Business as well as the construction of the Gloves Manufacturing Plant.

As highlighted in **Section 5.1** of this Abridged Prospectus, in considering for the recruitment of the foreign workforce, our Board is mindful with the additional costs to be borne by Johan Group. In addition, even though that we will first prioritise the recruitment of workforce from the local market/ Malaysian, we may also consider to recruit foreign employee(s) for our Gloves Business as an alternative to Malaysian should the circumstances required. However, given the current progress of the COVID-19 with the imposition of the MCO which has led to travel and movement restrictions as well as the closure of international borders, there is no assurance that Johan Group will be able to have sufficient workforce to carry out the Gloves Business which in turn, will affect the operation and production of gloves and thereafter, will lower the revenue/ profitability of the Gloves Business.

There can also be no assurance that Johan Group will be able to retain the key management and other personnel as well as hire the necessary employees for the Gloves Business.

8.3 Risk relating to the hospitality business

8.3.1 COVID-19 outbreak

The recent ongoing COVID-19 outbreak, which has led to the implementation of national lockdown policies in many countries worldwide, including Malaysia, has restricted many businesses, especially hospitality and tourism activities from operating as usual. The COVID-19 pandemic has affected us operationally and financially due to the movement restriction via MCO that has been enforced by our Government.

Following the implementation of MCO that has imposed restrictions on travel and movement as well as closure of international borders, our hospitality businesses, i.e. the travel businesses in Malaysia and Singapore and the resort operations at The Orient Star Resort located in Lumut, Perak are affected although the management and operations of travel businesses are able to operate during the MCO period.

There is no assurance that our hospitality business will not be adversely impacted from the continuous implementation of the lockdown in Malaysia and Singapore as a result of the ongoing COVID-19 outbreak and that our hospitality business will be sustainable in the long run in the event there is no signs of recovery from the ongoing pandemic.

8.4 Risks relating to the general trading business

8.4.1 Price fluctuation of brass products

Our Group revived general trading business via our wholly-owned subsidiary, namely William Jacks & Company (Malaysia) Sdn Bhd ("**WJM**"). WJM was involved in the trading of building materials and currently trades brass products for engineering use and information technology ("**IT**") related software programs. The sectors in which WJM trade have softened in particular, copper price, which is a main cost component of brass products, has doubled from about United States Dollar ("**USD**") 5,000 per metric tonne in May 2020 to more than USD10,000 per metric tonne in May 2021. This has caused difficulty in securing brass products at competitive price.

Our Group continues to explore other trading opportunities to complement its product base. However, there is no assurance that our Group is able to hedge the price fluctuation of brass products, and the risks of foreign exchange rate fluctuation while sourcing for the supplies of brass products.

8.4.2 Competition risks

Our Group will face direct competitions from new entrants and from established competitors in the trading of brass products/ industrial sector. Our Group has experience in the general trading business, however, there is no assurance that our Group can be competitive in this business in the medium to long term.

8.5 Risks relating to the Rights Issue with Warrants

8.5.1 Investment and market risks

The market price of Johan Shares as traded on Bursa Securities is influenced by, amongst others, the prevailing market sentiments, volatility of the equity markets, the outlook of the industries which we operate in as well as our financial performance. In view of this, there can be no assurance that our Shares will trade at or above the issue price of the Rights Shares upon or subsequent to the listing of and quotation for the Rights Shares on the Main Market of Bursa Securities.

Shareholders should also consider carefully that each Warrant derives its value from giving its holder the right to subscribe for new Johan Shares at a predetermined exercise price over the exercise period. The Warrants have a finite lifespan during which tenure the holders can exercise the subscription rights comprised in the Warrant. If the sum of the price of the Warrants as quoted on Bursa Securities and the exercise price of the Warrants is higher than the market price of Johan Shares, the Warrants are deemed to be "out-of-the-money". The value of the Warrants is directly related to the market price of Johan Shares. The higher the quantum by which the market price of Johan Shares exceeds the exercise price of the Warrants, the higher the value of the Warrants will be.

Shareholders are reminded, however, that other factors may also affect the market price of the Warrants or the market price of Johan Shares. Other than the fundamentals of Johan Group, the future price performance of the Warrants will also depend on various external factors as mentioned above. As the Warrants are a new type of securities issued by us, there can also be no assurance that an active market for the Warrants will develop upon their listing on the Main Market of Bursa Securities or if developed, that it will sustain.

Accordingly, there can be no assurance that the market price of the Rights Shares and the Warrants will be at a level that meets the specific investment objectives or targets of any holders of the Rights Shares and the Warrants.

8.5.2 Delay in or abortion of the Rights Issue with Warrants

The Rights Issue with Warrants is exposed to the risk that it may be aborted or delayed on the occurrence of any material adverse change of events/ circumstances, unfavourable changes in the governments' policies as well as other force majeure events, which are beyond the control of our Company and UOBKH, arising prior to or during the implementation of the Rights Issue with Warrants.

Nevertheless, Johan Group will endeavour to ensure the successful listing of the Rights Shares. However, there can be no assurance that the above-mentioned events will not occur and cause a delay in or abortion of the Rights Issue with Warrants. In the event the Rights Issue with Warrants is aborted, Johan Group will repay without interest all monies received in respect of the accepted application for the subscription of the Rights Shares pursuant to the Rights Issue with Warrants and if such monies are not repaid within 14 days after we become liable to repay, we will repay such monies with interest at the rate of 10% per annum or at such other rate as may be prescribed by the SC in accordance with Section 243(2) of the CMSA.

In the event that the Rights Issue with Warrants is aborted/ terminated, and the Rights Shares have been allotted to the shareholders, a return of monies to all holders of the Rights Shares could only be achieved by way of cancellation of share capital as provided under the Act and its related rules. Such cancellation requires the sanction of our shareholders by special resolution in a general meeting, consent of our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya, if applicable. There can be no assurance that such monies can be returned within a short period of time or at all in such circumstances.

8.5.3 Potential dilution

The Entitled Shareholders who do not or are not able to subscribe for their entitlement(s) under the Rights Issue with Warrants will have their proportionate ownership and voting interest in our Company reduced and the percentage of our enlarged issued share capital represented by their shareholding in our Company will also be reduced accordingly as a result of the issuance of the Rights Shares and the new Johan Shares to be issued arising from the exercise of Warrant. Consequently, their proportionate entitlement to any dividends, rights, allotments and/ or other distributions that our Company may declare, make or pay after completion of the Rights Issue with Warrants will correspondingly be diluted.

8.6 Forward-looking statements

Certain statements in this Abridged Prospectus are based on historical data, which may not be reflective of the future results and others are forward-looking in nature, which are subject to uncertainties and contingencies.

All forward-looking statements contained in this Abridged Prospectus are based on estimates and assumptions made by our Company, unless stated otherwise. Although our Board believes that these forward-looking statements are reasonable, the statements are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. Such factors include, inter-alia, the risk factors as set out in this section of the Abridged Prospectus. In view of these uncertainties, the inclusion of any forward-looking statements in this Abridged Prospectus should not be regarded as a representation or warranty by our Company that the plans and objectives of Johan Group will be achieved.

9. INDUSTRY OVERVIEW AND FUTURE PROSPECTS OF JOHAN GROUP

9.1 Overview and outlook of the Malaysian economy

The Malaysian economy registered a smaller decline of 0.5% in the first quarter (4Q 2020: -3.4%). The growth performance was supported mainly by the improvement in domestic demand and robust exports performance, particularly for electrical and electronics ("E&E") products. Growth was also supported by the continued policy measures. The imposition of the Second Movement Control Order ("MCO 2.0") and the continued closure of international borders and restrictions on inter-state travel, however, weighed on economic activity. Nevertheless, as restrictions were eased in February and March, economic activity gradually picked up. All economic sectors registered an improvement, particularly in the manufacturing sector. On the expenditure side, growth was driven by better private sector spending and strong growth in trade activity. On a quarter-on-quarter seasonally-adjusted basis, the economy registered a growth of 2.7% (4Q 2020: -1.5%).

Domestic demand recorded a smaller decline of 1.0% (4Q 2020: -4.5%) in the first quarter of 2021, weighed down by the contraction in private sector expenditure amid the imposition of MCO 2.0. However, the impact of MCO 2.0 was smaller given that most economic sectors were allowed to operate and with continued policy support for households and businesses. On the external front, robust external demand particularly for E&E products, contributed to a continued expansion in net exports.

Private consumption contracted by 1.5% during the quarter (4Q 2020: -3.5%). Although household spending was affected by the imposition of MCO 2.0, the impact was smaller compared to the MCO last year amid relatively less restrictive containment measures. While wage and employment growth remain in contraction, the overall growth improved, as most businesses continued to operate, which lent support to household spending. Spending on online platforms also continued to increase, cushioning the impact of the drop of in-store spending, as reflected in the expansion of the index of online retail sales (1Q 2021: 22.8%; 4Q 2020: 30.4%). Furthermore, consumer expenditure remained supported by various stimulus measures including the EPF i-Sinar withdrawals, wage subsidies as well as the Targeted Repayment Assistance (TRA). Public consumption improved to 5.9% (4Q 2020: 2.4%) amid a rebound in supplies and services spending, particularly by the Federal Government. Growth was also supported by faster expansion in emoluments.

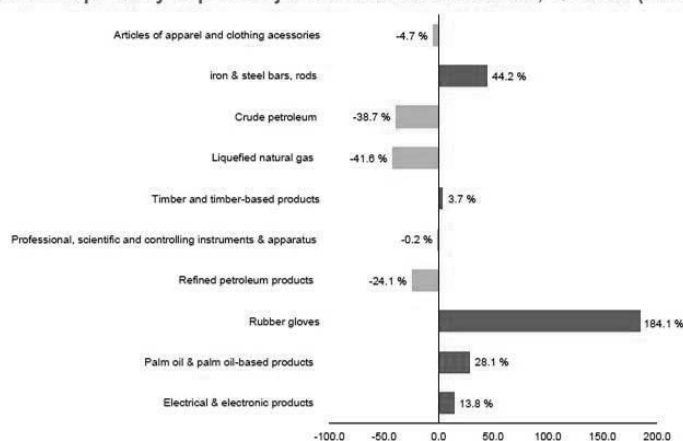
Private investment recorded its first positive growth since the fourth quarter of 2019 (1Q 2021: 1.3%; 4Q 2020: -6.6%). This was supported mainly by the increase in capital expenditure from new and ongoing investment projects, particularly in the services and manufacturing sectors. Public investment registered a contraction of 18.6% (4Q 2020: -20.4%). While the Federal Government fixed assets spending was higher, investment by public corporations contracted at a larger pace, particularly in the oil and gas and telecommunication subsectors.

Despite the recent re-imposition of containment measures, the impact on growth would be less severe than that experienced in 2020, as almost all economic sectors are allowed to operate. Overall, the growth recovery will benefit from better global demand, increased public and private sector expenditure as well as continued policy support. This will also be reflected in the recovery in labour market conditions, especially in the gradual improvement in hiring activity. Higher production from existing and new manufacturing facilities, particularly in the E&E and primary-related subsectors, as well as oil and gas facilities will provide further impetus to growth. The roll-out of the domestic COVID-19 vaccine programme will also lift sentiments and contribute towards recovery in economic activity. Nevertheless, the pace of recovery will be uneven across economic sectors. The balance of risks remains tilted to the downside, arising mainly from ongoing uncertainties in developments related to the pandemic, and continued challenges that affect the roll-out of vaccines both globally and domestically.

(Source: Developments in the Malaysian Economy, Economic and Financial Developments in the Malaysian Economy in the First Quarter of 2021, Bank Negara Malaysia)

9.2 Overview and outlook of the gloves industry

Chart 18: Malaysia's Exports by Top 10 Major and Selected Products, Q4 2020 (Percentage Change)



Source: Department of Statistics, Malaysia

Malaysia's exports of goods continued to experience a positive momentum in Q4 2020 with an increase of 5.1 per cent year-on-year from RM258.2 billion to RM271.5 billion. This increase was mainly owing to the increase in exports of E&E products (+RM13.3 billion, +13.8%); Rubber gloves (+RM8.8 billion, +184.1%) and Palm oil and palm oil-based products (+RM4.7 billion, +28.1%). Rubber gloves was listed as top three Malaysia's major export products during the quarter along with the increasing demand resulting from the outbreak of the COVID-19.

Standard Malaysian Rubber (S.M.R.) contributed 97.4 per cent (59,918 tonnes) of total natural rubber exports with the S.M.R. 20 amounted 69.3 per cent (41,509 tonnes) to the total exports. The largest exports of rubber gloves were to the United States at 27,247 tonnes followed by China (5,611 tonnes) and Germany (5,600 tonnes). The exports value grew by 3.6 per cent in December 2020 with RM4.6 billion (November 2020: RM4.5 billion).

Domestic consumption of natural rubber recorded 42,356 tonnes a decrease of 22.7 per cent year-on-year (December 2019: 54,477 tonnes). More than 70 per cent of the natural rubber was used by the rubber gloves industry with the share of 74.4 per cent (31,498 tonnes), followed by rubber thread industry, 9.6 per cent (4,047 tonnes) and tyres and tubes industry, 6.6 per cent (2,783 tonnes).

(Source: Malaysian Economic Statistics Review Vol.2/2021, Department of Statistics, Malaysia)

9.3 Overview and outlook of the tourism industry

The services sector recorded a smaller decline of 2.3% in the first quarter of 2021 (4Q 2020: -4.8%). This was due to the improvement in the consumer-related activities, supported by the relaxation of containment measures such as dine-ins and inter-district travel beginning from middle of February 2021. Nevertheless, the weakness in tourism activity continues to affect key subsectors such as accommodation as well as air travel under the transport and storage subsector. Meanwhile, growth in the finance and insurance subsector improved, attributed to higher fee income, stable loan and deposit growth, and higher net insurance premiums. The information and communication subsector continued to benefit from demand for data communication services following the adoption of remote working and learning arrangements.

(Source: Developments in the Malaysian Economy, Economic and Financial Developments in the Malaysian Economy in the First Quarter of 2021, Bank Negara Malaysia)

9.4 Overview and outlook of the general trading business of Johan Group

Johan Group revived its general trading business via its wholly-owned subsidiary, William Jacks & Company (Malaysia) Sdn Bhd ("**WJM**"), WJM was involved in the trading of building materials and currently trades brass products for engineering use and IT related software programs. The sectors in which WJM trades have softened. In particular, copper price, which is a main cost component of brass products, has doubled from about USD5,000 per metric tonne in May 2020 to more than USD10,000 per metric tonne in May 2021. This has caused difficulty in securing brass products at competitive price. Johan Group continues to explore other trading opportunities to complement its product base.

(Source: Management of Johan)

9.5 Future prospects of Johan Group

Johan Group has been incurring losses for the past 3 financial years as the hospitality and card services business had been recording decreasing revenue for the past 3 financial years from RM122.49 million (FYE 31 January 2018) to RM97.02 million (FYE 31 January 2020) mainly due to loss of corporate clients by the travel business and lower service charges income earned by the cards business in Singapore as a result of regulatory compliance for unsecured customers' exposure.

PCSB, our wholly-owned subsidiary, which was principally in the business of manufacturing and sale of ceramic tiles had been loss making since FYE 31 January 2012 mainly due to increasing local competition which resulted in lower average selling prices of ceramic tiles, coupled with higher production cost due to aging machinery. PCSB recorded loss after tax of RM45.19 million (FYE 31 January 2018), RM3.47 million (FYE 31 January 2019) and RM3.95 million (FYE 31 January 2020).

In an effort to reduce the losses incurred by Johan Group, our Board undertook the following:-

- i. cessation of the ceramic tiles manufacturing operations of PCSB in August 2017 which was completed during the FYE 31 January 2018. The loss after tax recorded from PCSB was RM45.19 million (FYE 31 January 2018) and RM3.47 million (FYE 31 January 2019); and

- ii. disposal of a parcel of freehold land held by PCSB for a disposal consideration of RM127.00 million during the FYE 31 January 2020. PCSB recorded a loss after tax of RM3.95 million due to the write-off of factory buildings of PCSB pursuant to the disposal.

Notwithstanding our Board's effort to turn around Johan Group's financial results, Johan Group continues to incur losses and the management had identified that the core issue of Johan Group's current financial predicament is mainly due to continuing losses incurred by the hospitality and card services business. Our Board has been actively exploring avenues to turn around the financial performance of Johan Group, most notably by ceasing the operations of PCSB to stem further losses incurred. Our Board had on 24 December 2020 announced the Disposal and subsequent to the completion of the Disposal, Johan Group will be relying on the following business:-

- i. hospitality business, i.e. the management and operations of The Orient Star Resort located in Lumut, Perak and the travel businesses in Malaysia and Singapore;
- ii. general trading; and
- iii. investment holding and secretarial services.

As part of our Board's strategy to identify additional streams of income, our Board has taken into consideration the growing market demand and sustainability potential for gloves and had decided to diversify into the Gloves Business notwithstanding that the potential risks relating to the Gloves Business as set out in **Section 8.2** of this Abridged Prospectus that we will be exposed to while embarking on this new business segment. Our management remains positive on the prospects of gloves industry and anticipates potential increase in demand for the Gloves Business as set out in **Section 9.2** of this Abridged Prospectus.

Additionally, the Acquisition is undertaken to facilitate Johan Group's venture into the Gloves Business which involves the construction of the Gloves Manufacturing Plant on the Subject Property. Accordingly, the Rights Issue with Warrants is expected to partially finance the capital expenditure required for the construction of the Gloves Manufacturing Plant for Johan Group to undertake the Gloves Business and taking into consideration of the outlook of the gloves industry as set out in **Section 9.2** of this Abridged Prospectus, the Gloves Business is expected to provide new and additional streams of revenue and income to Johan Group and reduce Johan Group's reliance on the hospitality and card services business.

(Source: Management of Johan)

10. FINANCIAL EFFECTS OF THE RIGHTS ISSUE WITH WARRANTS

10.1 Issued share capital

The pro forma effects of the Rights Issue with Warrants on our issued share capital are as follows:-

	No. of Shares	RM'000
Issued share capital as at the LPD	778,685,627	390,700
Rights Shares to be issued pursuant to the Rights Issue with Warrants	389,342,813	27,254 ¹
	1,168,028,440	417,954
Johan Shares to be issued arising from the full exercise of Warrants	389,342,813	97,336 ²
Reversal of warrants reserves pursuant to full exercise of Warrants	-	11,680 ³
Enlarged issued share capital	1,557,371,253	526,970

Notes:-

- *1 Computed based on the issue price of RM0.10 per Rights Share and adjusted for the apportionment of its relative fair value between the share capital account and the warrant reserve account
- *2 Computed based on the exercise price of RM0.25 per Warrant
- *3 Computed based on the number of Warrants multiplied by the theoretical fair value of RM0.03 per Warrant based on the trinomial option pricing model as extracted from Bloomberg Finance Singapore L.P.

10.2 NA and gearing level

For illustration purpose only, based on the latest unaudited 12-month FPE 31 January 2021 and on the assumption that the Rights Issue with Warrants had been effected on that date, the pro forma effects of the Rights Issue with Warrants on our consolidated NA per Share and gearing of Johan Group are set out as follows:-

	I	II
	After the Rights Issue with Warrants* ¹	After I and assuming full exercise of Warrants* ³
Unaudited as at 31 January 2021	RM'000	RM'000
Share capital	390,700	526,970 ³
Other reserves	110,482	110,482
Warrants	-	-
Accumulated losses	(456,969)	(458,469) ²
Shareholders' fund/ NA	44,213	178,983
Non-controlling interest	1,971	1,971
Total equity	46,184	180,954
No. of Shares issued ('000)	778,686	1,557,371 ³
NA per Share (RM)	0.06	0.11
Total borrowings (RM)	508,114	508,114
Gearing ratio (times)	11.00	2.81

Notes:-

- *1 Computed based on the subscription of 389,342,813 Rights Shares at the issue price of RM0.10 per Rights Share and adjusted for the apportionment of its relative fair value between the share capital account and the warrant reserve account and the recognition of 389,342,813 Warrants at the theoretical fair value of RM0.03 per Warrant based on the trinomial option pricing model as extracted from Bloomberg Finance Singapore L.P.
- *2 After deducting estimated expenses of RM1.50 million in relation to the Corporate Exercises
- *3 Assuming all 389,342,813 Warrants are exercised at the exercise price of RM0.25 per Warrant and the corresponding reversal of the warrant reserve to share capital amounting to approximately RM11.68 million

10.3 Earnings and EPS

The Rights Issue with Warrants is not expected to have any material impact on the earnings of Johan Group for the 18-month FPE 31 July 2021. Nonetheless, if the earnings/ losses of Johan Group remains unchanged, there may be a dilution in the EPS/ loss per share of Johan Group for the 18-month FPE 31 July 2021 due to the increase in the number of Johan Shares to be issued pursuant to the Rights Issue with Warrants. However, the Rights Issue with Warrants is expected to contribute positively to the future earnings of Johan Group when the benefits from the utilisation of proceeds to be raised from the Rights Issue with Warrants as set out in **Section 4** of this Abridged Prospectus are realised.

10.4 Convertible securities

As at the LPD, we do not have any existing convertible securities.

11. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES, MATERIAL COMMITMENTS AND MATERIAL TRANSACTIONS

11.1 Working capital

Johan Group's working capital requirements is funded through internal sources of funds which are generated from our operating activities as well as our cash and bank balances. As at 30 April 2021, Johan Group has cash and bank balances of RM64.18 million and our external sources of funds are derived from borrowings.

Our Board is of the opinion that, after taking into consideration the funds generated from our operations, existing cash and bank balances and completion of the Corporate Exercises, we will have sufficient working capital for a period of 12 months from the date of this Abridged Prospectus.

11.2 Borrowings

As at 30 April 2021, being a date no earlier than 60 days prior to date of this Abridged Prospectus, Johan Group has total outstanding borrowings of approximately RM524.95 million. All of our borrowings are interest-bearing and denominated either in RM or in SGD, further details of which are set out as follows:-

Purpose of facility	Weighted average annual interest rate %	Outstanding as at 30 April 2021	
		SGD'000	RM'000
Long term borrowings:-			
<u>Singapore</u>			
Investor certificates Funding for card receivables	6.0	99,824	306,759*1
Lease liabilities Office rental and Leasing	2.5	169	519*1
<u>Malaysia</u>			
Lease liabilities Office rental	-		886
			308,164

Purpose of facility	Weighted average annual interest rate %	Outstanding as at 30 April 2021		
		SGD'000	RM'000	
Short term borrowings:-				
<u>Singapore</u>				
Investor certificates	Funding for card receivables	6.0	31,773	97,638
Loans and borrowings	Funding for working capital	5.3	38,390	117,972
Lease liabilities	Office rental	-	159	489 ^{*1}
<u>Malaysia</u>				
Lease liabilities	Office rental	-		686
				216,785
Total				524,949

Note:-

*1 Computed based on the exchange rate of SGD1.00:RM3.073, being the prevailing exchange rate as at 30 April 2021

There has not been any default on payments by Johan Group of either interest and/ or principal sums in respect of any borrowings throughout the audited FYE 31 January 2020 and the subsequent financial period up to the LPD.

11.3 Contingent liabilities

As at the LPD, our Board confirms that there are no other contingent liabilities incurred or known to be incurred by Johan Group which, upon becoming enforceable, may have a material impact on the financial results/ position of Johan Group.

11.4 Material commitments

Save as disclosed below, our Board confirms that there are no other material commitments for capital expenditure incurred or known to be incurred by Johan Group that have not been provided for which, upon becoming enforceable, may have a material impact on the financial results/ position of Johan Group:-

Material commitments of Johan Group as at 30 April 2021	RM'000
Approved and contracted for the purchase of property, plant, equipment and computer systems	280

The above commitments are expected to be funded by internally generated funds and/ or bank borrowings.

11.5 Material transactions

Save for the Disposal, Rights Issue with Warrants, Acquisition, Offer to Subscribe and the Right to Execute the Works, there are no other material transactions which may have a material effect on the operations, financial position and results of Johan Group since Johan Group's most recent announced unaudited interim consolidated financial statements for the 12-month FPE 31 January 2021 and up to the LPD.

12. INSTRUCTIONS FOR ACCEPTANCE, SALE OR TRANSFER, EXCESS APPLICATION AND PAYMENT

Full instructions for the acceptance of and payment for the Provisional Rights Shares with Warrants as well as Excess Rights Shares with Warrants applications and the procedures to be followed should you and/ or your transferee(s) and/ or your renounee(s) (if applicable) wish to sell or transfer all or any part of your/ his rights entitlement are set out in this Abridged Prospectus and the RSF. You and/ or your transferee(s) and/ or your renounee(s) (if applicable) are advised to read this Abridged Prospectus, the RSF and the notes and instructions printed therein carefully. In accordance with Section 232(2) of the CMSA, the RSF must not be circulated unless accompanied by this Abridged Prospectus.

Acceptance of and/ or payment for the Provisional Rights Shares with Warrants which do not conform strictly to the terms of this Abridged Prospectus, the RSF or the notes and instructions printed therein or which are illegible may be rejected at the absolute discretion of our Board.

12.1 General

As an Entitled Shareholder, your CDS Account will be duly credited with the number of Provisional Rights Shares with Warrants which you are entitled to subscribe for in full or in part under the terms of the Rights Issue with Warrants. You will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such securities into your CDS Account and the RSF to enable you to subscribe for the Provisional Rights Shares with Warrants provisionally allotted to you, as well as to apply for Excess Rights Shares with Warrants if you choose to do so.

This Abridged Prospectus and RSF are also available on Bursa Securities' website (<http://www.bursamalaysia.com>).

12.2 NPA

The Provisional Rights Shares with Warrants are prescribed securities pursuant to Section 14(5) of the SICDA and therefore, all dealings in the Provisional Rights Shares with Warrants will be by book entries through the CDS Accounts and will be governed by the SICDA and the Rules of Bursa Depository. As an Entitled Shareholder, you and/ or your renounee(s) and/ or transferee(s) (if applicable) are required to have valid and subsisting CDS Accounts when making your applications.

12.3 Last date and time for acceptance and payment

The last date and time for acceptance and payment for the Provisional Rights Shares with Warrants and the Excess Application is the Closing Date.

We shall make an announcement on the outcome of the Rights Issue with Warrants after the Closing Date.

12.4 Methods of acceptance and application

You may subscribe for the Provisional Rights Shares with Warrants as well as apply for Excess Application, if you choose to do so, using either of the following methods:-

Method	Category of Entitled Shareholders
RSF	All Entitled Shareholders
e-Subscription	All Entitled Shareholders

12.5 Procedure for full acceptance and payment

12.5.1 By way of RSF

If you wish to accept your entitlement to the Provisional Rights Shares with Warrants, the acceptance of and payment for the Provisional Rights Shares with Warrants allotted to you must be made on the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained therein. Acceptances and/or payments for the Provisional Rights Shares with Warrants which do not strictly conform to the terms and conditions of this Abridged Prospectus, the NPA or the RSF or the notes and instructions contained in these documents or which are illegible may not be accepted at the absolute discretion of our Board.

Renouncee(s)/ transferee(s) who wishes to accept the Provisional Rights Shares with Warrants must obtain a copy of the RSF from their stockbrokers or the registered office or Share Registrar's website at <https://www.johanmanagement.com.my> or from the Bursa Securities' website at <http://www.bursamalaysia.com> and complete the RSF and submit the same together with the remittance to Share Registrar of Company in accordance with the notes and instructions printed therein.

The procedures for acceptance and payment applicable to the Entitled Shareholders also apply to renouncee(s)/transferee(s) who wishes to accept the Provisional Rights Shares with Warrants.

FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL RIGHTS SHARES WITH WARRANTS, EXCESS RIGHTS SHARES WITH WARRANTS AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU AND/ OR YOUR RENOUNCEE(S) AND/ OR TRANSFEREE(S) (IF APPLICABLE) WISH TO SELL/ TRANSFER ALL OR ANY PART OF YOUR PROVISIONAL RIGHTS SHARES WITH WARRANTS ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN. IN ACCORDANCE WITH THE SECTION 232(2) OF THE CMSA, THE RSF MUST NOT BE CIRCULATED UNLESS ACCOMPANIED BY THE ABRIDGED PROSPECTUS. YOU AND/ OR YOUR RENOUNCEE(S) AND/ OR TRANSFEREE(S) (IF APPLICABLE) ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS, THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN CAREFULLY.

If you and/ or your renouncee(s) and/ or transferee(s) (if applicable) wish to accept either in full or in part of your entitlement to the Provisional Rights Shares with Warrants, please complete Parts I(A) and II of the RSF in accordance with the notes and instructions contained in the RSF. Each completed and signed RSF together with the relevant payment must be sent to our Share Registrar using the reply envelope provided (at your own risk) by **ORDINARY POST, COURIER or DELIVERY BY HAND** (at your own risk) at the address stated below:-

Johan Management Services Sdn Bhd
Registration No. 197901003043 (47300-V)
11th Floor, Wisma E&C
No. 2, Lorong Dungun Kiri
Damansara Heights
50490 Kuala Lumpur

Tel. No. : 03 – 2092 1858/ 010-526 5490
Fax. No. : 03 – 2092 2812
Website : <https://www.johanmanagement.com.my>

so as to arrive **not later than 5.00 p.m. on Closing Date**, being the last date and time for acceptance and payment for the Provisional Rights Shares with Warrants.

If you and/ or your renounee(s) and/ or transferee(s) (if applicable) lose, misplace or for any other reasons require another copy of the RSF, you and/ or your renounee(s) and/ or transferee(s) (if applicable) may obtain additional copies from your stockbroker, our Share Registrar at the address stated above, our registered office or the website of Bursa Securities (<https://www.bursamalaysia.com>).

One (1) RSF can only be used for acceptance of Provisional Rights Shares with Warrants standing to the credit of one (1) CDS Account. Separate RSF(s) must be used for the acceptance of Provisional Rights Shares with Warrants standing to the credit of more than one (1) CDS Account(s). If successful, the Rights Shares subscribed for will be credited into your CDS Account(s) as stated in the completed RSF(s).

Successful applicants to the Rights Shares will be given the Warrants on the basis of 1 Warrant for every 1 Rights Share successfully subscribed for. The minimum number of Rights Shares that can be subscribed or accepted is 1 Rights Share. However, you should take note that a trading board lot comprises 100 Rights Shares and 100 Warrants, respectively. Fractions of a Rights Share and/ or Warrant arising from the Rights Issue with Warrants will be disregarded and the aggregate of such fractions shall be dealt with as our Board may at its absolute discretion deem fit and expedient and in the best interest of the Company.

A reply envelope is enclosed in this Abridged Prospectus. To facilitate the processing of the RSF(s) by our Share Registrar, you are advised to use one (1) reply envelope for each completed RSF.

If acceptance of and payment for the Provisional Rights Shares with Warrants allotted to you and/ or your renounee(s) and/ or transferee(s) (if applicable) is not received by our Share Registrar by **5.00 p.m. on the Closing Date**, being the last date and time for acceptance of and payment for the Provisional Rights Shares with Warrants, you and/ or your renounee(s) and/ or transferee(s) (if applicable) will be deemed to have declined the Provisional Rights Shares with Warrants and will be cancelled. Proof of time of postage shall not constitute proof of time of receipt by our Share Registrar.

In the event that the Provisional Rights Shares with Warrants are not fully validly taken up by such applicants, our Board will then have the right to allot such Rights Shares with Warrants to the applicants who have applied for the Excess Rights Shares with Warrants in the manner as set out in **Section 12.9** of this Abridged Prospectus. Our Board reserves the right not to accept any application in full or in part only without assigning any reasons.

EACH COMPLETED RSF MUST BE ACCOMPANIED BY THE APPROPRIATE REMITTANCE MADE IN RM FOR THE FULL AMOUNT PAYABLE FOR THE RIGHTS SHARES ACCEPTED IN THE FORM OF BANKER'S DRAFT(S), CASHIER'S ORDER(S), MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "A/C PAYEE ONLY", MADE PAYABLE TO "JOHAN RIGHTS SHARES ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME IN BLOCK LETTERS, YOUR CONTACT NUMBER, YOUR ADDRESS AND YOUR CDS ACCOUNT NUMBER WHICH MUST BE RECEIVED BY OUR SHARE REGISTRAR BY 5.00 P.M. ON THE CLOSING DATE.

APPLICATIONS ACCOMPANIED BY PAYMENTS OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY OR MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE ISSUED BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS ISSUE WITH WARRANTS. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU AND/ OR YOUR TRANSFEREE(S) AND/ OR YOUR RENOUNCEE(S) BY ORDINARY POST TO THE ADDRESS AS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 8 MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY APPLICATION OR TO ACCEPT ANY APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON THEREOF.

APPLICANTS SHOULD NOTE THAT THE RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.

WHERE AN APPLICATION IS NOT ACCEPTED OR IS ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST TO THE APPLICANT BY ORDINARY POST TO THE ADDRESS AS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE CLOSING DATE.

ALL RIGHTS SHARES WITH WARRANTS TO BE ISSUED PURSUANT TO THE RIGHTS ISSUE WITH WARRANTS WILL BE ALLOTTED BY WAY OF CREDITING SUCH RIGHTS SHARES AND WARRANTS INTO THE CDS ACCOUNTS OF THE SUCCESSFUL APPLICANTS. NO PHYSICAL SHARE OR WARRANT CERTIFICATE WILL BE ISSUED.

12.5.2 By way of e-Subscription

You and/ or your renouncee(s)/ transferee(s) (if applicable) can have the option to accept and make payment for your entitlement to the Provisional Rights Shares with Warrants through the e-Subscription available to you upon your login to Online Portal at <https://www.johanmanagement.com.my>. You are advised to read the instructions as well as the terms and conditions of the e-Subscription. The e-Subscription is available to Entitled Shareholders including individuals, corporations or institutional shareholders.

Entitled Shareholders who wish to subscribe for the Rights Shares with Warrants and apply for the Excess Rights Shares with Warrants by way of e-Subscription, shall take note of the following:-

- (i) any e-Subscription received after the Closing Date by Share Registrar of the Company may not be accepted at the absolute discretion of our Board. All valid e-Subscription received by Share Registrar of the Company are irrevocable and cannot be subsequently withdrawn;
- (ii) the e-Subscription must be made in accordance with the procedures and terms and conditions of the e-Subscription, this Abridged Prospectus and the notes and conditions contained in the e-Subscription. Any incomplete or incorrectly completed e-Subscription submitted via Online Portal may or may not be accepted at the absolute discretion of our Board;
- (iii) your application for the Provisional Rights Shares with Warrants and excess Rights Shares with Warrants (if applicable) must be accompanied by the remittance in RM via internet bank transfer, the bank account details as follows:-

- **Application for the Provisional Rights Shares with Warrants**

Name of account	JOHAN RIGHTS SHARES ACCOUNT
Name of bank	OCBC BANK (MALAYSIA) BERHAD
Bank account no.	701-157725-5

- **Application for the excess Rights Shares with Warrants**

Name of account	JOHAN EXCESS RIGHTS SHARES ACCOUNT
Name of bank	OCBC BANK (MALAYSIA) BERHAD
Bank account no.	701-157724-7

You are required to pay an **additional fee of RM15.00** being the stamp duty and handling fee for each e-Subscription into the Company's Share Registrar's bank account as follows:-

Name of account	JOHAN MANAGEMENT SERVICES SDN BHD
Name of bank	CIMB BANK BERHAD
Bank account no.	8008664754

- (iv) All Entitled Shareholders who wish to submit by way of e-Subscription are required to follow the procedures and read the terms and conditions as stated below:-

Procedures

Procedure	Action
User registration	<ul style="list-style-type: none"> • Access the Online Portal at https://www.johanmanagement.com.my ("JMS Portal") • Click <<Login/Register>> followed by <<Register New User>> to register as a new user. • Complete the registration by filling up the information required and upload a clear copy of your MyKAD (both front and back page) or Passport. • Read and agree to the terms & conditions and thereafter submit your registration. • Please enter a valid email address in order for you to receive the verification email from the JMS Portal. • Please verify your email address before the link expire in one (1) hour from your registration. • Your registration will be verified and approved by the JMS Portal. Once approved, an email notification will be sent to you. • If you have already registered an account with JMS Portal, you are not required to register again. A notification email will be sent to your email address that you have registered with the JMS Portal.
e-Subscription	<ul style="list-style-type: none"> • Sign in to https://www.johanmanagement.com.my • Login with your user ID and password for e-Subscription before the Closing Date. • Click the "MY RIGHTS ISSUE". • Select the Company name from the drop selection and click the relevant Corporate Exercises event name. • Select the CDS account that you wish to submit and input the number of Right Shares to subscribe and number of excess Rights Shares to apply (if you choose to do so). • Ensure all information in the form is accurate before submitting the form. • Make the payment via online banking to the respective bank account (i.e. bank account for Johan Rights Shares Account/ Johan Excess Rights Shares Account and administrative fee). • Must put a remark on the payment details with the last 9 digits of the CDS account and shareholder name. • Upload the proof of payment(s) for the subscription and click the confirm button to submit the e-Subscription.

If you encounter any problems during the registration or submission, please email the Company's Share Registrar at johanms1@outlook.com or call at **03-2092 1858/ 010-526 5490** for assistance.

Terms and conditions of the e-Subscription

By submitting your acceptance of the Provisional Rights Shares with Warrants and application of the Excess Rights Shares with Warrants (if applicable) by way of e-Subscription:-

- (a) you confirmed that you have attained 18 years of age as at the last day for subscription and payment;
- (b) you confirmed that you have, prior to making the e-Subscription, received a printed copy of this Abridged Prospectus and/ or have had access to this Abridged Prospectus from Bursa Securities' website at www.bursamalaysia.com, the contents of which you have read and understood;
- (c) you agree to all the terms and conditions for the e-Subscription and have carefully considered the risk factors as set out in this Abridged Prospectus, in addition to all other information contained in this Abridged Prospectus, before making the e-Subscription application;
- (d) you agree and undertake to subscribe for and to accept the number of Provisional Rights Shares with Warrants and Excess Rights Shares with Warrants applied for (if applicable) as stated in the e-Subscription. Your confirmation of your subscription will signify, and will be treated as, your subscription of the number of Rights Shares with Warrants that may be allotted to you;
- (e) You acknowledge that your submission by way of e-Subscription is subject to the risks of electrical, electronic, technical, transmission, communication and computer related faults and breakdowns, fires and other events beyond the control of the Company or the Company's Share Registrar and irrevocably agree that if:-
- the Company or its Share Registrar does not receive your submission of the e-Subscription; or
 - data on the e-Subscription is wholly or partially lost, corrupted or inaccessible, or not transmitted or not communicated to the Company's Share Registrar,
- your submission of the e-Subscription will be deemed as failed and not to have been made. The Company and its Share Registrar will not be held liable for any delays, failures or inaccuracies in the processing of your e-Subscription due to the above reasons and you further agree that you may not make any claims whatsoever against the Company or its Share Registrar for any loss, compensation or damage in relation to the unsuccessful or failure of your e-Subscription;
- (f) You will ensure that all information provided by you in the e-Subscription is identical with the information in the records of Bursa Depository and further agree and confirm that in the event the said information differs from the records of Bursa Depository, your application by way of e-Subscription may be rejected at the absolute discretion of our Board without assigning any reason. Therefore:-
- you must inform Bursa Depository promptly of any change in address failing which the notification on the outcome of your e-Subscription will be sent to your address last maintained with Bursa Depository; and

- by making and completing an e-Subscription, you agree that:-
 1. in consideration of the Company agreeing to allow and accept your e-Subscription for the Provisional Rights Shares with Warrants and Excess Rights Shares with Warrants applied (if applicable), your e-Subscription is irrevocable and cannot be subsequently withdrawn; and
 2. the Company's Share Registrar will not be liable for any delays, failures or inaccuracies in the processing of data relating to your e-Subscription due to a breakdown or failure of transmission or communication facilities or to any cause beyond the Company's control;
- (g) You agree that your application shall not be deemed to have been accepted by reason of the remittance have been made.
- (h) You agree that all the Rights Shares and Warrants to be issued pursuant to the Rights Issue will be allotted by way of crediting the Rights Shares and Warrants into your CDS account. No physical share or warrant certificates will be issued.
- (i) You agree that the Company and its Share Registrar reserve the right to reject your application which does not conform to these terms and conditions.
- (j) If your application is successful, a notice of allotment will be issued and despatched by ordinary post to the address as shown in the Record of Depositors provided by Bursa Depository at your own risk within 8 Market Days from the Closing Date.
- (k) Where your application is not accepted or accepted only in part, the full amount or the balance of the application monies, as the case may be, shall be refunded without interest by banker's cheque within 15 Market Days from the Closing Date and will be despatched by ordinary post to the address as shown in the Record of Depositors provided by Bursa Depository at your own risk.

If acceptance of and payment for the Provisional Rights Shares with Warrants allotted to you (whether in full or in part, as the case may be) are not received by the Share Registrar by **5.00 p.m. on the Closing Date**, the provisional entitlement to you or remainder thereof (as the case may be) will be deemed to have been declined and will be cancelled. Proof of time of postage shall not constitute proof of time of receipt by the Share Registrar.

Our Board will then have the right to allot any Rights Shares with Warrants not taken up or not validly taken up to applicants applying for the Excess Rights Shares with Warrants in the manner as set out in **Section 12.9** of this Abridged Prospectus. Our Board reserves the right not to accept any application or to accept any application in part only without assigning any reason thereof.

12.6 Procedure for part acceptance by Entitled Shareholders

You are entitled to accept part of your Provisional Rights Shares with Warrants provided always that the minimum number of Rights Shares that can be subscribed for or accepted is 1 Rights Share. Fractions of a Rights Share, if any, shall be disregarded and dealt with in a fair and equitable manner as our Board deems fit and expedient and in the best interests of our Company.

You must complete both Parts I(A) and II of the RSF by specifying the number of Rights Shares which you are accepting and deliver the completed and signed RSF together with the relevant payment to our Share Registrar in the manner set out in **Section 12.5.1** of this Abridged Prospectus.

YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN.

The portion of the Provisional Rights Shares with Warrants that have not been accepted shall be allotted to any other persons allowed under the law, regulations or rules to accept the transfer of the Provisional Rights Shares with Warrants.

12.7 Procedure for sale or transfer of the Provisional Rights Shares with Warrants

As the Provisional Rights Shares with Warrants are prescribed securities, you may dispose or transfer all or part of your entitlement to the Provisional Rights Shares with Warrants to 1 or more person(s) through your stockbrokers without first having to request for a split of the Provisional Rights Shares with Warrants standing to the credit of your CDS Account. To dispose or transfer all or part of your entitlement to the Provisional Rights Shares with Warrants, you may sell such entitlement on the open market or transfer such entitlement to such persons as may be allowed pursuant to the Rules of Bursa Depository. If you have disposed or transferred only part of the Provisional Rights Shares with Warrants, you may still accept the balance of the Provisional Rights Shares with Warrants by completing Parts I and II of the RSF and delivering the RSF together with the full amount payable on the balance of the Rights Shares with Warrants applied for to the Share Registrar. Please refer to **Sections 12.5** and **12.6** of this Abridged Prospectus for the procedure for acceptance and payment.

In disposing or transferring all or part of your Provisional Rights Shares with Warrants, you need not deliver any document including the RSF, to any stockbroker. However, you must ensure that there is sufficient Provisional Rights Shares with Warrants standing to the credit of your CDS Account that are available for settlement of the sale or transfer.

Purchaser(s) or transferee(s) of the Provisional Rights Shares with Warrants may obtain a copy of this Abridged Prospectus and the RSF from our Share Registrar or at our Registered Office. This Abridged Prospectus and the RSF are also available on the Bursa Securities' website at <http://www.bursamalaysia.com>.

12.8 Procedure for acceptance by renouncee(s)/ transferee(s)

Renouncee(s) and/ or transferee(s) (if applicable) who wish to accept the Provisional Rights Shares with Warrants must obtain a copy of the RSF from their stockbrokers or our Share Registrar, or at our Registered Office or from Bursa Securities' website at <https://www.bursamalaysia.com>, and complete the RSF and submit the same together with the remittance to our Share Registrar at the above-stated address in accordance with the notes and instructions printed therein.

The procedure for acceptance and payment applicable to the Entitled Shareholders as set out in **Sections 12.5** and **12.6** of this Abridged Prospectus also applies to renouncee(s) and/ or transferee(s) (if applicable) who wish to accept the Provisional Rights Shares with Warrants.

RENOUNCEE(S) ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS ABRIDGED PROSPECTUS AND ADHERE TO THE NOTES AND INSTRUCTIONS CONTAINED IN THIS ABRIDGED PROSPECTUS AND THE RSF.

12.9 Procedure for application of Excess Rights Shares with Warrants

It is the intention of our Board to allot the Excess Rights Shares with Warrants, if any, in a fair and equitable manner in the following priority:-

- (i) firstly, to minimise the incidence of odd lots;
- (ii) secondly, on a pro-rata basis and in board lots, to the Entitled Shareholders who have applied for Excess Rights Shares with Warrants, taking into consideration their respective shareholdings in the Company as at the Entitlement Date;
- (iii) thirdly, on a pro-rata basis and in board lots, to the Entitled Shareholders who have applied for Excess Rights Shares with Warrants, taking into consideration the quantum of their respective Excess Rights Shares with Warrants Applications; and
- (iv) finally, on a pro-rata basis and in board lots, to the transferee(s) and/ or renounee(s) who have applied for Excess Rights Shares with Warrants, taking into consideration the quantum of their respective Excess Rights Shares with Warrants applications.

The Excess Rights Shares with Warrants will firstly be allocated to minimise the odd lots (if any) held by each applicant of Excess Rights Shares with Warrants. Thereafter, the allocation process will perform items (ii), (iii) and (iv) in succession. Any remaining balance of Excess Rights Shares with Warrants will be allocated by performing the same sequence of allocation i.e. items (ii), (iii) and (iv) again in succession until all Excess Rights Shares with Warrants are allotted.

Notwithstanding the foregoing, our Board reserves the right to allot any Excess Rights Shares with Warrants applied for under Part I(B) of the RSF in such manner as it deems fit and expedient and in the best interests of the Company subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out in **Section 12.9 (i), (ii), (iii) and (iv)** above is achieved. Our Board also reserves the right at its absolute discretion not to accept any application for Excess Rights Shares with Warrants, in full or in part, without assigning any reason thereof.

12.9.1 By way of RSF

You and/ or your renounee(s) and/ or transferee(s) (if applicable) may apply for the Excess Rights Shares with Warrants in excess of your entitlement by completing Part I(B) of the RSF (in addition to Parts I(A) and II) and forward it (together with a **separate remittance made in RM** for the full amount payable in respect of the Excess Rights Shares with Warrants applied for) to our Share Registrar **not later than 5.00 p.m. on the Closing Date**, being the last date and time for application and payment for the Excess Rights Shares with Warrants.

PAYMENT FOR THE EXCESS RIGHTS SHARES WITH WARRANTS APPLIED FOR SHOULD BE MADE IN THE SAME MANNER AS DESCRIBED IN SECTION 12.5 OF THIS ABRIDGED PROSPECTUS, AND IN THE FORM OF BANKER'S DRAFT(S)/ CASHIER'S ORDER(S)/ MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "A/C PAYEE ONLY" AND MADE PAYABLE TO "JOHAN EXCESS RIGHTS SHARES ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME, YOUR CONTACT NUMBER, ADDRESS AND CDS ACCOUNT NUMBER IN BLOCK LETTERS WHICH MUST BE RECEIVED BY OUR SHARE REGISTRAR NOT LATER THAN THE LAST DATE AND TIME FOR EXCESS APPLICATION AND PAYMENT AS SET OUT IN THE COVER PAGE OF THIS ABRIDGED PROSPECTUS.

THE PAYMENT MUST BE MADE FOR THE FULL AND EXACT AMOUNT PAYABLE FOR THE EXCESS RIGHTS SHARES WITH WARRANTS APPLIED FOR, ANY EXCESS OR INSUFFICIENT PAYMENT MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR EXCESS APPLICATION MONIES WILL BE ISSUED BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE EXCESS RIGHTS SHARES WITH WARRANTS. HOWEVER, IF YOUR EXCESS APPLICATION IS SUCCESSFUL, THE RIGHTS SHARES WILL BE CREDITED INTO YOUR CDS ACCOUNT AND A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 8 MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED OR ALLOWED BY BURSA SECURITIES.

APPLICATIONS FOR THE EXCESS RIGHTS SHARES WITH WARRANTS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY SUCH APPLICATION OR TO ACCEPT ANY SUCH APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON THEREOF.

WHERE AN APPLICATION FOR THE EXCESS RIGHTS SHARES WITH WARRANTS IS NOT ACCEPTED OR IS ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST AND SHALL BE DESPATCHED TO THE APPLICANT BY ORDINARY POST TO THE ADDRESS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE CLOSING DATE.

12.9.2 By way of e-Subscription

You and/ or your renounee(s) and/ or transferee(s) (if applicable) may apply for the Excess Rights Shares with Warrants in excess of your entitlement via e-Subscription in addition to your Provisional Rights Shares with Warrants. If you wish to do so, you may apply for the Excess Rights Shares with Warrants by following the same steps as set out in **Section 12.5.2** of this Abridged Prospectus.

The e-Subscription for Excess Rights Shares with Warrants will be made on, subject to, the same terms and conditions appearing in **Section 12.5.2** of this Abridged Prospectus.

APPLICATIONS ACCOMPANIED BY PAYMENT OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY OR MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD.

NO ACKNOWLEDGEMENT WILL BE ISSUED FOR THE RECEIPT OF THE EXCESS RIGHTS SHARES WITH WARRANTS APPLICATION OR APPLICATION MONIES IN RESPECT THEREOF. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN ON THE RECORD OF DEPOSITORS AT YOUR OWN RISK WITHIN 8 MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

EXCESS RIGHTS SHARES WITH WARRANTS APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY SUCH APPLICATION OR TO ACCEPT ANY SUCH APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON THEREOF.

IN RESPECT OF UNSUCCESSFUL OR PARTIALLY SUCCESSFUL EXCESS RIGHTS SHARES WITH WARRANTS APPLICATIONS, THE FULL AMOUNT OR THE SURPLUS APPLICATION MONIES, AS THE CASE MAY BE, WILL BE REFUNDED WITHOUT INTEREST BY ORDINARY POST TO THE ADDRESS AS SHOWN ON THE RECORD OF DEPOSITORS AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE CLOSING DATE.

12.10 Form of issuance

Bursa Securities has already prescribed our Shares to be listed on the Main Market of Bursa Securities and to be deposited with Bursa Depository. Accordingly, the new securities arising from the Rights Shares with Warrants are prescribed securities and as such, all dealings with such securities will be by book entries through CDS Account and shall be governed by the SICDA and the Rules of Bursa Depository. You must have a valid and subsisting CDS Account in order to subscribe for the Rights Shares with Warrants.

Failure to comply with the specific instructions for applications or inaccuracy in the CDS Account number may result in the application being rejected. No physical certificates shall be issued to you under the Rights Issue with Warrants. Instead, the Rights Shares with Warrants will be credited directly into your CDS Account.

A notice of allotment will be despatched to you and/ or your renounee(s) and/ or transferee(s) (if applicable) by ordinary post to the address shown in our Record of Depositors provided by Bursa Depository at your own risk within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities.

Where the Rights Shares are provisionally allotted to the Entitled Shareholders in respect of their existing Johan Shares standing to the credit in their CDS Account as at the Entitlement Date, the acceptance by the Entitled Shareholders of the Provisional Rights Shares with Warrants shall mean that they consent to receive such Provisional Rights Shares with Warrants as prescribed or deposited securities which will be credited directly into their CDS Account.

Any person who has purchased the Provisional Rights Shares with Warrants or to whom the Provisional Rights Shares with Warrants has been transferred and intends to subscribe for the Rights Shares must state his or her CDS Account number in the space provided in the RSF. The Rights Shares will be credited directly as prescribed or deposited securities into his or her CDS Account upon allotment and issuance.

The Excess Rights Shares with Warrants, if allotted to the successful applicant who applies for Excess Rights Shares with Warrants, will be credited directly as prescribed securities into his or her CDS Account. The allocation will be made on a fair and equitable basis in such manner as our Board in its absolute discretion deems fit and expedient and in the best interest of our Company, as disclosed in **Section 12.9** of this Abridged Prospectus.

12.11 Laws of foreign jurisdiction

This Abridged Prospectus, and the accompanying NPA and RSF have not been (and will not be) made to comply with the laws of any jurisdiction other than Malaysia and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) for subscription of any jurisdiction other than Malaysia. The Rights Issue with Warrants will not be made or offered for subscription in any jurisdiction other than Malaysia.

Accordingly, this Abridged Prospectus, and the accompanying NPA and RSF will not be sent to the Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) who do not have a registered address in Malaysia. However, such Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) may collect this Abridged Prospectus, and the accompanying NPA and RSF from our Share Registrar, in which event our Share Registrar shall be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting these documents relating to the Rights Issue with Warrants.

The Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) may accept or renounce (as the case may be) all or any part of their entitlements and exercise any other rights in respect of the Rights Issue with Warrants only to the extent that it would be lawful to do so. UOBKH, our Share Registrar, our Company, our Directors and officers and other professional advisers (including those advisers named herein) would not, in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which the Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) are or may be subject. Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) shall solely be responsible to seek advice as to the laws of the jurisdictions to which they are or may be subject to. UOBKH, our Share Registrar, our Company, our Directors and officers and other professional advisers (including those advisers named herein) shall not accept any responsibility or liability in the event that any acceptance or renunciation made by any Foreign Entitled Shareholders and/ or renouncee(s) and/ or transferee(s) (if applicable), is or shall become unlawful, unenforceable, voidable or void in any such jurisdiction.

The Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) will be responsible for payment of any issue, transfer or other taxes or other requisite payments due in such jurisdiction and we shall be entitled to be fully indemnified and held harmless by such Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) for any such issue, transfer or other taxes or other requisite payments. They will have no claims whatsoever against UOBKH, our Share Registrar, our Company, our Directors and officers and other professional advisers (including those advisers named herein) in respect of their rights and entitlements under the Rights Issue with Warrants. Such Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) should consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to accept the Rights Issue with Warrants.

By signing the RSF, the Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) UOBKH, our Share Registrar, our Company, our Directors and officers and other professional advisers (including those advisers named herein) (collectively, the "**Parties**") that:-

- i. the Parties would not, by acting on the acceptance or renunciation in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which the Foreign Entitled Shareholders and/ or renouncee(s) and/ or transferee(s) (if applicable) are or may be subject to;
- ii. the Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) have complied with the laws to which they are or may be subject to in connection with the acceptance or renunciation of the Provisional Rights Shares with Warrants;
- iii. the Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) are not nominees or agents of a person in respect of whom the Parties would, by acting on the acceptance or renunciation of the Provisional Rights Shares with Warrants, be in breach of the laws of any jurisdiction to which that person is or may be subject to;
- iv. the Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) are aware that the Rights Shares can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;
- v. the Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) have received a copy of this Abridged Prospectus, and have read and understood the contents of this Abridged Prospectus and have had access to such financial and other information and have been provided with the opportunity to ask such questions to our representatives and receive answers thereto as they deem necessary in connection with their decision to subscribe for or purchase the Rights Shares with Warrants; and
- vi. the Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Rights Shares with Warrants, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the Rights Shares and the Warrants.

Persons receiving this Abridged Prospectus, and the accompanying NPA and RSF (including without limitation to custodians, nominees and trustees) must not, in connection with the offer, distribute or send it into any country or jurisdiction, where to do so would or might contravene local securities, exchange control or relevant laws or regulations. If this Abridged Prospectus, and the accompanying NPA and RSF are received by any persons in such country or jurisdiction, or by the agent or nominee of such a person, he must not seek to accept the offer unless he has complied with and observed the laws of the relevant country or jurisdiction in connection herewith.

Any person who does forward this Abridged Prospectus and the accompanying NPA and RSF to any country or jurisdiction other than Malaysia, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this section and we reserve the right to reject a purported acceptance of the Rights Shares with Warrants from any such application by Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) in any jurisdiction other than Malaysia.

We reserve the right, in our absolute discretion, to treat any acceptance of the Rights Shares with Warrants as invalid if it believes that such acceptance may violate any applicable legal or regulatory requirements.

13. TERMS AND CONDITIONS

The issuance of the Rights Shares and Warrants pursuant to the Rights Issue with Warrants is governed by the terms and conditions set out in the (i) Documents enclosed herewith and (ii) Deed Poll as regards the Warrants.

14. FURTHER INFORMATION

You are advised to refer to the attached appendices for further information.

Yours faithfully,

For and on behalf of our Board
JOHAN HOLDINGS BERHAD



TAN SRI DATO' TAN KAY HOCK
Chairman & Chief Executive

APPENDIX I - INFORMATION ON OUR COMPANY**1. SHARE CAPITAL**

As at the LPD, our issued share capital is RM390,701,279 comprising 778,685,627 Johan Shares.

2. BOARD OF DIRECTORS

The details of our Board as at the LPD are set out as follows:-

Name (Designation)	Age	Address	Nationality
Tan Sri Dato' Tan Kay Hock (Chairman & Chief Executive)	74	No. 3, Lorong Nusa Satu, Jalan Tunku Putra, Taman Bukit Mas, 50480 Kuala Lumpur	Malaysian
Puan Sri Datin Tan Swee Bee (Group Managing Director)	75	No. 3, Lorong Nusa Satu, Jalan Tunku Putra, Taman Bukit Mas, 50480 Kuala Lumpur	British
Tan Sri Dato' Seri Dr Ting Chew Peh (Non-Independent Non-Executive Director)	78	No. 1, Jalan SS 2/13, 47300 Petaling Jaya, Selangor	Malaysian
Dato' Ahmad Khairummuzammil Bin Mohd Yusoff (Independent Non-Executive Director)	80	105, Jalan Medang Tanduk, Bukit Bandaraya, 59100 Kuala Lumpur	Malaysian
Ooi Teng Chew (Independent Non-Executive Director)	75	28-A, Jesselton Crescent, 10450 Georgetown, Pulau Pinang	Malaysian

3. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of Johan Shares for the past 12 months preceding the date of this Abridged Prospectus are as follows:-

	High RM	Low RM
2020		
June	0.080	0.060
July	0.095	0.060
August	0.270	0.080
September	0.180	0.120
October	0.155	0.115
November	0.170	0.120
December	0.255	0.135
2021		
January	0.210	0.165
February	0.200	0.160
March	0.195	0.165
April	0.170	0.135
May	0.165	0.130
Last transacted market price of Johan Shares as at 26 March 2021 (being the last Market Day immediately prior to the announcement of the Corporate Exercises)		RM0.175
Last transacted market price of Johan Shares as at the LPD		RM0.135
Last transacted market price of Johan Shares on 24 June 2021 (being the last Market Day immediately preceding the ex-date for the Rights Issue with Warrants)		RM0.140

(Source: Bloomberg Finance Singapore L.P.)

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)**4. OPTION TO SUBSCRIBE FOR JOHAN SHARES**

As at the LPD, save for the Provisional Rights Shares with Warrants and Excess Rights Shares with Warrants, no option to subscribe for our Johan Shares has been granted or is entitled to be granted to anyone.

5. MATERIAL CONTRACTS

Save as disclosed below, Johan Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within the 2 years preceding the date of this Abridged Prospectus:-

- i. sale and purchase agreement dated 27 November 2019 in relation to the disposal of a parcel of freehold land by PCSB to Aspect Potential Sdn Bhd, for a total disposal consideration of RM127.00 million to be satisfied via a combination of RM108.00 million in cash and RM19.00 million via payments in kind;
- ii. shares purchase agreement dated 24 December 2020 entered into between JIPL and Ezy Net, Candypay Holdings Pte Ltd, Genesis involving the disposal of 4,645,256 shares in DCS to Ezy Net for a disposal consideration of SGD103,586,103 (equivalent to approximately RM313.98 million) which will be satisfied in the accordance with the manner set out in **Section 6** of this Abridged Prospectus;
- iii. sale and purchase agreement dated 29 March 2021 entered into between Dynacare and Small Medium Enterprise Development Bank Malaysia Berhad in relation to the Acquisition;
- iv. Deed Poll; and
- v. Underwriting Agreement.

6. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, Johan Group is not engaged in any material litigation, claims and/ or arbitration, either as plaintiff or defendant, and our Board confirms that there are no proceedings pending or threatened against Johan Group, or of any facts likely to give rise to any proceedings, which might materially or adversely affect the business or financial position of Johan Group.

7. KEY FINANCIAL INFORMATION

Our audited consolidated financial information for the past 3 financial years up to the 12-month FYE 31 January 2020 and our most recent announced unaudited interim consolidated financial information for the 12-month FPE 31 January 2021 together with the relevant notes are disclosed in the following documents which have been published on the website of Bursa Securities at <https://www.bursamalaysia.com>:-

	Pages
Our annual report for the 12-month FYE 31 January 2018	
Statements of profit or loss and other comprehensive income	56-57
Statements of financial position	58-59
Statements of changes in equity	60-61
Statements of cash flows	62-64
Notes to the financial statements	65-143
Our annual report for the 12-month FYE 31 January 2019	
Statements of profit or loss and other comprehensive income	58-59
Statements of financial position	60-61

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

	Pages
Statements of changes in equity	62
Statements of cash flows	63-65
Notes to the financial statements	66-152
 Our annual report for the 12-month FYE 31 January 2020	
Statements of profit or loss and other comprehensive income	61-62
Statements of financial position	63-64
Statements of changes in equity	65
Statements of cash flows	66-68
Notes to the financial statements	69-152
 Our quarterly report for the 12-month FPE 31 January 2021	
Statements of profit or loss and other comprehensive income	1
Statements of financial position	2
Statements of changes in equity	3
Statements of cash flows	4
Notes to the financial statements	5-8

The following table sets out a summary of Johan Group's key financial information based on past 3 financial years up to the 12-month FYE 31 January 2020 and our most recent announced unaudited interim consolidated financial information for the 12-month FPE 31 January 2021 of comprehensive income, statements of financial position and statement of cash flows for the financial years and periods under review:-

7.1 Historical financial performance

	<-----Audited 12-month FYE 31 January----->			Unaudited 12-month FPE 31
	2018	2019	2020	January
	RM'000	RM'000	RM'000	2021 RM'000
Continuing operations				
Revenue	122,485	105,880	97,023	92,646
Cost of sales	(4,558)	(4,019)	(3,466)	(23,363)
GP	117,927	101,861	93,557	69,283
Net fair value gain/ (loss) on investment securities	42,460	(64,634)	(4,954)	(2,831)
Net fair value gain on investment properties	-	-	15,273	-
Income from lawsuit settlement*1	-	-	12,602	-
Other operating income	5,501	3,913	10,193	18,190
Distribution expenses	(18,147)	(17,169)	(22,181)	(15,466)
Administrative expenses	(81,135)	(87,766)	(76,923)	(66,680)
Other operating expenses	(4,957)	(5,523)	(4,500)	(3,694)
Finance costs	(35,902)	(35,349)	(36,266)	(28,917)
PBT/ (LBT)	25,747	(104,667)	(13,199)	(30,115)
Taxation	(3,782)	5,400	(149)	(535)
PAT/ (LAT)	21,965	(99,267)	(13,348)	(30,650)
Discontinued operations				
Profit/ (Loss) from discontinued operations	(45,189)	(3,470)	(3,946)	2,042
Loss for the financial year	(23,224)	(102,737)	(17,294)	(28,608)
LAT attributable to:-				
Owners of our Company	(22,388)	(101,690)	(18,887)	(27,797)
Non-controlling interests	(836)	(1,047)	1,593	(811)

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

	<-----Audited 12-month FYE 31 January----->			Unaudited 12-
	2018	2019	2020	month FPE 31
	RM'000	RM'000	RM'000	January
				2021
				RM'000
GP margin (%)	96.3	96.2	96.4	74.8
PAT margin for continuing operations (%)	17.9	n.a.	n.a.	n.a.
Weighted average no. of Shares outstanding ('000)	622,948	622,948	622,948	676,283
Basic LPS (sen)				
- From continuing operations	3.66	(15.77)	(2.40)	(4.41)
- From discontinued operations	(7.25)	(0.56)	(0.63)	0.30
	(3.59)	(16.33)	(3.03)	(4.11)
Dividend paid (RM)	-	-	-	-

Note:-

- *1 In 2019, total contingent assets consist of judgment sum, special damages, costs and accrued interest awarded by the High Court in favour of Johan Properties Sdn Bhd ("**JPSB**"), a wholly owned subsidiary of Johan, in respect of suit filed by JPSB on 25 July 1996 against five defendants for wrongful repudiation or breach of a contract in relation to the purchase by JPSB of a piece of land held under Lot 289, Section 57, Bandar Kuala Lumpur.

JPSB had, on 15 March 2019, received the full judgment sum, special damages, costs and accrued interest amounting to RM12,302,000. On settlement of the lawsuit, Johan Group has recognised an income of RM12,602,000 during the FYE 31 January 2020 net of deposit amounting to RM1,700,000.

FYE 31 January 2018

For the FYE 31 January 2018, we recorded revenue of RM122.49 million, which represents a decrease of RM6.28 million or approximately 4.88% as compared to the preceding financial year of RM128.77 million. The decrease in revenue was mainly attributable to lower revenue recorded by Diners World Travel Pte Ltd due to loss of a significant corporate customer, and lower service charges income earned by DCS.

Our continuing operations recorded PBT of RM25.75 million as compared to the preceding financial year LBT of RM15.19 million. The PBT recorded during the FYE 31 January 2018 was mainly attributable to higher fair value gain on investment securities (namely investment in listed and quoted shares of George Kent) of RM42.46 million during the financial year under review, which represents an increase of RM14.81 million or approximately 53.56%, as compared to the preceding financial year of RM27.65 million.

The discontinued operations from our wholly-owned subsidiary, namely PCSB, which had ceased its ceramic tiles manufacturing operations during the financial year under review, recorded a loss of RM45.19 million for the FYE 31 January 2018. This has resulted in LAT of RM22.39 million recorded during the financial year under review against the LAT of RM37.22 million recorded for the preceding financial year.

For the FYE 31 January 2018, we recorded NA of RM176.92 million, which represents a decrease of RM20.53 million against the NA of RM197.45 million recorded for the FYE 31 January 2017. The decrease in NA was mainly due to the LAT of RM22.39 million recorded during the financial year under review.

For the FYE 31 January 2018, we recorded total borrowings of RM559.73 million, which represents a decrease of RM70.52 million against the total borrowings of RM630.25 million for the FYE 31 January 2017. The decrease in total borrowings was mainly attributable to lower bank overdrafts drawn down for the FYE 31 January 2018.

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

FYE 31 January 2019

For the FYE 31 January 2019, we recorded revenue of RM105.88 million, which represents a decrease of RM16.61 million or approximately 13.56% as compared to the preceding financial year of RM122.49 million. The decrease in revenue is mainly attributable to DCS recording lower membership renewal fees and lower service charge income on lower cards receivables base due to regulatory compliance for unsecured consumers' exposure.

Our continuing operations recorded LBT of RM104.67 million for the FYE 31 January 2019 as compared to the preceding financial year PBT of RM25.75 million. The LBT recorded during the FYE 31 January 2019 was mainly attributable to the fair value loss on investment securities of approximately RM64.63 million during the financial year under review as compared to the preceding financial year fair value gain on investment securities of RM42.46 million.

We recorded LAT of RM101.69 million for the FYE 31 January 2019, primarily due to the LBT from continuing operations of RM104.67 million, the loss incurred from discontinued operations of RM3.47 million and the income tax credit recognised of RM5.40 million during the financial year under review.

For the FYE 31 January 2019, we recorded NA of RM79.79 million, which represents a decrease of RM97.13 million against the NA of RM176.92 million recorded for the FYE 31 January 2018. The decrease in NA was mainly due to the LAT of RM101.69 million recorded during the financial year under review.

For the FYE 31 January 2019, we recorded total borrowings of RM614.09 million, which represents an increase of RM54.36 million against the total borrowings of RM559.73 million for the FYE 31 January 2018. The increase in total borrowings was mainly attributable to an increase in investor certificates, which is funding from investors in relation to our securitised trade receivables during the financial year under review.

FYE 31 January 2020

For the FYE 31 January 2020, we recorded revenue of RM97.02 million, which represents a decrease of RM8.86 million or approximately 8.37%, as compared to the preceding financial year of RM105.88 million. The decrease in revenue was mainly attributable to lower contribution from DCS's charge and credit cards operations of RM79.98 million, which represents a decrease of RM9.36 million or approximately 10.5% as compared to the preceding financial year of RM89.34 million, primarily due to lower service charge income on lower cards receivables base due to regulatory compliance for unsecured consumers' exposure.

Our continuing operations recorded LBT of RM13.20 million for the FYE 31 January 2020, which represents an improvement of RM91.47 million or approximately 87.39% as compared to the preceding financial year of RM104.67 million. The improvement in LBT is mainly attributable to other income of RM4.96 million (arising from the reversal of impairment loss on bad debts), income from a lawsuit judgement sum of RM12.60 million, net fair value gain on revaluation of investment properties of RM15.27 million and net foreign exchange gain of RM2.19 million. In addition, we recorded a lower fair value loss on investment securities of RM4.95 million during the financial year under review, which represents an improvement of RM59.68 million or approximately 92.34%, as compared to the preceding financial year of RM64.63 million.

We recorded LAT of RM18.89 million for the FYE 31 January 2020, primarily due to the LBT from continuing operations of RM13.20 million and the loss incurred from discontinued operations of RM3.95 million, which mainly consisted of a loss of RM3.36 million in respect of the write-off for factories disposed by PCSB, during the financial year under review.

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

For the FYE 31 January 2020, we recorded NA of RM61.30 million, which represents a decrease of RM18.49 million against the NA of RM79.79 million recorded for the FYE 31 January 2019. The decrease in NA was mainly due to the LAT of approximately RM18.89 million recorded during the financial year under review.

For the FYE 31 January 2020, we recorded total borrowings of RM529.25 million, which represents a decrease of RM84.84 million against the total borrowings of RM614.09 million for the FYE 31 January 2019. The decrease in total borrowings was mainly attributable to lower bank overdrafts drawn down for the FYE 31 January 2020.

12-month FPE 31 January 2021

For the 12-month FPE 31 January 2021, we recorded revenue of RM92.65 million, which represents a decrease of RM4.37 million or approximately 4.50% as compared to the preceding financial year corresponding period of RM97.02 million. The decrease in revenue is mainly attributable to lower contribution from DCS's cards operations and offset by higher revenue from general trading business.

We recorded LBT of RM30.12 million which represents an increase of RM16.92 million or more than 100% for the 12-month FPE 31 January 2021 as compared to the preceding financial year corresponding period LBT of RM13.20 million. The preceding year LBT was lower due to one-off income from a lawsuit settlement and fair value gain on investment properties.

7.2 Historical financial position

	<-----Audited 12-month FYE 31 January----->			Unaudited 12-month FPE 31
	2018	2019	2020	January
	RM'000	RM'000	RM'000	RM'000
Non-current assets	325,089	322,201	204,259	207,314
Current assets	704,558	644,297	768,312	748,277
Total assets	1,029,647	966,498	972,571	955,591
Share capital	380,889	380,889	380,889	390,700
Reserves	104,623	109,183	109,587	110,482
Accumulated losses	(308,595)	(410,285)	(429,172)	(456,969)
Equity attributable to owners of our Company/ NA	176,917	79,787	61,304	44,213
Non-controlling interests	2,236	1,189	2,782	1,971
Total equity	179,153	80,976	64,086	46,184
Non-current liabilities	324,796	334,300	331,635	335,316
Current liabilities	525,698	551,222	576,850	574,091
Total liabilities	850,494	885,522	908,485	909,407
Total liabilities and equity	1,029,647	966,498	972,571	955,591

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

7.3 Historical cash flows

	<-----Audited 12-month FYE 31 January----->			Unaudited 12- month FPE 31 January
	2018 RM'000	2019 RM'000	2020 RM'000	2021 RM'000
Net cash generated from/ (used in)				
Operating activities	126,843	(17,077)	116,887	75,425
Investing activities	(2,128)	1,782	(382)	8,898
Financing activities	(40,928)	(19,705)	(46,897)	(93,979)
Net increase/(decrease) in cash and cash equivalents	83,787	(35,000)	69,608	(9,656)
Cash and cash equivalents at the beginning of the financial year/period	(67,155)	8,402	(25,940)	40,174
Effect of foreign exchange rate changes	(8,230)	658	(3,494)	234
Cash and cash equivalents at the end of the financial year/period	8,402	(25,940)	40,174	30,752

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APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

8. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

The pro forma effects of the Rights Issue with Warrants on the substantial shareholders' shareholdings of our Company as at the LPD are set out below:-

Substantial shareholders	Shareholdings as at the LPD			I After the Rights Issue with Warrants		
	<-----Direct-----> No. of Shares	%	<-----Indirect-----> No. of Shares	<-----Direct-----> No. of Shares	%	<-----Indirect-----> No. of Shares
Mustika Manis Sdn Bhd	233,605,427	30.00	-	350,408,140	30.00	-
Kurnia Menang Sdn Bhd	74,276,613	9.54	-	111,414,919	9.54	-
Star Wealth Investment Limited	71,277,017	9.15	-	106,915,525	9.15	-
Sky Wealth Ventures Limited	-	-	398,174,444 ^{*1}	-	-	597,261,665 ^{*1}
Tan Sri Dato' Tan Kay Hock	-	-	472,451,057 ^{*1}	-	-	708,676,584 ^{*1}
Puan Sri Datin Tan Swee Bee	-	-	472,451,057 ^{*1}	-	-	708,676,584 ^{*1}

Substantial shareholders	II After I and assuming full exercise of Warrants		
	<-----Direct-----> No. of Shares	%	<-----Indirect-----> No. of Shares
Mustika Manis Sdn Bhd	467,210,853	30.00	-
Kurnia Menang Sdn Bhd	148,553,225	9.54	-
Star Wealth Investment Limited	142,554,033	9.15	-
Sky Wealth Ventures Limited	-	-	796,348,886 ^{*1}
Tan Sri Dato' Tan Kay Hock	-	-	944,902,111 ^{*1}
Puan Sri Datin Tan Swee Bee	-	-	944,902,111 ^{*1}

Note:-

*1 Deemed interested by virtue of Tan Sri Dato' Tan Kay Hock and Puan Sri Datin Tan Swee Bee jointly holding 100.0% equity interest in Sky Wealth Ventures Limited, which in turn holds 100.0% equity interest in Kin Fai International Limited, Kwok Heng Holdings Limited, Suncrown Holdings Limited, Star Wealth Investment Limited and Mustika Manis Sdn Bhd. For information purpose, as at the LPD, Suncrown Holdings Limited and Kwok Heng Holdings Limited hold approximately 3.9% and 3.2% equity interest in Johan, respectively. In addition, Tan Sri Tan and Puan Sri Tan each hold 50.0% direct equity interest in Kurnia Menang Sdn Bhd.

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

9. DIRECTORS' SHAREHOLDINGS

The pro forma effects of the Rights Issue with Warrants on our Directors' shareholdings of our Company as at the LPD are set out below:-

Directors	I					
	As at the LPD			After the Rights Issue with Warrants		
	<-----Direct----->	<-----Indirect----->	%	<-----Direct----->	<-----Indirect----->	%
No. of Shares	No. of Shares	%	No. of Shares	No. of Shares	%	
Tan Sri Dato' Tan Kay Hock	-	472,451,057 ^{*1}	60.67	-	708,676,584 ^{*1}	60.67
Puan Sri Datin Tan Swee Bee	-	472,451,057 ^{*1}	60.67	-	708,676,584 ^{*1}	60.67
Tan Sri Dato' Seri Dr Ting Chew Peh	-	-	-	-	-	-
Dato' Ahmad Khairummuzammil Bin Mohd Yusoff	-	-	-	-	-	-
Ooi Teng Chew	200,000	0.03	-	300,000	0.03	-

Directors	II					
	After I and assuming full exercise of the Warrants					
	<-----Direct----->	<-----Indirect----->	%	<-----Direct----->	<-----Indirect----->	%
No. of Shares	No. of Shares	%	No. of Shares	No. of Shares	%	
Tan Sri Dato' Tan Kay Hock	-	944,902,111 ^{*1}	60.67	-	-	-
Puan Sri Datin Tan Swee Bee	-	944,902,111 ^{*1}	60.67	-	-	-
Tan Sri Dato' Seri Dr Ting Chew Peh	-	-	-	-	-	-
Dato' Ahmad Khairummuzammil Bin Mohd Yusoff	-	-	-	-	-	-
Ooi Teng Chew	400,000	0.03	-	-	-	-

Note:-

- *1 Deemed interested by virtue of Tan Sri Dato' Tan Kay Hock and Puan Sri Datin Tan Swee Bee jointly holding 100.0% equity interest in Sky Wealth Ventures Limited, which in turn holds 100.0% equity interest in Kin Fai International Limited, Kwok Heng Holdings Limited, Suncrown Holdings Limited, Star Wealth Investment Limited and Musitka Manis Sdn Bhd. For information purpose, as at the LPD, Suncrown Holdings Limited and Kwok Heng Holding Limited hold approximately 3.9% and 3.2% equity interest in Johar, respectively. In addition, Tan Sri Tan and Puan Sri Tan each hold 50.0% direct equity interest in Kurmia Menang Sdn Bhd.

APPENDIX II - ADDITIONAL INFORMATION

1. CONSENTS

Our Principal Adviser, company secretary, the legal adviser for the Rights Issue with Warrants, our Share Registrar and Bloomberg Finance Singapore L.P. have given and have not subsequently withdrawn their written consents before the date of issue of this Abridged Prospectus for the inclusion in this Abridged Prospectus of their name and all reference thereto in the form and context in which they appear in this Abridged Prospectus.

2. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at our registered office at 11th Floor, Wisma E&C, No. 2, Lorong Dungun Kiri, Damansara Heights, 50490 Kuala Lumpur during normal business hours from 9.00 a.m. to 5.00 p.m. from Mondays to Fridays (except public holidays) for a period of 6 months from the date of this Abridged Prospectus:-

- i. the material contracts as referred to in **Section 5, Appendix I** of this Abridged Prospectus;
- ii. letters of consent as referred to in **Section 1, Appendix II** of this Abridged Prospectus; and
- iii. the irrevocable and unconditional undertaking letters dated 29 March 2021 as referred to in **Section 3** of this Abridged Prospectus.

3. RESPONSIBILITY STATEMENT

Our Board has seen and approved this Abridged Prospectus together with the accompanying NPA and RSF. They collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, they confirm that there is no false or misleading statement or other facts which if omitted, would make any statement in the Documents false or misleading.

UOBKH, being the Principal Adviser for the Rights Issue with Warrants, acknowledges that, based on all available information and to the best of their knowledge and belief, this Abridged Prospectus constitutes a full and true disclosure of all material facts concerning the Rights Issue with Warrants.

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