



JOHAN HOLDINGS BERHAD

(Company No. 314-K)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD
ENDED 31 OCTOBER 2012**

| | Note | Current Quarter 3 months ended 31 October | | Cumulative Quarter 9 months ended 31 October | |
|-------------------------------------------------------------------------|--------------|-------------------------------------------------|------------------------------|----------------------------------------------------|------------------------------|
| | | 2012 RM'000 | 2011 RM'000 (restated) | 2012 RM'000 | 2011 RM'000 (restated) |
| Revenue | K1 | 75,747 | 81,739 | 227,769 | 227,289 |
| Cost of sales | | (24,753) | (29,565) | (77,571) | (80,707) |
| Gross profit | | 50,994 | 52,174 | 150,198 | 146,582 |
| Other income | | 5,654 | 1,924 | 10,522 | 11,800 |
| Administrative and other expenses | | (44,735) | (50,447) | (134,571) | (133,164) |
| Earnings before interest, tax, depreciation and amortisation | | 11,913 | 3,651 | 26,149 | 25,218 |
| Depreciation and amortisation | | (2,912) | (2,727) | (8,945) | (8,253) |
| Finance cost | | (15,648) | (13,432) | (36,618) | (42,130) |
| Loss before tax | K1/K5 | (6,647) | (12,508) | (19,414) | (25,165) |
| Income tax expense | K6 | (397) | (1,439) | (2,004) | (2,523) |
| Loss for the period | | (7,044) | (13,947) | (21,418) | (27,688) |
| Other comprehensive income: | | | | | |
| Foreign currency translation difference for foreign operations | | (2,238) | 1,705 | 1,997 | 4,126 |
| Total comprehensive loss for the period | | (9,282) | (12,242) | (19,421) | (23,562) |
| (Loss) / profit for the period attributable to : | | | | | |
| Owners of the parent | | (7,089) | (14,298) | (21,597) | (27,924) |
| Non-controlling interest | | 45 | 351 | 179 | 236 |
| | | (7,044) | (13,947) | (21,418) | (27,688) |
| Total comprehensive (loss) / profit attributable to:- | | | | | |
| Owners of the parent | | (9,327) | (12,522) | (19,600) | (23,894) |
| Non-controlling interest | | 45 | 280 | 179 | 332 |
| | | (9,282) | (12,242) | (19,421) | (23,562) |
| Loss per share attributable to equity holders of the parent: | | | | | |
| Basic & diluted loss per share for the period (sen) | K12 | (1.14) | (2.30) | (3.47) | (4.48) |

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 January 2012 and the accompanying explanatory notes attached to the interim financial statements)


JOHAN HOLDINGS BERHAD

(Company No. 314-K)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT

| | Note | Unaudited As at 31 October 2012 RM'000 | Unaudited As at 31 January 2012 RM'000 (restated) | Unaudited As at 1 February 2011 RM'000 (restated) |
|----------------------------------------------|------------|-------------------------------------------------|---------------------------------------------------------------|---------------------------------------------------------------|
| Property, plant and equipment | M10 | 285,019 | 288,881 | 295,969 |
| Land held for property development | | 6,034 | 6,100 | 6,097 |
| Intangible assets | | 23,569 | 21,368 | 11,267 |
| Investment securities | | 69 | 67 | 69 |
| Deferred tax assets | | 11,147 | 11,036 | 11,085 |
| Current assets | | | | |
| Property development costs | | 2,579 | 2,481 | 348 |
| Inventories | | 28,393 | 29,694 | 31,999 |
| Receivables | | 686,675 | 599,844 | 607,097 |
| Investment securities | | 12,576 | 13,752 | 15,822 |
| Cash and bank balances | | 80,361 | 95,041 | 140,410 |
| | | <u>810,584</u> | <u>740,812</u> | <u>795,676</u> |
| Current liabilities | | | | |
| Payables | | 177,364 | 132,931 | 173,682 |
| Tax payable | | 5,374 | 4,427 | 4,342 |
| Investors certificates | | 411,814 | 387,430 | 392,780 |
| Loan and borrowings | K8 | 244,808 | 222,095 | 134,097 |
| | | <u>839,360</u> | <u>746,883</u> | <u>704,901</u> |
| Net current (liabilities) / assets | | (28,776) | (6,071) | 90,775 |
| | | <u>297,062</u> | <u>321,381</u> | <u>415,262</u> |
| Share capital | M7 | 311,474 | 311,474 | 311,474 |
| Reserves | | | | |
| Share premium | | 69,415 | 69,415 | 69,415 |
| Revaluation reserves | | - | - | - |
| Exchange reserve | | 13,706 | 11,709 | 9,865 |
| Accumulated losses | | (176,788) | (155,191) | (108,922) |
| Attributable to equity holders of the parent | | 217,807 | 237,407 | 281,832 |
| Non-controlling interest | | 13,314 | 13,248 | 12,246 |
| Total equity | | <u>231,121</u> | <u>250,655</u> | <u>294,078</u> |
| Long term liabilities | | | | |
| Loan and borrowings | K8 | 4,785 | 9,564 | 66,069 |
| Deferred tax liabilities | | 27,656 | 27,662 | 24,615 |
| Senior certificates | | 33,500 | 33,500 | 30,500 |
| | | <u>297,062</u> | <u>321,381</u> | <u>415,262</u> |
| Net assets per share (sen) | | <u>34.96</u> | <u>38.11</u> | <u>45.24</u> |

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 January 2012 and the accompanying explanatory notes attached to the interim financial statements)

**JOHAN HOLDINGS BERHAD**

(Company No. 314-K)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2012

| | <-----Attributable to owners of the parent-----> | | | | | | |
|--------------------------------------------------|--------------------------------------------------|----------------------------|---------------------------------------------|---------------------------------|--------------------------------------------------------------------------|--------------------------------------------|---------------------------|
| | Share capital RM'000 | Share premium RM'000 | Non- distributable reserves RM'000 | Accumulated losses RM'000 | Equity attributable to owners of the parent, total RM'000 | Non- controlling interests RM'000 | Total equity RM'000 |
| Balance as at 1 February 2011 | 311,474 | 69,415 | 40,819 | (206,978) | 214,730 | 8,233 | 222,963 |
| MFRS adjustments | - | - | (30,954) | 98,056 | 67,102 | 4,013 | 71,115 |
| As restated | 311,474 | 69,415 | 9,865 | (108,922) | 281,832 | 12,246 | 294,078 |
| Total comprehensive income/(loss) for the period | - | - | 2,325 | (27,924) | (25,599) | 332 | (25,267) |
| As at 31 October 2011 | <u>311,474</u> | <u>69,415</u> | <u>12,190</u> | <u>(136,846)</u> | <u>256,233</u> | <u>12,578</u> | <u>268,811</u> |
| Balance as at 1 February 2012 | 311,474 | 69,415 | 42,663 | (252,551) | 171,001 | 9,235 | 180,236 |
| MFRS adjustments | - | - | (30,954) | 97,360 | 66,406 | 4,013 | 70,419 |
| As restated | 311,474 | 69,415 | 11,709 | (155,191) | 237,407 | 13,248 | 250,655 |
| Total comprehensive income/(loss) for the period | - | - | 1,997 | (21,597) | (19,600) | 66 | (19,534) |
| As at 31 October 2012 | <u>311,474</u> | <u>69,415</u> | <u>13,706</u> | <u>(176,788)</u> | <u>217,807</u> | <u>13,314</u> | <u>231,121</u> |

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 January 2012 and the accompanying explanatory notes attached to the interim financial statements)

**JOHAN HOLDINGS BERHAD**

(Company No. 314-K)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
ENDED 31 OCTOBER 2012**

| | 9 months ended 31 October | |
|----------------------------------------------------------------------|--------------------------------------|------------------------|
| | 2012 RM'000 | 2011 RM'000 |
| Cash flows from operating activities | | |
| Loss before tax | (19,414) | (25,165) |
| Adjustments for non-cash and non-operating items: | | |
| - Non-cash items | 11,560 | 30,276 |
| - Investing and financing items | 37,452 | 41,246 |
| Operating cash flows before working capital changes | <u>29,598</u> | <u>46,357</u> |
| Changes in working capital: | | |
| - Changes in current assets | (83,805) | (45,003) |
| - Changes in current liabilities | 61,148 | (50,937) |
| Loan interest paid | (36,618) | (42,130) |
| Interest received | 758 | 884 |
| Tax paid | (3,933) | (1,577) |
| Net cash flows used in operating activities | <u>(32,852)</u> | <u>(92,406)</u> |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (5,006) | (5,226) |
| Proceeds from disposal of property, plant and equipment | 40 | 244 |
| Proceeds from disposal of investment securities | 2,716 | 1,595 |
| Acquisition of investment securities | (1,123) | (2,574) |
| Net cash used in investing activities | <u>(3,373)</u> | <u>(5,961)</u> |
| Cash flows from financing activities | | |
| (Payment)/ drawdown of lease obligation and finance lease obligation | (1,009) | 2,263 |
| Net proceed from investor and senior certificates | (12,064) | 43,275 |
| Drawdown of bank borrowings | 12,260 | 5,951 |
| Net cash generated from financing activities | <u>(813)</u> | <u>51,489</u> |
| Net change in cash and cash equivalents | (37,038) | (46,878) |
| Effects of foreign exchange rate changes | (2,577) | (1,481) |
| Cash and cash equivalents at beginning of year | <u>24,321</u> | <u>70,591</u> |
| Cash and cash equivalents at end of period | <u>(15,294)</u> | <u>22,232</u> |
| Analysis of cash and cash equivalents: | | |
| Cash and bank balances | 80,361 | 124,036 |
| Bank overdrafts | (95,655) | (101,804) |
| | <u>(15,294)</u> | <u>22,232</u> |

(The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 January 2012 and the accompanying explanatory notes attached to the interim financial statements)



JOHAN HOLDINGS BERHAD

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NOTES TO THE INTERIM FINANCIAL REPORT

M1 Basis of Preparation

These condensed consolidated interim financial statements, for the period ended 31 October 2012, have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board. For the periods up to and including the financial year ended 31 January 2012, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRS")

These condensed consolidated interim financial statements are the Group's first MFRS condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS annual financial statements for the year ending 31 January 2013. MFRS 1 First-Time Adoption of Malaysian Financial Reporting Standards ("MFRS 1") has been applied.

The explanatory notes attached to these condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 January 2012.

In preparing its opening MFRS Statement of financial Position as at 1 February 2011, the Group has adjusted the amounts previously reported in financial statements prepared in accordance with FRS. An explanation of how the transition from FRS to MFRS has affected the Group's financial position and financial performance is set out in Note M2 below. These notes include reconciliation of equity and total comprehensive income for comparative periods and of equity at the date of transition reported under FRS to those reported for those periods and at the date of transition under MFRS. The transition from FRS to MFRS has not had a material impact on the statement of cash flows.

Malaysian Financial Reporting Standards ("MFRSs") and IC Interpretations ("IC Int.") Issued but Not Effective

At the date of issuance of this quarterly report, the MFRSs, revised MFRS, IC Int. and amendments to IC Int. which were in issue but not yet effective are as listed below:

| <u>MFRSs, Revised MFRSs, IC Int. and Amendments to IC Int.</u> | | <u>Effective date</u> |
|----------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------|
| MFRS 9 | Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010) | 1-Jan-15 |
| MFRS 10 | Consolidated Financial Statements | 1-Jan-13 |
| MFRS 11 | Joint Arrangements | 1-Jan-13 |
| MFRS 12 | Disclosure of Interests in Other Entities | 1-Jan-13 |
| MFRS 13 | Fair Value Measurement | 1-Jan-13 |
| MFRS 119 | Employee Benefits (as amended by IASB in June 2011) | 1-Jan-13 |
| MFRS 127 | Separate Financial Statements (as amended by IASB in May 2011) | 1-Jan-13 |
| MFRS 128 | Investments in Associates and Joint Ventures (as amended by IASB in May 2011) | 1-Jan-13 |
| Amendments to MFRS 1 | Government Loans | 1-Jan-13 |
| Amendments to MFRS 7 | Disclosures – Offsetting Financial Assets and Financial Liabilities | 1-Jan-13 |
| Amendments to MFRS 101 | Presentation of Items of Other Comprehensive Income | 1-Jul-12 |
| Amendments to MFRS 132 | Offsetting Financial Assets and Financial Liabilities | 1-Jan-14 |
| IC Int. 20 | Stripping Costs in the Production Phase of a Surface Mine | 1-Jan-13 |

The above MFRSs, revised MFRS, IC Int. and amendments to IC Int. will be adopted in the financial statements of the Group and the Company when they become effective and that the adoption of these MFRSs and Interpretations will have no significant impact on the financial statements of the Group and the Company in the period of initial application.



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

M2 First-time adoption of Malaysian Financial Reporting Standards ("MFRS")

The audited financial statements of the Group for the year ended 31 January 2012 were prepared in accordance with FRS. Except for certain differences, the requirements under FRS and MFRS are similar. The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 January 2012 except as discussed below:

(a) Business combination

MFRS 1 provides the option to apply MFRS 3 Business Combinations, prospectively from the date of transition or from a specific date prior to the date of transition. This provides relief from full retrospective application of MFRS 3 which would require restatement of all business combinations prior to the date of transition.

Acquisition before date of transition

The Group has elected to apply MFRS 3 prospectively from the date of transition. In respect of acquisitions prior to the date of transition,

- (i) the classification of former business combinations under FRS is maintained;
- (ii) there is no re-measurement of original fair values determined at the time of business combination (date of acquisition); and
- (iii) the carrying amount of goodwill recognised under FRS.

(b) Property, plant and equipment

The Group had recorded certain freehold and long term leasehold lands at revalued amounts but had not adopted a policy of revaluations subject to continuity in its depreciation policy and requirements to write down the assets to their recoverable amounts for impairment adjustments.

Upon transition to MFRS, the Group has elected to measure all its property, plant and equipment using the cost model under MFRS 116 Property, Plant and Equipment. At the date of transition to MFRS, the Group elected to regard the fair value of freehold land and buildings, long term leasehold land and buildings and long term leasehold hotel properties as at 1 February 2011 as its deemed cost as at 1 February 2011. As at the date, an increase in valuation surplus of RM93.440 million (31 October 2011: RM92.771 million; 31 January 2012: RM92.548 million) was recognised in property, plant and equipment. A corresponding increase in deferred tax liabilities pertaining to these revaluation surplus of RM22.325 million (31 October 2011: RM22.178 million; 31 January 2012: RM22.129 million) was recognised in the deferred tax liabilities. A total of RM98.056 million (31 October 2011: RM97.534 million; 31 January 2012: RM97.360 million) were adjusted against retained earnings.



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M2 Significant accounting policies and application of MFRS 1

(c) Reconciliations of equity

| | FRS as at 1 February 2011 | | Adjustments | MFRS as at 1 February 2011 | FRS as at 31 October 2011 | | Adjustments | MFRS as at 31 October 2011 | FRS as at 31 January 2012 | | Adjustments | MFRS as at 31 January 2012 |
|------------------------------------|---------------------------------|---------------|------------------|----------------------------------|---------------------------------|------------------|----------------|----------------------------------|---------------------------------|--------|-------------|----------------------------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Assets | | | | | | | | | | | | |
| Non-current assets | | | | | | | | | | | | |
| Property, plant and equipment | 202,529 | 93,440 | 295,969 | 202,729 | 92,771 | 295,500 | 196,333 | 92,548 | 288,881 | | | |
| Land held for property development | 6,097 | | 6,097 | 6,100 | | 6,100 | 6,100 | | 6,100 | | | |
| Intangible assets | 11,267 | | 11,267 | 11,810 | | 11,810 | 21,368 | | 21,368 | | | |
| Investment securities | 69 | | 69 | 71 | | 71 | 67 | | 67 | | | |
| Deferred tax assets | 11,085 | | 11,085 | 11,317 | | 11,317 | 11,036 | | 11,036 | | | |
| | <u>231,047</u> | <u>93,440</u> | <u>324,487</u> | <u>232,027</u> | <u>92,771</u> | <u>324,798</u> | <u>234,904</u> | <u>92,548</u> | <u>327,452</u> | | | |
| Current assets | | | | | | | | | | | | |
| Property development costs | 348 | | 348 | 635 | | 635 | 2,481 | | 2,481 | | | |
| Inventories | 31,999 | | 31,999 | 31,864 | | 31,864 | 29,694 | | 29,694 | | | |
| Receivables | 607,097 | | 607,097 | 602,537 | | 602,537 | 599,844 | | 599,844 | | | |
| Investment securities | 15,822 | | 15,822 | 17,234 | | 17,234 | 13,752 | | 13,752 | | | |
| Cash and bank balances | 140,410 | | 140,410 | 141,751 | | 141,751 | 95,041 | | 95,041 | | | |
| | <u>795,676</u> | <u>-</u> | <u>795,676</u> | <u>794,021</u> | <u>-</u> | <u>794,021</u> | <u>740,812</u> | <u>-</u> | <u>740,812</u> | | | |
| Total assets | <u>1,026,723</u> | <u>93,440</u> | <u>1,120,163</u> | <u>1,026,048</u> | <u>92,771</u> | <u>1,118,819</u> | <u>975,716</u> | <u>92,548</u> | <u>1,068,264</u> | | | |



JOHAN HOLDINGS BERHAD

(Company No. 314-K)
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M2 Significant accounting policies and application of MFRS 1 (cont'd)

(c) Reconciliations of equity (cont'd)

| | FRS as at 1 February 2011 | | MFRS as at 1 February 2011 | | FRS as at 31 October 2011 | | MFRS as at 31 October 2011 | | FRS as at 31 January 2012 | | MFRS as at 31 January 2012 | |
|-----------------------------------------|---------------------------------|-----------------------|----------------------------------|--|---------------------------------|-----------------------|----------------------------------|--|---------------------------------|-----------------------|----------------------------------|--|
| | RM'000 | Adjustments RM'000 | RM'000 | | RM'000 | Adjustments RM'000 | RM'000 | | RM'000 | Adjustments RM'000 | RM'000 | |
| Equity and liabilities | | | | | | | | | | | | |
| Equity | | | | | | | | | | | | |
| Share capital | 311,474 | | 311,474 | | 311,474 | | 311,474 | | 311,474 | | 311,474 | |
| Share premium | 69,415 | | 69,415 | | 69,415 | | 69,415 | | 69,415 | | 69,415 | |
| Revaluation reserve | 30,954 | (30,954) | - | | 30,954 | (30,954) | - | | 30,594 | (30,594) | - | |
| Exchange reserve | 9,865 | | 9,865 | | 12,190 | | 12,190 | | 12,069 | (360) | 11,709 | |
| Accumulated loss | (206,978) | 98,056 | (108,922) | | (220,607) | 97,534 | (123,073) | | (252,551) | 97,360 | (155,191) | |
| Equity attributable to owners of parent | 214,730 | 67,102 | 281,832 | | 203,426 | 66,580 | 270,006 | | 171,001 | 66,408 | 237,407 | |
| Minority interests | 8,233 | 4,013 | 12,246 | | 8,565 | 4,013 | 12,578 | | 9,235 | 4,013 | 13,248 | |
| | 222,963 | 71,115 | 294,078 | | 211,991 | 70,593 | 282,584 | | 180,236 | 70,421 | 250,655 | |
| Non-current liabilities | | | | | | | | | | | | |
| Loan and borrowings | 63,433 | | 63,433 | | 65,314 | | 65,314 | | 4,835 | | 4,835 | |
| Deferred tax liabilities | 2,290 | 22,325 | 24,615 | | 2,357 | 22,178 | 24,535 | | 5,533 | 22,129 | 27,662 | |
| Hire purchase and lease creditors | 2,636 | | 2,636 | | 2,878 | | 2,878 | | 4,729 | | 4,729 | |
| Senior certificates | 30,500 | | 30,500 | | 33,500 | | 33,500 | | 33,500 | | 33,500 | |
| | 98,859 | 22,325 | 121,184 | | 104,049 | 22,178 | 126,227 | | 48,597 | 22,129 | 70,726 | |
| Current liabilities | | | | | | | | | | | | |
| Payables | 173,682 | | 173,682 | | 162,908 | | 162,908 | | 132,931 | | 132,931 | |
| Tax payable | 4,342 | | 4,342 | | 4,841 | | 4,841 | | 4,427 | | 4,427 | |
| Investors certificates | 392,780 | | 392,780 | | 378,299 | | 378,299 | | 387,430 | | 387,430 | |
| Bank borrowings | 134,097 | | 134,097 | | 163,960 | | 163,960 | | 222,095 | | 222,095 | |
| | 704,901 | - | 704,901 | | 710,008 | - | 710,008 | | 746,883 | - | 746,883 | |
| Total liabilities | 803,760 | 22,325 | 826,085 | | 814,057 | 22,178 | 836,235 | | 795,480 | 22,129 | 817,609 | |
| Total equity and liabilities | 1,026,723 | 93,440 | 1,120,163 | | 1,026,048 | 92,771 | 1,118,819 | | 975,716 | 92,550 | 1,068,264 | |



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M2 Significant accounting policies and application of MFRS 1 (contd)

(d) Reconciliations of condensed comprehensive income.

| | Quarter ended 31 October 2011 | | | Cummulative Quarter 31 October 2011 | | | Financial Year Ended 31 January 2012 | | |
|-------------------------------------------------------------------------|----------------------------------|--------------|-----------------|----------------------------------------|--------------|-----------------|-----------------------------------------|--------------|-----------------|
| | FRS | Adjustments | MFRS | FRS | Adjustments | MFRS | FRS | Adjustments | MFRS |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 81,739 | - | 81,739 | 227,289 | - | 227,289 | 298,230 | - | 298,230 |
| Cost of sales | (29,565) | - | (29,565) | (80,707) | - | (80,707) | (104,195) | - | (104,195) |
| Gross profit | 52,174 | - | 52,174 | 146,582 | - | 146,582 | 194,035 | - | 194,035 |
| Other income | 1,924 | - | 1,924 | 11,800 | - | 11,800 | 12,542 | - | 12,542 |
| Administrative and other expenses | (50,447) | - | (50,447) | (133,164) | - | (133,164) | (186,184) | - | (186,184) |
| Earnings before interest, tax, depreciation and amortisation | 3,651 | - | 3,651 | 25,218 | - | 25,218 | 20,393 | - | 20,393 |
| Depreciation and amortisation | (2,504) | (223) | (2,727) | (7,584) | (669) | (8,253) | (9,815) | (892) | (10,707) |
| Finance cost | (13,432) | - | (13,432) | (42,130) | - | (42,130) | (50,073) | - | (50,073) |
| Loss before tax | (12,285) | (223) | (12,508) | (24,496) | (669) | (25,165) | (39,495) | (892) | (40,387) |
| Income tax expense | (1,488) | 49 | (1,439) | (2,670) | 147 | (2,523) | (5,026) | 196 | (4,830) |
| Loss for the period | (13,773) | (174) | (13,947) | (27,166) | (522) | (27,688) | (44,521) | (696) | (45,217) |
| Other comprehensive income: | | | | | | | | | |
| Foreign currency translation difference for foreign operations | 1,705 | - | 1,705 | 4,126 | - | 4,126 | 1,087 | - | 1,087 |
| Revaluation of land | - | - | - | - | - | - | 707 | - | 707 |
| Total comprehensive loss for the period | (12,068) | (174) | (12,242) | (23,040) | (522) | (23,562) | (42,727) | (696) | (43,423) |



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

M3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the year ended 31 January 2012 was unqualified.

M4 Seasonal or Cyclical Factors

Overall, the business operations of the Group were not significantly affected by any seasonal or cyclical factors.

M5 Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items due to their nature, size or incidence registered during the financial quarter under review.

M6 Changes in Accounting Estimates

During the financial quarter under review, there was no change in accounting estimates adopted by the Group.

M7 Debt and Equity Securities

During the financial quarter under review, there were no issuance, cancellations, repurchase, resales and repayments of debt and equity securities.

M8 Dividend Paid

During the financial quarter under review, no dividend was paid by the Company.



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M9 Segmental Information

| | Engineering & building materials | | General trading | | Property | | Hospitality and card services | | Investment holding & secretarial services | | Elimination | | Total | |
|--------------------------------------------------------------|----------------------------------|---------------|-----------------|---------------|---------------|---------------|-------------------------------|----------------|-------------------------------------------|----------------|------------------|------------------|------------------|------------------|
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Nine months ended 31 October | | | | | | | | | | | | | | |
| Revenue: | | | | | | | | | | | | | | |
| External customers | 54,197 | 58,814 | 36,351 | 36,574 | 73 | 2,930 | 137,025 | 128,862 | 123 | 109 | - | - | 227,769 | 227,289 |
| Inter-segment | - | - | 6,576 | 5,452 | - | - | - | - | 68 | 76 | (6,644) | (5,528) | - | - |
| Total revenue | 54,197 | 58,814 | 42,927 | 42,026 | 73 | 2,930 | 137,025 | 128,862 | 191 | 185 | (6,644) | (5,528) | 227,769 | 227,289 |
| Results : | | | | | | | | | | | | | | |
| Interest income | 78 | 187 | - | - | - | - | 8,701 | 11,037 | 1,841 | 882 | (9,863) | (11,222) | 757 | 884 |
| Dividend income | - | - | - | - | - | - | - | - | 328 | 1,542 | - | (1,109) | 328 | 433 |
| Depreciation and amortisation | 3,701 | 3,600 | 335 | 724 | - | - | 4,776 | 3,785 | 133 | 144 | - | - | 8,945 | 8,253 |
| Finance costs | 2,360 | 1,932 | 249 | 346 | - | - | 31,662 | 39,584 | 3,625 | 363 | (1,278) | (95) | 36,618 | 42,130 |
| Earnings before interest, tax, depreciation and amortisation | 3,573 | 4,540 | (514) | 929 | 39 | 1,561 | 38,952 | 34,795 | (6,038) | 5,837 | (9,863) | (22,444) | 26,149 | 25,218 |
| Segment profit / (loss) | (2,488) | (992) | (1,098) | (140) | 39 | 1,561 | 2,517 | (8,574) | (8,521) | (5,798) | (9,863) | (11,222) | (19,414) | (25,165) |
| Assets : | | | | | | | | | | | | | | |
| Additions to non-current assets | 308 | 406 | 776 | 454 | - | - | 3,846 | 4,216 | 10 | 150 | - | - | 4,940 | 5,226 |
| Segment assets | 152,893 | 74,593 | 54,078 | 46,047 | 52,214 | 53,568 | 985,140 | 807,153 | 399,930 | 439,556 | (507,833) | (397,629) | 1,136,422 | 1,023,288 |
| Segment liabilities | 49,665 | 43,788 | 15,165 | 14,498 | 44,898 | 39,685 | 803,972 | 725,938 | 116,262 | 118,261 | (124,661) | (118,805) | 905,301 | 823,365 |

**JOHAN HOLDINGS BERHAD**(Company No. 314-K)
(Incorporated in Malaysia)**NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)****M10 Carrying Amount of Revalued Assets**

The carrying amount of plant and equipments have been brought forward without amendment from the audited financial statements for the year ended 31 January 2012. The properties of the Group have been revalued as at 1 February 2011 and the details are stated in Note M2(b).

M11 Event Subsequent to the Balance Sheet Date

There was no event subsequent to the end of the financial quarter that require to be reflected in the financial statements for the quarter.

M12 Changes in Composition of the Group

There were no changes in the composition of the Group during the financial quarter under review.

M13 Changes in Contingent Liabilities

There were no contingent liabilities as at the reporting date.

M14 Capital Commitments

The capital commitment for the purchase of property, plant, equipment and computer systems not provided for in the interim financial statements is as follows :

| | |
|-----------------------------|---------------------------------------------|
| | As at 31 October 2012 RM'000 |
| Approved and contracted for | <u>5,826</u> |

M15 Related Party Transactions

| | Current Quarter 3 months ended 31 October | | Cummulative Quarter 9 months ended 31 October | |
|-------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|------------------------|--------------------------------------------------------------|------------------------|
| | 2012 RM'000 | 2011 RM'000 | 2012 RM'000 | 2011 RM'000 |
| Transactions with corporations in which two Directors are deemed interested through their interest in George Kent (Malaysia) Bhd :- | | | | |
| Sales of tiles | - | 28 | - | 110 |
| Sales of air tickets | 83 | 44 | 298 | 97 |
| Recovery of share registration and listing fees | 65 | 23 | 184 | 70 |
| Rental expense from motor vehicles | - | - | - | 11 |
| Purchases of goods | 1,762 | - | 2,645 | - |
| Transactions with a director :- | | | | |
| Sales of development properties | | | | |
| - progress billings | <u>-</u> | <u>407</u> | <u>-</u> | <u>1,139</u> |

The Directors of the Company are of the opinion that the above transactions were in the normal course of business and have been established under terms that are no less favourable than those arranged with independent parties.



JOHAN HOLDINGS BERHAD

(Company No. 314-K)
(Incorporated in Malaysia)

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

K1 Review of Performance

For the financial quarter under review, the Group registered a revenue of RM75.747 million compared to corresponding quarter of RM81.739 million, down 7.3%. The engineering, manufacturing and property development businesses registered lower revenue in the quarter under review whilst the other businesses registered increase in revenue.

The Group incurred a loss before tax of RM6.647 million against corresponding quarter loss before tax of RM12.508 million, an improvement of 47%. This was due to higher other income and lower administrative expenses.

The hospitality and card services segment recorded a higher revenue and a lower loss in current quarter. The business registered higher service charge revenue whilst the finance cost was lower.

The engineering business recorded lower revenue and incurred a loss in current quarter as compared to a profit in corresponding quarter. This was due to lower revenue and smaller jobs secured. The tiles manufacturing business incurred lower loss in current quarter as compared to corresponding quarter due to higher revenue and profit margin, as a result of improvement production, both quantity and quality.

The healthfood business recorded lower revenue but lower loss in current quarter compared to corresponding quarter. The start-up business in Shanghai is progressing well with higher revenue in current quarter.

The investment holding companies and secretarial companies recorded lower losses in current quarter as compared with corresponding quarter due to higher revenue income.

Group loss for the period after taxation was RM7.044 million compared to corresponding quarter loss of RM13.947 million, an improvement of 50.51%.

K2 Variation of Results Against Preceding Quarter

Total revenue for the current financial quarter was RM75.747 million, down 2% when compared to preceding quarter's RM76.744 million. When compared to preceding quarter's loss before tax of RM9.095 million, the Group incurred a lower loss before tax of RM6.647 million due principally to the foreign exchange gain and lower administrative expenses.



JOHAN HOLDINGS BERHAD

(Company No. 314-K)
(Incorporated in Malaysia)

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)

K3 Current Year Prospect

The Group's business includes provision of hospitality, charge and credit cards services in Malaysia, Singapore and New Zealand; travel, tours and ticketing business in Malaysia and Singapore; property development in Lumut; fabrication and engineering business in Australia; tiles manufacturing in Malaysia; distribution of health foods and supplements in Malaysia, Singapore, Brunei and

The card services business expects to register higher growth in revenue and receivables, particularly from the Diners Cash and Buy Now Pay Later programme. The travel business expects lower corporate travelling but higher revenue from the outbound business.

The hotel business forecasts more tourists during the holidays months which would increase the occupancy rate.

The tiles business anticipates its revenue to be maintained albeit the raining season which generally affects the construction industry. The Australian engineering operation will be slow in the year end festival season.

The Singapore economy where the healthfood business is principally located, shrank 1.5% in third quarter. The market conditions remain competitive.

The continuing problems in the major economies are causing uncertainties in the global economy which impacts the markets that the Group operates. The Board remains cautious on the prospects for the remaining year.

K4 Profit Forecast

Not applicable as no profit forecast was issued by the Group.

**JOHAN HOLDINGS BERHAD**(Company No. 314-K)
(Incorporated in Malaysia)**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K5 NOTES TO CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

(The figures have not been audited)

| | Current Quarter 3 months ended 31 October | | Cummulative Quarter 9 months ended 31 October | |
|------------------------------------------------------------|-------------------------------------------------|------------------------------|-----------------------------------------------------|------------------------------|
| | 2012 RM'000 | 2011 RM'000 (restated) | 2012 RM'000 | 2011 RM'000 (restated) |
| Loss before tax is arrived at after charging/(crediting) : | | | | |
| a) Interest income | (363) | (228) | (758) | (884) |
| b) Other income including investment income | (1,525) | (1,698) | (6,044) | (10,918) |
| c) Interest expense | 15,648 | 13,432 | 36,618 | 42,130 |
| d) Depreciation and amortisation | 2,912 | 2,727 | 8,945 | 8,253 |
| e) Provision for and write off of receivables | 2,318 | 3,729 | 5,973 | 5,996 |
| f) Provision for and write off of inventories | - | 291 | 74 | 291 |
| g) Net Foreign exchange loss / (gain) | (4,077) | (1,053) | (1,053) | (1,338) |

K6 Tax Expense

| | Current Quarter 3 months ended 31 October | | Cummulative Quarter 9 months ended 31 October | |
|------------------------------------------------------------------|-------------------------------------------------|------------------------------|-----------------------------------------------------|------------------------------|
| | 2012 RM'000 | 2011 RM'000 (restated) | 2012 RM'000 | 2011 RM'000 (restated) |
| Tax expense based on results for continuing operations: - | | | | |
| Current | | | | |
| - Malaysian tax | - | (119) | (8) | (208) |
| - Foreign tax | (446) | (1,369) | (2,143) | (2,462) |
| | (446) | (1,488) | (2,151) | (2,670) |
| Deferred taxation | 49 | 49 | 147 | 147 |
| | <u>(397)</u> | <u>(1,439)</u> | <u>(2,004)</u> | <u>(2,523)</u> |

The tax expense is provided on the profits made by certain group companies due to the absence of the group tax relief in the respective countries of operations.

**JOHAN HOLDINGS BERHAD**(Company No. 314-K)
(Incorporated in Malaysia)**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K7 Status of Corporate Proposal Announced**

There were no corporate proposal for the financial quarter under review.

K8 Borrowings and Debt Securities

| | Unaudited As at 31 October 2012 RM'000 | Unaudited As at 31 January 2012 RM'000 | Unaudited As at 1 February 2011 RM'000 |
|------------------------------------------|-------------------------------------------------|-------------------------------------------------|-------------------------------------------------|
| a) Short term borrowings | | | |
| Secured | | | |
| - Bank overdrafts | 95,655 | 70,720 | 66,989 |
| - Revolving credits & short term loans | 129,159 | 130,492 | 23,092 |
| - Trust receipts and bankers' acceptance | 6,564 | 5,801 | 7,052 |
| - Term loans | 10,596 | 12,687 | 11,102 |
| - Hire purchase and lease creditors | 2,834 | 2,395 | 1,572 |
| | <u>244,808</u> | <u>222,095</u> | <u>109,807</u> |
| Unsecured | | | |
| - Bank overdrafts | - | - | 2,830 |
| - Revolving credits and short-term loans | - | - | 21,460 |
| | <u>-</u> | <u>-</u> | <u>24,290</u> |
| Total short term borrowings | <u><u>244,808</u></u> | <u><u>222,095</u></u> | <u><u>134,097</u></u> |
| b) Long term borrowings | | | |
| Secured | | | |
| -Term Loan | 1,171 | 4,835 | 63,433 |
| - Hire purchase and lease creditors | 3,614 | 4,729 | 2,636 |
| Total long term borrowings | <u><u>4,785</u></u> | <u><u>9,564</u></u> | <u><u>66,069</u></u> |

The bank borrowings denominated in foreign currencies are as follows: -

| | RM'000 | RM'000 | RM'000 |
|---------------------------------|-----------------------|-----------------------|-----------------------|
| Denominated in Singapore Dollar | <u><u>205,320</u></u> | <u><u>170,273</u></u> | <u><u>153,986</u></u> |

K9 Off Balance Sheet Financial Instruments

The Group does not have any financial instrument with off balance sheet risk as at 12 December 2012.

K10 Changes in Material Litigation

There were no material litigations during the quarter under review.

K11 Dividend

The Board does not recommend any dividend for the financial period ended 31 October 2012 (31 October 2011 : Nil).

**JOHAN HOLDINGS BERHAD**(Company No. 314-K)
(Incorporated in Malaysia)**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K12 Earnings / (Loss) per Share****Basic & diluted**

Basic and diluted earnings / (loss) per share are calculated by dividing profit / (loss) for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue as at the end of the financial period.

Diluted earning / (loss) per share is the same as basic earnings / (loss) per share. The outstanding ESOS shares are not included as the effect is anti-dilutive.

| | 3 months ended 31 October | | 9 months ended 31 October | |
|------------------------------------------------------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | 2012 RM'000 | 2011 RM'000 (restated) | 2012 RM'000 | 2011 RM'000 (restated) |
| Loss for the period attributable to ordinary equity holders of the parent | <u>(7,089)</u> | <u>(14,298)</u> | <u>(21,597)</u> | <u>(27,924)</u> |
| Number of ordinary shares ('000) in issue | <u>622,948</u> | <u>622,948</u> | <u>622,948</u> | <u>622,948</u> |
| Basic & diluted loss per share | <u>(1.14)</u> | <u>(2.30)</u> | <u>(3.47)</u> | <u>(4.48)</u> |

K13 Realised and Unrealised Profits / (Losses)

The breakdown of accumulated losses of the Group as at the reporting date into realised and unrealised profit / (losses), are as follows:-

| | As at 31 October 2012 RM'000 | As at 31 January 2012 RM'000 (restated) |
|-----------------------------------------------------------------------------|------------------------------------|--------------------------------------------------|
| Total accumulated losses of Johan Holdings Berhad and its subsidiaries : | | |
| - Realised | (430,620) | (452,313) |
| - Unrealised | <u>74,193</u> | <u>119,382</u> |
| | (356,427) | (332,931) |
| Consolidation adjustments | <u>179,639</u> | <u>177,740</u> |
| Accumulated losses as per consolidated accounts | <u>(176,788)</u> | <u>(155,191)</u> |

BY ORDER OF THE BOARD**Teh Yong Fah**

Group Secretary

Kuala Lumpur

13th December 2012