

JOHAN HOLDINGS BERHAD

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

INTERIM FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND FINANCIAL YEAR ENDED 31 JANUARY 2020

| | Note | Current Quarter 3 months ended 31 January | | Cumulative 12 months ended 31 January | |
|--|--------------|---|-----------------------------|---|----------------------------|
| | | 2020 Unaudited RM'000 | 2019 Unaudited RM'000 | 2020 Unaudited RM'000 | 2019 Restated RM'000 |
| Continuing operations | | | | | |
| Revenue | K2 | 23,018 | 28,565 | 97,023 | 105,880 |
| Cost of sales | | (612) | (2,008) | (3,466) | (4,019) |
| Gross profit | | 22,406 | 26,557 | 93,557 | 101,861 |
| Other income | | 3,542 | 607 | 23,184 | 3,913 |
| Net fair value gain on investment properties | K2 | 15,241 | - | 15,241 | - |
| Net foreign exchange gain/(loss) | | 5,149 | (513) | 2,601 | (4,198) |
| Net fair value loss on investment securities | M5 | (3,775) | (237) | (4,954) | (64,634) |
| Marketing and distribution expenses | | (6,741) | (4,011) | (22,181) | (17,169) |
| Administrative expenses | | (13,873) | (18,051) | (70,585) | (75,807) |
| Other operating expenses | M5 | (741) | (1,933) | (7,860) | (5,523) |
| Earnings/(Loss) before interest, tax, depreciation and amortisation | | 21,208 | 2,419 | 29,003 | (61,557) |
| Depreciation and amortisation | | (2,503) | (1,805) | (8,704) | (7,761) |
| Finance costs | | (8,810) | (9,081) | (36,222) | (35,349) |
| Profit/(Loss) before tax | K2/K6 | 9,895 | (8,467) | (15,923) | (104,667) |
| Income tax credit/(expense) | K7 | 2,612 | 3,638 | 175 | 5,388 |
| Profit/(Loss) from continuing operations | | 12,507 | (4,829) | (15,748) | (99,279) |
| (Loss)/Profit from discontinued operations | K9 | - | (4,499) | - | (3,470) |
| Profit/(Loss) for the period | | 12,507 | (9,328) | (15,748) | (102,749) |
| Other comprehensive income: | | | | | |
| Foreign currency translation difference for foreign operations | | (1,815) | 352 | (792) | 2,422 |
| Gain on revaluation of properties | | 1,176 | 2,138 | 1,176 | 2,138 |
| Total comprehensive profit/(loss) for the year | | 11,868 | (6,838) | (15,364) | (98,189) |
| Profit/(Loss) for the period attributable to : | | | | | |
| Owners of the Company | | 9,924 | (8,924) | (17,768) | (101,698) |
| Non-controlling interests | | 2,583 | (404) | 2,020 | (1,051) |
| | | 12,507 | (9,328) | (15,748) | (102,749) |
| Total comprehensive profit/(loss) attributable to:- | | | | | |
| Owners of the Company | | 9,285 | (6,434) | (17,384) | (97,138) |
| Non-controlling interests | | 2,583 | (404) | 2,020 | (1,051) |
| | | 11,868 | (6,838) | (15,364) | (98,189) |
| Earning/(Loss) per share attributable to owners of the Company: | | | | | |
| Basic & diluted earning/(loss) per share for the year (sen) | | | | | |
| - Continuing operations | K15 | 1.59 | (0.71) | (2.85) | (15.77) |
| - Discontinued operations | K15 | - | (0.72) | - | (0.56) |
| Continuing and discontinued operations | K15 | 1.59 | (1.43) | (2.85) | (16.33) |

(The Condensed Consolidated Statements of Profit Or Loss And Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 January 2019 and the accompanying explanatory notes attached to the interim financial statements)


JOHAN HOLDINGS BERHAD

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | Note | Unaudited As at 31 January 2020 RM'000 | Restated As at 31 January 2019 RM'000 | Restated As at 1 February 2018 RM'000 |
|--|------------|---|--|--|
| Non-current assets | | | | |
| Property, plant and equipment | | 172,592 | 306,770 | 307,024 |
| Right-of-use assets | | 1,856 | - | - |
| Investment Properties | | 21,387 | - | - |
| Inventories-Non current | | 30 | 6,144 | 6,144 |
| Intangible assets | | 8,324 | 9,248 | 11,883 |
| Investment securities | | 27 | 39 | 38 |
| Total non-current assets | | 204,216 | 322,201 | 325,089 |
| Current assets | | | | |
| Inventories | | 904 | 777 | 736 |
| Receivables | | 555,611 | 549,024 | 536,902 |
| Tax recoverable | | 210 | 395 | 235 |
| Investment securities | | 20,522 | 25,476 | 90,109 |
| Cash and bank balances | | 63,822 | 68,625 | 76,576 |
| Asset held for sale | | 127,000 | - | - |
| Total current assets | | 768,069 | 644,297 | 704,558 |
| Total assets | | 972,285 | 966,498 | 1,029,647 |
| Share capital | | | | |
| Share capital | M7 | 380,889 | 380,889 | 380,889 |
| Reserves | | | | |
| Exchange reserve | | 29,985 | 30,777 | 28,355 |
| Investments & Properties revaluation reserve | | 79,582 | 78,406 | 76,268 |
| Accumulated losses | | (428,053) | (410,285) | (308,595) |
| Attributable to equity holders of the parent | | 62,403 | 79,787 | 176,917 |
| Non-controlling interests | | 3,209 | 1,189 | 2,236 |
| Total equity | | 65,612 | 80,976 | 179,153 |
| Non-current liabilities | | | | |
| Loans and borrowings | K11 | 35 | 94 | 326 |
| Lease liabilities | K11 | 343 | - | - |
| Deferred tax liabilities | | 34,625 | 33,466 | 30,388 |
| Investor certificates | | 296,031 | 300,740 | 294,082 |
| Total non-current liabilities | | 331,034 | 334,300 | 324,796 |
| Current liabilities | | | | |
| Payables | | 342,721 | 235,669 | 253,967 |
| Tax payable | | 16 | 2,299 | 6,408 |
| Investor certificates | | 174,562 | 177,665 | 153,526 |
| Loans and borrowings | K11 | 56,827 | 135,589 | 111,797 |
| Lease liabilities | K11 | 1,513 | - | - |
| Total current liabilities | | 575,639 | 551,222 | 525,698 |
| Total liabilities | | 906,673 | 885,522 | 850,494 |
| Total equity and liabilities | | 972,285 | 966,498 | 1,029,647 |
| Net assets per share (sen) | | 10.53 | 13.00 | 28.76 |

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 January 2019 and the accompanying explanatory notes attached to the interim financial statements)

**JOHAN HOLDINGS BERHAD**(Company No. 314-K)
(Incorporated in Malaysia)**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2020**

←————— **Attributable to owners of the Company** —————→
 ←————— **Non-distributable reserves** —————→

| | Share capital RM'000 | Exchange reserve RM'000 | Properties revaluation reserve RM'000 Restated | Accumulated profit/(losses) RM'000 Restated | Equity attributable to owners of the Company, total RM'000 Restated | Non- controlling interests RM'000 Restated | Total RM'000 Restated |
|--|-------------------------------------|--|---|--|--|---|--------------------------------------|
| Balance as at 1 February 2018 | 380,889 | 28,355 | 71,818 | (297,541) | 183,521 | 2,965 | 186,486 |
| Prior Year Adjustments | - | - | 4,450 | (11,054) | (6,604) | (729) | (7,333) |
| Restated balance as at 1 February 2018 | 380,889 | 28,355 | 76,268 | (308,595) | 176,917 | 2,236 | 179,153 |
| Total comprehensive gain/(loss) for the period | - | 2,422 | 2,138 | (96,726) | (92,166) | (780) | (92,946) |
| Balance as at 31 January 2019 | 380,889 | 30,777 | 78,406 | (405,321) | 84,751 | 1,456 | 86,207 |
| Prior Year Adjustments | - | - | - | (4,964) | (4,964) | (267) | (5,231) |
| Restated balance as at 1 February 2019 | 380,889 | 30,777 | 78,406 | (410,285) | 79,787 | 1,189 | 80,976 |
| Balance as at 1 February 2019 | 380,889 | 30,777 | 78,406 | (410,285) | 79,787 | 1,189 | 80,976 |
| Total comprehensive gain/(loss) for the period | - | (792) | 1,176 | (17,768) | (17,384) | 2,020 | (15,364) |
| Balance as at 31 January 2020 | 380,889 | 29,985 | 79,582 | (428,053) | 62,403 | 3,209 | 65,612 |

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 January 2019 and the accompanying explanatory notes attached to the interim financial statements)



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE
FINANCIAL YEAR ENDED 31 JANUARY 2020**

| | Cumulative 12 months ended 31 January | |
|--|---|----------------------------|
| | 2020 Unaudited RM'000 | 2019 Restated RM'000 |
| Cash flows from/(used in) operating activities | | |
| (Loss)/Profit before tax | | |
| -Continued operations | (15,923) | (104,667) |
| -Discontinued operations | - | 870 |
| | (15,923) | (103,797) |
| Adjustments for non-cash and non-operating items: | | |
| - Non-cash items | 22,393 | 77,474 |
| - Investing and financing items | 35,873 | 36,251 |
| Operating cash flows before working capital changes | 42,343 | 9,928 |
| Changes in working capital: | | |
| - Changes in current assets | (36,913) | (2,979) |
| - Changes in current liabilities | 111,537 | (23,866) |
| Tax paid | (1,920) | (160) |
| Net cash flows from/(used in) operating activities | 115,047 | (17,077) |
| Cash flows (used in)/from investing activities | | |
| Interest received | 322 | 253 |
| Proceeds from disposal of property, plant and equipment | 181 | 2,289 |
| Dividend income | 27 | 34 |
| Proceeds from disposal of investment securities | 12 | - |
| Purchase of intangible assets | (1,035) | (405) |
| Purchase of property, plant and equipment | (1,029) | (389) |
| Net cash (used in)/from investing activities | (1,522) | 1,782 |
| Cash flows (used in)/from financing activities | | |
| Net (payment for)/proceeds from investor certificates | (2,767) | 20,409 |
| Decrease in deposit pledged with licensed financial institutions | 2,082 | 3,287 |
| Repayment of bank borrowings | (9,909) | (6,863) |
| Loan interest paid | (36,222) | (36,538) |
| Net cash used in financing activities | (46,816) | (19,705) |
| Net increase/(decrease) in cash and cash equivalents | 66,709 | (35,000) |
| Effects of foreign exchange rate changes | (599) | 658 |
| Cash and cash equivalents at beginning of year | (25,940) | 8,402 |
| Cash and cash equivalents at end of year | 40,170 | (25,940) |
| Analysis of cash and cash equivalents: | | |
| Cash and bank balances | 63,822 | 68,625 |
| Bank overdrafts | (23,494) | (92,325) |
| Pledged deposit with licensed financial institutions | (158) | (2,240) |
| | 40,170 | (25,940) |

Reconciliation of liabilities arising from financing activities:

| | Carrying amount As at 01.02.2019 RM'000 | Cash flows RM'000 | Non-cash changes Foreign exchange movement RM'000 | Carrying amount As at 31.01.2020 RM'000 |
|--|--|----------------------|--|--|
| | Investor certificates | | | 478,405 |
| Loan and borrowings, excluding bank overdrafts | 43,358 | (9,909) | (81) | 33,368 |
| Total liabilities from financing activities | 521,763 | (12,676) | (5,126) | 503,961 |

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 January 2019 and the accompanying explanatory notes attached to the interim financial statements)



NOTES TO THE INTERIM FINANCIAL STATEMENTS

M1 Basis of Preparation

The interim financial statements are unaudited and had been prepared in compliance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134-Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Malaysia") and should be read in conjunction with the audited financial statements of the Group for the year ended 31 January 2019.

Adoption of New and Revised Malaysian Financial Reporting Standards

During the current financial year, the Group and the Company have adopted all the new and revised Standards and Interpretation issued by the Malaysian Accounting Standards Board ("MASB") that are relevant to their operations and effective for annual periods beginning on or after 1 February 2019 as follows:

| | |
|---|--|
| MFRS 16 | Leases |
| Amendments to MFRS 9 | Prepayment Features with Negative Compensation |
| Amendments to MFRS 128 | Long-term Interests in Associates and Joint Ventures |
| IC Int. 23 | Uncertainty Over Income Tax Treatments. |
| Amendments to MFRSs contained in the document entitled Annual Improvements to MFRSs 2015 - 2017 Cycle | |

The adoption of these new and revised Standards and Interpretation does not have any material impact on the amounts reported in the financial statements of the Group and of the Company in the current and previous financial year.

Standards in issue but not yet effective

At the date of authorisation for issue of these financial statements, the new and revised Standards, Amendments and Interpretations ("IC Int.") to the Group and the Company which were in issue but not yet effective and not early adopted by the Group and the Company are as listed below:

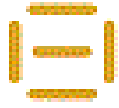
| | |
|---|---|
| MFRS 17 | Insurance Contracts ² |
| Amendments to MFRS 3 | Definition of a Business ¹ |
| Amendments to MFRS 10 and 128 | Sales or Contribution of Assets between an Investor and its Associate or Joint Venture ³ |
| Amendments to MFRS 101 and MFRS 108 | Definition of Material ¹ |
| Amendments to References to Conceptual Framework in MFRS Standards ¹ | |

¹ Effective for annual periods beginning on or after 1 January 2020.

² Effective for annual periods beginning on or after 1 January 2021.

³ Effective date deferred to a date to be announced by MASB.

The Directors expect that the adoption of the above Standards, Amendments and IC Int. will not result in any significant changes in the accounting policies and will not have significant effect on the financial position, results and disclosures in the financial statements of the Group and the Company in the period of initial application.



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

M2 MFRS 16 Leases

MFRS 16 is effective for annual periods beginning on or after 1 January 2019. MFRS 16 replaces the guidance in MFRS 117 Lease, IC interpretation 4 Determining whether an Arrangement contains a Lease, IC Interpretation 115 Operating Leases - Incentives and IC Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

MFRS 16 introduces a single, on-balance sheet model for lease which is similar to the accounting for finance lease under MFRS 117. Lessor accounting remains similar to MFRS 117 which continues to be classified as finance or operating lease.

The Group adopted MFRS 16 using a modified retrospective method. The Group did not restate the comparative information, which continued to be reported under MFRS 117.

The effects of adoption MFRS 16 are as follows :

(a) Leases previously accounted for as operating leases

The Group recognised right-of-use ("ROU") assets and lease liabilities for those leases previously classified as operating leases. The Group had elected to apply the practical expedient for the fixed non-lease components embed in the lease contract, these components were not separated out from lease payments in measuring lease liabilities and capitalised as ROU assets.

The lease liabilities were stated at the present value of the remaining outstanding lease payments. The Group had opted to measure the ROU assets at an amount equal to lease liabilities. The Group applied practical expedient and excluded the initial direct costs from the measurement of the ROU assets at the date of initial application. Hence, there was no financial impact to its retained earnings as the initial application date.

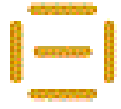
The ROU assets are depreciated using the straight-line method from the date of initial application to the earlier of the end of useful life of the ROU assets or the end of the lease term. The finance charges are charged to profit or loss. The total lease payments are separated into a principal portion, which is presented within financial activities and finance charges, which is presented within operating activities in the statement of cashflows.

(b) Financial impacts of adoption of MFRS 16

In summary, the financial impacts of adopting MFRS 16 to opening balances as at 1 February 2019 are as follows:

1 February 2019

| | As previously reported RM'000 | MFRS 16 adjustments RM'000 | After MFRS 16 adjustment RM'000 |
|-------------------------------|-------------------------------------|----------------------------------|---------------------------------------|
| Assets | | | |
| Right-of-use assets | - | 3,059 | 3,059 |
| Liabilities | | | |
| Current lease liabilities | - | 2,780 | 2,780 |
| Non-current lease liabilities | - | 279 | 279 |
| Impact to liabilities | - | 3,059 | 3,059 |



JOHAN HOLDINGS BERHAD

(Company No. 314-K)
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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT'D)

M3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the year ended 31 January 2019 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

Included in investment securities as of 31 January 2019 was investment in the quoted shares of George Kent (Malaysia) Berhad of RM25.476 million, measured at the market value of RM1.08 per share. As of 31 January 2020, the market value of the said investment has decreased to RM0.87 per share, resulted in a fair value loss of RM4.954 million.

Included in other operating expenses is an impairment of land and building of RM 3.362 million, by a wholly owned subsidiary, Prestige Ceramics Sdn Bhd.

M6 Changes in Accounting Estimates

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

M7 Share Capital, Debt and Equity Securities

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

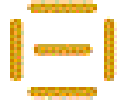
M8 Dividend Paid

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

M9 Segmental Information

| | General Trading | | Property | | Hospitality and card services | | | | Investment holding & secretarial services | | | | Elimination | | Total | |
|---|-----------------|--------|----------|---------|-------------------------------|---------|-----------|----------|---|----------|-----------|--------|-------------|----------|----------|-----------|
| | 2020 | 2019 | 2020 | 2019 | Malaysia | | Singapore | | Malaysia | | Singapore | | 2020 | 2019 | 2020 | 2019 |
| | 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 | RM'000 | RM'000 |
| 12 months ended 31 January | | | | | | | | | | | | | | | | |
| Revenue: | | | | | | | | | | | | | | | | |
| External customers | 60 | 63 | - | - | 9,198 | 7,710 | 86,361 | 95,885 | 1,404 | 2,222 | - | - | - | - | 97,023 | 105,880 |
| Inter-segment | - | - | - | - | - | - | - | - | 218 | 220 | - | - | (218) | (220) | - | - |
| Total revenue | 60 | 63 | - | - | 9,198 | 7,710 | 86,361 | 95,885 | 1,622 | 2,442 | - | - | (218) | (220) | 97,023 | 105,880 |
| Results : | | | | | | | | | | | | | | | | |
| Interest income | - | - | 5 | 4 | - | - | 20,202 | 14,213 | 816 | 286 | 13,457 | 12,691 | (34,158) | (26,941) | 322 | 253 |
| Dividend income | - | - | 26 | 34 | - | - | - | - | - | - | - | - | - | - | 26 | 34 |
| Depreciation and amortisation | - | - | - | - | 3,517 | 2,324 | 5,052 | 5,291 | 135 | 146 | - | - | - | - | 8,704 | 7,761 |
| Finance costs | - | - | 1,217 | 1,217 | - | - | 35,520 | 37,031 | 14,474 | 24,033 | - | - | (14,989) | (26,932) | 36,222 | 35,349 |
| Earnings/(loss) before interest, tax, depreciation and amortisation | (28) | (27) | 5,521 | (1,012) | 3,892 | (1,827) | 19,679 | 29,100 | 20,874 | (62,718) | 15 | 2,158 | (20,950) | (27,231) | 29,003 | (61,557) |
| Segment profit / (loss) | (28) | (27) | 4,304 | (2,229) | 375 | (4,151) | (20,893) | (13,222) | 6,265 | (86,897) | 15 | 2,158 | (5,961) | (299) | (15,923) | (104,667) |

| | Building materials (Discontinued) | | General Trading | | Property | | Hospitality and card services | | | | Investment holding & secretarial services | | | | Elimination | | Total | |
|-----------------------------------|-----------------------------------|---------|-----------------|--------|----------|--------|-------------------------------|--------|-----------|---------|---|--------|-----------|--------|-------------|--------|---------|---------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | Malaysia | | Singapore | | Malaysia | | Singapore | | 2020 | 2019 | 2020 | 2019 |
| | 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 | RM'000 | RM'000 | RM'000 | RM'000 |
| 12 months ended 31 January | | | | | | | | | | | | | | | | | | |
| Assets : | | | | | | | | | | | | | | | | | | |
| Additions to non-current assets | - | 3 | - | - | - | - | 306 | 115 | 1,758 | 646 | - | 30 | - | - | - | - | 2,064 | 794 |
| Segment assets | 140,793 | 131,431 | 37 | 48 | 21,535 | 7,197 | 93,602 | 97,860 | 658,277 | 663,290 | 36,950 | 30,224 | 48 | 12,231 | 21,043 | 24,217 | 972,285 | 966,498 |
| Segment liabilities | 25,012 | 12,261 | 72 | 81 | 15,946 | 12,559 | 12,639 | 14,031 | 656,558 | 827,939 | 595 | 10,900 | 5,332 | 5,553 | 190,519 | 2,210 | 906,673 | 885,534 |

**JOHAN HOLDINGS BERHAD**

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT'D)**M10 Event Subsequent to the end of the reporting period**

There was no event subsequent to the end of the financial quarter that require to be reflected in the financial statements for the current financial quarter except on 27 November 2019 the Group has announced the proposed disposal by a wholly owned subsidiary, Prestige Ceramics Sdn Bhd, of a piece of freehold land measuring approximately 112,390 square meters, held under GRN 150651, Lot No. 1115, Batu 15, Jalan Puchong, 47100 Puchong, Selangor Darul Ehsan to Aspect Potential Sdn Bhd ("Purchaser"), for a total disposal consideration of RM 127 million to be satisfied via combination of cash and payment in kind. The proposed disposal is subject to shareholders' approval at the postponed EGM to be held on 15 April 2020.

M11 Changes in Composition of the Group

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

M12 Changes in Contingent Liabilities

There were no contingent liabilities as at the reporting date.

M13 Capital Commitments

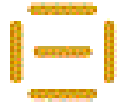
The capital commitment for the purchase of property, plant, equipment and computer systems not provided for in the interim financial statements is as follows :

| | Unaudited As at 31 January 2020 RM'000 |
|-----------------------------|---|
| Approved and contracted for | <u>226</u> |

M14 Related Party Transactions

| | Current Quarter 3 months ended 31 January | | Cumulative 12 months ended 31 January | |
|---|--|--------------------------------------|--|-------------------------------------|
| | 2020 Unaudited RM'000 | 2019 Unaudited RM'000 | 2020 Unaudited RM'000 | 2019 Restated RM'000 |
| Transactions with corporations in which three Directors are also directors and/or deemed interested through their | | | | |
| Sales of air tickets | 165 | 154 | 642 | 1,068 |
| Recovery of secretarial, share registration and accounting fees | 46 | 31 | 169 | 132 |
| Income from rental of motor vehicles | - | 3 | - | 85 |
| Income from rental of land | 80 | 120 | 440 | 480 |

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.



ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

K1 Gross Billings

| | Current Quarter 3 months ended 31 January | | Cumulative 12 months ended 31 January | |
|----------------|---|----------------|---|----------------|
| | 2020 RM'000 | 2019 RM'000 | 2020 RM'000 | 2019 RM'000 |
| Gross billings | 793,272 | 726,823 | 3,101,340 | 2,674,875 |

Gross billings comprise of amount spent by charge and credit card customers, invoices to air ticketing and travel customers, revenue from sales of goods, hotel operations, sales of properties and management services income.

K2 Review of Performance

Continuing operations:

- For the financial quarter under review, the Group registered revenue of RM23.018 million compared to corresponding quarter of RM28.565 million, lower by 19.42%.
- The Group recorded a profit before tax of RM9.895 million in current quarter compared to corresponding quarter loss before tax of RM8.467 million, mainly due to fair value gain derived from reclassification of 4 parcel of vacant land from inventories to investment properties of RM15.241 million and foreign exchange gain of RM5.149 million in current quarter.
- Card services business recorded a profit before tax of RM722,000 in current quarter compared to corresponding quarter loss before tax of RM2.823 million mainly due to lower operating expenses and over provision for bad debts.
- Hospitality business recorded a lower loss before tax of RM844,000 in current quarter compared to corresponding quarter of RM973,000 mainly due to higher revenue.

The profit attributable to shareholders was RM9.924 million compared to corresponding quarter loss of RM8.924 million.

K3 Variation of Results Against Preceding Quarter

| | Current Quarter 3 months ended | | Changes (Amount/%) |
|--|-----------------------------------|----------------------|-----------------------|
| | 31.01.2020 RM'000 | 31.10.2019 RM'000 | |
| Revenue from continuing operation | 23,018 | 24,270 | -5.16% |
| Profit/(Loss) before tax from continuing operation | 9,895 | (19,996) | 149.48% |
| Profit/(Loss) after tax | 12,507 | (20,303) | 161.60% |
| Profit/(Loss) for the period attributable to owners of the Company | 9,924 | (20,062) | 149.47% |

Total revenue for the current financial quarter was RM23.018 million compared to preceding quarter's of RM24.270 million. The Group recorded a profit before tax from continuing operation of RM9.895 million compared to preceding quarter loss before tax of RM19.996 million mainly due to RM15.241 million fair value gain from classifying land to investment properties and exchange gain of RM5.149 million in current quarter.

K4 Prospects

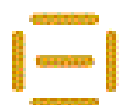
As announced on 20 March 2020, the proposed disposal by Prestige Ceramics Sdn Bhd of the freehold land of about 28 acres in Puchong for a total consideration of RM127 Million (Proposed Disposal), is subject to shareholders' approval at the postponed Extraordinary General Meeting (EGM) of the Company to be held on 15 April 2020.

If approval is obtained from shareholders for the Proposed Disposal at the said postponed EGM, the cash proceeds generated will strengthen the Group's cashflow for repayment of a term loan, provide general working capital for the Group's operations and to fund other business investment opportunities going forward.

The intensifying COVID-19 outbreak, unresolved trade policy uncertainties, geopolitical tensions and the sharp drop in oil prices are expected to weigh on consumer sentiment, putting the brakes on consumer spending. In particular, concerns about COVID-19 will continue to severely dampen demand for travel and hospitality services. To mitigate the above, Diners Club Singapore will intensify its marketing efforts to stimulate card usage. We will also introduce the "Diners SG Pay" e-wallet at Singapore hawker centres.

K5 Profit Forecast

No profit forecast was issued by the Group.



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

K6 Loss Before Tax

| | Current Quarter 3 months ended 31 January | | Cumulative 12 months ended 31 January | |
|--|---|----------------------------|---|----------------------------|
| | 2020 Unaudited RM'000 | 2019 Restated RM'000 | 2020 Unaudited RM'000 | 2019 Restated RM'000 |
| Loss before tax from continuing operations is arrived at after crediting/(charging) : | | | | |
| a) Interest income | 61 | 106 | 322 | 253 |
| b) Net fair value loss on investment securities | (3,775) | (237) | (4,954) | (64,634) |
| c) Other income | 1,715 | 501 | 17,696 | 3,660 |
| d) Interest expense | (8,810) | (9,081) | (36,222) | (35,349) |
| e) Depreciation and amortisation | (2,503) | (1,805) | (8,704) | (7,761) |
| f) write off of/(Provision for) receivables | 1,766 | (1,492) | 5,166 | (2,927) |
| g) Net foreign exchange loss | 5,149 | (513) | 2,601 | (4,198) |
| h) Impairment of land & building | - | - | (3,362) | - |
| g) Fair value gain on reclassification of land from inventories to investment properties | 15,241 | - | 15,241 | - |

K7 Income Tax (Expense)/Credit

| | Current Quarter 3 months ended 31 January | | Cumulative 12 months ended 31 January | |
|---|---|----------------------------|---|----------------------------|
| | 2020 Unaudited RM'000 | 2019 Restated RM'000 | 2020 Unaudited RM'000 | 2019 Restated RM'000 |
| Tax (expense)/credit based on results for continuing operations: - | | | | |
| Current | | | | |
| - Malaysian tax | (993) | (868) | (1,157) | (903) |
| - Foreign tax | 3,578 | 152 | 3,578 | 152 |
| Over/(Under) provision in prior years | 27 | 4,354 | (2,246) | 6,139 |
| | <u>2,612</u> | <u>3,638</u> | <u>175</u> | <u>5,388</u> |

The Malaysia tax expense is mainly due to deferred tax liabilities and foreign tax credit is mainly due to tax refund.

K8 Status of Corporate Proposal Announced

There were no outstanding corporate proposal for the financial quarter.

**JOHAN HOLDINGS BERHAD**

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K9 Profit from Discontinued Operations

On 30 August 2017, the Group has announced the cessation of tile manufacturing of Prestige Ceramics Sdn Bhd due to market outlook and competitive intensity of the industry. The cessation has been completed at the end of the financial year ended 31 January 2018. The Group therefore presents and disclose in its financial statements, the financial effects of discontinued operations to MFRS 5 (Non Current Assets Held for Sale and Discontinued Operations). The results of the discontinued operations are as follow:-

| | Cumulative 12 months 31 January 2019 Restated RM'000 |
|---|---|
| Revenue | - |
| Cost of sales | - |
| Gross profit | - |
| Other income | 3,090 |
| Marketing and distribution expenses | - |
| Administrative expenses | (609) |
| Other operating expenses | (341) |
| Profit before interest, tax, depreciation | 2,140 |
| Depreciation and amortisation | (81) |
| Finance costs | (1,189) |
| Profit before tax | 870 |
| Income tax expense | (4,340) |
| Profit for the period | (3,470) |

The following (charges)/credits have been included in arriving at the profit before tax of discontinued operations:

| | Cumulative 12 months ended 31 January 2019 Restated RM'000 |
|-------------------------------|---|
| Other income | 3,090 |
| Interest expense | (1,189) |
| Depreciation and amortisation | (81) |



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

K10 Trade Receivables

The Group's credit period generally ranges from 30 to 90 days. Other credit terms are assessed and approved on a case by case basis.

a) Ageing of trade receivables not impaired

| | Unaudited As at 31 January 2020 RM'000 | Restated As at 31 January 2019 RM'000 |
|----------------------------|---|--|
| Not past due | 394,913 | 329,327 |
| Past due 30 days | 30,972 | 32,668 |
| Past due 31-90 days | 15,258 | 63,165 |
| Past due more than 90 days | 96,706 | 107,234 |
| | <u>537,849</u> | <u>532,394</u> |

b) The Group's trade receivables that are subject to collective/individual impairment review at the end of the reporting period are as follows:

| | Unaudited As at 31 January 2020 RM'000 | Restated As at 31 January 2019 RM'000 |
|------------------------------------|---|--|
| Trade receivables - gross amounts | 736,405 | 736,058 |
| Less: Allowance for doubtful debts | (198,556) | (203,664) |
| | <u>537,849</u> | <u>532,394</u> |

K11 Borrowings and Debt Securities

| | Unaudited As at 31 January 2020 SGD'000 | Unaudited As at 31 January 2020 RM'000 | Audited As at 31 January 2019 SGD'000 | Audited As at 31 January 2019 RM'000 |
|--|--|---|--|---|
| a) Short term borrowings | | | | |
| Secured | | | | |
| - Bank overdrafts | 7,870 | 23,494 | 30,599 | 92,325 |
| - Revolving credits & short term loans | - | - | - | 10,070 |
| - Trust receipts and bankers' acceptance | 6,000 | 17,912 | 6,000 | 18,104 |
| - Term loans | - | 14,852 | - | 14,853 |
| - Lease creditors | 304 | 1,513 | - | - |
| - Hire purchase | 173 | 569 | 33 | 237 |
| Total short term borrowings | <u>14,347</u> | <u>58,340</u> | <u>36,632</u> | <u>135,589</u> |
| b) Long term borrowings | | | | |
| Secured | | | | |
| - Lease creditors | - | 343 | - | - |
| - Hire purchase | - | 35 | - | 94 |
| Total long term borrowings | <u>-</u> | <u>378</u> | <u>-</u> | <u>94</u> |

K12 Off Balance Sheet Financial Instruments

The Group does not have any financial instrument with off balance sheet risk as at 23 March 2020.

K13 Changes in Material Litigation

There were no material litigation for the financial year.

K14 Dividend

The Board does not recommend any dividend for the financial quarter ended 31 January 2020 (31 January 2019: Nil).



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

K15 Earning/(Loss) per Share

Basic & diluted

Basic and diluted earning/(loss) per share are calculated by dividing earning/(loss) for the period attributable to ordinary equity holders of the Company by the number of ordinary shares in issue as at the end of the financial year.

Diluted earning/(loss) per share is the same as basic loss per share.

| | Current Quarter 3 months ended 31 January | | Cumulative 12 months ended 31 January | |
|---|---|-----------------------------|---|----------------------------|
| | 2020 Unaudited RM'000 | 2019 Unaudited RM'000 | 2020 Unaudited RM'000 | 2019 Restated RM'000 |
| Profit/(Loss) for the year attributable to ordinary equity holders of the Company | | | | |
| - Continuing operations | 9,924 | (4,425) | (17,768) | (98,228) |
| - Discontinuing operations | - | (4,499) | - | (3,470) |
| | <u>9,924</u> | <u>(8,924)</u> | <u>(17,768)</u> | <u>(101,698)</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 earning/(loss) per share (sen) | | | | |
| - Continued operations | 1.59 | (0.71) | (2.85) | (15.77) |
| - Discontinued operations | - | (0.72) | - | (0.56) |
| Continuing and discontinued operations | <u>1.59</u> | <u>(1.43)</u> | <u>(2.85)</u> | <u>(16.33)</u> |

K16 Prior Year Adjustments

During the year, the Group has identified understatement of deferred tax liabilities on revaluation surplus which was recognised in retained earnings upon adoption of Malaysian Financial Reporting Standard (MFRSs) in prior year. On the date of transition to MFRSs, i.e 1 February, 2011, the Group had applied the optional exemption to measure certain items of property, plant and equipment at its fair value and used the fair value as its deemed cost at that date.

As a result, in accordance with the provisions of MFRS108: Accounting Policies, Changes in Accounting Estimates and Errors, the Group has restated income tax expense for the year ended 31 January 2019 and deferred tax liabilities, accumulated losses, properties revaluation reserve and non-controlling interests as of 1 February 2018 and 31 January 2019.

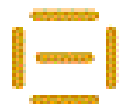
The effects of prior year adjustments are as follows:

Statements of Profit and Loss and Other Comprehensive Income for the year ended 31 January 2019:

| | As previously reported RM'000 | Prior year adjustments RM'000 | As restated RM'000 |
|--|----------------------------------|----------------------------------|-----------------------|
| Income tax credit / (expense) | 6,291 | (903) | 5,388 |
| Tax expense on discontinuing operation | - | (4,340) | (4,340) |
| Loss for the year | (97,506) | (5,243) | (102,749) |
| Total comprehensive loss attributable to the owners of the Company | (92,166) | (4,972) | (97,138) |
| Total comprehensive loss attributable to non-controlling interests | (780) | (271) | (1,051) |
| Basic & diluted loss per share attributable to the owners of the Company (sen) | (15.53) | (0.80) | (16.33) |

Statements of Financial Position as of 1 February 2018:

| | As previously reported RM'000 | Prior year adjustments RM'000 | As restated RM'000 |
|--------------------------------|----------------------------------|----------------------------------|-----------------------|
| Deferred tax liabilities | 23,055 | 7,333 | 30,388 |
| Accumulated losses | (297,541) | (11,054) | (308,595) |
| Properties revaluation reserve | 71,818 | 4,450 | 76,268 |
| Non-controlling interests | 2,965 | (729) | 2,236 |
| Total equity | 186,486 | (7,333) | 179,153 |

**JOHAN HOLDINGS BERHAD**

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

Statements of Financial Position as of 1 February 2019:

| | As previously reported RM'000 | Prior year adjustments RM'000 | As restated RM'000 |
|--------------------------------|--|--|-------------------------------|
| Deferred tax liabilities | 20,902 | 12,564 | 33,466 |
| Accumulated losses | (394,267) | (16,018) | (410,285) |
| Properties revaluation reserve | 73,956 | 4,450 | 78,406 |
| Non-controlling interests | 2,185 | (996) | 1,189 |
| Total Equity | 93,540 | (12,564) | 80,976 |

BY ORDER OF THE BOARD

Teh Yong Fah
Group Secretary
Kuala Lumpur
24 March 2020