

JOHAN HOLDINGS BERHAD

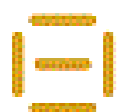
(Company No. 314-K)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2020**

	Note	Current Quarter 3 months ended 31 October		Cumulative 9 months ended 31 October	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Continuing operations					
Revenue	K2	27,038	24,270	63,230	74,005
Cost of sales		(8,562)	(779)	(8,970)	(2,854)
Gross profit		18,476	23,491	54,260	71,151
Other income		1,801	2,439	6,753	19,282
Net foreign exchange gain/(loss)		3,357	(4,351)	(3,104)	(2,548)
Net fair value loss on investment securities	M4	(236)	(3,066)	(4,718)	(1,179)
Marketing and distribution expenses		(3,503)	(4,991)	(12,135)	(15,440)
Administrative expenses		(15,247)	(18,077)	(39,343)	(56,429)
Other operating expenses		(783)	(1,470)	(2,672)	(3,757)
Earnings/(Loss) before interest, tax, depreciation and amortisation		3,865	(6,025)	(959)	11,080
Depreciation and amortisation		(2,064)	(1,899)	(6,165)	(6,142)
Finance costs		(6,901)	(8,580)	(21,894)	(26,912)
Loss before tax	K2/K7	(5,100)	(16,504)	(29,018)	(21,974)
Income tax expense	K8	(524)	(280)	(529)	(2,357)
Loss from continuing operations		(5,624)	(16,784)	(29,547)	(24,331)
Profit/(Loss) from discontinued operations	K10	132	(3,519)	1,934	(3,924)
Loss for the period		(5,492)	(20,303)	(27,613)	(28,255)
Other comprehensive income:					
Foreign currency translation (loss)/gain for foreign operations		(1,104)	1,582	1,133	1,023
Total comprehensive loss for the period		(6,596)	(18,721)	(26,480)	(27,232)
Loss for the period attributable to :					
Owners of the Company		(5,304)	(20,062)	(26,969)	(27,692)
Non-controlling interests		(188)	(241)	(644)	(563)
		(5,492)	(20,303)	(27,613)	(28,255)
Total comprehensive loss attributable to:-					
Owners of the Company		(6,408)	(18,480)	(25,836)	(26,669)
Non-controlling interests		(188)	(241)	(644)	(563)
		(6,596)	(18,721)	(26,480)	(27,232)
(Loss)/Earning per share attributable to owners of the Company:					
Basic & diluted (loss)/earning per share for the year (sen)					
- Continuing operations	K16	(0.70)	(2.66)	(3.71)	(3.82)
- Discontinued operations	K16	0.02	(0.56)	0.25	(0.63)
Continuing and discontinued operations	K16	(0.68)	(3.22)	(3.46)	(4.45)

(The Unaudited 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 2020 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 FINANCIAL POSITION

		As at 31 October 2020 RM'000	Audited As at 31 January 2020 RM'000
Non-current assets			
Property, plant and equipment		170,105	171,348
Right-of-use assets		1,968	3,836
Investment Properties		21,387	21,387
Inventories-Non current		30	30
Intangible assets		7,386	7,631
Investment securities		-	27
Total non-current assets		<u>200,876</u>	<u>204,259</u>
Current assets			
Inventories		824	905
Receivables		508,696	554,401
Tax recoverable		219	1,658
Investment securities		15,805	20,522
Cash and bank balances		97,249	63,826
Asset held for sale		127,000	127,000
Total current assets		<u>749,793</u>	<u>768,312</u>
Total assets		<u>950,669</u>	<u>972,571</u>
Share capital	M6	390,700	380,889
Reserves			
Exchange reserve		31,138	30,005
Investments & Properties revaluation reserve		79,582	79,582
Accumulated losses		(456,141)	(429,172)
Attributable to equity holders of the parent		<u>45,279</u>	<u>61,304</u>
Non-controlling interests		2,138	2,782
Total equity		<u>47,417</u>	<u>64,086</u>
Non-current liabilities			
Lease liabilities	K12	739	637
Deferred tax liabilities		33,407	34,967
Investor certificates		301,136	296,031
Total non-current liabilities		<u>335,282</u>	<u>331,635</u>
Current liabilities			
Payables		392,440	344,259
Tax payable		13	13
Investor certificates		122,286	174,562
Loans and borrowings	K12	52,672	56,258
Lease liabilities	K12	559	1,758
Total current liabilities		<u>567,970</u>	<u>576,850</u>
Total liabilities		<u>903,252</u>	<u>908,485</u>
Total equity and liabilities		<u>950,669</u>	<u>972,571</u>
Net assets per share (sen)		<u>6.09</u>	<u>10.29</u>

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 January 2020 and the accompanying explanatory notes attached to the interim financial statements)

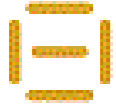
**JOHAN HOLDINGS BERHAD**

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2020

	←————— Attributable to owners of the Company —————→						
	←————— Non-distributable reserves —————→						
	Share capital RM'000	Exchange reserve RM'000	Properties revaluation reserve RM'000	Accumulated profit/(losses) RM'000	Equity attributable to owners of the Company total RM'000	Non- controlling interests RM'000	Total RM'000
Balance as at 1 February 2019	380,889	30,777	73,956	(394,267)	91,355	2,185	93,540
Total comprehensive gain/(loss) for the period	-	1,023	-	(27,692)	(26,669)	(563)	(27,232)
Balance as at 31 October 2019	<u>380,889</u>	<u>31,800</u>	<u>73,956</u>	<u>(421,959)</u>	<u>64,686</u>	<u>1,622</u>	<u>66,308</u>
Balance as at 1 February 2020	380,889	30,005	79,582	(429,172)	61,304	2,782	64,086
Total comprehensive gain/(loss) for the period	-	1,133	-	(26,969)	(25,836)	(644)	(26,480)
Issuance of share capital	9,811	-	-	-	9,811	-	9,811
Balance as at 31 October 2020	<u>390,700</u>	<u>31,138</u>	<u>79,582</u>	<u>(456,141)</u>	<u>45,279</u>	<u>2,138</u>	<u>47,417</u>

(The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 January 2020 and the accompanying explanatory notes attached to the interim financial statements)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2020

	Cumulative 9 months ended 31 October			
	2020 RM'000	2019 RM'000		
Cash flows from/(used in) operating activities				
Loss before tax				
-Continued operations	(29,018)	(21,974)		
-Discontinued operations	(290)	(3,844)		
	(29,308)	(25,818)		
Adjustments for non-cash and non-operating items:				
- Non-cash items	9,193	8,688		
- Investing and financing items	21,766	27,127		
Operating cash flows before working capital changes	1,651	9,997		
Changes in working capital:				
- Changes in current assets	51,665	(66,035)		
- Changes in current liabilities	47,241	77,451		
Tax refunded/(paid)	3,134	(2,365)		
Net cash flows from operating activities	103,691	19,048		
Cash flows used in investing activities				
Interest received	128	261		
Issuance of shares capital	9,811	-		
Dividend income	-	24		
Proceeds from disposal of investment securities	28	40		
Purchase of intangible assets	(416)	(983)		
Purchase of property, plant and equipment	(717)	(360)		
Net cash from/(used in) investing activities	8,834	(1,018)		
Cash flows used in financing activities				
Net (payment for)/proceeds from investor certificates	(53,582)	17,519		
Decrease in deposit pledged with licensed financial institutions	49	2,082		
Repayment of bank borrowings	(15,129)	(10,240)		
Loan interest paid	(21,894)	(27,412)		
Net cash used in financing activities	(90,556)	(18,051)		
Net increase/(decrease) in cash and cash equivalents	21,969	(21)		
Effects of foreign exchange rate changes	472	(203)		
Cash and cash equivalents at beginning of year	40,174	(25,940)		
Cash and cash equivalents at end of year	62,615	(26,164)		
Analysis of cash and cash equivalents:				
Cash and bank balances	97,249	47,420		
Bank overdrafts	(34,524)	(73,426)		
Pledged deposit with licensed financial institutions	(110)	(158)		
	62,615	(26,164)		
Reconciliation of liabilities arising from financing activities:				
	Carrying amount As at 01.02.2020 RM'000	Cash flows RM'000	Non-cash changes Foreign exchange movement RM'000	Carrying amount As at 31.10.2020 RM'000
Investor certificates	470,593	(53,582)	6,411	423,422
Loan and borrowings, excluding bank overdrafts	32,765	(15,129)	512	18,148
Total liabilities from financing activities	503,358	(68,711)	6,923	441,570

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 January 2020 and the accompanying explanatory notes attached to the interim financial statements)



JOHAN HOLDINGS BERHAD

(Company No. 314-K)
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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 Berthed ("Bursa Malaysia") and should be read in conjunction with the audited financial statements of the Group for the year ended 31 January 2020.

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 2020 as follows:

Amendments to:

MFRSs	Amendments to References to the Conceptual Framework in MFRS Standards
MFRS 3	Definition of a Business
MFRS 101 and MFRS 108	Definition of Material
MFRS 9, MFRS 139 and MFRS 7	Interest rate Benchmark Reform

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 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	Classification of liabilities as Current and Non-Current ²
Amendments to References to Conceptual Framework in MFRS Standards ¹	

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

² Effective for annual periods beginning on or after 1 January 2022.

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.



JOHAN HOLDINGS BERHAD

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

M2 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the year ended 31 January 2020 was unqualified.

M3 Seasonal or Cyclical Factors

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

M4 Unusual Items Due to Their Nature, Size or Incidence

Included in investment securities as of 31 January 2020 was investment in the quoted shares of George Kent (Malaysia) Berhad of RM20.522 million, measured at the market value of RM0.87 per share. As of 31 October 2020, the market value of the said investment has dropped to RM0.67 per share, resulting in a fair value loss of RM4.718 million.

M5 Changes in Accounting Estimates

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

M6 Share Capital, Debt and Equity Securities

During the financial quarter, there were no issuance, cancellations, repurchase, resales and repayments of debt and equity securities except for issuance of 155,737,100 shares at the issue price of RM0.063 per share pursuant to the proposed private placement as announced on 29th September 2020.

M7 Dividend Paid

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

M8 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
9 months ended 31 October																
Revenue:																
External customers	8,476	45	-	-	4,370	7,152	49,759	65,468	625	1,340	-	-	-	-	63,230	74,005
Inter-segment	-	-	-	-	-	-	-	-	162	165	-	-	(162)	(165)	-	-
Total revenue	8,476	45	-	-	4,370	7,152	49,759	65,468	787	1,505	-	-	(162)	(165)	63,230	74,005
Results :																
Interest income	-	-	5	-	-	-	10,740	10,848	426	611	8,653	10,248	(19,696)	(21,446)	128	261
Dividend income	-	-	-	24	-	-	-	-	-	-	-	-	-	-	-	24
Depreciation and amortisation	-	-	-	-	1,916	2,156	3,733	3,893	516	93	-	-	-	-	6,165	6,142
Finance costs	-	-	659	910	-	-	21,521	26,379	9,427	11,011	-	-	(9,713)	(11,388)	21,894	26,912
Earnings/(loss) before interest, tax, depreciation and amortisation	(11)	(9)	(275)	(97)	849	129	16,736	10,286	(9,435)	7,222	890	2,317	(9,713)	(12,053)	(959)	7,795
Segment profit / (loss)	(11)	(9)	(934)	(1,007)	(1,067)	(2,027)	(8,518)	(20,545)	(19,378)	(3,882)	890	2,317	-	(665)	(29,018)	(25,818)

	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
9 months ended 31 October																		
Assets :																		
Additions to non-current assets	-	-	-	-	-	-	27	127	1,106	1,216	-	-	-	-	-	-	1,133	1,343
Segment assets	173,414	128,130	10,724	42	21,535	7,289	91,233	94,160	592,121	722,396	38,857	39,741	48	49	22,737	24,212	950,669	1,016,019
Segment liabilities	73,012	4,359	7,060	79	3,226	14,861	11,688	7,925	682,313	720,848	1,457	492	5,829	5,439	118,667	195,708	903,252	949,711

**JOHAN HOLDINGS BERHAD**(Company No. 314-K)
(Incorporated in Malaysia)**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT'D)****M9 Event Subsequent to the end of the reporting period**

On 24 December 2020, UOB Kay Hian Securities (M) Sdn Bhd, on behalf of the Board announced that Johan Investment Pte Ltd (“JIPL”), a wholly-owned subsidiary of Johan, had entered into a conditional Share Purchase Agreement with Ezy Net Pte Ltd, Candypay Holdings Pte Ltd and Genesis Business Holdings Pte Ltd for the disposal of 4,645,256 ordinary shares, representing the entire equity interest of Diners Club (Singapore) Pte Ltd (“DCS”) including one of its subsidiaries, namely DinersPay Pte Ltd (“Disposed Subsidiaries”), for a Disposal Consideration of S\$103,586,103 (approximately RM313.98 million) (“Proposed Disposal”). The Disposal Consideration will be satisfied with the payment of S\$18.86 million for the Excluded Assets comprising of Diners World Travel Pte Ltd, Strategic Usage Sdn Bhd and its subsidiaries, Diners Club (Malaysia) Sdn Bhd, and Lumut Park Resort Sdn Bhd and the expected outstanding amount of intra group receivables of DCS of S\$84.73 million as at 29th January 2021.

The Proposed Disposal, being a major disposal, is subject to the satisfaction of several conditions and approvals including the approval of the shareholders of at least 75% of the total number of the issued shares held by the shareholders of Johan Holdings Berhad, present and voting either in person or by proxy at an Extraordinary General Meeting to be convened.

On completion of the Proposed Disposal on 29th January 2021, an expected gain of Singapore \$62.118 million (equivalent of RM190.2 million) will be recorded.

M10 Changes in Composition of the Group

There were no changes in the composition of the Group during the financial quarter under review except for Johan Air Services Sdn Bhd and Wismer Automation Sdn Bhd, both dormant companies, which have been struck off and ceased to be wholly-owned subsidiaries of the Group.

M11 Changes in Contingent Liabilities

There were no contingent liabilities as at the reporting date.

M12 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 2020 RM'000
Approved and contracted for	<u>268</u>

M13 Related Party Transactions

	Current Quarter 3 months ended 31 October		Cumulative 9 months ended 31 October	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Transactions with corporations in which three Directors are also directors and/or deemed interested				
Sales of air tickets	1	107	20	477
Recovery of secretarial, share registration and accounting fees	34	51	90	123
Income from rental of land	-	120	-	360
	<u>-</u>	<u>120</u>	<u>-</u>	<u>360</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 Gross Billings**

	Current Quarter 3 months ended 31 October		Cumulative 9 months ended 31 October	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Gross billings	628,711	801,579	1,893,943	2,308,068

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 and management services income.

K2 Review of Performance

Continuing operations:

- For the financial quarter under review, the Group registered revenue of RM27.038 million compared to corresponding quarter of RM24.270 million, higher by 11.41%.
- The Group recorded a loss before tax of RM5.100 million in current quarter compared to corresponding quarter of RM16.504 million, mainly due to lower fair value loss of investment securities of RM236,000 and foreign exchange gain of RM3.357 million in current quarter against fair value loss of investment securities of RM3.066 million and foreign exchange loss of RM4.351 million in the corresponding quarter.
- Card services business recorded a lower loss before tax of RM2.986 million in current quarter compared to corresponding quarter of RM4.640 million mainly due to wage credit and job support schemes received from Singapore government during the circuit breaker period.
- Hospitality business recorded a higher loss before tax of RM1.491 million in current quarter compared to corresponding quarter of RM801,000 mainly due to lower revenue.

The loss attributable to shareholders was RM5.304 million compared to corresponding quarter of RM20.062 million.

K3 Variation of Results Against Preceding Quarter

	Current Quarter 3 months ended		Changes (Amount/%)
	31.10.2020 RM'000	31.07.2020 RM'000	
Revenue from continuing operation	27,038	16,961	59.41%
Loss before tax from continuing operation	(5,100)	(7,899)	35.43%
Loss before tax from discontinued operation	(290)	(422)	31.28%
Loss after tax	(5,492)	(8,113)	32.31%
Loss for the period attributable to owners of the Company	(5,304)	(7,900)	32.86%

Total revenue for the current financial quarter was RM27.038 million compared to preceding quarter's of RM16.961 million. The Group recorded a lower loss before tax from continuing operation of RM5.100 million compared to preceding quarter of RM7.899 million mainly due to foreign exchange gain of RM3.357 million in current quarter.

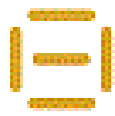
K4 Prospects

Singapore's economy rebounded in the third quarter from the circuit breaker period in the earlier three months. Singapore's GDP rose by 7.9% on a quarter on quarter seasonally adjusted basis and the Singapore Government continues to gradually open its economy in a phased manner. Diners Club Singapore will continue to seek more marketing and promotional efforts to encourage card usage as more sectors of the economy begin its phased re-opening. A pipeline of new cashback cards and e-wallet program is lined up for implementation in the fourth quarter.

Due to the Covid-19 impact the Group has implemented cost reduction measures including salary reduction and reducing headcount. The Group will continue to look at other measures to reduce cost.

As stated in Note M9 event subsequent to the end of the reporting period, the Proposed Disposal of Diners Club Singapore and Diners Pay Pte Ltd for a consideration of S\$103,586,103 (approximately RM313.98 million).

On completion of the Proposed Disposal on the 29th January 2021, an expected gain of Singapore \$62.118 million (equivalent of RM190.2 million) will be recorded. This Proposed Disposal will put the Group in a better position for our future endeavors.

**JOHAN HOLDINGS BERHAD**(Company No. 314-K)
(Incorporated in Malaysia)**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K5 Disclosure of Covid-19 related impacts**

The outbreak of COVID-19 in Malaysia and Singapore and the subsequent measures taken by respective Governments have had a negative impact on the operations of the Group. All Malaysian operations of the Group had stopped business during the Movement Control Order imposed by the Malaysian Government on 18 March 2020. The Group has restarted its Malaysian operations from 4 May 2020 complying with the standard operating procedures imposed by the Government. Other than the charge and credit card business, all other Singapore operations of the Group had stopped business during the Covid-19 Circuit Breaker measures imposed by Singapore Government from 7 April 2020 to 1 June 2020. As a result to temporary closure of operations in Malaysia and Singapore, the revenue of the Group is considerably lower than the same period of last year.

The Group has performed an assessment and carefully considered the potential impact of COVID-19 on the Group's operations and financials, which include amongst others the slowing down of demand for its hospitality business, decrease in customer spending for its card business, increasing risks on customers deferring or defaulting on settlements and increase customers credit risks. The impact of the outbreak on the macroeconomic forecasts and other key input indicators relevant to the Group's counterparty portfolio will be incorporated into the Group's estimates of expected credit loss allowances in FY 2021, which includes the determination of the severity and likelihood of downside economic scenarios, and extent whereby exposures have experienced significant increase in credit risk since initial recognition.

Based on the assessment and information available at the point of reporting, the Group's operating results have been forecasted to be negatively impacted, however, the cash flow position together with its undrawn facilities are adequate to meet the Group's requirements. Management will continue to monitor the developments and will implement timely and appropriate measures to minimise the impact.

K6 Profit Forecast

No profit forecast was issued by the Group.

K7 Loss Before Tax

	Current Quarter 3 months ended 31 October		Cumulative 9 months ended 31 October	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Loss before tax from continuing operations is arrived at after crediting/(charging) :				
a) Interest income	31	98	128	261
b) Other income	389	2,341	2,836	19,021
c) Write back of/(Provision for) receivables	1,381	(24)	3,789	(69)
d) Net fair value loss on investment securities	(236)	(3,066)	(4,718)	(1,179)
e) Interest expense	(6,901)	(8,580)	(21,894)	(26,912)
f) Depreciation and amortisation	(2,064)	(1,899)	(6,165)	(6,142)
g) Net foreign exchange gain/(loss)	3,357	(4,351)	(3,104)	(2,548)

K8 Income Tax Expense

	Current Quarter 3 months ended 31 October		Cumulative 9 months ended 31 October	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Tax (expense)/credit based on results for continuing operations: -				
Current				
- Malaysian tax	(2)	(23)	(7)	(84)
- Under provision in prior years	(522)	(257)	(522)	(2,273)
	<u>(524)</u>	<u>(280)</u>	<u>(529)</u>	<u>(2,357)</u>

The tax expense for the nine months ended 31 October 2020 is mainly due to under provision of tax expense in prior years.

**JOHAN HOLDINGS BERHAD**

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K9 Status of Corporate Proposal Announced

- a) At the Extraordinary General Meeting of the Company held on 13 May 2020, approval by shareholders were obtained for the Proposed Disposal by Prestige Ceramics Sdn Bhd of the 112,390 sq.m freehold land in Puchong to Aspect Potential Sdn Bhd for a total consideration of RM127,000,000 via a combination of cash and payment in kind.

A total sum of RM63,000,000 has been received up to 31 October 2020 and the utilisation of the cash proceeds as at 31 October 2020 are as follows:

Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance Unutilised (RM'000)	Intended timeframe for Utilisation
Repayment of term loan	14,750	14,750	-	Upon the SPA becoming unconditional
Investment/ business opportunities	26,000	-	26,000	Upon the SPA becoming unconditional
General working capital of Johan Group	10,084	532	9,552	Upon the SPA becoming unconditional
Estimated expenses in relation to the Proposed Disposal	12,166	10,353	1,813	Upon the SPA becoming unconditional
Total	<u>63,000</u>	<u>25,635</u>	<u>37,365</u>	

- b) At the Extraordinary General Meeting held on 15 September 2020, shareholders had approved the Proposed Private Placement of up to 218,031,900 new ordinary shares of Johan representing up to approximately 35% of total number of Johan shares. The cash proceeds received will be utilised for business investment opportunities going forward.

Utilisation of cash proceeds of RM9.811 million received as at 31 October 2020 are as follows:-

Purpose	Proposed Utilisation	Actual Utilisation	Balance Unutilised
Estimated expenses	160	31	129
Business/ investment opportunities	9,651	-	9,651
Total	<u>9,811</u>	<u>31</u>	<u>9,780</u>

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K10 Profit/(Loss) 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 2019. During financial year end 31 January 2020, the Group has entered into a Sale and Purchase Agreement ("SPA") for the disposal of the freehold land held by PCSB and had been approved by shareholders' at the postponed Extraordinary General Meeting held on 13 May 2020. The Group therefore presents and disclose in its financial statements, the financial effects of discontinued operations in accordance with MFRS 5 (Non Current Assets Held for Sale and Discontinued Operations). The results of the discontinued operations are as follow:-

	Cumulative 9 months ended 31 October	
	2020 RM'000	2019 RM'000
Revenue	-	-
Cost of sales	-	-
Gross profit	-	-
Other income	300	360
Marketing and distribution expenses	-	-
Administrative expenses	(280)	(283)
Other operating expenses	-	(3,362)
(Loss)/Profit before interest, tax, depreciation	20	(3,285)
Depreciation and amortisation	-	(59)
Finance costs	(310)	(500)
Loss before tax	(290)	(3,844)
Income tax credit/(expense)	2,224	(80)
Profit/(loss) for the period	1,934	(3,924)

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

	Cumulative 9 months ended 31 October	
	2020 RM'000	2019 RM'000
Other income	300	360
Interest expense	(310)	(500)
Depreciation and amortisation	-	(59)

**JOHAN HOLDINGS BERHAD**(Company No. 314-K)
(Incorporated in Malaysia)**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K11 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

	As at 31 October 2020 RM'000	As at 31 January 2020 RM'000
Not past due	364,627	395,540
Past due 30 days	16,309	30,820
Past due 31-90 days	7,722	8,398
Past due more than 90 days	97,040	103,088
	<u>485,698</u>	<u>537,846</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:

	As at 31 October 2020 RM'000	As at 31 January 2020 RM'000
Trade receivables - gross amounts	675,704	732,427
Less: Allowance for doubtful debts	(190,006)	(194,581)
	<u>485,698</u>	<u>537,846</u>

K12 Borrowings and Debt Securities

	As at 31 October 2020 SGD'000	As at 31 October 2020 RM'000	As at 31 January 2020 SGD'000	As at 31 January 2020 RM'000
a) Short term borrowings				
Secured				
- Bank overdrafts	11,414	34,524	7,870	23,493
- Trust receipts and bankers' acceptance	6,000	18,148	6,000	17,912
- Term loans	-	-	-	14,853
- Lease creditors	116	559	333	1,758
Total short term borrowings	<u>17,530</u>	<u>53,231</u>	<u>14,203</u>	<u>58,016</u>
b) Long term borrowings				
Secured				
- Lease creditors	121	739	98	637

K13 Off Balance Sheet Financial Instruments

The Group does not have any financial instrument with off balance sheet risk as at 28 December 2020.

K14 Changes in Material Litigation

There were no material litigation for the financial period.

K15 Dividend

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

**JOHAN HOLDINGS BERHAD**

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ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)**K16 (Loss)/Earning per Share****Basic & diluted**

Basic and diluted (loss)/earning per share are calculated by dividing (loss)/earning 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 (loss)/earning per share is the same as basic loss per share.

	Current Quarter 3 months ended 31 October		Cumulative 9 months ended 31 October	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
(Loss)/Profit for the year attributable to ordinary equity holders of the Company				
- Continuing operations	(5,436)	(16,543)	(28,903)	(23,768)
- Discontinuing operations	132	(3,519)	1,934	(3,924)
	<u>(5,304)</u>	<u>(20,062)</u>	<u>(26,969)</u>	<u>(27,692)</u>
Number of ordinary shares ('000) in issue	<u>778,686</u>	<u>622,948</u>	<u>778,686</u>	<u>622,948</u>
Basic & diluted (loss)/earning per share (sen)				
- Continued operations	(0.70)	(2.66)	(3.71)	(3.82)
- Discontinued operations	0.02	(0.56)	0.25	(0.63)
Continuing and discontinued operations	<u>(0.68)</u>	<u>(3.22)</u>	<u>(3.46)</u>	<u>(4.45)</u>

BY ORDER OF THE BOARD

Teh Yong Fah
Group Secretary
Kuala Lumpur
29 December 2020