

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 FIRST FINANCIAL QUARTER ENDED 31 OCTOBER 2023**

	Note	Current Quarter 3 months ended 31 October		Cumulative 3 months ended 31 October	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Continuing operations					
Revenue	K1	6,819	3,640	6,819	3,640
Cost of sales		(7,219)	(5,004)	(7,219)	(5,004)
Gross loss		(400)	(1,364)	(400)	(1,364)
Other income		1,179	1,661	1,179	1,661
Net foreign exchange loss		(338)	(398)	(338)	(398)
Net fair value loss on investment securities	M5	(236)	(826)	(236)	(826)
Administrative expenses		(3,584)	(4,087)	(3,584)	(4,087)
Loss before interest, tax, depreciation and amortisation		(3,379)	(5,014)	(3,379)	(5,014)
Depreciation and amortisation		(1,406)	(1,229)	(1,406)	(1,229)
Finance costs		(15)	(498)	(15)	(498)
Loss before tax	K1/K5	(4,800)	(6,741)	(4,800)	(6,741)
Income tax expense	K6	(1)	(5)	(1)	(5)
Loss for the period		(4,801)	(6,746)	(4,801)	(6,746)
Other comprehensive income/(loss):					
Foreign currency translation gain/(loss)		463	492	463	492
Total comprehensive loss for the period		(4,338)	(6,254)	(4,338)	(6,254)
Loss for the period attributable to :					
Owners of the Company		(3,454)	(4,765)	(3,454)	(4,765)
Non-controlling interests		(1,347)	(1,981)	(1,347)	(1,981)
		(4,801)	(6,746)	(4,801)	(6,746)
Total comprehensive loss attributable to:-					
Owners of the Company		(2,991)	(4,273)	(2,991)	(4,273)
Non-controlling interests		(1,347)	(1,981)	(1,347)	(1,981)
		(4,338)	(6,254)	(4,338)	(6,254)
Loss per share attributable to owners of the Company:					
Basic & diluted loss per share for the period (sen)	K13	(0.30)	(0.41)	(0.30)	(0.41)

(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 financial year ended 31 July 2023 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

	Note	As at 31 October 2023 RM'000	Audited As at 31 July 2023 RM'000
Non-current assets			
Property, plant and equipment		170,448	163,306
Investment Properties		40,400	40,400
Inventories-Non current		30	30
Intangible assets		61	61
Total non-current assets		<u>210,939</u>	<u>203,797</u>
Current assets			
Inventories		3,319	4,841
Receivables		5,571	6,439
Tax recoverable		143	357
Investment securities		10,969	11,205
Cash and bank balances		54,734	57,376
Total current assets		<u>74,736</u>	<u>80,218</u>
Total assets		<u>285,675</u>	<u>284,015</u>
Share capital	M7	413,672	413,672
Reserves			
Warrant reserve		15,963	15,963
Exchange reserve		(2,266)	(2,729)
Revaluation reserve		12,818	12,818
Accumulated losses		(260,965)	(257,511)
Attributable to equity holders of the parent		<u>179,222</u>	<u>182,213</u>
Non-controlling interests		<u>23,103</u>	<u>24,450</u>
Total equity		<u>202,325</u>	<u>206,663</u>
Non-current liabilities			
Lease liabilities	K9	1,530	1,596
Deferred tax liabilities		26,372	26,372
Total non-current liabilities		<u>27,902</u>	<u>27,968</u>
Current liabilities			
Payables		54,903	48,802
Lease liabilities	K9	545	582
Total current liabilities		<u>55,448</u>	<u>49,384</u>
Total liabilities		<u>83,350</u>	<u>77,352</u>
Total equity and liabilities		<u>285,675</u>	<u>284,015</u>
Net assets per share (sen)		<u>17.32</u>	<u>17.69</u>

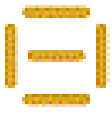
(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 July 2023 and the accompanying explanatory notes attached to the interim financial statements)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST FINANCIAL QUARTER ENDED 31 OCTOBER 2023

	←————— Attributable to owners of the Company —————→					Equity attributable to owners of the Company total RM'000	Non- controlling interests RM'000	Total RM'000
	←————— Non-distributable reserves —————→							
	Share capital RM'000	Warrant RM'000	Exchange reserve RM'000	Properties revaluation reserve RM'000	Accumulated losses RM'000			
Balance as at 1 August 2022	413,672	15,963	(2,786)	20,680	(218,621)	228,908	27,452	256,360
Total comprehensive gain/(loss) for the year	-	-	492	-	(4,765)	(4,273)	(1,981)	(6,254)
Non-controlling interests arising from investment in a subsidiary	-	-	-	-	-	-	800	800
Balance as at 31 October 2022	<u>413,672</u>	<u>15,963</u>	<u>(2,294)</u>	<u>20,680</u>	<u>(223,386)</u>	<u>224,635</u>	<u>26,271</u>	<u>250,906</u>
Balance as at 1 August 2023	413,672	15,963	(2,729)	12,818	(257,511)	182,213	24,450	206,663
Total comprehensive gain/(loss) for the year	-	-	463	-	(3,454)	(2,991)	(1,347)	(4,338)
Balance as at 31 October 2023	<u>413,672</u>	<u>15,963</u>	<u>(2,266)</u>	<u>12,818</u>	<u>(260,965)</u>	<u>179,222</u>	<u>23,103</u>	<u>202,325</u>

(The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 July 2023 and the accompanying explanatory notes attached to the interim financial statements)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST FINANCIAL QUARTER ENDED 31 OCTOBER 2023

	Cumulative 3 months ended 31 October	
	2023 RM'000	2022 RM'000
Cash flows from/(used in) operating activities		
Loss before tax	(4,800)	(6,741)
Adjustments for non-cash and non-operating items:		
- Non-cash items	(1,847)	2,170
- Investing and financing items	(350)	258
Operating cash flows before working capital changes	<u>(6,997)</u>	<u>(4,313)</u>
Changes in working capital:		
- Changes in current assets	6,277	8,848
- Changes in current liabilities	6,086	(10,552)
Tax refund/(paid)	213	(59)
Net cash flows from/(used in) operating activities	<u>5,579</u>	<u>(6,076)</u>
Cash flows from/(used in) investing activities		
Interest received	365	240
Purchase of property, plant and equipment	(8,548)	(1,734)
Net cash used in investing activities	<u>(8,183)</u>	<u>(1,494)</u>
Cash flows from/(used in) financing activities		
Payment of lease liabilities	(96)	(261)
Subscription of shares by non-controlling interest in a subsidiary	-	800
Net cash from/(used in) financing activities	<u>(96)</u>	<u>539</u>
Net decrease in cash and cash equivalents	(2,700)	(7,031)
Effects of foreign exchange rate changes	58	43
Cash and cash equivalents at beginning of year	<u>57,220</u>	<u>49,070</u>
Cash and cash equivalents at end of year	<u>54,578</u>	<u>42,082</u>
Analysis of cash and cash equivalents:		
Cash and bank balances	54,734	42,235
Pledged deposit with licensed financial institutions	(156)	(153)
	<u>54,578</u>	<u>42,082</u>

Reconciliation of liabilities arising from financing activities:

	Carrying amount			Carrying amount
	As at 01.08.2023 RM'000	Cash flows RM'000	Others RM'000	As at 31.10.2023 RM'000
Lease Liabilities	2,178	(96)	(7)	<u>2,075</u>

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 July 2023 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 have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standard Board, and paragraph 9.22 of Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the Group’s annual audited financial statements for the year ended 31 July 2023 and the explanatory notes attached therein.

These explanatory notes attached to these 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 July 2023.

M2 Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements of the Group for the financial year ended 31 July 2023 except for the adoption of the relevant new MFRSs, amendments to MFRSs and IC Interpretations that are effective for annual periods beginning on or after 1 January 2023. The adoption of the new MFRSs, amendments to MFRSs and IC Interpretations did not have any material impact on the financial position and results of the Group.

M3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the year ended 31 July 2023 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

i) Included in investment securities as of 31 July 2023 was investment in the quoted shares of George Kent (Malaysia) Berhad of RM11.205 million, measured at the market value of RM0.475 per share. As of 31 October 2023, the market value of the said investment has dropped to RM0.465 per share, resulting in a fair value loss of RM236,000.

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.



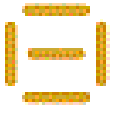
M9 Segmental Information

	General Trading		Property		Hospitality and card services		Investment holding & secretarial services		Healthcare		Elimination		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	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
3 months ended 31 October														
Revenue:														
External customers	3,389	1,266	-	-	1,375	1,247	67	70	1,988	1,057	-	-	6,819	3,640
Inter-segment	-	-	-	-	-	-	24	50	-	-	(24)	(50)	-	-
Total revenue	3,389	1,266	-	-	1,375	1,247	91	120	1,988	1,057	(24)	(50)	6,819	3,640

Results :

Interest income	-	-	-	-	11	-	328	221	29	23	(3)	(4)	365	240
Depreciation and amortisation	-	-	-	-	502	514	118	132	786	583	-	-	1,406	1,229
Finance costs	-	-	-	-	2	3	15	23	1	476	(3)	(4)	15	498
Earnings/(loss) before interest, tax, depreciation and	6	(148)	(24)	(30)	591	584	(1,585)	(1,874)	(2,364)	(3,542)	(3)	(4)	(3,379)	(5,014)
Segment profit / (loss)	6	(148)	(24)	(30)	87	67	(1,718)	(2,029)	(3,151)	(4,601)	-	-	(4,800)	(6,741)

	General Trading		Property		Hospitality and card services		Investment holding & secretarial services		Healthcare		Elimination		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	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
3 months ended 31 October														
Assets :														
Additions to non-current assets	-	-	-	-	54	53	-	-	8,494	1,681	-	-	8,548	1,734
Segment assets	860	1,507	21,550	21,549	77,381	84,221	80,274	113,332	105,630	102,383	(20)	(60)	285,675	322,932
Segment liabilities	66	71	5,448	5,452	16,017	12,725	9,127	9,542	51,026	42,552	1,666	1,684	83,350	72,026

**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.

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 :

	As at 31 October 2023 RM'000
Approved and contracted for	82,274

M14 Related Party Transactions

	Current Quarter 3 months ended 31 October		Cumulative 3 months ended 31 October	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Transactions with corporations in which three Directors are also directors and/or deemed interested				
Design and Build - Dipping line glove plant	8,428	1,510	8,428	1,510
Recovery of share registration fees	-	11	-	11
	-	11	-	11

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. The Design and Build contract had been approved by the shareholders of Johan Holdings Berhad at an Extraordinary General Meeting on 31st May 2021.

**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS****K1 Review of Performance**

Continuing operations:

- a) For the financial quarter under review, the Group registered a revenue of RM6.819 million compared to corresponding quarter of RM3.64 million, higher by RM3.179 million.
- b) The Group recorded a lower loss before tax of RM4.8 million in current quarter compared to corresponding quarter loss of RM6.741 million, mainly due to:-
- i) Dynacare registered a lower loss before tax of RM3.144 million for current quarter as compared to a loss of RM4.584 million in corresponding quarter mainly due to higher sales revenue of RM1.988 million achieved during the current quarter, as compared to the sales revenue of RM1.057 million achieved for the corresponding quarter.
- ii) Investment holding & secretarial services segment recorded a lower loss before tax of RM1.718 million in current quarter compared to corresponding quarter loss of RM2.029 million mainly due to lower fair value loss on investment securities of RM236,000 in current quarter as compared to fair value loss of RM826,000 in the corresponding quarter.

The loss attributable to shareholders for the current quarter was RM3.454 million.

K2 Variation of Results Against Preceding Quarter

	Current Quarter 3 months ended		Changes (Amount/%)
	31.10.2023 RM'000	31.07.2023 RM'000	
Revenue from continuing operations	6,819	8,470	-19.49%
Loss before tax from continuing operations	(4,800)	(15,428)	68.89%
Loss after tax	(4,801)	(15,271)	68.56%
Loss for the period attributable to owners of the Company	<u>(3,454)</u>	<u>(9,780)</u>	<u>64.68%</u>

Total revenue for the current financial quarter was RM6.819 million compared to preceding quarter's of RM8.47 million. The Group recorded a lower loss after tax of RM4.801 million compared to preceding quarter loss of RM15.271 million mainly due to impairment loss on plant and machinery of Dynacare in preceding quarter of RM9.117 million.

K3 Prospects

The operating environment in the glove industry remains challenging. The Company will continue to manage the cost across the operations.

The tourism industry in Malaysia continued to show signs of recovery in the current quarter. Going forward, the Perak State Government has designated Year 2024 as "Visit Perak Year" with programmes being lined up to bring in more tourists. The Resort is expected to benefit from the State Government's initiatives and perform better.

**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K4 Profit Forecast**

No profit forecast was issued by the Group.

K5 Profit Before Tax

	Current Quarter 3 months ended 31 October		Cumulative 3 months ended 31 October	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before tax is arrived at after crediting/(charging) :				
a) Interest income	365	240	365	240
b) Other income	24	562	24	562
c) Net reversal on trade and other receivables	741	845	741	845
d) Bad debts recovered	49	14	49	14
e) Interest expense	(15)	(498)	(15)	(498)
f) Depreciation and amortisation	(1,406)	(1,229)	(1,406)	(1,229)
g) Net foreign exchange loss	(338)	(398)	(338)	(398)

K6 Income Tax Expense

	Current Quarter 3 months ended 31 October		Cumulative 3 months ended 31 October	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Tax credit/(expense) based on results for continuing operations: -				
Current				
- Malaysian tax	(1)	(5)	(1)	(5)

The tax expense for the 3 months ended 31 October 2023 is mainly due to certain non-tax deductible expenses.

**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K7 Status of Corporate Proposals Announced**a) Proposed Disposal of Land by Prestige Assets Sdn Bhd (Formerly known as Prestige Ceramics Sdn Bhd)

The disposal of the freehold land in Puchong for a disposal consideration of RM127,000,000 to be satisfied via a combination of cash and payment in kind, under the terms of the Sale & Purchase Agreement dated 27 November 2019 between Prestige Ceramics Sdn Bhd (the "Vendor") and Aspect Potential Sdn Bhd (the "Purchaser") was completed on 31 January 2023.

Utilisation of the total net cash proceeds of RM105.428 million up to 31 October 2023 were as follows:-

Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance Unutilised (RM'000)
Repayment of term loan	14,750	14,750	-
Investment/ business opportunities	26,000	26,000	-
General working capital of Johan Group	10,084	10,084	-
Estimated expenses for the Disposal	12,166	12,166	-
General working capital	42,428	3,333	39,095
Total	105,428	66,333	39,095

**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K8 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 2023 RM'000	As at 31 July 2023 RM'000
Not past due	64	73
Past due 30 days	33	666
Past due 31-90 days	9	1
Past due more than 90 days	805	849
	<u>911</u>	<u>1,589</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 2023 RM'000	As at 31 July 2023 RM'000
Trade receivables - gross amounts	61,174	62,496
Less: Allowance for doubtful debts	(60,263)	(60,907)
	<u>911</u>	<u>1,589</u>

K9 Borrowings and Debt Securities

	As at 31 October 2023 RM'000	As at 31 July 2023 RM'000
a) Short term borrowings		
Secured		
- Lease creditors	<u>545</u>	<u>582</u>
b) Long term borrowings		
Secured		
- Lease creditors	<u>1,530</u>	<u>1,596</u>

**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K10 Off Balance Sheet Financial Instruments**

The Group does not have any financial instrument with off balance sheet risk as at 11 December 2023.

K11 Changes in Material Litigation

There were no material litigation for the financial period.

K12 Dividend

The Board does not recommend any dividend for the financial quarter ended 31 October 2023 (31 October 2022: Nil).

K13 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 quarter.

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

	Current Quarter		Cumulative	
	3 months ended		3 months ended	
	31 October			
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Loss for the period attributable to ordinary equity holders of the Company	<u>(3,454)</u>	<u>(4,765)</u>	<u>(3,454)</u>	<u>(4,765)</u>
Weighted average number of ordinary shares ('000) in issue	<u>1,168,028</u>	<u>1,168,028</u>	<u>1,168,028</u>	<u>1,168,028</u>
Basic & diluted loss per share (sen)	<u>(0.30)</u>	<u>(0.41)</u>	<u>(0.30)</u>	<u>(0.41)</u>

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

Group Secretary

Kuala Lumpur

12 December 2023