

JOE Holding Berhad (Formerly known as GPA Holdings Berhad)

Unaudited Interim Report for the Twelve Months Ended 31 March 2021

Condensed Consolidated Statement of Comprehensive Income*(The current year figures have not been audited)*

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year To	Preceding Year
	Quarter	Corresponding Quarter	Date	Corresponding Period
	3 months ended		12 months ended	
	31/03/21	31/03/20	31/03/21	31/03/20
	RM'000	RM'000	RM'000	RM'000
Sales	4,704	7,590	25,232	29,343
Cost of Sales	(3,908)	(6,667)	(21,168)	(25,446)
Gross Profit	796	923	4,064	3,897
Other income				
- Non-operating income	376	16	1,407	578
- Interest income	340	388	1,452	2,003
	1,512	1,327	6,923	6,478
Operating Expenses	(2,433)	(3,547)	(7,491)	(7,115)
Fair value loss on financial asset	(413)	-	(413)	-
Loss from operations	(1,334)	(2,220)	(981)	(637)
Finance cost	-	-	-	-
Loss before tax	(1,334)	(2,220)	(981)	(637)
Tax	(797)	(388)	(1,053)	(550)
Loss after tax	(2,131)	(2,608)	(2,034)	(1,187)
Other comprehensive loss, net of taxation	124	124	124	124
Total comprehensive loss for the period	(2,007)	(2,484)	(1,910)	(1,063)
Loss attributable to :				
-Owners of the Company	(2,204)	(2,270)	(2,065)	(1,029)
-Non-controlling interests	73	(338)	31	(158)
Loss after tax for the period	(2,131)	(2,608)	(2,034)	(1,187)
Total comprehensive loss attributable to:				
-Owners of the Company	(2,080)	(2,146)	(1,941)	(905)
-Non-controlling interests	73	(338)	31	(158)
Net comprehensive loss for the period	(2,007)	(2,484)	(1,910)	(1,063)
Loss per share - basic (Sen)	(0.14)	(0.23)	(0.14)	(0.10)

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the financial statements for the financial year ended 31 March 2020

JOE Holding Berhad (Formerly known as GPA Holdings Berhad)

Unaudited Interim Report as at 31 March 2021

Condensed Consolidated Statement of Financial Position*(The current year figures have not been audited)*

	As at 31/03/21 RM'000	As at 31/03/20 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	48,121	29,267
Investment property	-	14,228
Other investment	15,299	-
	<u>63,420</u>	<u>43,495</u>
Current assets		
Inventories	5,259	8,801
Receivables, deposits and prepayments	64,855	12,782
Tax Recoverable	1,068	683
Cash and bank balances	58,855	63,483
	<u>130,037</u>	<u>85,749</u>
TOTAL ASSETS	<u>193,457</u>	<u>129,244</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	170,620	104,303
Reserves	4,205	1,011
Shareholders' equity	<u>174,825</u>	<u>105,314</u>
Non-controlling interests	4,730	4,699
Total Equity	<u>179,555</u>	<u>110,013</u>
Non-current liabilities		
Deferred tax liabilities	4,168	3,561
	<u>4,168</u>	<u>3,561</u>
Current liabilities		
Trade Payables	705	4,516
Other payables	9,029	10,984
Tax liabilities	-	170
	<u>9,734</u>	<u>15,670</u>
Total Liabilities	<u>13,902</u>	<u>19,231</u>
TOTAL EQUITY AND LIABILITIES	<u>193,457</u>	<u>129,244</u>
Net Assets per Share (RM)	<u>0.11</u>	<u>0.11</u>

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the financial statements for the financial year ended 31 March 2020

JOE Holding Berhad (Formerly known as GPA Holdings Berhad)
 Unaudited Interim Report for the Twelve Months Ended 31 March 2021
Condensed Consolidated Statement of Changes in Equity
(The current year figures have not been audited)

Note	Attributable to equity holders of the Parent			Total Equity Funds RM '000	Non-controlling interests RM '000	Total Equity RM '000
	Share Capital RM '000	Revaluation reserves RM '000	Retained Earnings RM '000			
Balance as at 1 April 2019						
- as previously reported	104,303	20,948	(18,900)	106,351	4,859	111,210
Total comprehensive loss for the period	-		(1,037)	(1,037)	(160)	(1,197)
Reversal of Revaluation surplus of Investment property	-	(124)	124	-	-	-
Balance as at 31 March 2020	104,303	20,824	(19,813)	105,314	4,699	110,013
Balance as at 1 April 2020						
- as previously reported	104,303	20,824	(19,813)	105,314	4,699	110,013
Issuance of new shares	66,317	-	-	66,317	-	66,317
Total comprehensive loss for the period	-	-	(2,065)	(2,065)	31	(2,034)
Revaluation surplus on property, plant and equipment	-	5,259	-	5,259	-	5,259
Reversal of Revaluation surplus of Investment property	-	(124)	124	-	-	-
Balance as at 31 March 2021	170,620	25,959	(21,754)	174,825	4,730	179,555

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the financial statements for the financial year ended 31 March 2020

JOE Holding Berhad (Formerly known as GPA Holdings Berhad)
 Unaudited Interim Report for the Twelve Months Ended 31 March 2021
Condensed Consolidated Statement of Cash flows
(The current year figures have not been audited)

	12 months ended 31/03/21 RM'000	12 months ended 31/03/20 RM'000
Cash flows (for)/from operating activities		
Cash receipts from customers	23,646	35,771
Cash paid to suppliers and employees	(80,039)	(32,786)
Interest received	1,452	2,003
Dividend received	-	-
Tax refund	204	443
Tax paid	(1,202)	(716)
Net cash (used in)/from operating activities	(55,939)	4,715
Cash flows (for)/from investing activities		
Purchase of property, plant and equipment	(43)	(163)
Proceeds from disposal of property, plant and equipment	748	-
Purchase of other investment	(15,711)	-
Net cash used in investing activities	(15,006)	(163)
Cash flows for financing activities		
Proceeds from issuance of new shares	66,317	-
Net cash from financing activities	66,317	-
Net (decrease)/increase in cash and cash equivalents	(4,628)	4,552
Cash and cash equivalents at beginning of the period	63,483	58,931
Cash and cash equivalents at end of the period	58,855	63,483

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the financial statements for the financial year ended 31 March 2020

JOE HOLDING BERHAD (FORMERLY KNOWN AS GPA HOLDINGS BERHAD)

Notes to the Financial Information – Fourth Quarter ended 31 March 2021

(The current year figures have not been audited)

A. *Explanatory Notes Pursuant to MFRS 134*

1) *Basis of Preparation*

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRSs") 134: Interim Financial Reporting in Malaysia and paragraph 9.22 (Appendix 9B Part A) of the Main Market Listing Requirements ("Listing Requirements") of the Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 March 2020. The explanatory notes attached to the 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 March 2020.

2) *Changes in Accounting Policies*

The Group's financial statement was prepared in accordance with MFRSs, which is in line with International Financial Reporting Standards as issued by the International Accounting Standards Board. The adoptions of new and revised MFRSs, Amendments/Improvements to MFRSs, IC Interpretations and Amendments to IC Interpretations in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 March 2020.

- a) During the current financial period, the Group has adopted the following new accounting standards and interpretations (including the consequential amendments):-

MFRSs and IC Interpretations (including the Consequential Amendments)

Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Amendments to MFRS 3 Business Combination – Definition of a Business	1 January 2020
Amendments to MFRS 101 Presentation of Financial Statements and MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material	1 January 2020
Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement and MFRS 7 Financial Instruments: Disclosures – Interest Rate Benchmark Reform	1 January 2020

3) *Auditors' Report*

The auditors' report on the financial statements for the financial year ended 31st March 2020 was not subject to any qualification.

4) **Seasonal and Cyclical Factors**

Export Sales - High season for battery sales occur during the winter months and low season during the summer months.

Local Sales - Low season for battery sales occur during the major festive months.

5) **Individually Significant Items**

There were no individually significant items for the current quarter and financial year-to-date.

6) **Material Changes in Estimates**

There were no material changes in estimates for the current quarter and financial year-to-date.

7) **Debt and Equity Securities**

The Company had on 4 June 2015 issued and allotted 196,097,520 ordinary shares of RM0.10 each ("Rights Shares") together with 490,243,800 free detachable warrants ("Warrants 2015/2025") pursuant to its Rights Issue with Warrants exercise which was completed on 10 June 2015. The Warrants 2015/2025 were admitted to the Official List and were granted Listing and quotation on the Main Market of Bursa Malaysia Securities Berhad. As at the date of this annual report, none of the Warrants 2015/2025 have been exercised.

8) **Dividends Paid**

No dividend was paid during the current quarter ended 31st March 2021.

9) Segmental Reporting

The Group is organized into three main business segments as follows:

	Automotive Batteries RM'000	Non- Automotive Batteries RM'000	Investment Holding RM'000	Personal Care Products RM'000	Eliminations RM'000	Group RM'000
Financial year- to-date ended 31 March 2021						
Revenue						
External revenue	21,987	3,090	155	-	-	25,232
Results						
Segment results	258	110	(908)	(26)	-	(566)
Unallocated income						1,219
Unallocated expenses						(1,634)
Finance cost						-
Tax expense						(1,053)
Loss for the period						(2,034)
Net assets						
Segment assets	24,736	19,202	117,408	125	(121,832)	39,639
Unallocated assets						153,818
Total assets						193,457
Segment liabilities	1,841	3,649	112,840	6	(121,832)	(3,496)
Unallocated liabilities						17,398
Total liabilities						13,902
Other information						
Capital expenditure	43	-	-	-	-	43
Depreciation	50	12	614	-	-	677

10) Valuation of property, plant and equipment

Property

A valuation of the Group's land and buildings by independent qualified valuers using the Comparison Method had been performed for the financial year ended 31 March 2021. The Group have revalued the said properties with a revaluation surplus of RM5.26 million recognised in other comprehensive income during financial year ended 31 March 2021.

11) Changes in the Composition of the Group

During the quarter under review, a wholly owned subsidiary Joe Glove Sdn. Bhd. had been added to the Group.

Other than the above, there were no significant changes in the composition of the Group.

12) Contingent Liabilities / Assets

The Group does not have any contingent liabilities or assets as at the date of this announcement.

13) Significant subsequent event

On 7th April 2021, the name of the Company has been changed from “GPA HOLDINGS BERHAD” to “JOE HOLDING BERHAD”.

There were no significant events subsequent to the end of the current quarter up to the date of this report that have not been reflected in the financial statements for the current quarter under review and financial year-to-date.

14) Capital Commitments

There were no capital commitments as at the date of this announcement.

JOE HOLDING BERHAD (FORMERLY KNOWN AS GPA HOLDINGS BERHAD)

Notes to the Financial Information – Fourth Quarter ended 31 March 2021

(The current year figures have not been audited)

B. Selected Explanatory Notes to the Interim Financial Report (Part A of Appendix 9B of Bursa Malaysia Listing Requirements)

1) Operating Segment Review

Automotive batteries segment

Revenue from the automotive batteries segment decreased from RM7.50 million in previous year corresponding quarter to RM3.59 million in current quarter primarily due to the decrease of local sales volume of automotive batteries.

This segment recorded a Loss before tax (“LBT”) of RM132,000 in the current quarter compared to LBT of RM1.41 million in the previous year corresponding quarter. The result for current quarter are mainly due to impairment made on doubtful debts of RM277k while the previous corresponding quarter results were due to impairment on slow moving inventories of RM890,000 and the impairment loss on fixed asset amounting to RM495,000.

Non-Automotive Batteries segment

This segment recorded revenue of RM766,000 compared to RM643,000 in the previous year corresponding quarter.

This segment will continue to focus and expand on the coverage of sealed lead acid batteries as well as the motorcycle batteries.

This segment recorded a Profit Before Tax (“PBT”) of RM237,000 in current quarter compared to LBT of RM1.01 million in previous year corresponding quarter. The PBT for current quarter are mainly due to reversal of provision for doubtful debts of RM166k whereas in the previous year corresponding quarter results were affected by provision for doubtful debts of RM714,000.

2) Material Changes in Profit/(Loss) Before Tax for Current Quarter as Compared with the Immediate Preceding Quarter

The current quarter recorded a LBT of RM1.33 million compared to PBT of RM518,000 in the immediate preceding quarter. The PBT in the immediate preceding quarter are mainly due to gain on disposal of fixed asset of RM70,000 and sales of plant and machinery of RM400,000. The LBT during the quarter are mainly attributed to the lower sales couple with the provision for doubtful debts of RM277,000 and provision for slow moving inventories of RM190,000. The Group have also incurred cost amounting to RM600,000 for corporate exercise as well as the fair value loss on financial asset amounted to RM413,000 in the current quarter.

3) **Current Year Prospects**

Business prospects of the Group for the 2021 financial year remain challenging.

The Group will continue to monitor the Covid-19 situation and will review the operations with pro-active measures to be taken to address the financial performance going forward.

Diversification into Glove Business

After taking into consideration the current market demand for nitrile gloves following the COVID-19 pandemic, the Company had on 16 November 2020, obtained the approval from the Shareholders in a general meeting for the diversification of the business of the Group to include the Gloves Business.

While diversifying to include the Glove Business, the Group also intends to turnaround its existing core business of trading of automotive batteries, related components and automotive lubricants. Moving forward, the Group will focus on improving its business strategy by streamlining its operations, pursue improvements in their products and services coupled with other initiatives such as brand rebuilding and continuous improvement to enhance its value chain and operating efficiencies. The Group also intends to continue to market and create brand awareness in domestic market as well as international market.

As of to date the Group has engaged contractors for the conversion and modification works of its existing factory buildings into a nitrile gloves manufacturing facility. The modification and renovation of the factory buildings are expected to be completed in the third quarter of 2021.

Moving forward, the Group does not foresee that the COVID-19 will have a material adverse impact on its financial performance as well as the Group's operations.

4) **Variance of Actual Profit from Forecast**

Not applicable.

5) **Tax**

	3 months ended 31/03/2021 RM'000	12 months ended 31/03/2021 RM'000
Current tax expense		
- Current financial year	102	358
- Under provision in prior year	87	87
	189	445
Deferred tax expense/(credit)		
- Current financial year	686	686
- Over provision in prior year	(78)	(78)
	608	608
Total	797	1,053

The effective tax rate on the Group's profit before tax for the financial year-to-date ended 31st March 2021 is higher than the statutory tax rate of 24.0% due to the profit incurred by certain subsidiaries.

6) Status of Corporate Proposals and Status of Utilisation of Proceeds

a) The utilisation of proceeds of RM39.7 million raised from Private Placement on December 2020, as at the end of reporting quarter is as follows:

Utilisation of proceeds	Intended timeframe for utilisation	Actual proceeds raised (RM'000)	Actual utilisation (RM'000)	Balance available (RM'000)
Investment in the Glove Business	Within 24 months	39,073	-	39,073
Estimated expenses	Within 1 month	620	(620)	-
Total		39,693	(620)	39,073

b) The utilisation of proceeds of RM26.6 million raised from Private Placement on January 2021, as at the end of reporting quarter is as follows:

Utilisation of proceeds	Intended timeframe for utilisation	Actual proceeds raised (RM'000)	Actual utilisation (RM'000)	Balance available (RM'000)
Investment in the Glove Business	Within 24 months	26,324	-	26,324
Estimated expenses	Immediate	300	(300)	-
Total		26,624	(300)	26,324

The Company had on 23 April 2021, issued and allotted 2,249,237,340 new ordinary shares ("Rights Shares") at an issue price of RM0.05 per Rights Shares together with up to 1,349,542,404 free detachable Warrants B on a renounceable basis of 5 Rights Shares together with 3 free Warrants B for every 5 existing Shares held by the Entitled Shareholders on 23 April 2021.

The Rights Shares and Warrants B are expected to be listed on the Main Market of Bursa Securities on 28 May 2021.

There were no other corporate proposals that have been announced by the Group as at the date of this announcement.

7) Bank Borrowings

There were no borrowings as at the end of the current financial quarter.

8) Material Litigation

Since the preceding financial quarter ended 31 March 2020, there is no change in material litigation as at the date of this announcement except as disclosed below:

High Court of Malaya, Kuala Lumpur (Suit No. 22NCVC-477-09/2015)

GP Autobat Sdn Bhd ("GPA") was in September 2015 served with a Writ of Summons together with a Statement of Claims issued by the High Court of Malaya, Kuala Lumpur in relation to a claim filed by Battery Solutions Sdn Bhd ("BS") amounting to RM1,213,989.93 ("the BS's Claim") for alleged breach of contract relating to the purchase of battery grid panels from BS.

The High Court had on 28 September 2016 delivered the judgment that GPA was liable to pay the BS's Claim at an interest rate of 5% per annum together with cost for a sum of RM50,000 ("the High Court Judgment").

GPA had on 14 October 2016 filed an appeal with the Court of Appeal against the High Court Judgment. The Court of Appeal had on 9 July 2018 allowed GPA's appeal against the decision of the High Court, and awarded cost of RM80,000 to be paid by BS.

On 1 August 2018, GPA through its solicitors issued a Statutory Notice of Demand pursuant to section 466(1)(a) and/or (b) of the Companies Act 2016 demanding BS to pay the remaining judgment sum of RM649,068.87 and cost of RM80,000-00 as BS had only paid RM680,452.72 up to the date of issuance of the Statutory Notice of Demand.

BS had on 7 August 2018 through its solicitors filed an application for leave to appeal to the Federal Court against the Court of Appeal Judgment. The leave application will be heard on 22nd January 2019.

BS through its solicitors further filed and served an Originating Summons No.WA-24NCC-403-08/2018 dated 10 August 2018 to the Kuala Lumpur High Court applying for an injunction to restraint and stop GPA from proceeding with the winding up petition against BS until the full and final disposal of the case.

GPA through its solicitors, Messrs Singara Velan & Assoc has challenged the Motion dated 7 August 2018 and the Originating Summons dated 10 August 2018 filed by BS. On 31st October 2018, the parties, through mediation process, agreed to enter a consent order that the remaining judgment sum and the cost are to be deposited into a fixed deposit at AmBank Berhad under both parties' solicitors names as joint stakeholders. pending the outcome of the leave to appeal to the Federal Court.

On 9 July 2018, Court of Appeal has allowed GPA's appeal against the decision of the High Court of Malaya. The Court of Appeal awarded cost of RM80,000 to be paid by BS subject to allocator fees.

On 22 January 2019, BS was granted the leave to appeal against the decision of the Court of Appeal. On 22 April 2019, the Federal Court has directed the parties to file their written submissions, bundle of authorities are core bundles by 13 September 2019 and the hearing of the appeal which was originally fixed for 30 September 2019 has now been postponed thrice – from 24 March 2020 to 24 August 2020 and subsequently to 25 November 2020.

The Federal Court had on 18 November 2020 granted the application of BS to postpone the hearing date which was fixed on 25 November 2020.

The Federal Court had on 4 May 2021 allowed the appeal by BS. However, the Federal Court in delivering its decision had disagreed with the quantum of damages ordered by the High Court on 28 September 2016 and had ordered that the matter be remitted back to the High Court for assessment of damages.

GPA will announce any material development arising from the above proceedings at the appropriate time.

9) **Loss per Share**

		<i>3 months ended</i>		<i>12 months ended</i>	
		<i>31/03/2021</i>	<i>31/03/2020</i>	<i>31/03/2021</i>	<i>31/03/2020</i>
Basic loss per share					
Net loss attributable to ordinary equity holders of the parent company	(RM'000)	(2,204)	(2,270)	(2,065)	(1,029)
Total number of ordinary shares in issue	('000)	1,529,560	980,490	1,529,560	980,490
Basic loss per share	(sen)	(0.14)	(0.23)	(0.14)	(0.10)

The basic loss per share of the Group is calculated by dividing the loss attributable to ordinary equity holders of the Company against the total number of ordinary shares in issue during the period.

10) **Profit/(loss) Before Taxation**

Profit/ (loss) before taxation is arrived at after charging / (crediting):-

	Current Quarter (RM'000)	YTD (RM'000)
Interest income	(340)	(1,452)
Other income including investment income	246	(618)
Depreciation and amortization	166	677
Provision for and write off of receivables	105	146
Provision for slow moving inventories	(297)	(297)
Loss/ (Gain) on disposal of fixed assets	(434)	(585)
Foreign exchange (gain)/ loss	(192)	195